

RED-HOT FIREFIGHTING FROGS

THE THOUGHT LEADER SERIES FROM THE

SEA SUPPLIER EXCELLENCE ALLIANCE





When did you realize that you were living in turbulent times?



WHEN DID THE FUTURE ARRIVE?

As is often the case with change, the future arrives not with a fanfare, but in a slow and almost imperceptible way. There's an old and often-quoted parable about boiling a frog. It says that if you place a frog in a pot of boiling water, he'll jump out. But if you place a frog in a room-temperature pot of water, he'll stay and if you slowly raise the temperature, he'll continue to remain comfortable, losing more and more of his ability to move until finally, while boiling, he is unable to remove himself from the pot.

When change comes, it arrives as a slight increase in temperature. Costs go up a little; margin is slightly lower; labor is a little less skilled; turnover increases slightly; productivity stays the same or increases only slightly; systems and processes get a little more complex; vendors deliver a little more slowly.

The amount of irrelevant information to sort through in order to make a decision slowly increases and the time required to make a decision slowly decreases. Competition slowly gets tougher. The temporaries you hired last year who were told if they worked out, you would place them permanently in six months, get slowly more resigned and harder to manage. And the permanent workforce gets imperceptibly more fearful and more distant.

And when did you realize that you were living in turbulent times? That managing had become ten times more complicated? When did the future actually arrive? When did the water get too hot to stay in the pot? When did we receive the signal that we needed to change because the future had arrived?

ORGANIZATIONAL LEARNING AND CHANGE

The organization learns continuously. It adapts to changes in its environment and that is what learning is... in part, learning to cope with new situations.

An organization can learn that the best-laid plans are rarely good for more than three months and, as a result, stop doing strategic planning that spans more than 3-6 months.

I once saw a cartoon where a line of convicts was waiting on the steps of the gallows to be hanged. One convict had a scroll and quill pen and was writing his goals. It said, "Long Range Goal – Don't trip on the stairs."

An organization can learn that the way to manage in an environment where labor doesn't have the skills to make good decisions is to get involved and stay involved – every day. And from that "learning" leaders will be created as overseers, and supervisors will be created as inspectors of work and problem-solvers.

Our organizations learn. They slowly learn about their customers, their market conditions, and about change itself. They are steeped in the lukewarm waters of their own organizational philosophies.

So some things labeled as "learning" are not necessarily good lessons. When a supervisor "learns" that she can't trust her people to be at their workstation on time, then she begins to look for and inspect whether people are on time. That in turn communicates a lack of trust that breeds contempt and a wish on the part of the worker to retaliate or simply drop out of the system. A workforce infected with this kind of "learning" is resigned... they still come in, but there's nobody home.

A change-ready organization has ways of unlearning bad lessons. It challenges its own resignation. It takes issue with the lack of possibility in the speaking and conversations that take place in day-to-day work. It holds organizational learning as important, but doesn't hold what is learned as "sacred."

One of the most sacred learnings is that given the current conditions, all you can really do is "firefight." When everyone agrees on that learning, the organization has just picked up one end of a chain whose events will eventually lead to disaster.



Firefighting is staying close to the action.



FIREFIGHTING DEFINED

It's not a bad thing; it's just a necessary thing. You arrive on Monday morning with plans laid out, and someone walks into your office with a priority that is higher than what you had planned. And shortly after that, a problem comes up that you knew about but hadn't foreseen in the magnitude it is now, and you react. Sometime around the end of the day, you return to your office to realize that you are just now starting on your own list and need to get home by 7pm because you promised to be there for your third-grader's play.

Firefighting is staying close to the action. It's keeping your hands on the business and the front line. It's making the organization's problems your problems.

In a subtle way, it's making the tactical more important than the strategic.

"But hold on a minute," says the firefighter. "Are you going to tell me that I shouldn't be involved in a customer meeting when a key customer is coming to our plant to review our operations and talk about problems? Or are you saying that I shouldn't be out on the floor when a major problem threatens our ability to deliver a key order? Or are you saying that I shouldn't be involved when one of my key people is threatening to leave?"

Firefighting is often focused on key issues to the company. Its central assumption is the survival of the business.

Firefighting is short term, tactical reactions to issues perceived as threatening the survival of the business. You will never run short of issues that fit this definition.

FIREFIGHTING REWARDED

Who's going to fault you for firefighting? Nobody.

Our oldest and best-learned work ethic is **busy hands are productive hands**. When you're looking for people who aren't doing their jobs, you look in the cafeteria... or in the break area or parking lot. The faster people are moving, the more they're getting done. If you want to find your star performers, take a walk around the building after 5:30pm, right?

And when something bad happens, one of the first questions is whether the manager is involved in solving the problem. How many impromptu performance discussions have begun with, "Bob, you just don't seem to be engaged in solving the problems your people are having."

Organizations have "learned" that firefighting works and perhaps short term, it does. If the production workload seems to be going up and down dramatically, the production manager who strikes a deal with a temporary agency to provide people on a moment's notice at wage plus 30% is a hero. Later when 50% of the workforce is temporary and can't pass the FDA or ISO audit, the organization finds itself in boiling water, wondering how it got there.

The thing about firefighting is that you have to do it, and yet it often piles up more problems for tomorrow than it solves today. It's kind of like the national debt... we "rob Peter to pay Paul", and the debt keeps getting bigger.

Every time we jump in to solve a problem rather than develop the organizational resources to solve the problem, we build up a debt that will have to be paid eventually. An organization that can't solve its problems at the lowest possible level is like that debt that must be paid sooner or later.

Such an organization keeps raising the temperature of the water that it's boiling in. **But what if the organization rewards your toughness for managing in the face of boiling water, rather than your ability to reduce the water temperature?**



Recognize the final stages, before it's too late.



NO WAY OUT

In the final stages of the boiling frog metaphor, the frog is too weak to jump out of the pot. It's good to develop our ability to recognize the final stages because they represent the last opportunity to jump before it's too late.

In the final stages, you have flattened the organization and tightened your belt in every way possible to minimize expense. If you're operating a bottling plant, you've spread operators across many machines that are running at the same time. Supervisors are responsible for 30-50 direct reports. If someone stays home sick, the supervisor takes his or her place on the line. You schedule rotational breaks and lunches because each position must continue running 24 X 7. You've set the expectation that people who don't come in when they're sick can be replaced.

Your labor as a percentage of total cost is no longer significant. The cost of overhead and the carrying cost of inventory is now the greatest cost in the business. This means that it doesn't matter if you "squeeze" your headcount or not, you won't really impact your bottom line that much.

Your workforce skills have steadily declined as turnover and lack of a training and development system have taken their toll. Therefore workers cannot solve simple problems much less determine root causes and take corrective action. You've steadily squeezed your labor and overhead to achieve the cost reductions you need. Now you don't have any "wiggle room" to improve your process maturity – that takes educated workers, and advanced statistical and analytical techniques that your workforce and even your managers don't understand.

You have a management team that is "hunkered down." They work 48-64 hours in the average week. They come in Saturdays and even Sundays with no complaints. They work hard and manage hard. They're committed to the goals of the organization. They know how to talk about any subject – scrap, rework, waste, turnaround, cycle time, lean production, six sigma, teams, and performance metrics. When you ask them what their strategies are for improving operations, they talk about opening a new warehouse.

JUMPING WITHOUT GOOD REASON

What is the secret to the frog dilemma? You must assume that change is happening. You must assume that when you're comfortable, you're boiling. You can't wait until you see a problem to react. You need to be able to imagine your way into initiating change rather than waiting for it.

If you wait until you realize you're boiling, you won't have the strength to get out, so you have to learn to move your actions from detection and reaction to vision, purpose, and action. If your vision is to have a turned-on, highly motivated workforce, you set about taking action to create that before your perceptions tell you there are problems.

You must build a change-ready organization that shuns the boiling water of complacency and refuses to call bad habits "organizational learning." Continually destabilizing the organization might seem counter-intuitive, but it's the smoke-filled hallway leading out of the burning building. Here are a few activities that can help you to jump:

DEVELOP AN ORGANIZATIONAL PURPOSE

Develop an organizational purpose that is inspiring and motivating. If you're making medical devices, make up a purpose that's about prolonging life, or saving lives. If you're providing printing services, design a purpose statement that includes raising the bar of excellence in the printing industry, or helping your clients to improve their image.



Dialogue is the context in which **the organization operates.**



JUMPING WITHOUT GOOD REASON CONTINUES...

GET & SHARE CUSTOMER FEEDBACK

Start surveying customers and sharing the data as widely as possible. Take customer calls and share their comments with everyone. The "voice of the customer" can transform your organization and frogs have been known to jump when they hear it.

BUILD AN ORGANIZATION THAT CAN TRUST LEADERSHIP

Easier said than done, but never lose sight of this goal. In order to be trusted, leadership must be honest, consistent in its words and actions, open to feedback, and committed to making the organization a great place to work. Leaders must shift the culture from blaming people to blaming processes... and when the process is to blame, leaders are responsible.

DEFINE ORGANIZATIONAL VALUES

Define organizational values and link the organization's strategies and goals to those values. Teach the values. If the value is "customer-centered", teach people to develop their processes to listen to customer needs and then be responsive to those needs. If the value is "process excellence", teach everyone in the organization to assess and measure process maturity, and to continually increase the maturity of each critical process.

DEVELOP A "NOWHERE TO HIDE" ORGANIZATION

Define top-level measures on a scorecard and deploy those to every function and operating unit. Ask each unit to develop their own scorecard and then deploy that down to the individual. Start at the top and make individual performance measures visible to everyone. After the organization gets used to that, move it down a level, and so on.

TEACH MANAGERS AND SUPERVISORS THE DIFFERENCE BETWEEN RESPONSIBILITY AND ACCOUNTABILITY

Responsible means "able to respond." Accountable means "willing to be held to account." Much damage is done in organizations because managers don't know the difference. Once this lesson is learned, then managers can begin to learn to hold people accountable without fault, guilt, or blame. Managers hold accountability as a serious matter, creating heavy career-changing conversations or a reluctance to having them at all. Accountability needs to be the fun part of the game of work. Why would anyone be "willing to be held to account" if they knew they could be seriously damaged as a result?

REALIZE THAT CHANGE PROCEEDS FROM THE INSIDE OUT

People are transformed individually before they are transformed as a group. Transformation takes place when there is a new conversation. No transformation ever occurred when the prevailing dialogue of the organization had not substantially changed. Dialogue is the context in which the organization operates. Negative dialogue begets negative outcomes. Dialogues that keep possibilities alive beget possibilities. To create the possibility of transformation, leadership must first change their conversation.



Engage in conversations



about self-fulfilling prophecies.

JUMPING WITHOUT GOOD REASON CONTINUES...

Resignation to "the way things are" must be replaced with "the way things could be." A focus on negative results must give way to new conversations about what's going right. Conversations about what can't be done must be replaced by conversations about what can be done. Leaders who cannot change their conversation must remove themselves from leadership. Declare war on gossip and disrespecting others. First, stop it yourself. Next, make it clear that although the habits of the past are strong and pervasive, the new organization will not include the latitude for gossip and disrespect. It will take years for you to develop an organization that can go a day without speaking badly about someone else. Even more time to realize that beyond simply complying with your wish, an organization that gossips and disrespects others throws its garbage in the hallways and then wades through it day after day without even noticing.

DECLARE WAR ON RESIGNATION

First realize that if you don't, you're resigned. Adopt the philosophy that what you think about and have certainty about comes to pass in reality. Engage in conversations about self-fulfilling prophecies. Engage in conversations about what's possible with a customer, a vendor, or even a team member if everyone adopts the possibility of transformation. Begin to include "coachability" in performance evaluations. Put everyone on notice that you expect them to be coachable... open to new possibilities and open to feedback.

Firefighting is first a way of being, and second a way of acting, and third a fact of life. Many people act as if it was the opposite... a fact of life, therefore a way of acting, therefore a way of being. Nothing could be farther from the truth.

The human mind does something that becomes repetitive, then builds a body of evidence that supports its view of reality.

By realizing this cycle and what it is to be human, we gain some power over the mechanism that tells us we're justified in fighting fires.

Firefighting, like world hunger, exists because we believe it is justified and unavoidable. The fact is that we produce more than enough food on the planet to absolutely guarantee three meals per day for everyone. You didn't know that did you?



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