

## Business Excellence and Leadership (first published in the 1990s)

John Seddon jokes that he has only two problems with the Business Excellence Model - content and method. In this article he digs deeper into how users of the Business Excellence Model should interpret Leadership.

If you are not familiar with the Business Excellence Model (BEM), you will be in the near future. British and European Governments are committed to encouraging organisations to use it. The SME sector is to be encouraged to use the BEM by Business Links and TECs - the Government has already set targets to get the ball rolling. Whatever you think or believe about excellence, quality, models and fads, this one is definitely coming.

The BEM and LEADERSHIP

*Leadership - for better or worse?*

Leadership is the engine of change but it can be the reason for no change. How many organisations have leaders who publish statements of mission, vision and/or values whose leaders then behave as though they apply to others rather than themselves? Perhaps it is not the fault of the leaders; they are encouraged to do these things by management gurus, it has been fashionable to publish statements of intent.

The official guidance to using the Business Excellence Model also encourages these sorts of things. It talks of how leaders should 'develop clear values and expectations, communicate visions or missions, give and receive training' and be 'actively involved in improvement'. In my experience leaders can profess to do all of the above and yet achieve little of value in terms of improving performance.

The official guidance also talks of how leaders 'define priorities, fund learning and improvement activities' and 'enable people to participate in improvement activities'. This is to think of change as 'projects' or 'off-line' activity that needs to be resourced over and above what is needed to do the work. In my experience it is dangerous to think of improvement activities in this way, it is a recipe for no or slow change. Improvement ought to be part of the way work is done, not something which occurs in projects, or something for which specific time should be set aside. It is perhaps because traditional management thinking treats people as resources that improvement is thought of as competing for 'productive' time. Leaders should see improvement work as part of the way work is done, improvement is integral with doing work.

*Good leaders know how to talk about work*

To behave that way, leaders need a lingua franca for talking about work, or as I like to say, leaders need to know how to talk about how the work works. All the research on leadership shows that above all, the leader's job is to give work its essential meaning; people need to know why they are doing something not just what to do. There is a famous story that illustrates this point. Engineers working on the Manhattan Project (building the atomic bomb) had not been told what their work was about and what their calculations meant - the army thought it was critical to maintain secrecy. Finally, a scientist persuaded his superiors to tell the engineers what they were doing and the way they worked was transformed. The engineer's work rate increased by a factor of ten.

The importance of meaning throws light on the nature of motivation. Great work is its own reward. People love to do good work, they love to have a task they believe in and the opportunity to do it well.

So what does this tell us about the requirements of leadership? Good leaders are keen to know the details of their operations - how work works. As they know their operations, they know how to ask questions of the people who work in them. Good leaders model learning - if the leaders are learning, their people learn to learn too. It becomes natural to problem-solve and raise issues that need to be tackled for performance to improve.

*What type of leaders do you have?*

*Type A*

Work mainly in their offices with other leaders, only spending time with those who do the work to issue instructions

*Type B*

Spend a lot of time with the people who do the work, listening to what is going on, leading learning about how to improve things and taking responsibility for changing things that are beyond the scope of the workers.

Type A leaders are not really leaders. What disturbs me is that the official guidance to the Business Excellence Model tends to encourage this sort of behaviour. I summarise it as thinking of management as a 'review' function, psychologically and physically distanced from where the work is done. However, take note that the official guidance starts out by saying that the guidance is in no sense mandatory - you can choose to interpret the Model in whatever way you see fit.

So my advice is interpret leadership in a Type 2 way. Leadership can be the engine of change. When leaders have enthusiasm for understanding how the work works and work with their people to appraise the work rather than appraise the people, you can expect incredible changes in performance and morale - the two go hand in hand.

*The chief executive of a computer service organisation turned up at a customer site to find an engineer fitting a printer. The engineer complained that the printer was broken. Knowing that this was one of four hundred being fitted, the chief executive became alarmed. He asked if this problem was a one-off. "No" the engineer replied, "its happening about half the time".*

*The chief executive took the engineer to the engineer's manger. The manager was equally concerned. "What have you done about it?" asked the chief executive. "Written a memo to my boss" was the answer. The chief executive took the engineer and his manager to the bosses' office. "What have you or one about it?" he asked. "Written to the Repair Centre" (the place the printers were coming from) was the reply, "and they have written back to me showing me their reports that claim the printers are OK when they left them".*

*The chief executive later remarked: "As I went up the hierarchy to solve this problem, the only thing that changed was the size of the office". Managers saw themselves as exercising their functional responsibilities.*

*The chief executive picked up the 'phone and called the Repair Centre. "Put me on to Mr Smith" he said, Mr Smith being the engineer who had repaired the printer (his name was on the ticket). "I'm sorry" was the reply, "he is working at his bench and should not be disturbed". 'Managers thinking in production terms' thought the chief executive. When he made it clear who he was he soon got through to the engineer. He explained the problem to the repairing engineer and then put the installation engineer on the 'phone. Within minutes the engineers identified the reason for printers failing. In an attempt to save costs, printers were being dispatched in packaging that was inadequate for the job, causing the same damage to about half of them.*

*The chief executive's view about management was straightforward. "If I can solve problems like that so can my managers. If every one of my two hundred managers solved one such problem every day, we would be unbeatable". He taught his managers their job was to be useful, to find out what hindered the organisation's ability to achieve its purpose and then act on it. He had very little tolerance for managers who continued to work through the hierarchy and he was swift to act if managers changed things without having first understood the likely consequences of their actions.*

*Managers working for this chief executive started to have more fun. They became leaders. Their people followed. It became normal to raise issues and work across boundaries to solve them. The hierarchy ceased to be a means of management.*