

Defeating the Status Quo... Why Leaders Matter



GO ARMY!



BEAT NAVY!!!







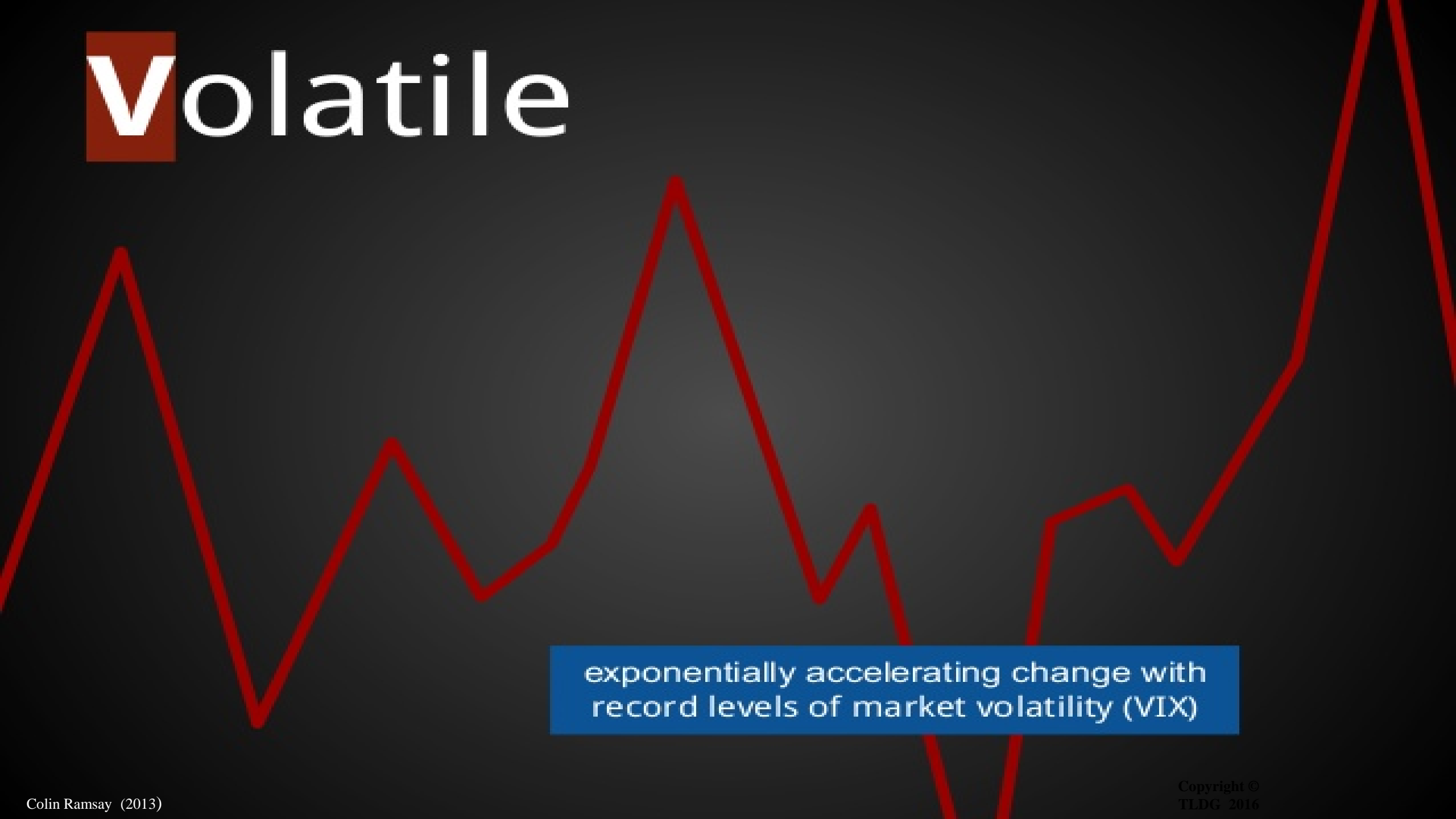
Key message...Remember This

- 1. We live in a VUCA world**
- 2. Culture drives performance / results**
- 3. Leaders mattera lot**

**As a leader, how can
you navigate the VUCA
world?**



Volatile



exponentially accelerating change with
record levels of market volatility (VIX)



C

omplex

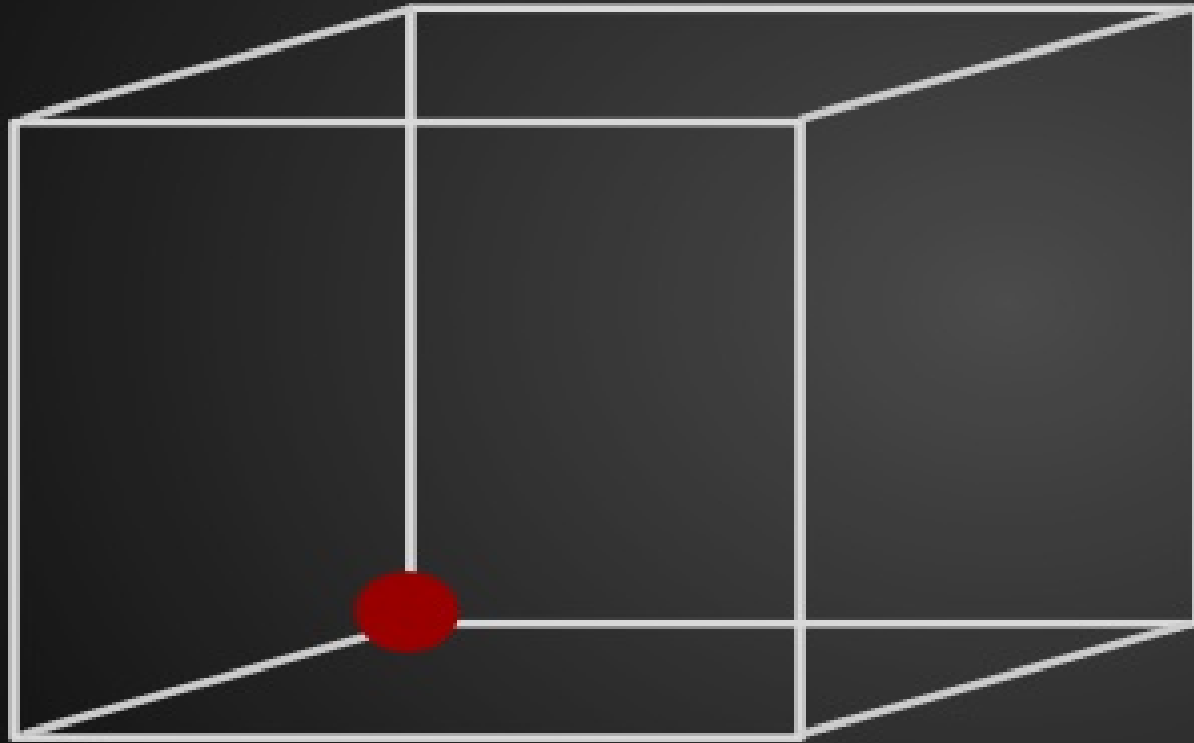


The multiplex of forces, the chaos and confusion that surround an organization or environment

The Rule

SIMPLE = EXECUTION = RESULTS

Ambiguous



differences in interpretation
when contextual clues are
insufficient to clarify meaning

**As a leader, how can
you navigate the VUCA
world?**



Vision

COMMUNICATE - relentlessly communicate a sense of purpose and *lead* people towards it

BELIEF - in yourself and others, supported by facts and evidence

FOCUS - ensure your team's efforts are aligned and focused on the right areas

Colin Ramsay (2013)

“Commander’s Intent drives WHAT needs to be done”

WHY

Understanding

CURIOSITY - ask questions (coach) that challenge the status quo in your organization every day

EMPATHY - get where people are coming from - their hopes, fears and desires

OPEN MIND - explore new ideas, reflect and seek constructive criticism

“Learn to Ask WHY questions to understand the Root Cause”

Clarity

SIMPLIFY - chop the fat, cut through the complexity and distill the core down to its essence

INTUITION - use the gift of knowing without reasoning, trust your gut and your experience

SYSTEMS THINKING - approach problems from a holistic perspective (a system of dynamic, interacting, *interdependent* parts)

Colin Ramsay (2013)

“Effective Planning is Holistic and Connects the Parts”

copyright ©
TLBG 2017

Agility

DECISIVENESS - adapt quickly to changing circumstances and make decisions with confidence

INNOVATE OR DIE - learn from your mistakes and continuously seek new ways to get better at what you do

EMPOWER - value networks over hierarchy, collaboration over control and set people free to do great work

“Discipline Creates Space....Empowering Enables Agility”

Some events change our lenses through which we judge the successes of yesterday, gauge the relative importance of decision facing us today, and ultimately decide the course we set for tomorrow”

Sean O’Keefe, author “Organization at the limit”



January 16, 2003

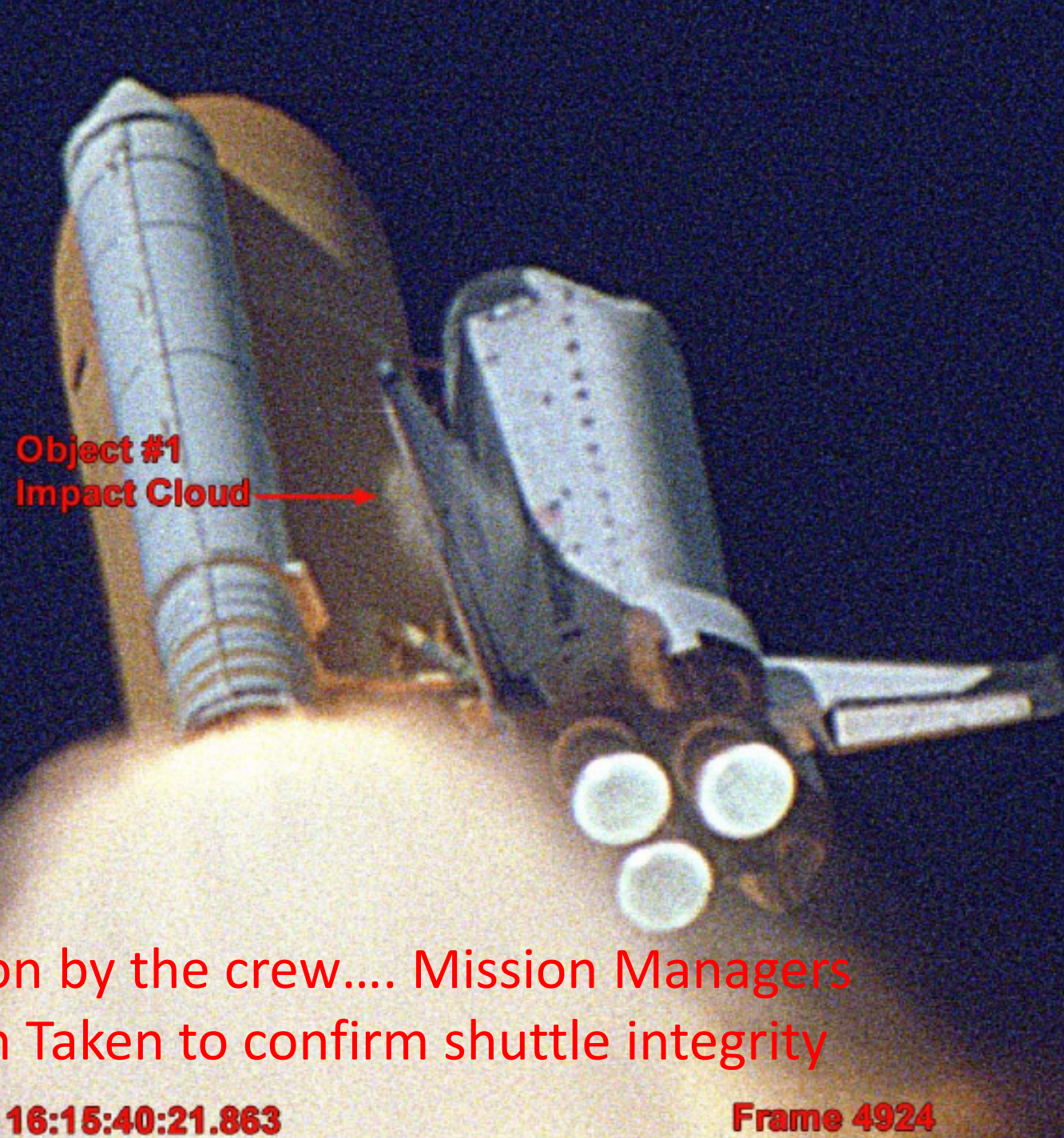
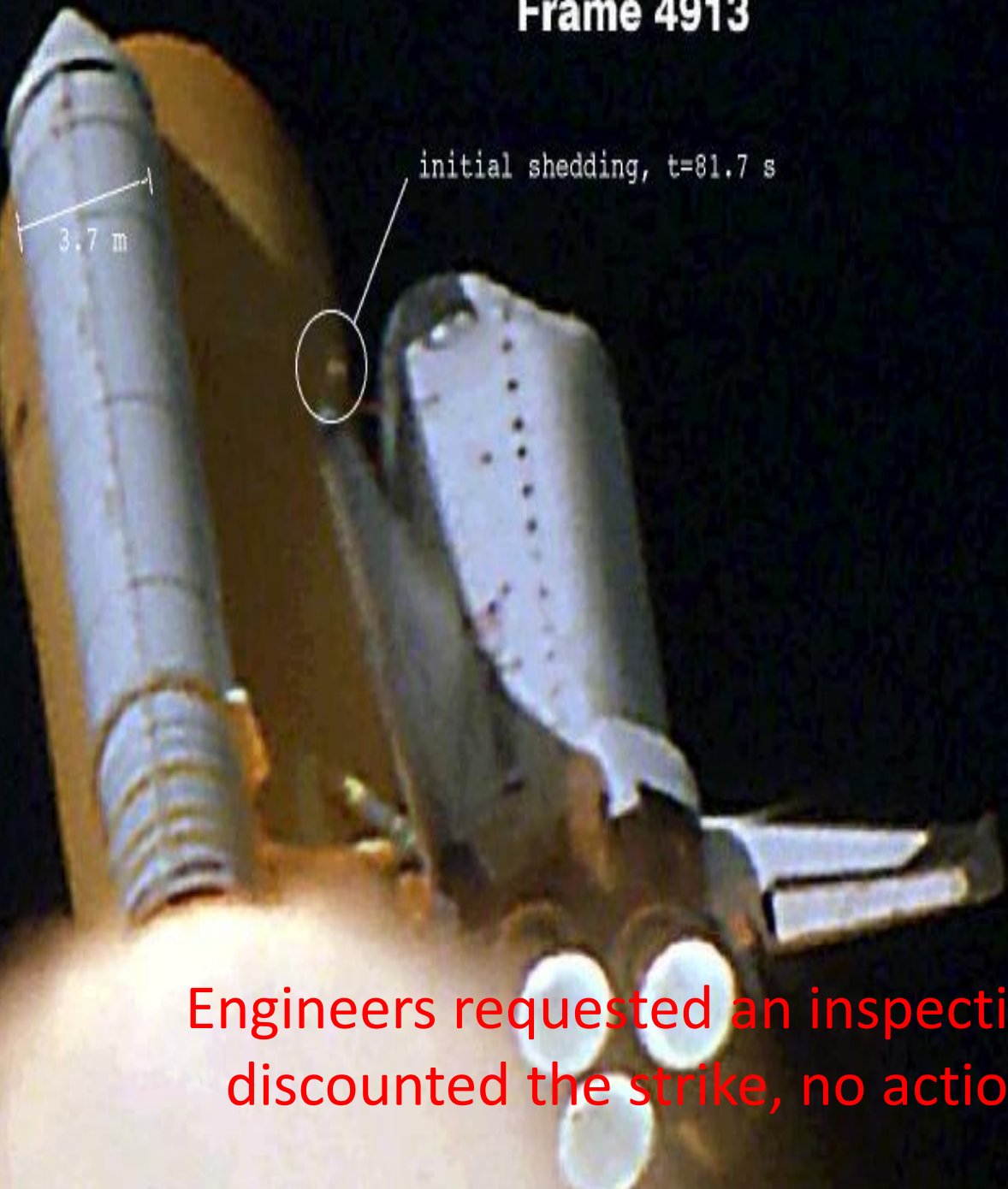
**STS – 107
(Space Transportation System)**

NASA/s 113th Flight

February 1, 2003



Frame 4913



Engineers requested an inspection by the crew.... Mission Managers discounted the strike, no action Taken to confirm shuttle integrity

16:15:40:21.863

Frame 4924

The Cause of the Problem...1.7 pound piece of foam



What happened and why did NASA continue to launch shuttles despite many years of evidence

The physical cause of the accident ..
“breach in the thermal protections system on the leading edge of the left wing caused by a piece of insulating foam”

But.....what for it

The Real Issue.....Leadership and Culture

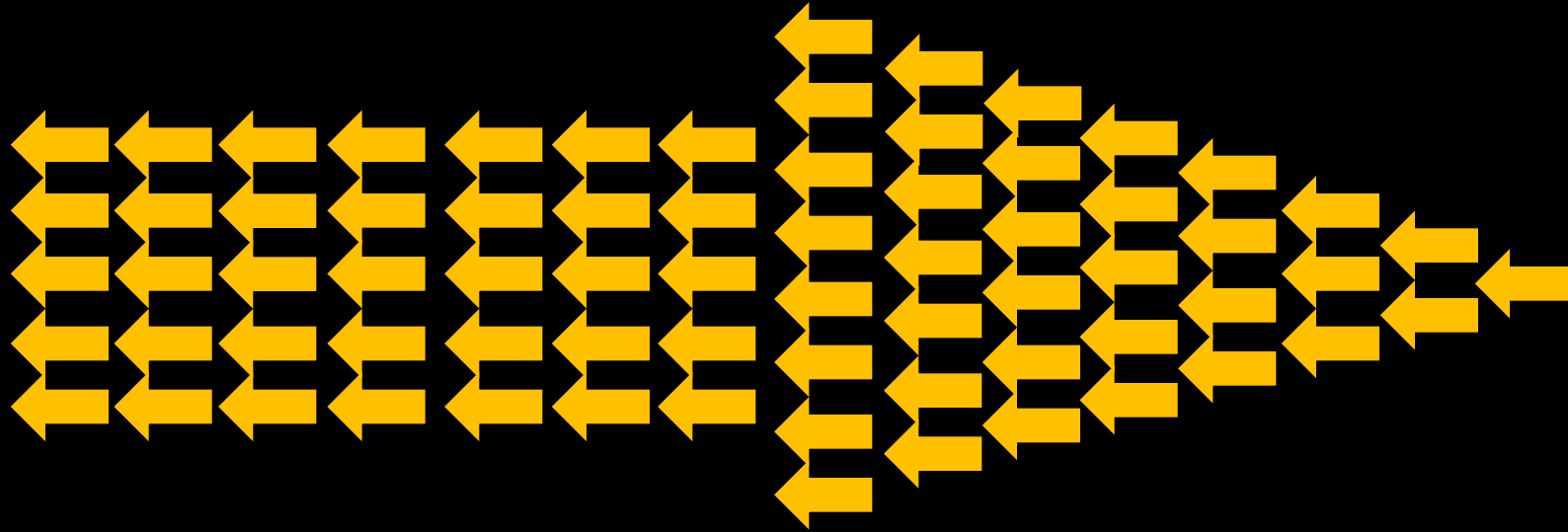
“The accident was a product of long-term organizational problems”

Wow....

The CAIB concluded.....

“ the accident was probably not an Anomalous, random event, but rather likely rooted in NASA’s history and the Human Space Flight Programs’ culture.”

What is culture? Why Should you Care?



“Instead of waiting for a leader you can believe in, try this: Become a leader you can believe in.”

[Stan Slap](#)

Just So You Know....

- **87%** of employees worldwide are not engaged...US **70%**
- Companies with highly engaged workforces outperform their peers by **147%**
- Most companies are maximizing only **5%** of their workforces

And yet ...We are not taking action

- **71%** of leaders believe engagement is the key driving sustainable results
- **72%** rank recognition as having a significant impact on employee engagement
- **24%** of leaders say their employees are highly engaged

The culture engine It drives everything

“You know what kinds of organizations are explicit about building a strong culture?”

“The successful ones.”

[Patrick Lencioni](#)



What Is Culture?

- Culture is about what is deeply valued in an organization
- Culture is the collection of words, actions, thoughts and “stuff” that clarifies and reinforces what an organization truly values
- The whole point of culture is drive the success of the enterprise

Stuff: Non-human parts of culture

What Makes Up Culture?



Sounds Great...But...



- Integrity
- Communication
- Respect
- Excellence



These 4 values were chiseled in marble in the main lobby. Nice words, but they did not drive the right behaviors

Culture begins with beliefs

and finds expression
in behaviors.







BE A DOER



Disruptive Leadership....Defeating the Status Quo

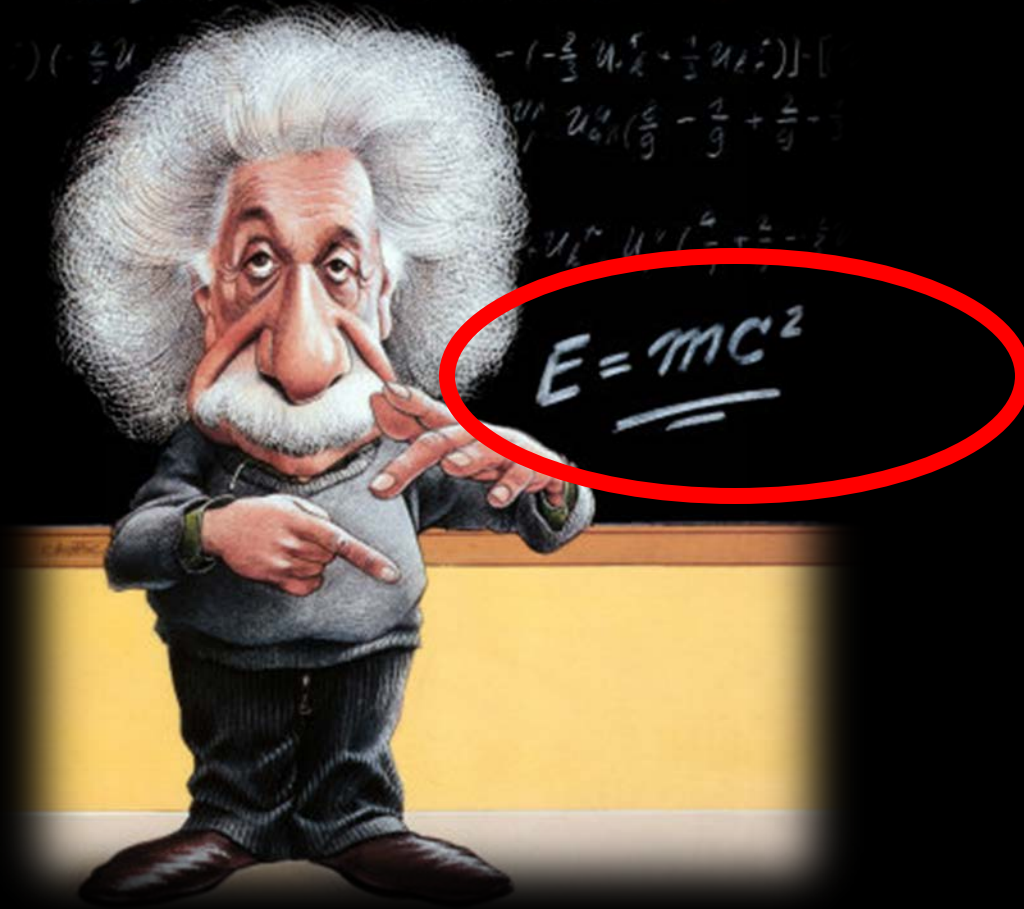
*The **TWO** enemies of change:*

History** and **Success

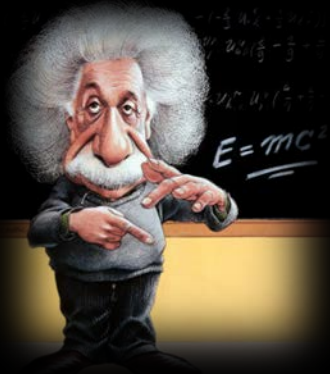
These Three Things

- 1. Be absolutely clear on where you want to go and why**
- 2. Model the behaviors....your life is your message**
- 3. Defeat the status quo by stretching the organization**

Formula for Success



Formula for Success



Everything we do

Magnified when we

Communicate

Collaborate



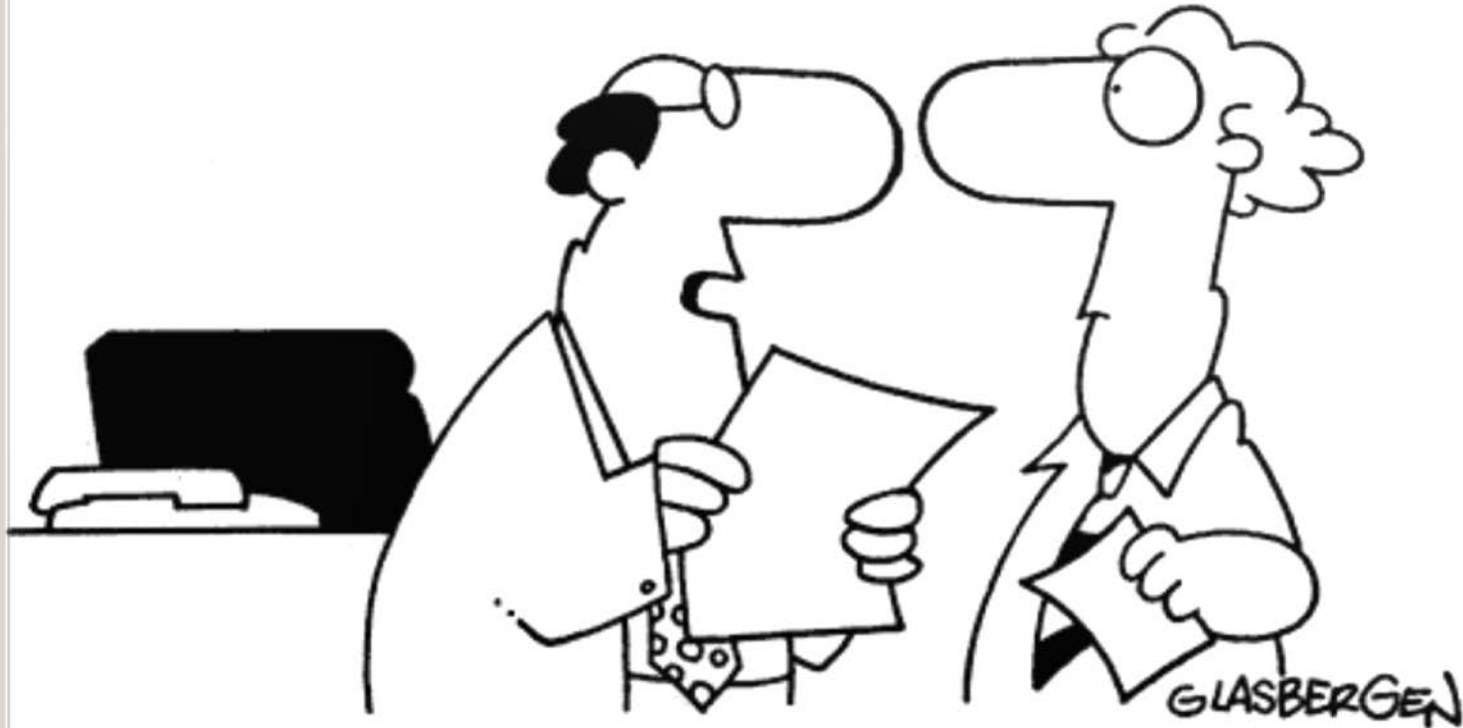
Thank You

What you thought was most important



The Shadow of Organizations

© 1996 Randy Glasbergen. www.glasbergen.com E-mail: randy@glasbergen.com




“I want the public to think of us as ‘The Company With A Heart’. But I want you to think of us as the company that will chew you up, spit you out and smear you into the carpet if you screw up.”

How do These Leaders Adapt to Constantly Changing Environments?



**What leaders do and don't do matters
.....a lot!**

A hand holding a golden key over a document labeled 'BUSINESS'. The key is positioned diagonally across the document, which has the word 'BUSINESS' written on it in large, bold, capital letters. The background is a warm, golden-brown color with a soft glow.

**“The culture of any
organization is shaped
By the worst behavior
the leader is willing
to tolerate.”**

Gruenter and Whitaker

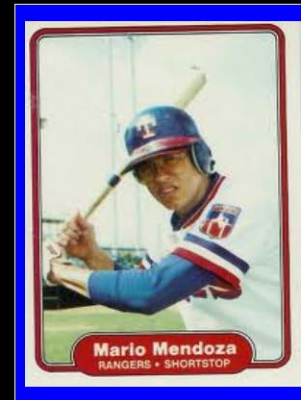
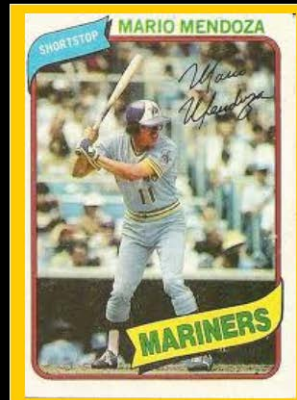
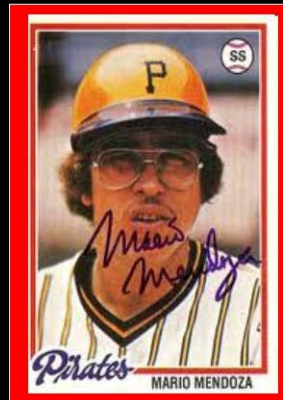
Where Are You Playing?

Above

Playing

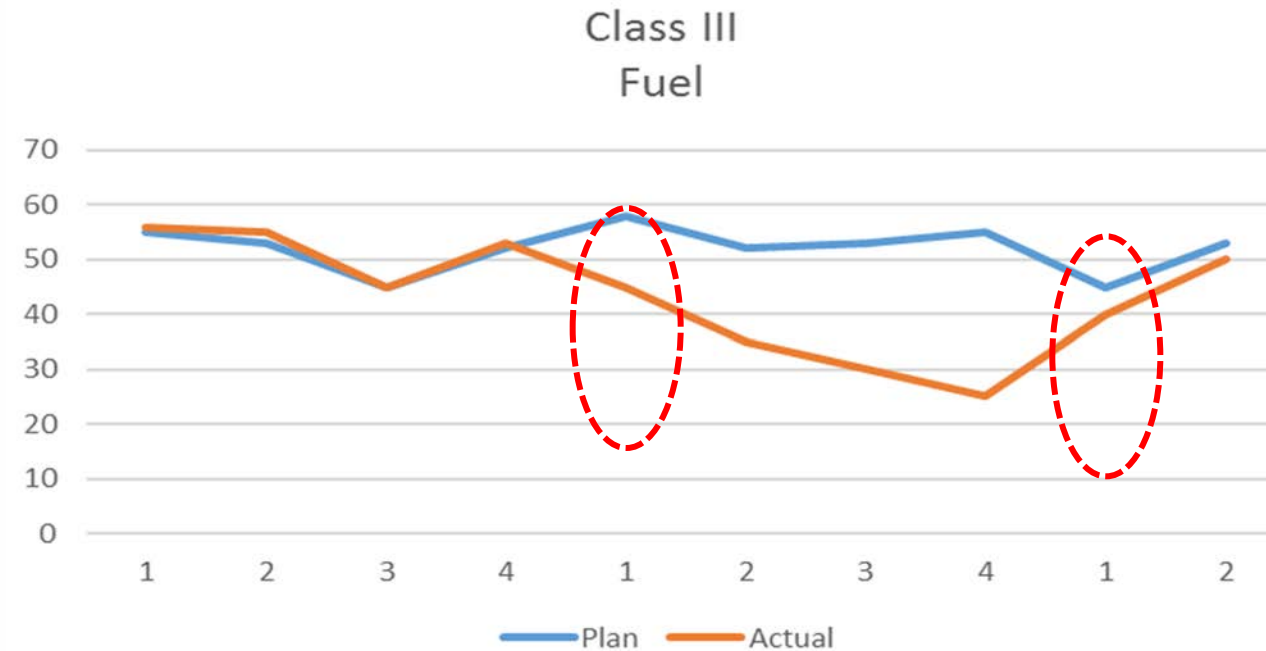
the Line

The Mendoza Line





A Continuous Learning Culture is Important Because Stuff Happens



**“No Operational Plan survives First Contact with the Enemy”
No Business Plan Survives First Contact with the Market**



- What happened and why did NASA continue to launch spacecraft despite many years known foam debris problems?
- How could NASA forget the lessons of Challenger in 1986?
- What should NASA do to minimize the likelihood of such accidents in the future?
- What was the culture like at NASA that led to this disaster?
- What was the decision-making framework NASA used that led to a launch decision?

Columbia**Lift off date****Buzz factor****Total crew members****Men****Women****African American Physicist****Omen****Weather****Challenger**

January 16, 2003

First Israeli in space

7

5

2

1

Damage to left wing after launch

Very cold weather days before
launch

January 28, 1986

First school teacher in space

7

5

2

1

Freezing cold weather prior to
launchExtremely cold weather at launch
time

Implications and Lessons Learned

Managers and leaders must pay attention to relational issues in organizations

Seize and freeze...under time pressure, research demonstrates that people tend to resolve situations more quickly and collect less information than they would were time pressure not present.

As a result, individuals or teams operating under time stress often seize and freeze on certain definitions of a situation without adequately probing to see if that definition is the most appropriate

Conflict between engineers and managers...conflict between safety and effectiveness

Schedule vs safety

Costs vs EVA

Manager overrule engineers

Create foresight.. To achieve a very high reliability and resilience, one first must look back with clarity unobscured by hindsight

Lessons Learend

1. Drift toward failure as defenses erode in the face of production pressure
2. An organization that takes past success as a reason for confidence instead of investing in anticipating the changing potential
3. Fragmented distrustful problem-solving that clouds the big picture
4. Failure to review assessments as new evidence accumulates
5. Breadth of the boundaries of organizational units that impeded communication, collaboration and coordination
6. Ineffective learning can precede failures and perpetuate them...learning organization...slow learning prevents organization
7. Large size forces organizations to decentralize, and decentralization can become disorderly fragmentation
8. Complex technologies compel organization to develop complex structures and management processes
9. Weak prioritization of goals induces organization to waste resources on tertiary activities while performing primary activities
10. Managerial facades hide true performance

Exmample 2.. Friendly fire in northern Iraw

p. 188 organizational inties



Columbia Space Shuttle Disaster
 learning target: I can explain how the shuttle disaster happened and why caused it.

3 Rules of Warfare

1) Focus on the Enemy

2) Fight the Enemy, Not the Plan

3) When in Doubt, See Rule #1

“Mission First...People Always”

3 Rules of Business

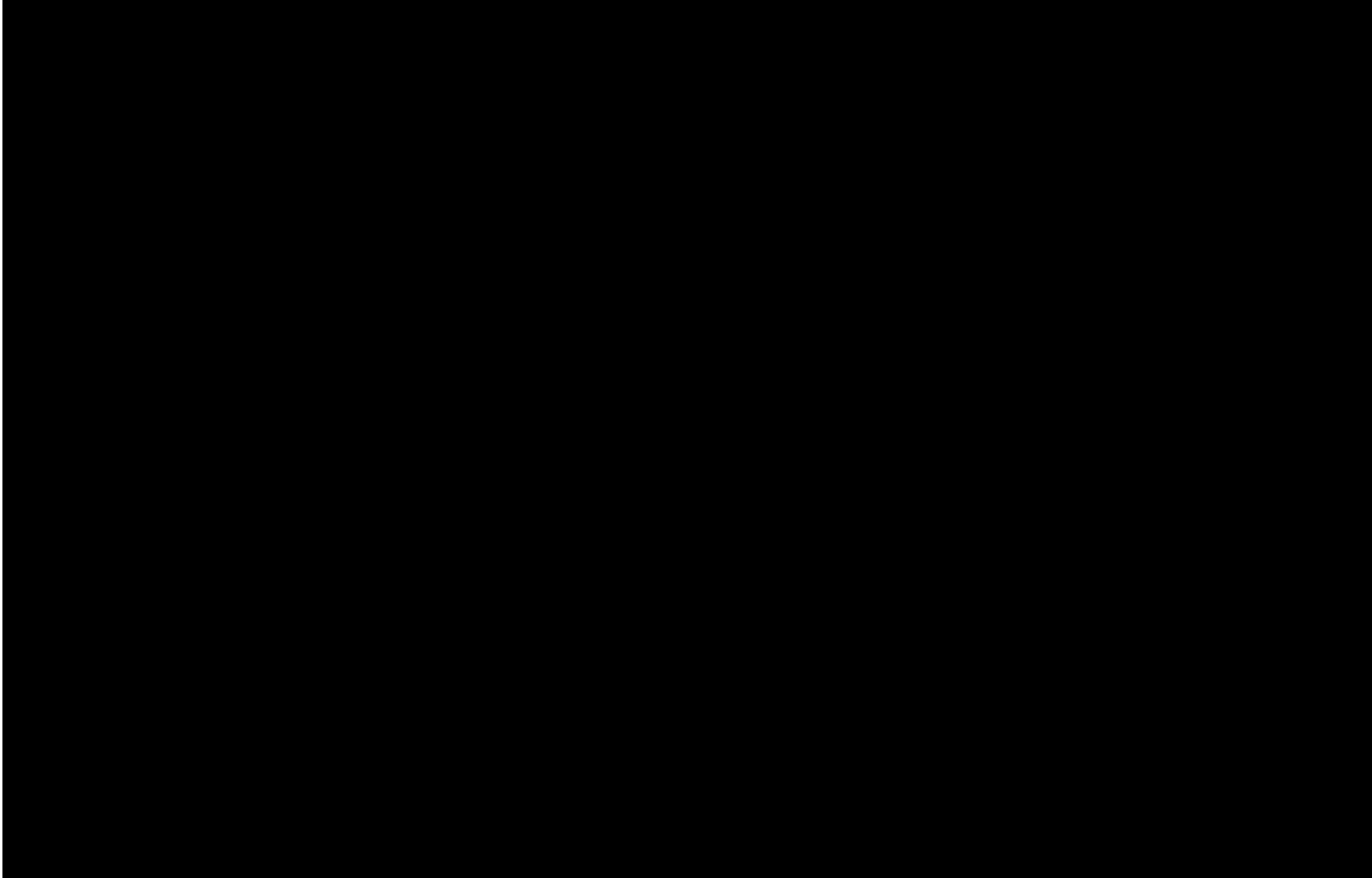
1) Revenue before costs

2) Better before cheaper

3) When in Doubt, See Rule #1

“Customers Determine Our Success”

Exercise: Slinky / Building Blocks



We live in a **VUCA** world

and how Leaders can navigate it

Vision

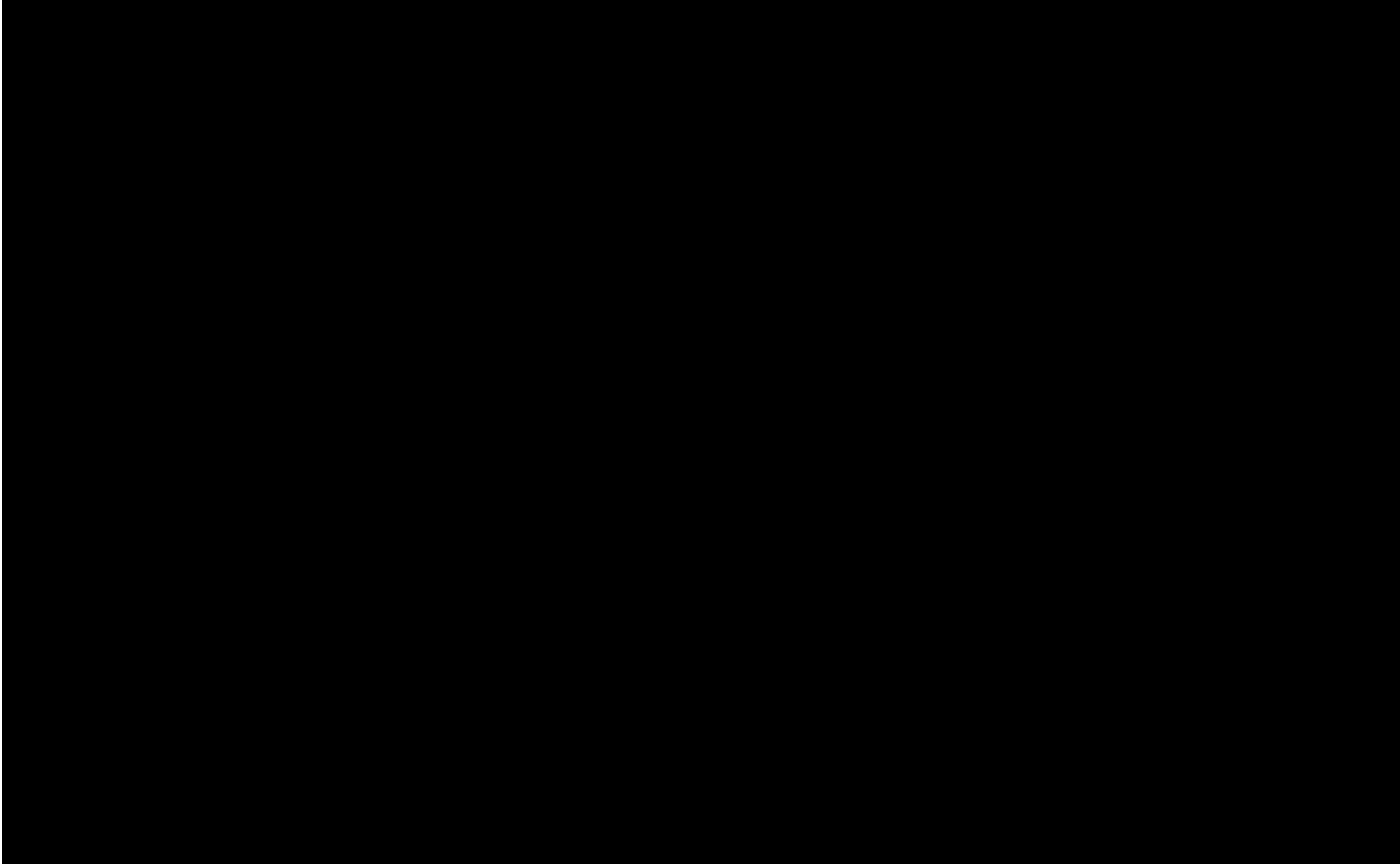
Understanding

Clarity

Agility

Do You Have Your Dog Tags On?







The biggest threat to innovation is internal politics and an **organizational culture**, which doesn't accept failure and/or doesn't accept ideas from outside, and/or cannot change.

Source: July 2018 Gartner Financial Services Innovation Survey, n = 167

#GartnerSYM



Gartner.

FORTUNE

► **MAURA SULLIVAN**
▪ NORTHWESTERN UNIVERSITY
▪ MARINE CAPTAIN, LOGISTICS OFFICER IN FALLUJAH
▪ LEADERSHIP DEVELOPMENT PROGRAM AT PEPSICO



MEET THE NEW FACE OF BUSINESS LEADERSHIP

BY BRIAN O'KEEFE

WHY COMPANIES LIKE WAL-MART, PEPSICO, AND GE ARE RECRUITING THE MILITARY'S ELITE

PG.108

PLUS: GEN. DAVID PETRAEUS ON BEING THE BOSS

DISPLAY UNTIL MARCH 29, 2010 FORTUNE.COM



FORTUNE

MEET THE NEW FACE OF BUSINESS LEADERSHIP

BY BRIAN O'KEEFE

WHY COMPANIES LIKE WAL-MART, PEPSICO, AND GE ARE RECRUITING THE MILITARY'S ELITE PG.108

PLUS: GEN. DAVID PETRAEUS ON BEING THE BOSS

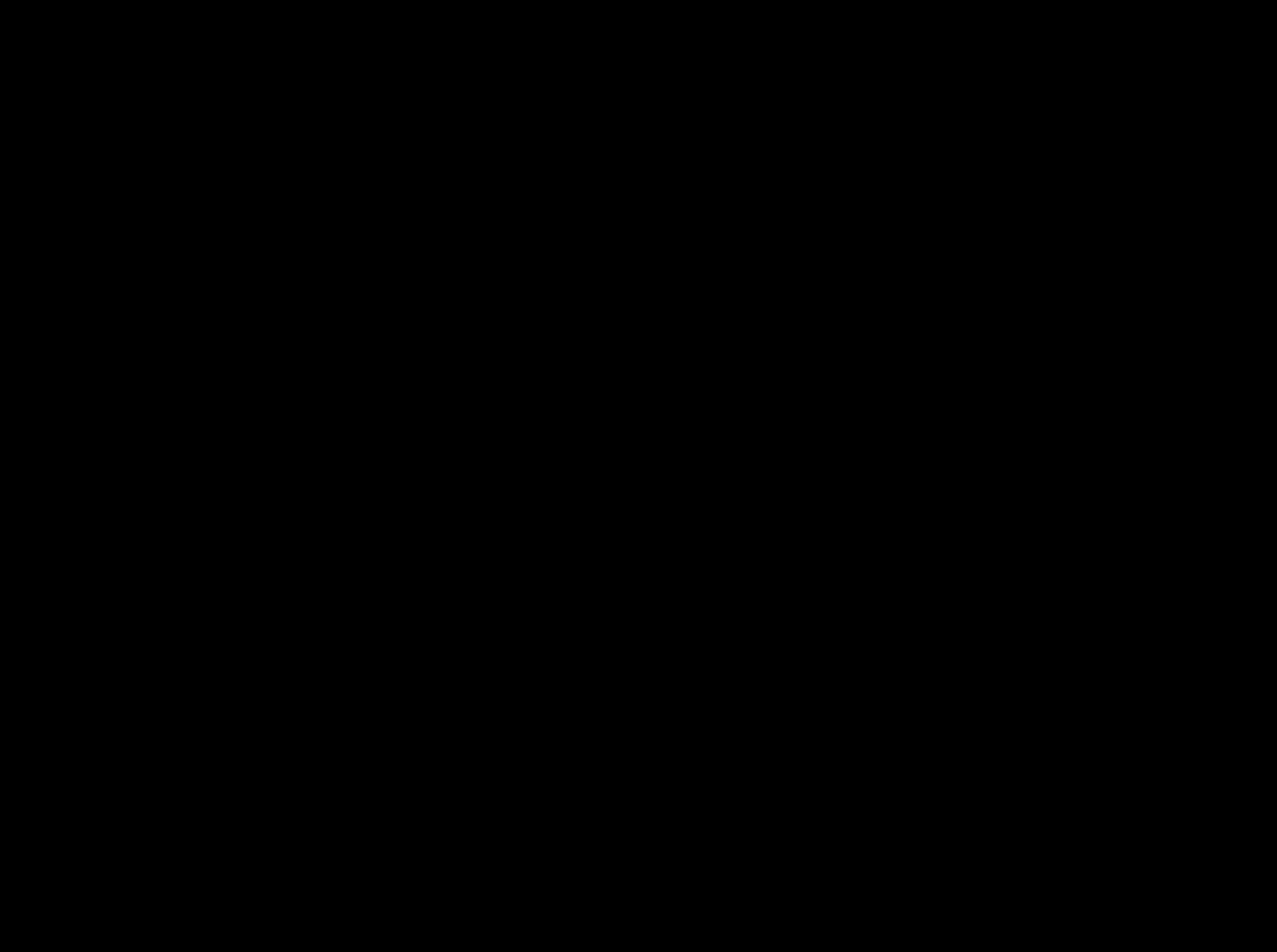


► TRACEY LLOYD

▪ WEST POINT
▪ ARMY CAPTAIN, COMMUNICATIONS OFFICER IN BAGHDAD
▪ WAL-MART STORE MANAGER

DISPLAY UNTIL MARCH 29, 2010 FORTUNE.COM





Hic Sunt Leones





What You Should Know About Culture...The Hard Facts

- **Culture eats strategy for breakfast!**
- **People leave the culture, not the organization.**
- **Your culture is your most valuable competitive asset.**
- **You can't copy a culture, you have to create it.**
- **Any culture that is evolving on its own is falling behind...
Causing a drag on performance, rather than enhancing it**

Depends On Your Point of View

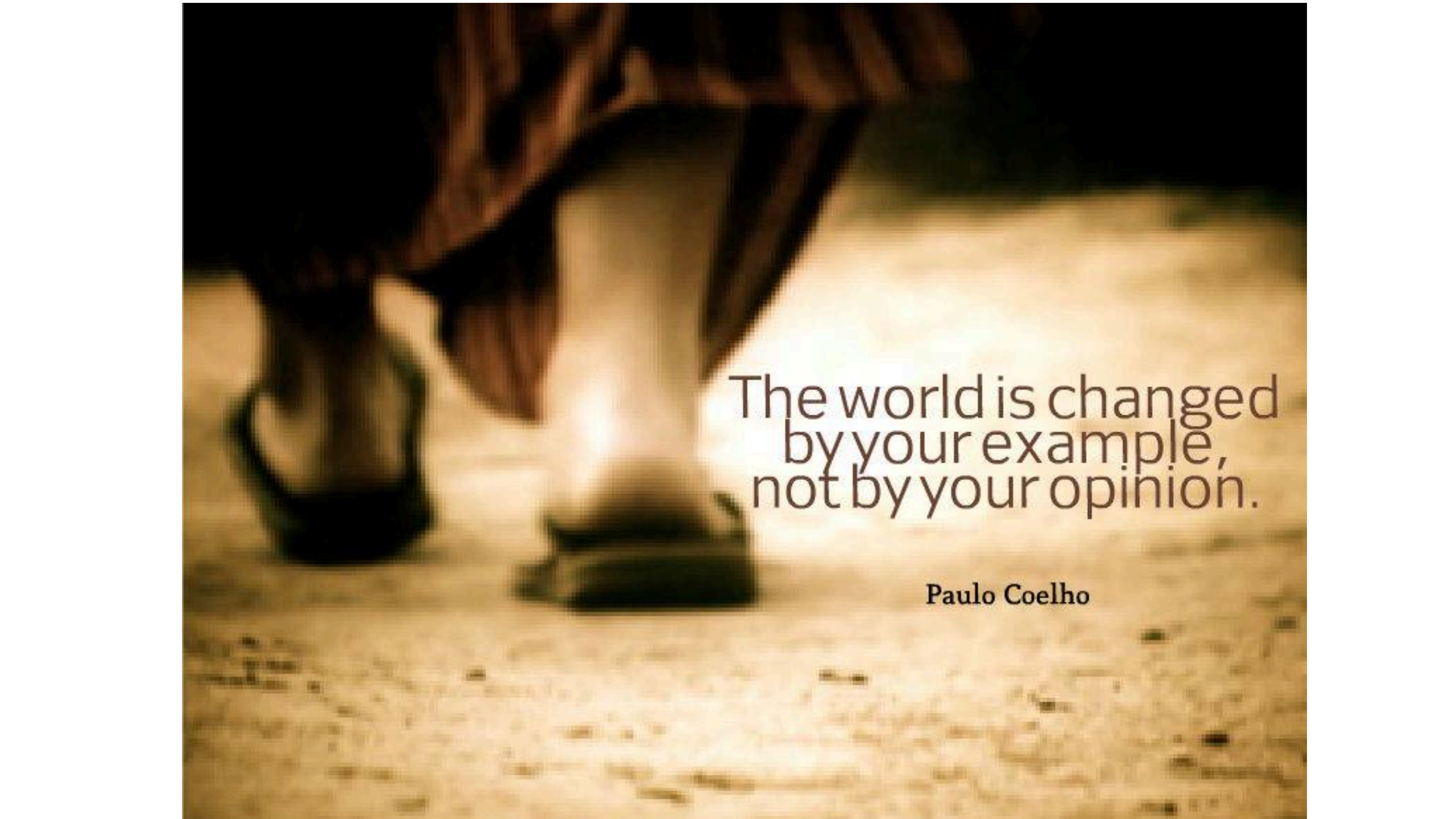


‘You don’t get to choose your culture. You choose how you allow your culture to grow.’ Jamie Notter

TEAMWORK
MAKES THE
DREAM WORK

Culture is a living breathing thing.
It is created and re-created by
everyone
in the organization through their words,
thoughts and actions.



A close-up, low-angle shot of a person's legs walking on a sandy beach. The person is wearing a dark, vertically striped skirt and black high-heeled shoes. The background is a bright, sandy beach with some small dark spots. The overall tone is warm and slightly blurred.

The world is changed
by your example,
not by your opinion.

Paulo Coelho

What Followers Expect From Their Leaders

TRUST

COMPASSION

STABILITY / CONSISTENCY

HOPE

What Types of Behaviors Enable Trust, Compassion, Stability and Hope

- **Straight Talk**
- **Transparency**
- **Results**
- **Confronting Reality**
- **Authenticity**
- **Extending Trust**

Emerging Model Suggests 3 Key Elements Needed

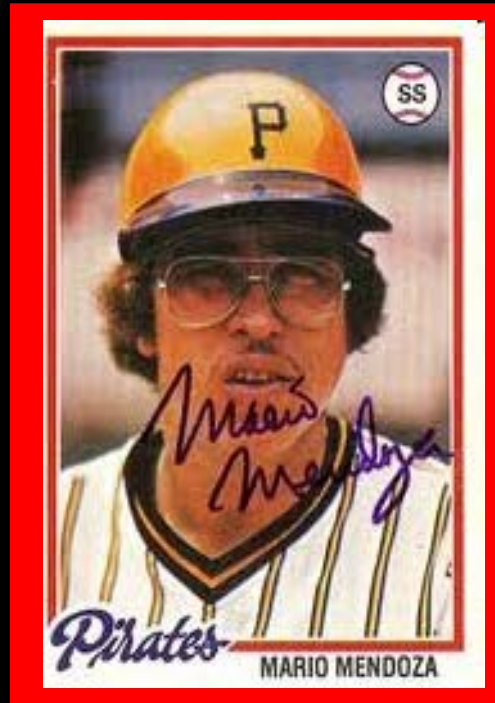
- 1. Effective Leadership...Commit to the journey**
- 2. A Working Model or Framework**
- 3. Performance**

One Framework To Consider

Effective Leadership=

CHARACTER + RESULTS

The Mendoza Line



The Minimum Standard

Low

Results

High

High

A
C
T
I
V
I
T
Y

Low

Effective

Low

C
O
N
T
R
O
L

High

The Mendoza Line



Efficient

Low

Capabilities

High



Leading In Constantly Changing Environments

Major General (Retired)
Keith Thurgood, Ph.D.



June 17, 2016

TLDG
AT WEST POINT ★

BUILDING LEADERS OF CHARACTER

**“May you live in
interesting times.”**

寧為太平犬，不做亂世人

- **Commissioned 1981**
- **28+ year career Army officer**
- **Corporate CEO**
- **Deployed in Operation Iraqi Freedom**
- **Led the 95th Training Division (Afghanistan)**
- **Airborne Qualified**
- **Author – The X Factor: Sustaining Personal and Organizational Xcellence**
- **Husband and father of five kids 12 grandchildren**



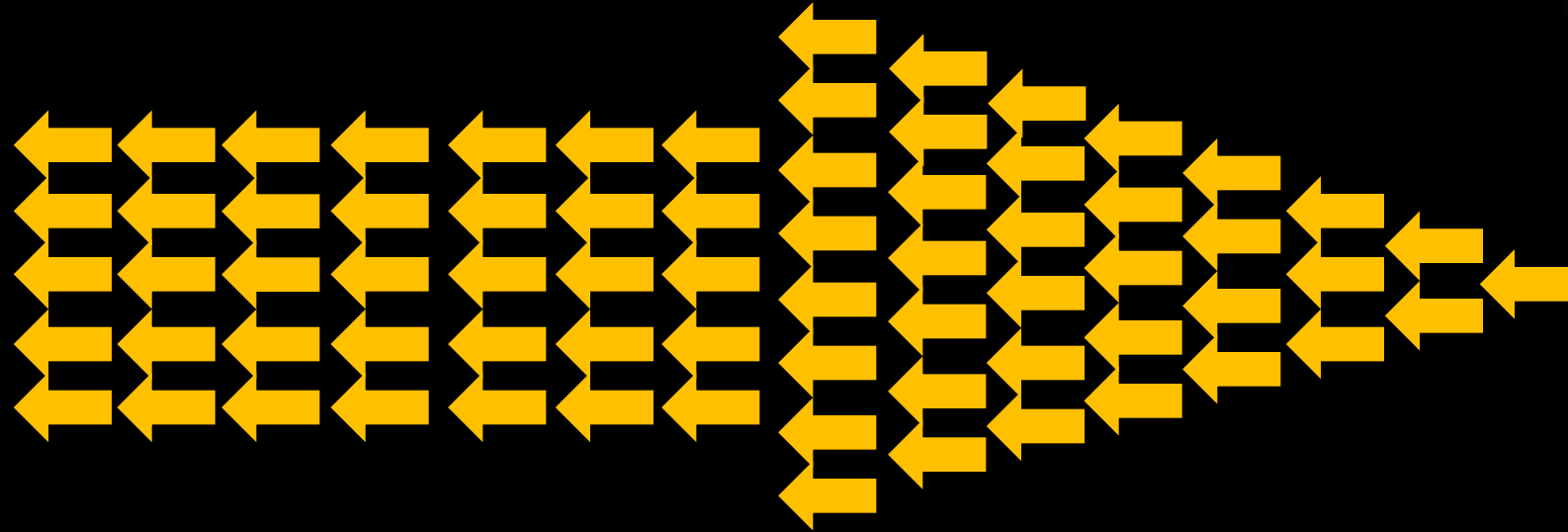
Objectives



1. Introduce the concept of VUCA* and why it matters
2. Develop some ideas and tools that you can use while leading in a complex and changing environment
3. Discuss some common themes that enable leaders to thrive in changing environments

*Volatile, Uncertain, Complex, Ambiguous

What does this picture tell us about our operational environment?



“Instead of waiting for a leader you can believe in, try this: Become a leader you can believe in.”

[Stan Slap](#)

Just So You Know....

- 147%** companies with highly engaged workforces outperform their peers
- 24%** leaders say their employees are highly engaged
- 87%** employees worldwide are not engaged
- 71%** leaders believe engagement is the key factor in driving sustainable results
- 72%** leaders identify recognition as having a significant impact on employee engagement

Group Discussion

Discuss and agree on the top 3 concerns in your organization?

Questions:

- 1. What are the team's strengths, weaknesses, threats and opportunities?**
- 2. What are the analytical questions that distinguish what you think from what you know?**
- 3. Is your strategy right or wrong? how do you know?**

As a leader, how can you navigate the VUCA world?



Leadership Lessons from US Military

Volatility

- Translate data into information
- Communicate early
- Ensure your intent is understood

Uncertainty

- Get a fresh perspective
- Be flexible
- Glance back, look ahead

Complexity

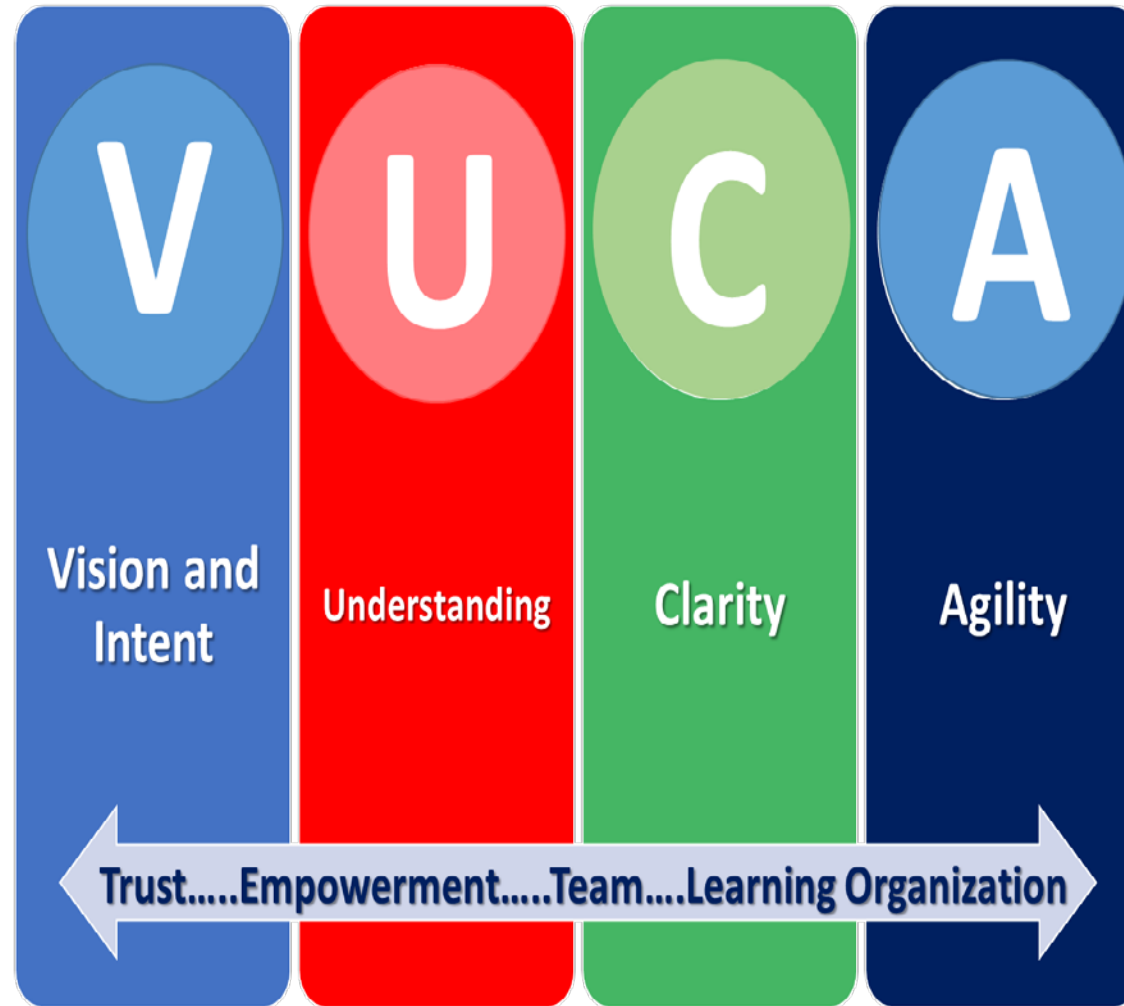
- Develop collaborative leaders
- Stop seeking permanent solutions
- Train tomorrow's heroes now

Ambiguity

- Listen well
- Think Divergently
- Setup incremental dividends

<http://hbr.org/special-collections/spotlights/2013/november>

A Framework for Action



Commander's Intent

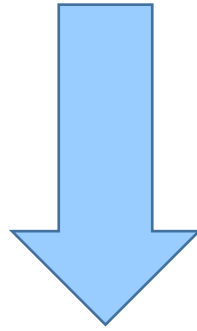
- A clear concise statement of **purpose**.
- **Aligns** team toward a common end state.
- Encourages **initiative** by stating what, not how.
- Purpose + End State + Key Tasks = **Execution**

Commander's Intent is most effective when:

- it clearly defines the top priority
- the communication of intent is simple and repeated often

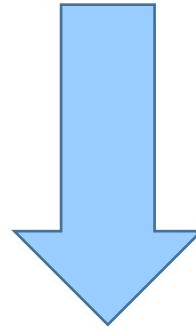
Strategy is About Delivering a Vision or Future...3 key elements that support intent

ENDS



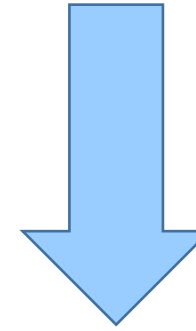
***End State
or
Vision***

WAYS



***Strategies
&
Tactics***

MEANS



***Resources
for
Execution***

Commander's Intent “Cadence and Message”



RULES OF THE ROAD

Don't Bunt!
Be bold, and swing hard.
Live a legacy. Belong to the fellowship of the doers.

No 2nd Place Trophies!
Strive for excellence.
You are either a pioneer or a settler.

Look for Yellow Cars.
Pay attention! Look for things you don't ordinarily look for and learn.

Solve for Yes!
Be part of the solution, not part of the problem.

Winning the Future
think big
act small

What is your Cadence and Message?

The “Back Brief” Is A Way To Check Alignment

- Provide clear intent – Task and Purpose...

WHAT and WHY

- Give subordinates time to do their own planning, consult with their team, develop their own “How”
- Come back together to **CHECK ALIGNMENT**

- *What are the benefits of this approach?*
- *How do you see this enhancing trust, especially in constantly changing environments?*



Commander's Intent

“Never tell people how to do things, tell them what you want to do and they will surprise you with their ingenuity”

- General George S. Patton



Small Group Discussion

Think about Constantly Changing Environments like yours, and discuss the following within your group:

- How could you use Commander's Intent within your organization?
- Do your people know your "Cadence and Message?"
- How do you see these concepts aligning with your trading partners like GE?
 - Empower & Inspire Each Other?
 - Deliver Results in an Uncertain World?
- Be prepared to share with the larger group.

Problem

Government spending too much money on keeping the steps of the Jefferson Memorial clean



Why #1

Too many bird droppings...
too many birds



Why #2

Birds are attracted to large moth population



Why #3

Moths are
attracted to lights



Why #4

Lights are on for
longer period
of times



Why #5



Repairs being
made to
monument

What to Do?

Hire 3 shift supervisors working 8 hour shifts
and 12 sanitation workers.....4 per shift.....
to keep the monument clean

Total cost: \$1.6MM



Alternative?

Real Solution: Turn the lights off earlier

Total Cost: Save \$200K



Lessons:

1. Ask, “**why, why, why**”get to the root cause of the problem in VUCA world
2. Understand the **2nd/3rd order affects** of decisions

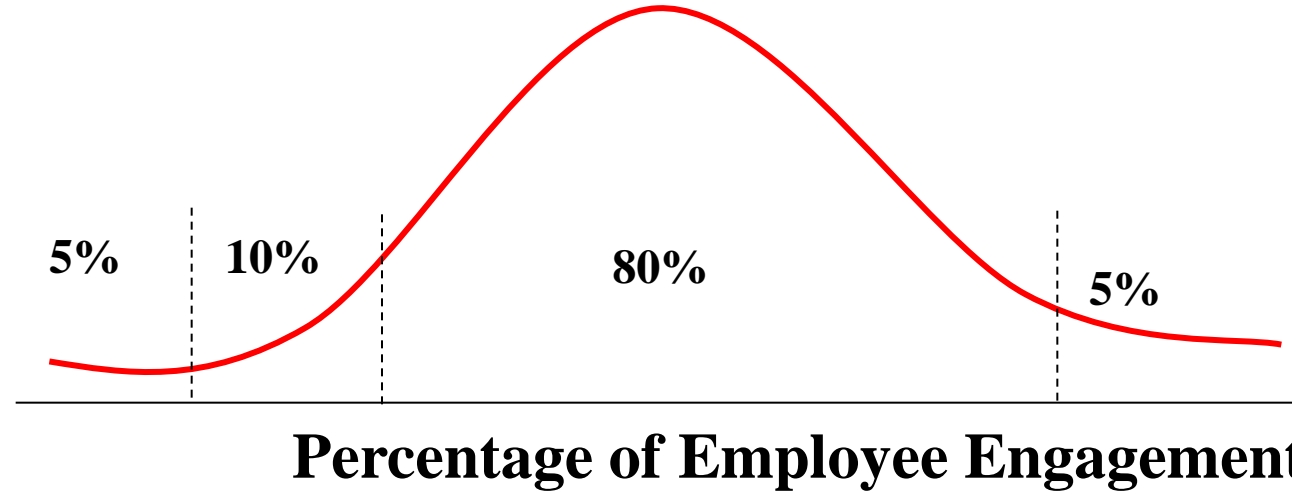
After Action Review (AAR)

- Definition: A professional discussion of an event, focused on performance standards, which enables individuals to discover for themselves:
 - **WHAT** happened
 - **WHY** it happened
 - **HOW** to sustain strengths and improve weaknesses
- A tool leaders and organizations use to get the maximum benefit from every mission or task; it **ensures success is repeatable** and not accidental.

Hic Sunt Leones



The Reality of Change in Organizations



Explorers



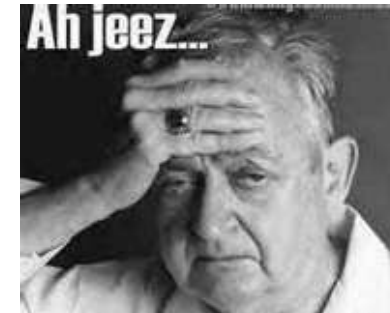
Pioneers



Homesteaders



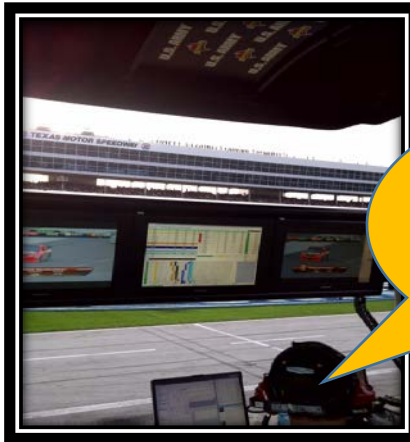
Resistors & Saboteurs



Leadership and Change

70%

Clear Planning Coupled with Role Clarity

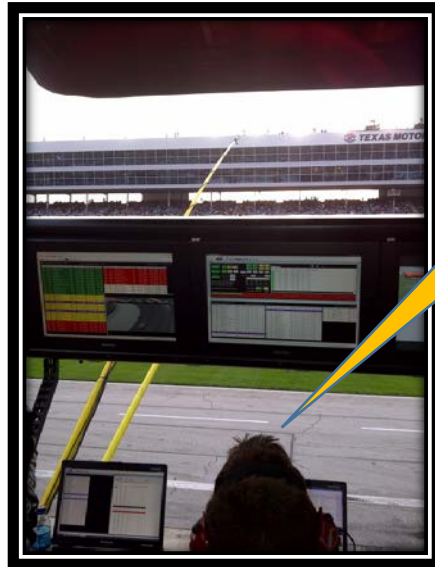


How Is The Competition Doing?

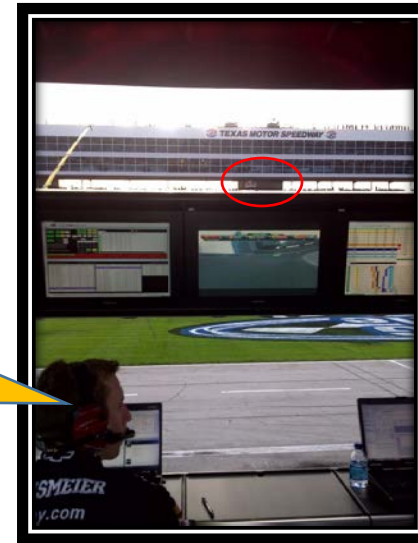
What Adjustments Will I Need to Make?



What Do The Indicators Tell Me?



How Am I Doing?



Video



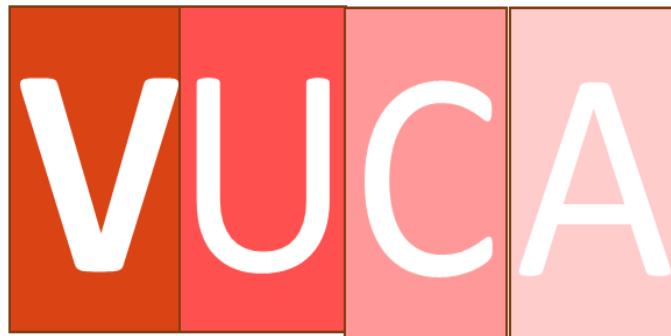
Small Group Discussion

Think about Constantly Changing Environments like yours, and discuss the following within your group:

- How can you create clarity for your team and organization?
Please share some specific examples.
- How might you create an environment and culture of empowerment?
 - *How do you empower others to act?*
 - *Why is planning important?*
- Be prepared to share with the larger group.

Summary

- Vision drives performance and the Commander's Intent drives what needs to be done no how
- Seek to understand by asking “Why” questions
- Effective planning is holistic and connects the parts to achieve clarity.
- Discipline creates space...Empowerment creates agility.



Final Exercise

Think about Leading in VUCA environments like yours and identify the following:

- What are you willing to try?
- What **ACTIONS** will you take to improve *your* leadership effectiveness to achieve better outcomes in this environment? Please be specific relative to your current role.



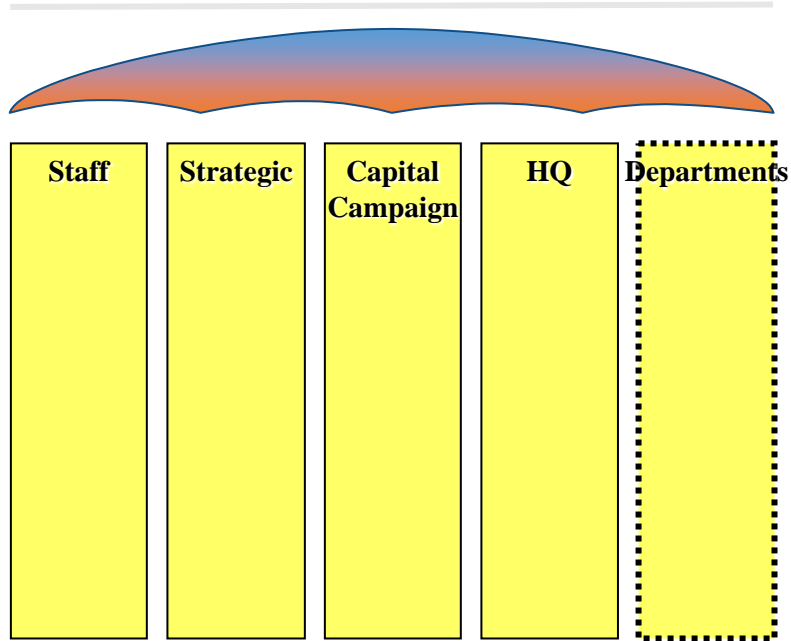
**Nothing Breeds Success
Like Failure**

**Nothing Breeds Failure
Like Success**

Back Up

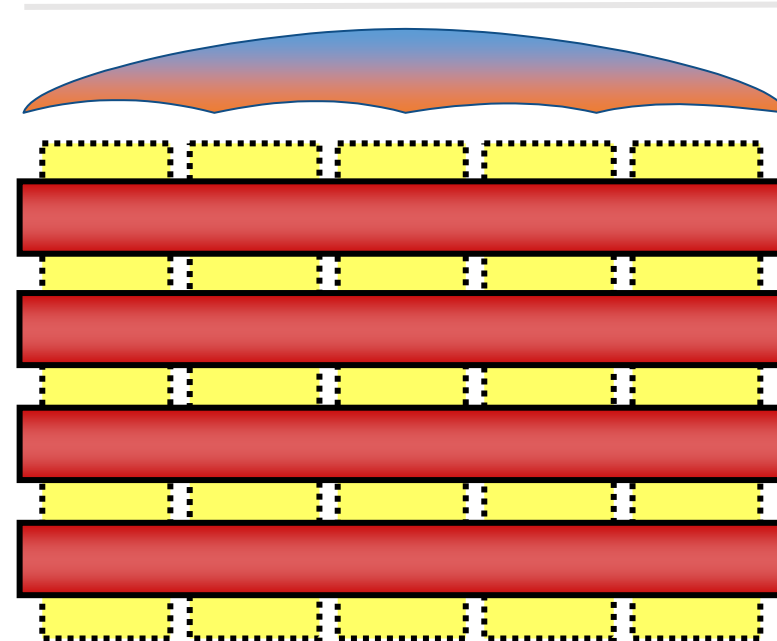
Collaboration Will Win

“Vertical”



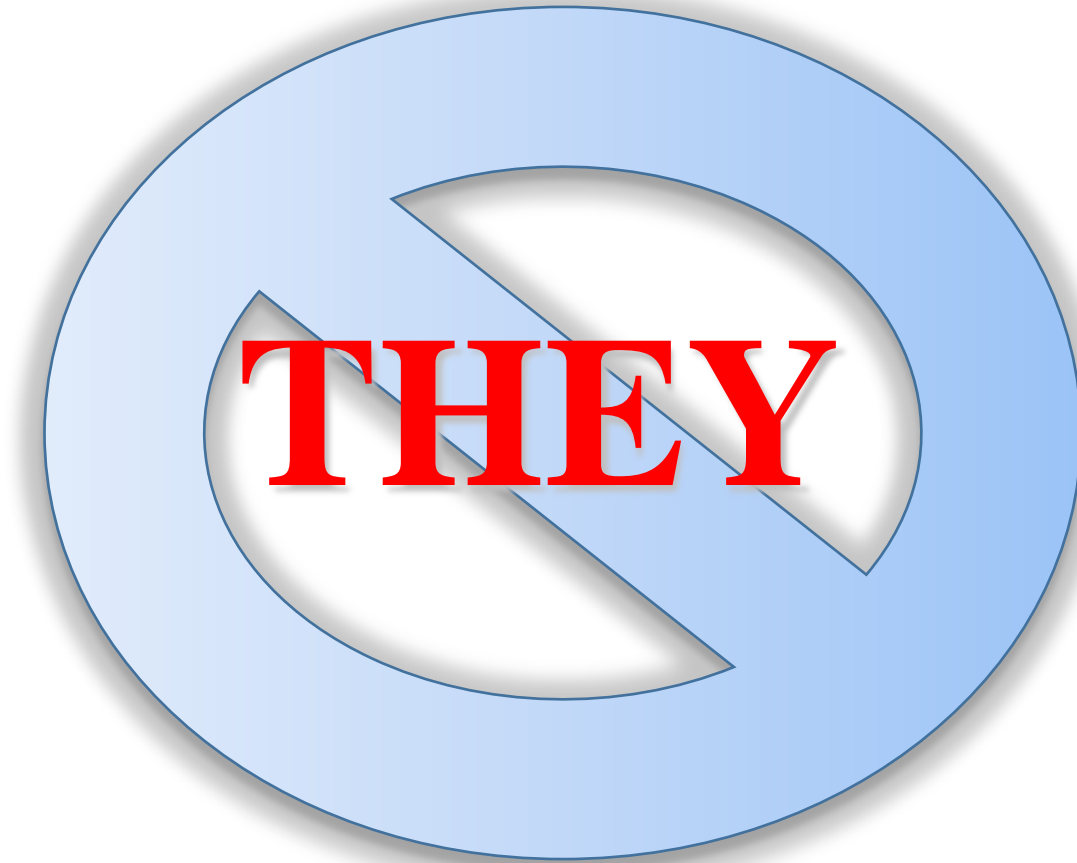
Deliver Strategy -- “easy”
Status Quo

“Horizontal”



Deliver Strategy -- “hard”
Defeat Status Quo

“THEY”



A Learning Organization



Situational Awareness

- Learn continuously;
Try new stuff!
- Treat every event as an opportunity to learn
- Conduct positive After Action Reviews (AARs)

How and when can you apply AARs on your team?

The Economics of Trust

↓ Trust = ↓ Speed ↑ Cost
↑ Trust = ↑ Speed ↓ Cost

Covey: The Speed of Trust 2010

3 Rules of Warfare

- 1) Focus on the Enemy
- 2) Fight the Enemy, Not the Plan
- 3) When in Doubt, See Rule #1



“Mission First...People Always”

3 Rules of Business

- 1) Revenue before costs
- 2) Better before cheaper
- 3) When in Doubt, See Rule #1



“Customers Determine Our Success”

Do Plans Really Matter?



*“Plans are nothing.
Planning is everything.”*

- Dwight D. Eisenhower

Empowerment

Accountable



Responsible



“I Am Accountable and Responsible”

The Operational Environment

VUCA is the new normal

- **V**olatility
- **U**ncertainty
- **C**omplexity
- **A**mbiguity

