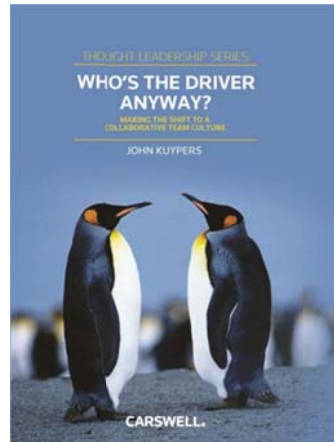


SUCCESS! A KEY MANAGER COLLABORATES SUCCESSFULLY

*In this excerpt from *Who's The Driver Anyway?*, author John Kuypers describes an actual case history where a troubled engineering middle manager takes a new approach to resolving a tough conflict between her and her peers. To her delight, she finds a way to be both right and successful.*

What gets in the way of a having a collaborative team culture? When there is a serious disagreement between two people. The issue often starts out small and then spirals into something big and even nasty. That is when moving someone an inch can seem impossible. Both sides are dug in and no one is budging. Not one inch.

“Joan,” the head of engineering at a branch plant was having such an issue with purchasing at head office. An expensive new machine had been ordered six months ago, designed to automate component assembly. Two months before delivery, the vendor advised that they had incurred extra costs which were unexpected and unavoidable. They wanted to be paid an extra \$65,000, money which would come from Joan’s \$30,000 engineering budget. She was upset at the news. “It’s not our fault they screwed up,” she thought to herself with determination. She let the head of purchasing know her position on the matter.



The purchasing director called a meeting with herself and the production manager to discuss the situation. Purchasing was in charge of the buying decision and the direct relationship with the vendor. It was one of those annoying situations, she observed, where they seemed to run the show but she had to pay the bill. The production manager was eager to receive and install the machine on time as the expected savings were already built into his budget, now just two months away. She held him in low regard and was barely on speaking terms with him.

She prepared her thoughts for the meeting. The supplier was threatening late delivery. She took comfort from the three month late penalty clause which provided some protection. The vendor also provided a list of twenty points justifying their position, none of which swayed Joan. She saw the whole issue as the vendor merely trying to make extra profits opportunistically, knowing her company was now in a tight spot, and knowing there were two other machines on order that other plants were relying on.

The meeting day arrived. The purchasing director gave his assessment of the case. “This is a key supplier. When I proposed that they eat the costs themselves, they took a hard line. Basically, their senior manager said that if we don’t pay, they won’t do business with us again.”

Joan groaned. “That’s ridiculous! It was their mistake! Why should we have to pay for it?”

As the meeting progressed it was obvious to her that the purchasing director wasn’t going to support her view. Neither was the production manager. No surprise there. “Of course,” she thought, “none of this is coming out of their budgets!” She said she was willing to pay \$15,000 and that was her limit. Then she left the meeting, feeling upset and frustrated. Joan knew they needed her agreement and she had no intention of signing off on this one.

Two weeks went by when Joan discovered that the purchasing director had held two meetings at head office without inviting her. She couldn’t believe it. She heard how the vendor’s vice-president had visited head office and she knew she was going to be a tough time winning this one. Still, she felt determined. “It’s a matter of principle,” she thought. “Besides I only have \$30k in my budget so I have to take a hard line.” She began thinking about ways to get her boss more involved.

At the same time, she had begun working with me as her executive coach. Her boss had arranged it. He was the vice-president of the local facility. She admired and respected him. This time, his blunt assessment had gotten her full attention. He told her that she needed to work on her leadership style. “You’re getting too many people mad at you,” he said. “You are bright. You are talented. You’ve been with us for over ten years. But I have to be honest with you. You have to change your style or

your career here is in big trouble.” It was a hit-between-the-eyes kind of moment.

She talked the situation over with me. She was particularly upset that the others had met behind her back. “Why do you think they did that?” I asked.

“I guess they think I’m being stubborn and obstinate.”

“And are you?” I asked.

She sighed. “I suppose. I know they see it that way. I just think they care more about getting schmoozed by the vendor than doing the right thing!”

Over the next month of weekly coaching, she began to explore all of her relationships at work. By her own description, she began to see that most were combative to one degree or another. She was quick to notice other people’s mistakes and as a result, people viewed her as critical and negative. She didn’t see it that way herself. They were making mistakes and Joan was simply pointing out the right way to do things. Her bright mind saw things in technical terms and it wasn’t personal for her. But it appeared to have become so for many of her colleagues. Still, she seemed indifferent to their feelings. Right was right and that was what mattered, she said.

As her trust grew in our coaching sessions, she divulged that she was a widow, having lost her husband just two years earlier. She was raising two elementary school children on her own. Her life was jam-packed and stressful.

During the coaching, Joan was surprised to learn about the idea of focusing on the present moment. She began to see how her anger at purchasing was really an accumulation from similar events in the past. She began to see the truth in the simple idea that once a mistake has been made, it was over. She adopted the phrase, "What's done is done," as a personal favourite. She had a huge grin on her face when she told me of how that line was pleasantly shocking her colleagues! She was learning how to let go of past issues and focus on the present issue only.

For Joan, letting go of the past meant deciding that it was okay for her to not be so rigorous about every procedure, double-checking and questioning everyone. She realized that by these old habits, she communicated a high level of distrust in people. They were responding by increasingly shutting her out and avoiding her. No wonder her boss was taking a hard line with her!

On the vendor over-billing issue, she began to let go of her cynical view of the supplier's motives too. While she had been prepared to live with late delivery and an end to doing business with that supplier, she saw that purchasing had their own reasons for wanting to keep them on board. After all, there were really only two serious vendors in the industry who could supply these sophisticated machines.

"What's the inch in front of you that you want from purchasing?" I asked.

She thought about it for a full minute. "I want them to stay within my \$30,000 budget."

"Okay, how can you do that?"

"I need to get purchasing on-side with that goal. Then I want us to meet the supplier together."

"Sounds like a good plan to me," I affirmed with a smile. It was good because the inch she wanted was in an area which belonged to her responsibilities, and she had let go of trying to control the overall vendor – buyer relationship.

A week later, she was all smiles.

"How did it go?"

"Great! We ended up agreeing to pay \$33,000, so I saved the company \$32,000! Not only that, the vendor was pleasant and happy to see me. The purchasing director was happy with how things turned out too."

"So why do you think it went so well?" I asked.

"I think a lot of it had to do with me having a different attitude. I didn't react emotionally the way I did before. I spent a lot less time thinking about what they might be thinking, which means I listened better than before. That really made a difference!"

She went on in general about how she was handling things differently now. "The biggest thing I'm noticing is that I'm expressing myself more readily. I've kind of surprised myself! I can see that people's eyes are popping right out of their head, they're that surprised! I guess I was pretty private before. I even joked with them that I met someone who has husband-potential!"

She laughed with gusto. “I’m also making a point of recognizing when people do things right. I used to only notice the mistakes. Boy, do they ever like that!”

“The other thing I’ve started doing is dealing with people’s mistakes privately. I don’t call them out in front of others. I can tell they trust me more because of that.” She smiled. “All in all, I’d have to say that focusing on what’s happening in the present, and being clear about the inch that I want from others has made a really big difference. Thank you, John!”

Joan’s experience was a great success. She let go of being right, and focused on being successful instead. Her team appreciated it. Within a year, she was promoted and transferred internationally.

Let’s analyze this case for a moment. The issue was clear. The vendor wanted to extra-bill and the engineering manager did not want to pay. Looking at the Expectations Pyramid, this was not a situational issue, unexpected and undefined. This was a structural issue. The vendor had a contract. Purchasing had certain authorities with which to enforce or modify the conditions of the contract. Joan had a defined authority with regard to the budget.

One of the main reasons this became a tough issue was the lack of alignment structurally. This is a common cause of tough issues and its source traces to the organizational design of the company itself. None of the managers involved in this tough issue were in a position to change the formal authority dysfunctions that were present. All they could do was leverage their existing authority as best as they could. It is the job of higher level managers to correct

this or explain the existing structure as intentionally designed to promote collaborative decision-making.

Informally, the culture of the purchasing department was clearly oriented to maintaining good supplier relations as a high priority. Joan’s hard line clashed with the values and beliefs of her colleagues and they responded by excluding her. That is cultural power in action! These were consequences that Joan could immediately feel and they hurt. Nonetheless, Joan did not respond by caving in. She responded by being even tougher and more hard-line, convinced she was right and ready to defend justice and truth. It was only when she began to see the situation through the eyes of her colleagues, plus realize what the inch was for her – to pay only to her budget limit – that she began to soften her stance. She began to see that her hardline position about the “principle” of the matter was not serving her. She changed her belief that she was getting taken advantage of by a profiteering vendor, the thought of which had offended her core values. She no longer felt like she had sold herself out.

One of the keys to seeing the present moment is to become aware that we often project our beliefs onto the behaviours of others. Joan had no proof that the vendor was actually profiting from their \$65,000 claim. She assumed it. She really had no basis to prove it one way or the other. Thus, many conflicts are essentially one set of assumptions fighting another set of assumptions. This is why excellent communication skills are needed by leaders to overcome defensiveness and to get full disclosure on the table in a trusting environment. Being present makes an immeasurable

difference by setting aside personal beliefs, past experiences and hard line views about what outcomes are “right.”

It’s easy to see how this tough issue became personal. Joan was questioning the integrity of her colleagues, a habit which would offend most people. Her colleagues were going behind her back, sending a powerful and hurtful message to her. Ordinary issues become tough when they get personal. This is the slippery slope that causes many leaders to endure stressful, career-damaging experiences.

In the end, Joan was flexible and the vendor also became flexible. They collaborated in the middle on the extra-billing and they did so amicably. Was it a coincidence? I don’t think so. Joan relaxed her formal budgeting authority but only after she overcame her expectations pyramid so she could see the result that really mattered to her. Though the vendor also gave in significantly, they successfully leveraged their position too. They used their informal power to claim twenty points in their favour and to leverage their good relations with purchasing. They tapped into their formal authority by threatening to stop doing business with the company.

As mentioned, a root cause of this issue was the design of structural power. The organization was designed in a way that no one had final decision-making authority. Like the U.S. government’s three-pillared system of checks and balances, it required collaboration and compromise to come to a decision. Perhaps this was intentional, perhaps not. In the 21st century,

leaders can expect this to become more and more the norm, with resistance as the downside and full commitment as the upside.

Organizational design in larger companies is inherently flawed because it is based on a dilemma. Work flows across functions in order to produce the goods and services that generate sales and profits. As employees deepen their functional skills, they increasingly lose sight of the cross-functional flow of work. The process of buying a sophisticated machine requires the respective managers to blend their functional skills. Engineering may know the specifications but they are unlikely able to craft a strong purchase and sale agreement, and vice versa. Having strong functional skills is vital but it comes at the price of seamlessly executing core processes.

Organizational design faces an irreconcilable dilemma:

People execute functions: Processes produce:	Service	Finance	Production	Purchasing	Sales
Finished Goods	←				
Services Provided	←				

Small organizations have the opposite problem. The owner or top manager can easily see the complete work flow. It begins with selling the customer, then placing, filling and shipping the order and finally, providing customer service. “Silos” don’t exist for them, but this strength comes at the price of weaker functional skills that often cause errors.

Underlying this core structural issue are the unspoken expectations about how decisions will be made. Each group has its own assumptions, beliefs and expectations that makes it hard to come to agreement. Yet there is nothing wrong with forcing collaborative decision-making per se. It can often yield optimal decisions. What's wrong is when its participants don't grasp the intent behind it, draw lines and take things personally. Senior managers need to describe or enrol their teams in this approach. If they fail to do so, it's likely because it was not an intentional design in the first place. In addition, internal participants often have a blurry grasp of their own decision-making rights and limits. In this example, each party wanted to have the right to decide.

In *Who's The Driver Anyway?* readers learn three steps to sharing power collaboratively in a way that cements their people's commitment to high performance results. The three steps are:

1. The RIFT - Who's really the driver?
2. The SHIFT - Who should be the driver?
3. The LIFT – How do you get better results from your drivers?



*John Kuypers helps leaders shift the way things get done by others. He is the president of Performance Shift Leadership Tools, team collaboration and organizational change experts, based in Burlington, Canada. *Who's The Driver Anyway?* is his third book. Contact John at johnk@performanceshift.com*