

THE QUALITY COACH!



The Quality Coach!® is a professional coaching practice focused on helping our clients obtain extraordinary results through people at all levels using a leadership philosophy that we call Appreciation². We believe that humanity affirming workplaces generate greater profits, achieve higher levels of customer satisfaction, and are the most fulfilling and sought after places of employment in their communities. This whitepaper explains our philosophy and the specific challenges to which we apply that philosophy in the interests of helping our clients to produce current results that exceed anything they have ever accomplished in the past. We hope you find our explanations and descriptions engaging and thought provoking and we invite your feedback and comments about these contents.

Warmly,



Jeanne



Hank

What is Appreciation²?

People are a unique business asset. Compared to equipment or materiel, people are the only asset with the POTENTIAL to APPRECIATE. Equipment depreciates. Materiel has a shelf-life. Only people bring value that has the potential to increase with time...to appreciate. BUT people don't appreciate on their own. We must appreciate them in order to access their potential to appreciate. This is the essence of the Appreciation² philosophy and the focus of this whitepaper. Join us for a brief exploration of the many faces of appreciation as they show up in 4 people critical challenges that every business must successfully confront if it is to succeed in the new millennium economy:

1. Managing Talent
2. Developing Character Centered Leaders
3. Teamwork
4. Navigating Change

Talent Management

The dynamics of the 21st Century workplace put a premium on managing talent. All companies are struggling to accomplish more with fewer resources in response to ever more knowledgeable and demanding customers. The GenX and GenY crowd have a free agent mentality that is grounded in a profound belief that job security is less an

entitlement and more a function of their ability to consistently perform at a high level and continually gain new skills that add value to ANY employer. They want opportunities to stretch, grow, and develop.

Those companies who excel at finding, keeping, nurturing, and developing the talent they need to deliver their products and services will be rewarded with a level of employee and customer loyalty that produces extraordinary revenue and profit growth as well as dominant market share. Talent management begins with the application of wise hiring and promotion practices; and is reinforced by a performance management system that enables and rewards both individual accountability and a leader mentality that recognizes and seeks to satisfy the unique needs of each employee.

Character Centered Leadership

Comprehensive and groundbreaking research has shown that people quit bosses, NOT companies. The Boss is THE critical component of every worker's environment. Workers want bosses they can trust...who walk their talk...who listen empathically...who give frequent and constructive feedback...who coach more and judge less...who are consistent AND compassionate.

Character Centered Leaders are that kind of boss. They use their speaking and listening skills in ways that always validate the humanity of those they lead. They are keen observers of people and circumstances. They have achieved mastery at creating and sustaining a work environment where people feel safe to fully express themselves. They use dialogue NOT coercion to solve problems, make decisions, and implement plans. They engage the people they lead by making work life challenging and meaningful.

Teamwork

Anyone who believes that teamwork is just another buzzword in the new age management lexicon and not a key requirement for success in today's permanent white water business environment just isn't paying attention. From supply chain optimization to customer relationship management, teamwork plays a crucial role in producing outcomes that delight customers and keep costs at their theoretical minima. Companies who have learned to team intra-departmentally, cross-functionally, and trans-hierarchically are consistent winners, on both financial and human scorecards, in the markets they serve.

Teamwork is a necessary and critical component of every improvement and change initiative an organization undertakes to maintain its competitiveness and to respond to the environmental changes that threaten that competitiveness. Conflict is a necessary component of extraordinarily effective teamwork. A key to harnessing the positive, creative energy that resides within any conflict is the ability to recognize, appreciate, and respond to the diversity of behavioral styles, core values, and world-views that each individual member brings to the tasks that their team must accomplish.

Navigating Change

Change has always been a relentless companion of everyone in the workplace. But today, thanks to the breathtaking speed at which information is generated and the instant access that everyone has to that information, change has become a monster.

The ability to cope with and respond to that monster in a healthy, humanizing way is a core competency that any company intending to survive and thrive in the 21st century must master.

Much has been written about change and most business schools offer degree programs in change management. The sad truth is that our batting average at producing effective and sustainable change, that fulfills the original expectations of its organizational sponsors, is quite low. There is no better example of this dismal track record than the 75+% failure rate of TQM programs in decades past and 6-Sigma initiatives in more recent times. In our view, the inability to produce sustainable, whole-system change stems from a failure to address the individual human issues that cause people to resist change. The core theme of this resistance is FEAR of LOSS.

600 Leaders are Better Than 1

The GDX Automotive Plant in New Haven, Missouri is a client of long standing. They produce the rubber sealants for automobile doors and windows. If your vehicle is dry during a driving rain and rides quietly in a high wind, you have the people at GDX to thank. From 2000-2005 the folks in New Haven learned and applied the principles of lean manufacturing to reduce waste in 8 areas:

1. Over Production
2. Inventory
3. Transportation
4. Waiting
5. Motion
6. Over-Processing
7. Correction
8. Not utilizing Human Resources

Results have been outstanding to say the least.

- Their customer base has broadened from GM, Ford and Freightliner to include Toyota, Honda, Nissan and DaimlerChrysler.
- Profitability has increased 184%.
- Quality has improved from 1,832 defects per million chances to 3.
- Safety performance has been an outstanding 1 million plus hours worked without a lost time accident during each of the last three years.
- The plant work ethic and level of associate engagement, as evidenced by its 99.4% attendance rate and 7,292 implemented suggestions in 2004, is now world class.

In March, 2005 the efforts of these highly committed and talented people were rewarded with their receipt of the Shingo Prize, the “Nobel Prize” for excellence in the application of lean manufacturing principles. The prize, named after Shigeo Shingo, one of the architects of the world-famous Toyota Production System, is sponsored by Utah State University and has been in existence for 7 years. In 2006, the New Haven Team was further honored by Industry Week magazine by being named one of the top 25 manufacturing plants in North America.

We have been privileged to support GDX in their efforts to reduce the 8th Waste by helping them to design and implement a Shared Leadership Model that we call Work

Centered Teams. Every floor worker is a member of a natural work team based upon the specific part or major component that s/he works on. Each team has total accountability for fulfilling the customer orders for their part. This includes scheduling, insuring that raw materials are available, producing the part, and delivering it to the shipping department. The team sets goals and is responsible for quality, productivity, cleanliness of their work area, functionality of their equipment, and the safety of each team member. They essentially own and operate a mini-business and get to experience all the rewards and frustrations that go along with ownership.

The application of the Work Centered Teams model has produced important role and organizational changes that under-gird the outstanding business results achieved by the plant workforce:

- Only two levels of management between Plant Manager and factory floor worker.
- A shift from command and control front-line supervision to “coach approach” leadership and teamwork facilitation.
- Adoption of in-team support roles for maintenance, scrap reduction, productivity improvement, communication, environmental health and safety in addition to normal factory floor duties with the support of a champion at the senior management level.
- Direct interaction between factory floor team members and support functions such as maintenance, engineering, materials/purchasing, and continuous improvement.

By employing the Work Centered Teams approach, the 600 people at GDX-New Haven have all become leaders. Their dedication to quality, customer service, continuous improvement and most important, continuous learning, keeps costs low and customer satisfaction high. Their enthusiasm and can-do attitude attract the new customers and new business that will help the plant to thrive for years to come and keep their jobs secure in a highly volatile and competitive market place. Congratulations!! Jeanne and I are proud to have made a small contribution to your success and we remain honored to be able to continue supporting you in your efforts to take your performance to the next level.

Note: *If you are interested in learning more about the GDX practices and what their workforce has accomplished, we can arrange a plant tour and a conversation with the people on the floor who made it all happen. Just call or send an e-mail with “GDX Benchmark” in the subject.*

The Quality Coach!® specializes in helping business owners and executives get the right people in the right positions, develop them to excel in the positions they are in, prepare them for future positions of more accountability and authority, and coach them to function as highly effective members of customer oriented and profit minded teams. If you are facing any of these people-centered challenges, please contact us by phone at: 636-239-0582, by e-mail at: hank@thequalitycoach.com or visit our website at: www.thequalitycoach.com.