

Username: Password: [Create a Free Profile](#)
[Forgot password?](#)

Strong leadership: the key to change and survival

By **Richard G. Ligus Cmc Cpcm** | Published: 12 Dec 08

Over the years U.S. manufacturing companies lost substantial market share in many industries. Stiff foreign and domestic competition drove executives to seek solutions. MRP had its heyday, then JIT, CIM, TQM, and time-based competition. Quick-fix solutions failed, as well as downsizing and decentralization.

By now we understand what led to this bind --years of haphazard growth and piecemeal problem solving. We placed plants and equipment wherever space could be found. We sourced overseas in quest of cheap labor. We organized ourselves by functions, taking pride in getting the management process down pat....so we thought. The results were bureaucratic organizations, slow to react to customer orders, slow to develop and produce new products, and high costs. Huge monoliths as IBM and GM built enormous empires over the decades and are now suffering dearly because they can no longer compete.

Yet some companies are making substantial progress in becoming highly competitive. A tractor facility that didn't know how much inventory it had within four walls in 1986, proudly boasts 26 turns today. A small plating company driven with fire and entrepreneurial spirit has transformed itself into a managerless dynamo, growing, expanding, and taking market share during recessionary times. What is it that these companies have that makes the difference? The following characteristics seem to be consistent in companies who are able to radically transform themselves.

Strong Leadership

The CEO drives the change process, leading the company to greater heights. There is no substitute for a strong leader. He sets the direction, and the priorities.

Consensus At The Top

The CEO and first reports agree wholeheartedly on the need for dramatic change, and all work together in defining the vision and the resources required for success. Teamsmanship is real, not feigned. Contributions are sincere, not politicized.

A Shared Vision

A well articulated vision of where the company will be in three to five years, expressed in specific performance outcomes, cascades throughout the company. Every employee has personal objectives that tie to the vision. Each has a direct effect on the outcome, and a well-defined personal stake in achieving the vision.

The Right Attitude

Hidden personal agendas in top and middle management are cast aside to make room for a major collective effort. The theme is "get on board, or get out of the way." Those who block the effort are quickly disposed.

Commitment To See It Through

Plans do not get derailed at the signs of resistance or difficulty. Solutions to problems are found and implemented. If something doesn't work, something else is tried.

High Employee Involvement

All employees participate heavily in achieving team-based performance objectives. Individualism is not lost in the team environment, but reinforced. Problems are diagnosed and solved through teams that run their own operation. All participate in continuously improving personal, team, and organization performance. The focus is on quality, cost, delivery, and customer satisfaction.

Permanently Empowered Employees

Decisions are driven downward to the team level on a permanent basis, not a special project or



article

print this page

submit content

review this content

more content

For more information
on this article, please
fill out the form below

Name: *

Email: *

Comments:

Add specific details here

* = Required

temporary basis. Layers of management that get in the way of fast decisions are removed, and accountability rests with the team. Team leaders provide direction, priorities, and facilitation to the team. Teams evolve to self-management.

A Comprehensive And Systematic Approach

A comprehensive master plan is created that addresses key integrated leverage areas: culture, reward systems, strategy, process, structure, and staffing/skills. All leverage areas are linked and the plan is structured in manageable phases. The process is continuous.

Lots Of Guts

A willingness to take risks and attack sacred cows to achieve substantial results is prevalent. The focus is longer term, replacing the monthly P&L as the driver for everyday operations. Problems are anticipated and directly addressed.

Continuous Catalytic Activity At The CEO Level

Executives realize they do not have the objectivity, skills and experience to enact radical change. External, objective, apolitical, and experienced catalysts and consultants are used to help navigate, find direction, and implement plans.

Trustworthy Communications Top Down/Bottom Up

The CEO and first reports continuously, repetitively, and consistently meet with all groups for two-way communications. The CEO is highly visible to all. Weekly or bi-weekly employee exchanges take place. Fears are addressed. Truth and honesty prevails.

Ownership Of Change By A Vast Majority Of Employees

High employee involvement in problem solving, finding solutions, and implementing them creates authorship and ownership of the process. Peer pressure makes things happen. Employees are trained and learn new skills. Motivation is provided by the vision, strong leadership, team involvement, and reward systems that reflect achievement of the vision.

Financial Resources

Equipment and staffing is provided as part of the master plan. Substantial investments are made to reduce non-value added time on the shop floor and in the office. Cost/benefit analyses identify the results that will be achieved.

Extensive Education & Training at all Levels

Most employees, including upper and middle management, have been conditioned over the years to be individuals and stars. Our society teaches this. They simply don't know how to behave as team members should. Courses in dealing with personality differences, team building, stress management, conflict management, and many others can go a long way in getting people to work cohesively. In addition, courses in process mapping, set-up reductions, statistical process control, etc., can provide the techniques for re-engineering the processes.

Competing and leading in the next decade requires major renovations to the manufacturing infrastructure, and an acculturation process fueled by heavy emphasis on self-direction and empowerment. Those who accept the challenge can follow the experience of others who have demonstrated success.

Seeking these qualities greatly enhances the chances of a successful outcome.

© onesixsigma.com 2003-2008. All rights reserved.

Recent Articles

- › Strong leadership: the key to change and survival
- › BMGI to Host Lean Six Sigma Black Belt Course in Prague.
- › i&i Members Community Networking Meeting: Lean Transactional Environments
- › Employee Communication: 5 Tips to Engage Employees
- › Defining the Six Sigma Infrastructure