

Leadership for the Changing Workforce





Leadership

Purpose:

- To identify a couple of possible solutions or concepts that will help you address the changes in your workforce & in your company.



Leadership

Process:

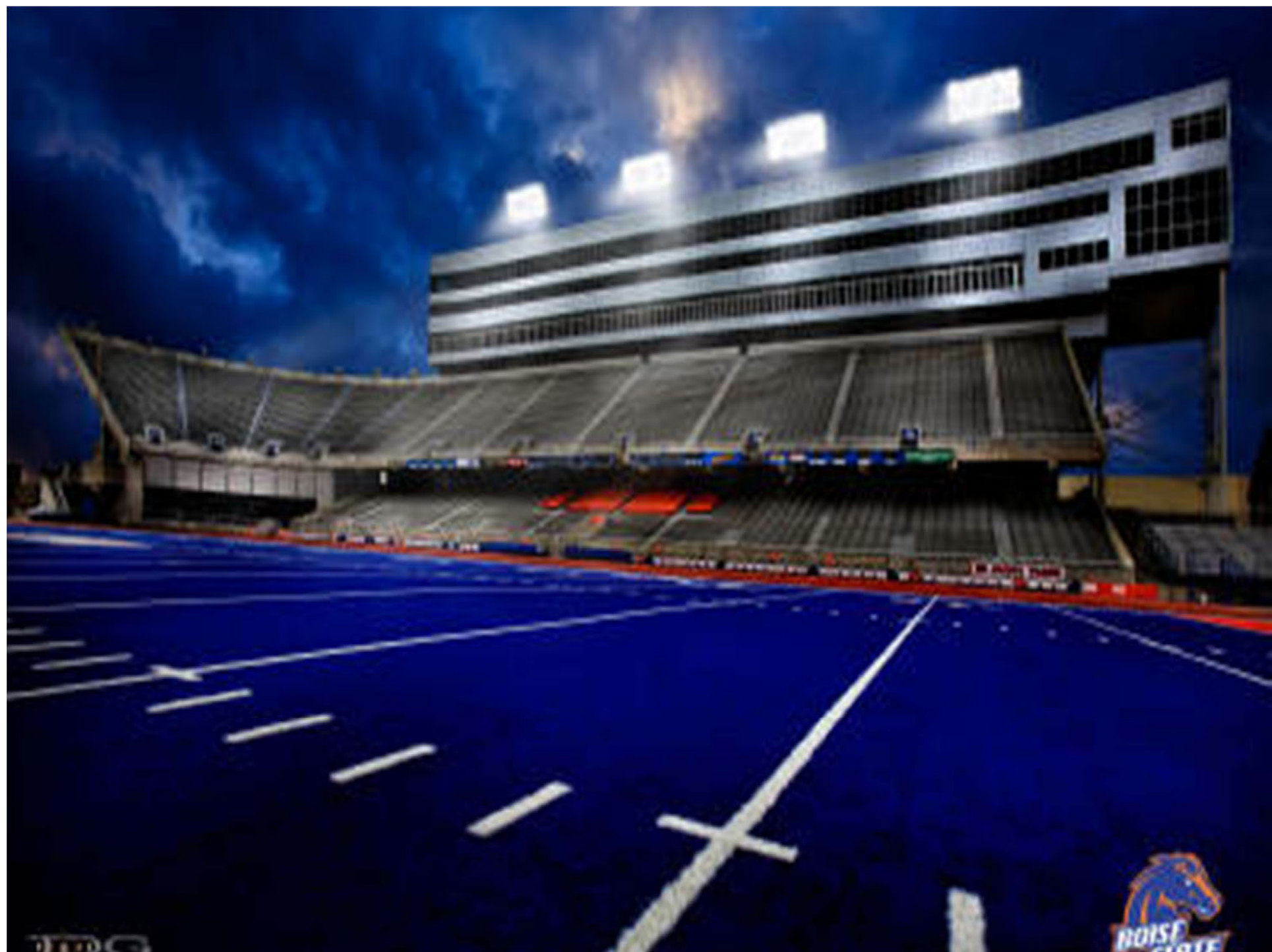
- Current situation?
- What does the future look like?
- Leadership??
- How can leaders positively impact the future?



Leadership

Payoff:

- To begin the journey that will lead to –
- Increased productivity
 - Increased employee engagement
 - Reduced frustration
 - Being more competitive





Dairy Industry Stats

Fluid Milk Plants

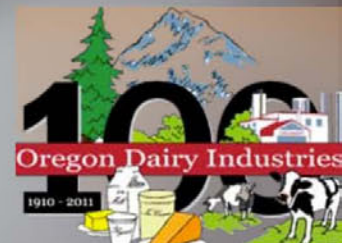
- 1987 946 Plants
- 1997 608 Plants
- 2007 405 Plants

Ice Cream Plants

- 1970 1,628 Plants
- 1990 713 Plants
- 2000 413 Plants
- 2008 353 Plants

Cheese Plants

- 1987 644 Plants
- 1997 524 Plants
- 2007 481 Plants





Current Business Climate

- Margins & Product Life Cycles are shrinking
- Growing Competitive pressure
- Changes in Consumer expectations
- Profits are down
- Rising Costs
- Employee productivity is flat or down
- Loss of Experienced People
- Increasing Regulations
- Customer demands are greater
- Hard to find good people



Future Business Climate

- Margins & Product Life Cycles shrinking
- Growing Competitive pressure
- Consumer becoming more sophisticated
- Prices up, Profits are down & questionable
- Costs increasing faster
- Employee productivity is ??????
- Increasing Regulations
- Customer demands are greater
- Where are the good people
- Loss of Experience people
- Technology has increased dramatically



How Supervisors & Employees view management

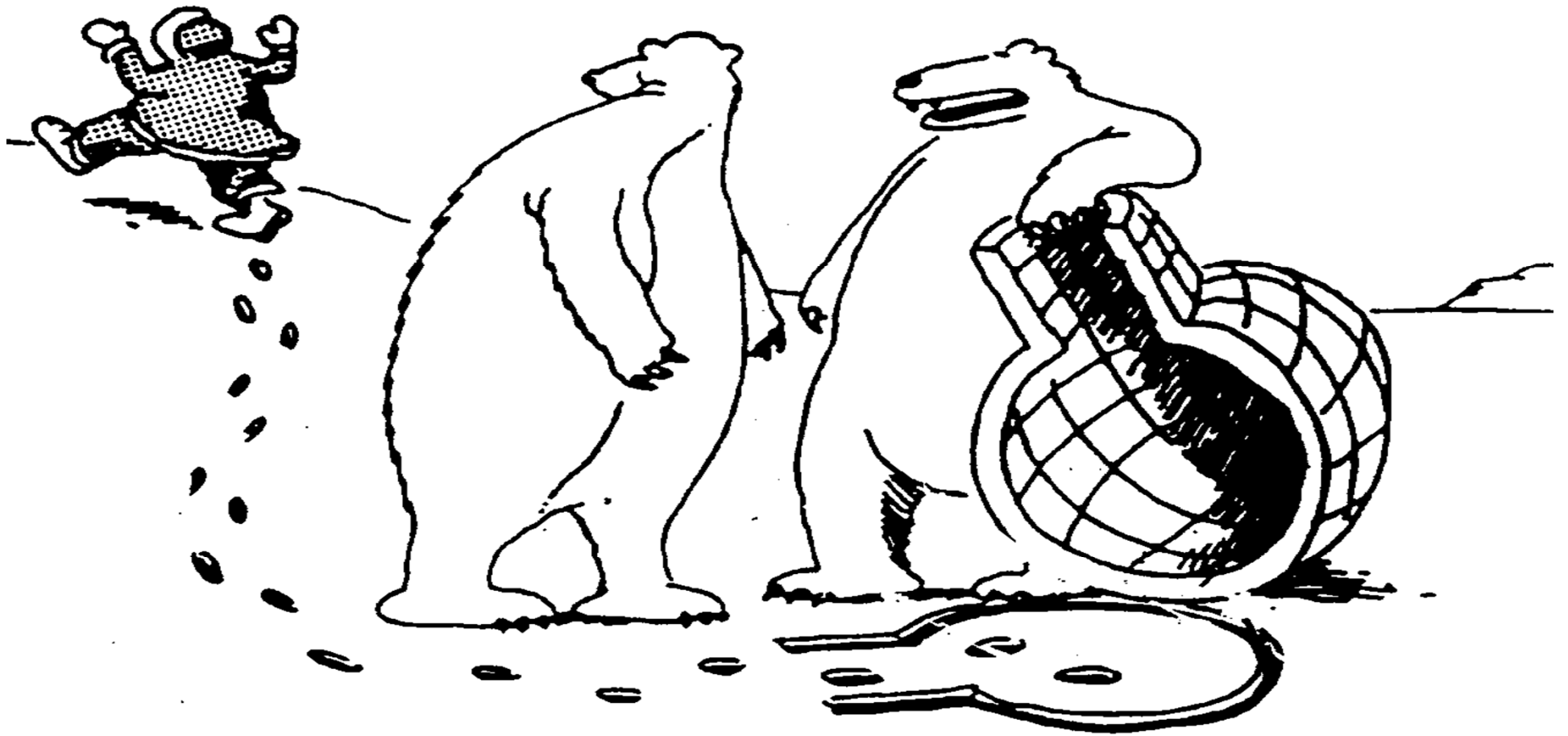
- Managers don't include us in decision making
- Micro-manage us
- They never say we are doing a good job
- Tell as opposed to ask
- Show favorites
- Afraid we may know more than them
- Talk about us being of value but not treating us as such
- Won't acknowledge us when they see us
- Don't tell us how the company is doing
- When we disagree we are consider negative



Quote

I am convinced that if the rate of change inside an institution is less than the rate of change outside the end is in sight.

Jack F. Welch



“I lift, you grab. ... Was that concept just a little too complex, Carl?”



Leadership

What is your role as a Leader?

What are the expectations?



People Side

Business Side

Management

Aligned

VISION

M
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Culture

Strategies

Teams

Goals

Individuals

Tasks





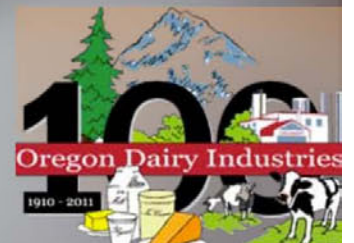
Leadership Defined

■ Leadership –

is a process by which a person influences others to accomplish an objective and directs the organization in a way that makes it more cohesive and coherent. Leaders carry out this process by applying their leadership attributes, such as beliefs, values, ethics, character, knowledge, and skills. Although your position as a manager, supervisor, lead, etc. gives you the authority to accomplish certain tasks and objectives in the organization, this *power* does not make you a leader, it simply makes you the *boss*. Leadership differs in that it makes the followers *want* to achieve high goals, rather than simply *bossing people around*.



Employee and Organizational Development





Leadership Defined

■ Leadership –

is a process by which a person **influences others** to accomplish an objective.



Where can Leaders make a positive impact?

- Communication
- Creating a “Change Environment”
- Employee Business Development

To achieve What?

Employee Involvement & Engagement
Productivity



Employee Engagement

What is it?

- Employee engagement and inclusion isn't a cognitive issue. It's an emotional issue.
- Calling our employees associates, partners or our most important asset is often just window dressing from their perspective. The perspective that really matters.



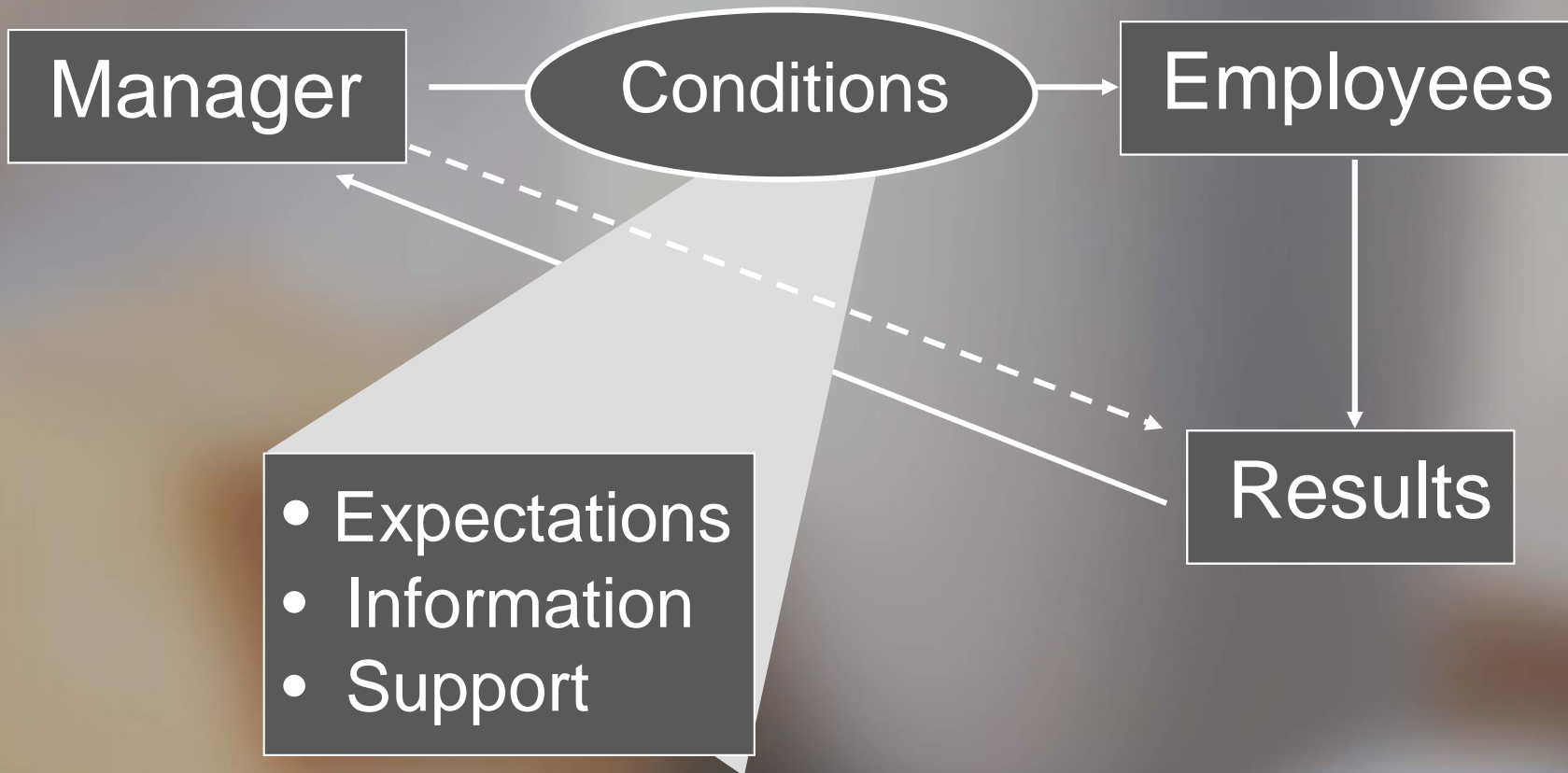
Employee Engagement

Why is it important?

- Understanding of the "Big Picture"
- Ownership
- Commitment
- Productivity
- New ideas
- Driving change vs. fighting it

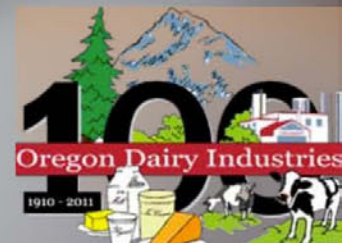


Leadership Model





Leadership Tools





Communication - Our
most valuable Leadership
tool & the most taken for
granted



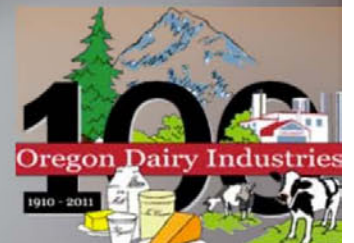
“The greatest problem with communication is the illusion that it’s being accomplished.”

George Bernard

Shaw



Employee and Organizational Development





Communication

- What are the challenges you are having in achieving effective communication?



Communication: Six messages...

- 1. What you **mean** to say.
- 2. What you **actually** say.
- 3. What the other person **hears**.
- 4. What the other person **thinks** they hear.
- 5. What the other person **says**.
- 6. What you **think** the other person says.

(500 most used words have a total of 14,000 meanings!)*

**English language*



Communication Structure

ME

YOU

Tools

Focus

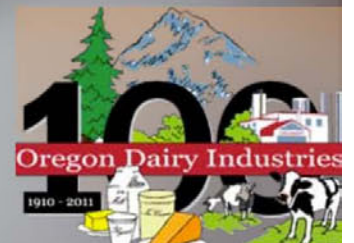
ME

YOU

Wilson Learning Worldwide, Inc.



Employee and Organizational Development





Strategic communications is...

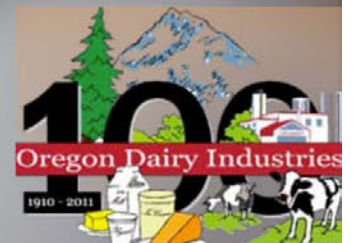


To be effective,
a message must be:

- A story
- Brief
- Emotional
- Relevant
- Credible
- Repeated



Employee and Organizational Development





Listen to Learn

Express to Explore



The Leader's Communication Skills

LISTEN TO LEARN

- Seek different points of view
- Probe to clarify perspectives, assumptions, and interests
- Check interpretations to ensure understanding.



The Leader's Communication Skills

Express to Explore

When responding to an idea:

1. Ask for clarification.
2. Offer support and alternative viewpoints.
3. Offer suggestions for improvement or enhancement.
4. Ask for different perspectives.



“Moments of Truth” Everybody Everyday

Single points in time where managers or supervisors will determine the vector of momentum positive or negative.



Change –

I have to do what?
This will never work
Flavor of the Month
Here we go again
What is in it for me?



Leading Change

Small Group:

- What are the challenges you are having in creating or implementing change?



Leading Change

Establish a Plan

- What is the vision or direction?
 - Where are you currently and where do you want to go?
- What are your benchmarks?
- What metrics will you use to measure your progress?
- What are your milestones & goals?

Finally & most importantly get others involved in developing the plan. Great opportunity for engagement.



Necessary Actions for Change

- To succeed in this change strategy:
 - Establish a sense of urgency
 - Form a powerful guiding coalition
 - Communicate the vision
 - Empower others to act
 - Plan for and create short term wins
 - Consolidate improvements and produce more change
 - Institutionalize new approaches

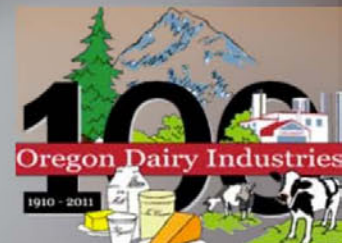
John P. Kotter, Leading Change

1996

Harvard Business Review 2007
"Why Transformation Efforts Fail"

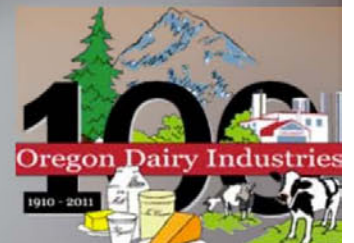


Employee and Organizational Development





Making Change Last





Making Change Last

Effective Change Leaders:

- Consistently lead by example
- Demonstrate the ability to make the tough decisions
- Clarify roles & responsibilities for accomplishing change
- Pay attention to change (focus + time + passion)
- Demonstrate high sense of urgency with employee's ideas

Pitfalls to Avoid:

- Fail to engage in leadership behaviors necessary for change
- Leaders are transferred too quickly before change has occurred
- Shift to other goals before completing the change ("Flavor of the Month")
- Try to do it all alone without involving others
- Allow the change process to be diluted by other priorities



Making Change Last

Successful When:

- Understand who the key stakeholders are (internal and external) affected by this initiative
- Each team member is essentially delivering the same “message” regarding the need for change
- We have framed the need for change to reflect the concerns of all stakeholders involved
- We help others increase their sense of the need for change

Pitfalls to Avoid:

- Assume the need for change is obvious
- Fail to frame the need for change in a meaningful way
- Assume that when others fail to appreciate the need for change that it’s “their” problem
- Underestimate the resistance to change



Making Change Last

Successful When:

We have accurately estimated...

- Magnitude of total change effort
- Level of resistance this initiative will face
- The amount of time required to implement the change
- Resources needed to institutionalize the change

Pitfalls to Avoid:

- Underestimating the time
- Competing distractions (competition for attention, resources and time)
- Lack of support for the initiative
- Poorly coordinated activities or action items
- Dismissing complaints (or resistance) outright



Making Change Last



“A leader must be a company evangelist and brand spokesperson.” Steve Jobs, Apple

People don't listen to what you say, they watch what you do.



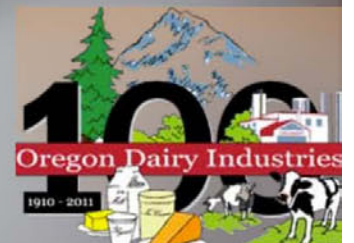
Employee Education

Help your people understand the business they are in -

- State of the Industry
- State of the Company
- Status on projects
- Customer & Consumer Trends
- Dairy Facts
- Threats & Opportunities



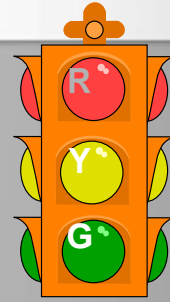
Employee and Organizational Development





Sharing Progress

EXAMPLES of “Traffic Light” Metrics to Monitor Progress



Red: Take Immediate Action

Yellow: Prepare For Action

Green: No Action Required

	Proforma (This Month)	Actual (This Month)	MTD V(%)	YTD Proforma	YTD Actual	YTD V(%)	Status	Comments On Variance	Action Plan	Owner/ Time
Sales (\$MM)	\$47.2	45.9	(2.8)	\$251.3	\$252.1	1.1	G	None	Continue Course	Sales Mgr.
GM (\$MM)	\$14.1	\$13.3	(5.6)	\$75.4	\$75.1	(0.1)	Y	Blip this month	Study for cause	CFO Next Week
OPEX (\$MM)	\$10.9	\$12.6	(15.6)	\$58.0	65.5	(12.9)	R	Special charges > forecast	Analyze other potential “gotchas”	AI Leader Next Week
PBT (\$MM)	\$3.2	\$0.7	(78.1)	\$17.4	\$9.6	(44.8)	R	Compound effect GM & OPEX	Taken care of above	CFO / AI Ldr Next Week
A/R Turn (Days)	45	48	(6.7)	45	46	(2.2)	Y	Seasonality overlooked	Monitor collection activity	CFO Ongoing
Inv Turn (Days)	90	88	2.2	95	91	4.2	G	New JIT program with vendors	Continue	Plant Manager
Cycle Time (Days)	60	51	15.0	69	61	11.6	G	6 Sigma pay-off > expectations	More Quality projects	Quality Leader
Headcount	100	107	(7.0)	100	107	(7.0)	Y	Transition slower than projected	Review transition estimates	AI Leader

Disciplined, consistent periodic reporting required



Safety	GOAL	MON	TUE	WED	THU	FRI	SAT	LAST WEEK
Plant and Cooler (#Incidents\Days w/o LTA)	0 \ 365	\	\	\	\	\	\	\
Distribution (#Incidents\Days w/o LTA)	0 \ 365	\	\	\	\	\	\	\
Excess Labor cost due to injured worker	\$0.00							
Monthly Work Comp. Ins. Cost								
Last Month:								
Quality	GOAL	MON	TUE	WED	THU	FRI	SAT	LAST WEEK
Customer complaints	0							
Coli 7 day counts <1/ml	95%							
Keeping quality >17 days	95%							
Master Cleaning Schedule Work Orders								
Completion Rate								
Group A: Processing and Cleanup	90%							
Group B: Packaging	90%							
Group C: Receiving	90%							
Group D: Cooler	90%							
Group E: Maintenance & Warehouse	90%							
Comments:								
"AT-A-BOY" AWARD TODAY:								
Employee:	Reason for "At-a-Boy:							



Creating an Engaging Environment

Desired Outcome

It is January 1, 2012, Your Dairy has created an environment that engages employees and models its core values.



Challenge

One of the greatest challenges in creating a new culture is sustaining it.

That is your responsibility.