On Developing an Operational Definition of People Centric Leadership

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Developing an Operational Definition of People-Centric Leadership - Why the need?

In the course of a career in industry that now spans 34 years, I have had the opportunity to work in four very large companies, and in several small to medium organizations, both as an employee, and as a consultant. In many ways my career has been unusual, in that I have generally been working as the specialist supporting organizational transformation and improvement. Thus I have been involved in helping leaders develop and implement strategies that ask a lot from their organizations, and involve significant levels of effort, risk, and stress. As might be expected, I have seen a wide range of results, and have drawn a few conclusions based on my observations.

The deepest impression was developed over the course of two particular change efforts, separated in time by 20 years. In each case I learned something about the high degree of leverage possessed by the organizational leader, both for positive and not so positive change. In these two cases I also observed a common pattern. Perhaps you have witnessed something similar, the story line in each case went something like this: Leader #1 recognizes an organizational imperative for change, and actively learns and develops a strong view of what must be done. Leader #1 seeks and receives new knowledge from outside the company, and develops a coherent approach. The leader enrolls their team in a new vision, and improvement begins. As all such efforts go, the initial successes are few, but with perseverance and constancy of purpose, the improvement begins to accelerate. Up to this point, things were quite positive, and on a good trajectory, and the efforts and actions of the leader were an important part of the success. The story from this point forward was slightly different in the two cases observed, however both involved a similar change; Leader #1 was replaced with Leader #2. In each case, Leader #2 did not have the same orientation to the change effort. While appreciating the benefits observed to be accruing, the second leader did not recognize or appreciate the importance of the noble cause, nor of the intrinsic motivation of the people. Working from what appeared to be a Theory X point of view, and with little willingness to be influenced by me or others on his team, in each case actions of Leader #2 had the effect of undoing the progress of multiple years in a short period of time. Needless to say this was quite disheartening.

Why was the behavior of the replacement leader so different from his predecessor? Why did he so misunderstand his responsibilities? After all, the concept of effective leadership has been studied for a long time. The importance of key principles have been described clearly, with the subject coming to the fore in the 1980s and 1990’s, with contributions by Warren Bennis¹, Steven Covey², W. Edwards Deming³, Peter Senge⁴, and Kouzes and Posner⁵, among many others. There are several shared ideas in these works, which involve leading while incorporating concepts of joy in work, humility, interdependence, trust, and respect for workers. Many of these concepts were present in the culture I experienced while working at Toyota in the early 1990s, and are concepts many organizations are aspiring to implement today. When organized
and practiced in a systemic way, the activity may become a discipline. To give it a name, let’s call it people-centric leadership.

Despite all the available knowledge about and aspirations for improved leadership in organizations, we continue to see examples of the type of organizational blunders I described above. Perhaps due to the continued strength of the overriding U.S. business culture based on the imperatives of share-holder value, individual accountability, and quarterly earnings, many leaders (and selection committees) are blind to the connection between the knowledge about effective leadership and their particular reality? Perhaps they simply lack an understanding of how best to apply the knowledge in a concrete way?

Identifying and then communicating the how-to of such leadership in a way that can break through the fog of the pervading management culture would have great value for leaders wanting to change, for organizations that want to support their leaders in achieving the positive change, and for assuring continuity during transitions of the leader. So this topic has a great deal of relevance for most all organizations, for leaders, and for change agents.

It’s my view that to be effective in our identification and communication of the “how-to” of people-centric leadership, we must develop an operational definition. Dr. Deming in *The New Economics* states “An operational definition is a procedure agreed upon for translation of a concept into measurement of some kind”. The idea is to provide a definition that permits business to be conducted, is concrete and practical, and provides for clear communication.

Let’s consider how we might go about this, and plan to spend our time together thinking about the subject.

**Thoughts on People-Centric Leadership**

The authors mentioned above have each shared concepts that may be appropriate as elements of people-centric leadership. Let’s start by reviewing the key ideas presented by a selection of these thought leaders. Below you will find an extremely succinct summary of some of my favorites. It may be useful to have these in mind as we prepare for our discussion regarding what should be included in our operational definition of people-centric leadership.

**Stephen R. Covey**

Stephen Covey in *Principle Centered Leadership* writes that there are four levels of leadership practice, and four corresponding principles that guide leader behavior. These include:

1) Trustworthiness on the personal level (based on competence and character).
2) Trust at the interpersonal level.
3) Empowerment at the managerial level.
4) Alignment at the organizational level.

These four levels and principles are presented as each necessary but insufficient; they must be practiced as a system for effective leadership. Additionally Covey calls out eight characteristics as indicative of principle-centered leaders:

1) They are continually learning, demonstrating curiosity and interest in expanding competence.
2) They have a service orientation, seeing their life as a mission, with a sense of responsibility to contribute.
3) They radiate positive energy, with an optimistic, positive and upbeat attitude.
4) They believe in other people, including a belief in unseen potential, creating a climate for growth and opportunity.
5) They lead balanced lives, are active socially, intellectually, and physically, and have a balanced approach to dealing with issues; their actions and attitudes are proportionate to the situation.
6) They see life as an adventure, and draw their security from within themselves.
7) They are synergistic, and are catalysts for change.
8) They exercise for self renewal, in the four dimensions of the human personality: physical, mental, emotional, and spiritual.

W. Edwards Deming

Dr. Deming wrote about the job of a leader as being “to accomplish transformation of his organization.” Dr. Deming goes on to define the necessary conditions, which include starting with a theory, being compelled to accomplish the transformation as an obligation, and that the leader must be practical, with a step by step plan. Dr. Deming describes a new role for managers of people after the transformation has been accomplished. In The New Economics, Deming provides fourteen elements of the new role:

1. “A manager understands and conveys to his people the meaning of a system….
2. He helps his people to see themselves as components in a system, to work in cooperation with preceding stages and with following stages toward optimization of the efforts of all stages toward achievement of the aim.
3. A manager of people understands that people are different from each other. He tries to create for everybody interest and challenge, and joy in work….
4. He is an unceasing learner….
5. He is coach and council, not a judge.
6. He understands a stable system. . . .
7. He has three sources of power:
   a. Authority of office
   b. Knowledge
   c. Personality and persuasive power, tact
   A successful manager of people develops Nos. 2 and 3; he does not rely on No. 1.
8. He will study results with the aim to improve his performance as a manager of people.
9. He will try to discover who if anybody is outside the system, in need of special help. . . .
10. He creates trust. He creates an environment that encourages freedom and innovation.
11. He does not expect perfection.
12. He listens and learns without passing judgment on him that he listens to.
13. He will hold an informal, unhurried conversation with every one of his people at least once a year, not for judgment, merely to listen. . . .
14. He understands the benefits of cooperation and the losses from competition between people and between groups.” 9

Peter M. Senge

In *The Fifth Discipline*, Peter Senge describes a concept called the “learning organization”, in which key elements enable the organization to behave as a system, and readily learn, grow, and adapt to changes in markets and technology. Such an adaptive, learning organization requires a new view of leadership. He writes:

“In a learning organization, leaders are designers, stewards, and teachers. They are responsible for building organizations where people continually expand their capabilities to understand complexity, clarify vision, and improve shared mental models – that is, they are responsible for learning.” 10

James M. Kouzes and Barry Z. Posner

Kouzes and Posner have studied effective leadership in the US for more than two decades, and have distilled their findings into five practices of exemplary leadership. These include 11:

1. Model the Way
   a. Be clear about guiding principles
   b. Set an example
2. Inspire a Shared Vision
   a. Clearly visualize and communicate a positive future
b. Enlist support
3. Challenge the Process
   a. Search out opportunities to improve
   b. Be willing to take appropriate risks
4. Enable Others to Act
   a. Foster collaboration and build trust
   b. Help people to feel strong and capable
5. Encourage the Heart
   a. Perform genuine acts of caring to uplift spirits
   b. Appreciate people and celebrate.

To aid my thinking about people-centric leadership, I have also reviewed the work of Jeanne M. Plas, author of *Person-Centered Leadership*. While a professor of Psychology at Vanderbilt, Dr. Plas wrote about the history, key characteristics, and the future of what she names person-centered leadership. Sharing a great deal of thinking with the above writers, Dr. Plas adds a specific discussion of the impact that the U.S. culture of individualism has on teamwork and effective leadership. Recognizing that while the culture of rugged individualism is destructive to the cooperation, learning, and teamwork needed for successful organizational performance today, she also argues that the roots of our individualism are too deep to be easily changed, and that an under-appreciation of this has been one of the failings of many of the prior efforts at continual improvement. Dr. Plas writes “that this country’s culture has to meet the demand of tomorrow by moving from our old rugged individualist assumptions to something similar to what we have called related individualism, an approach that emphasizes the interdependence of strong individuals in a way that heretofore has been neglected in our culture.” I believe this idea is fully consistent with the third concept from Dr. Deming above, namely that people are different from one another, and these differences must be appreciated and accounted for, while working to improve the organization as a system.

The characteristics described above from Covey, Deming, Senge, Kouzes & Posner, and Plas, certainly share many attributes. Integrating the observations and thinking of these authors yields a notion of a people-centered leader as one that is sincere, honest, authentic, consistent, who possesses a high degree of emotional intelligence, who encourages others to be authentic in the work place, who builds trust, learns unceasingly, cares about others, treats individuals as individuals, and applies Dr. Deming’s System of Profound Knowledge in pursuit of a noble vision for the organization. Is that enough? Are we ready to propose an operational definition?
Thinking Together

In the interest of co-developing the concept of a concrete and practical operational definition of people-centric leadership, I would like to propose some questions for us to consider and think about together. My aim is to seek the collective wisdom of our participants to guide future development of a useful and practical result.

Questions for discussion and/or dialogue:

1) How would an organization that practices people-centric leadership measure success?
2) What would the roles of leaders include in a people-centric company?
3) An operational definition is intended to enable a concept to be translated into a measurement. What kinds of measurements of people-centric leadership would be most useful?
4) What would the culture of an organization that practices people-centric leadership fully look like? What kinds of activities and practices would you expect to see in place? What would the environment feel like?
5) How would companies that practice people-centric leadership select new employees?
6) What would a people-centric leader do in the case of a severe downturn in revenue?
7) How would a company that practices people-centric leadership go about integrating acquired companies?
8) What would be the practices in place to assure the best possible succession of key leaders in people-centric organizations?
9) What would be the nature of training and development practices in people-centric organizations?
10) How does the Toyota Production System practices of Leader Standard Work and Kaizen relate to the concept of a people-centric organization?
11) There are some companies and organizations currently actively pursuing people-centric leadership as a core business strategy (e.g. Barry-Wehmiller, Association for Manufacturing Excellence); how useful would it be to study their activity and ideas?
12) What would be the value in your personal situation to having an operational definition of people-centric leadership?
13) What additional preparation would be helpful in forming our operational definition?

I look forward to our conversations on May 20 and 21, 2013!
REFERENCES


7 Stephen Covey (1992), *ibid* pp. 31

8 W. Edwards Deming, *ibid*, p.119

9 W. Edwards Deming, *ibid*, pp.128-131


13 Jeanne M. Plas (1996), *ibid*, p. 99
BIOGRAPHY
After earning his B.S. in Mechanical Engineering from Michigan State University, Mike Beck started his career in the auto industry, working for General Motors, initially at the Oldsmobile Division. His early roles were in new product development, reliability and test engineering. At GM, Mike met and worked with Dr. W. Edwards Deming, a consultant to the Division. Mike was selected to become an internal consultant in quality and continuous improvement, spent one year in training with Dr. Deming, and transitioned from Engineering Management to a position co-leading the Powertrain Statistical Network from 1987 through 1992. Strongly influenced by Deming, Mike obtained a second masters degree during these years, an M.S. in Applied Statistics from Oakland University. In this period Mike developed deep expertise in continual improvement, quality, statistical methods and organizational transformation, with successful applications in casting, machining, and assembly operations.

The next step in Mike’s career led him to join Toyota, where he assisted in organizing the new Toyota Motor Manufacturing North America headquarters in Erlanger, KY. Mike recruited the HQ quality team members, provided initial training, and served as the Assistant General Manager of the Quality Division. He led the Hoshin Kanri process for the division, learned Lean from the inventors, and considers his biggest accomplishment publication of the Toyota Supplier Quality Assurance Manual, still in use today.

In 1998, Mike was recruited by United Technologies to lead the deployment of a new quality and lean approach for the Otis Elevator Company, where he served as the VP Quality and Continuous Improvement. Ford Motor Company recruited Mike to become the Quality Director for North American Car in 2001. Changes in leadership at Ford led Mike to return in 2003 to UTC, to the newly established Fire & Security Division as VP Quality and CI. Mike led establishment of the quality function, implementation of Policy Deployment and Phase Gate processes, and application of ACE and Lean to factory and field operations.

In 2007, Mike joined Terex Corporation, where he was recruited by a former UTC colleague to become VP Manufacturing for the Construction Division, responsible for Lean Manufacturing Deployment, Quality, Sales and Operations Planning, with P&L responsibility for all operations of the division, producing excavators, backhoe loaders, articulated and rigid trucks, and earth moving equipment.

Since 2009, Mike has provided consulting and leadership for applications of lean manufacturing, quality, engineering, and continuous improvement to a range of organizations, including the gaming industry, aerospace manufacturing, and construction firms. During 2012 he also served as VP Operational Excellence for Harvest Power, Inc., a startup green energy and recycling company based in Watham, MA, with operations at 28 sites across the US and Canada.

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