Leadership

Lead Your Organization
To Performance Excellence

Lynne Drawdy, Master Examiner

Managing for Excellence Track
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Objectives

• Understand the role of leadership in achieving sustainable success
• Learn how to define and address ethical challenges your organization faces
• Discover how to create an environment that promotes innovation and intelligent risk
Sterling Management Model

Role of Leaders in Achieving Sustainable Success
Leaders Communicate & Role Model Vision and Values

Leaders Create a Culture that Fosters Customer Engagement
Leaders Creates a Culture that Engages its Workforce

Thought for the Day
A person who feels appreciated will always do more than is expected.

Leaders Cultivate Learning & Innovation
Leaders Build the Bench

Name Your Role Model Leader & Why
Define & Address Ethical Challenges

What are Ethics?

Simply put, ethics involves learning what is right or wrong, and then doing the right thing.

But is "the right thing" always straightforward?

Ethical? Legal? Moral? Are these the same?
Why Ethics?

• Define standards of right and wrong

• Define rights, obligations and benefits
Financial Impact

May 2014
Harvard Business Review

Better (more ethical) Business management more likely to spur a new era of economic growth than technology

How Are Ethics Defined?

Philosophers have been debating ethics for at least 2500 years (since Socrates and Plato)

Typically the socially accepted norm; changes over time

Not all will agree

May differ among industries, organizations

Example:

May 2014: South Florida Police Officer Bought Groceries for Shoplifting Mom

Facebook:

2/3 Applauded Officer
1/3 Felt law had not been upheld
Recent Ethical Debates

Ethical Challenges in “The Office”
Exercise: Define Your Ethical Challenges

• What Ethical Issues Do Your Employees Face?
• How Do You Prepare Employees for These?
• How Do You Know It’s Working?

Tips for Building An Ethical Culture

• Examine /define your ethical challenges
• Don't just print, post and pray
• Build a robust surveillance system
• Monitor and communicate
Takeway: Ethics Checklist

1. The Golden Rule: Would I want people to do this to me?
2. The Fairness Test: Who might be affected and how? Is this fair to everyone?
3. The “What if everybody did this?” Test: Would I want everyone to do this? Would I want to live in that kind of world?
4. The Truth Test: Does this action support the whole truth and nothing but the truth?
5. The Parents Test: How would my parents feel if they found out about this? What advice would they give me?
6. The Children Test: Would I be willing to explain everything about this to my kids and expect them to act in the same way?
7. The Religion Test: Does this go against my religion?
8. The Conscience Test: Does this seem against my conscience? Will I feel guilty?
9. The Consequences Test: Are there possible consequences of this action that would be bad? Would I regret doing this?
10. The Front Page Test: How would I feel if my action were reported on the front page of my hometown paper?

Create an Environment for Innovation
What & Why

• Over past decade has progressed from a potential competitive advantage to a sustainability imperative
• Innovation = making meaningful change to products/services, processes or organizational effectiveness to create new value
• Intelligent Risk = opportunities for which potential gain outweighs potential harm or loss

Innovation Theme Across Criteria

• Leadership: Create an environment for innovation & intelligent risk-taking and enable innovation
• Strategic Planning: How does process stimulate and incorporate innovation; identify and decide which are intelligent risks for pursuing?
Innovation Theme Across Criteria

• Measurement, Analysis & Knowledge Management: Use performance findings to identify opportunities/ priorities for innovation

• Workforce Focus: How do performance management and learning systems reinforce intelligent risk-taking and innovation

Innovation Theme Across Criteria

• Operations Focus: Manage innovation, pursue the strategic opportunities that you determine are intelligent risks, make the financial and other resources available to implement these opportunities, discontinue others to support higher-priority opportunities?
Innovation Best Practices

• What do Proctor & Gamble, Pepsi, General Electric, Toyota, Coca-Cola, Walmart, FedEx and IBM have in common?
• They rank high (over past 10 years) in Hay Group’s annual Best Companies for Leadership (BCL)
• Why?
• They recognize the value of innovation and focus on five principles that create a culture of innovation

#1: Create a Safe Space for Innovation

• Encourage comfort with calculated risks
• Remove pressure for short-term returns
• Do we do things that scare us?
#2: Enable Organizational Agility

- Flexible & fluid job descriptions to meet changing needs of marketplace
- Encourage employees to move functionally and geographically to gain new perspectives

#3: Broaden Perspectives

- Solicit new ideas around challenges
- Invest spare capacity into expanding knowledge, exploring future trends and learning from others
#4 Promote and Reward Collaboration

- Most innovations are the result of team effort
- Encourage, measure and incentivize collaboration

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#5: Celebrate Success & Learn from Setbacks

- Recognizing innovation sends powerful message and encourages others
- Send message that risk is inherent in innovation and leaders are willing to accept a certain amount of risk
2017 Leadership Criteria Changes

Regrouped criteria into three areas (to address Criteria users’ questions about the local relationship of leaders’ actions):

- Vision and Values,
- Communication
- Mission and Organizational Performance
Sterling Criteria Alignment & Leadership Linkages

Customers
- Potential, Current, Competitor, Segmentation
- Satisfaction (Dis), Engagement, Complaints
- Product Offerings
- Customer Relationships

Strategy
- Strategic Development
- Innovation
- Work Systems & Core Competencies
- Strategic Objectives
- Action Plans

Leadership
- Mission Vision Values
- Communication / Organizational Performance
- Organizational Governance
- Ethical & Legal Behavior
- Societal Responsibilities

Operations
- Product & Process Design
- Innovations/Management
- Process Efficiency / Effectiveness
- Supply Chain Management
- Safety / Emergency Preparedness

Workforce
- Capability, Capacity, Culture, Climate
- Change management
- Workforce / Leader Development
- Learning & Dev Effectiveness
- Career Progression

Results
- Product and Process
- Customer
- Workforce
- Leadership & Governance
- Financial and Market

Measurement, Analysis & Knowledge Management
- Performance Measurement & Agility
- Performance Analysis, Review & Improvement
- Continuous Improvement & Innovation
- Org Knowledge Management / Learning
- Data, Information, Information Technology

Expected Results

<table>
<thead>
<tr>
<th>Category 1 – Leadership</th>
<th>7.4a Leadership and Governance Results (leadership, governance, laws/regulations, ethics, societal) Note: may also include 7.1 thru 7.5 Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 2 – Strategy</td>
<td>7.4b Strategy implementation results Note: may also include 7.1 thru 7.5 Results</td>
</tr>
<tr>
<td>Category 3 – Customers</td>
<td>7.2 Customer-Focused Results</td>
</tr>
<tr>
<td>Category 4 – Measurement, Analysis, and Knowledge Management</td>
<td>7.1 thru 7.5 Results</td>
</tr>
<tr>
<td>Category 5 – Workforce</td>
<td>7.3 Workforce-Focused Results (capability/capacity, climate, engagement, development)</td>
</tr>
<tr>
<td>Category 6 – Operations</td>
<td>7.1 Product/Service and Process Results (product/service and process outcomes, work process effectiveness, supply-chain management)</td>
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</tbody>
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Note: These may vary depending on the organization
 Questions?
 Did we meet our objectives?
 Takeaway – Ethics Checklist
 Call Sterling for more information about examiners, assessments, and training: 850-922-5316
 Contact: Lynne Drawdy, 407/928-1288, ldrawdy@centurylink.net