
Operations Leadership

Establishing a High- Performance Culture



Global Executive Solutions
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Operation leaders that get the opportunity to lead a new or different operation face many challenges. As a new leader coming into a manufacturing operation, even if that business has been operating well, there will always be challenges that will have to be overcome. If the business was troubled or in need of a turn-around, how you approach the first few days becomes critical to creating the expectations and culture with the leadership team and all team members of the operation.

Before going to your new business, do the research into its past and current situation – not just the financial & strategic focuses, but the culture, practices, peoples' backgrounds, and the evolution of that business. Make sure you obtain the Safety Program performance status of their workman's compensation history. Obtain the Operating budgets and status of their Operating Working Capital, Work In-Process, and Inventory levels – what does their backlog look like and how material is held in their Material Review Broad backlog. If you are being given a business/operation with Union Contracts, get a copy of the CBA and its history of grievances and strike situations. Make sure you know how the Union leadership was established, their history within the Union and the company. Obtain the organization charts and assess the management team and layering of leadership to determine if there are too many leadership positions versus executors/shop floor operators. Look to see if your sales per head are in line with peer factories/businesses. Determine what the backlog of sales versus unbooked sales are to see how your business development group is supporting the business. This homework will provide you the basis for how your Operation, its Leadership Team and the overall business is performing and will help you to establish the framework of your expectations of the business and its workforce.

Setting Expectations

Realize that you will be changing the ways things have been done and you need to have your front-line leadership buy into who you are and where you are taking them in order to be successful. Your Journey will be different than the one they have been on – your success is completely dependent on how well your team does and buys into your message. Set your expectations and be clear about them. Hold your people accountable, but you must hold yourself to even a higher standard – not only talk the talk but walk the walk. Establish your initial goals with enough smaller milestones to show your collective wins and celebrate them – Small Win Principle.

When setting up your expectations, make that your performance parameters are measurable. Measured Performance establishes success or failure in all areas where you expect a high performing culture to be established. Annual requirements for: Safety Performance, Financial Performance including Booked Orders, Annual Sales, Return on Sales and Cash are standard must. Performance metrics for all aspects of the business are required and as the new leader you must define those key parameters that provide you with the dashboard metrics that measure daily performance levels. Get with your next line leadership and jointly establish the next level metrics that feed your key parameters so that the Team is working together to achieve your high-performance operating culture.

As the Operations Leader, you must understand that you own it – good or bad! Everyone looks to you for how we will make it happen – business success/growth/etc. You will need to convey to all that you are the person to lead this business – your experience and background have given you this opportunity, but you cannot do it by yourself – as a TEAM everyone can/will succeed.

When working on a troubled operations turn-around, have a positive attitude and message. Understanding and acknowledging the contributions, successes and failures of the past is a must, but remaining forward focused to outline the path to your vision of success is what everyone is going to be looking for – that’s when the organization must execute! Celebrate your wins – Create the followership and commitment to your vision – Work Hard and Play Hard – People want to be a part of winning Team! When people buy in and success starts keep everyone focused on the goal and how they are involved and leading the change. Success is contagious – as your team sees successes, it encourages more of the team to get on-board and invest in the goals and the mission. This is the turning point that will generate sustainable long-term success and the High-Performance Culture will become embedded in the organization and the way things are done.

Summary

It takes a lot of hard work to create a high-performance culture, especially if a turn-around is also required. The People, Facilities, Business Plan, Operation Performance, Financial results all play a part in the culture of a business. Establishing a high-performance culture requires the Operations Leader to instill pride into the people and work being done. Recognize that mistakes happen, but only if people do not pay attention to the work they are supposed to do. So, stay focused and allow no short cuts. Look out for each other. Care about the issues brought forward and fix them if you can. If you cannot, elevate to your next level of Management and make sure your people know that you have taken their issues forward for action. Take care of your people and they will take care of you. If you play no “games” and tolerate no “games” from your people a bond will form, and the high-performance culture will begin to take place.

Lead by example by demonstrating the trust and expectations that match a high-performance culture and by being consistent in your methods and dealing with all employees, customers, and stakeholders. Once you set and communicate expectations, let your people do their jobs. Task them and follow-up on the results by staying engaged but do not micromanage. Demonstrate you have confidence in the team to get their jobs done and meet and exceed expectations and let the performance parameters you establish guide your actions and those of your team.

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