

-- Speaker 0 00:00:04 Make It Right. The manufacturing podcast,

Speaker 1 00:00:10 The role of the manufacturing CEO is not to manage a supply chain, a factory or a production line it's to inspire a vastly diverse group of individuals to make the most effective decisions every second of the day, no matter what thoughts they wake up with.

Welcome to the makeup right podcast, I'm Janet Eastman. And that quote is from Kevin Snook's book, Make It Right. Five Steps to Align Your Manufacturing Business from the Frontline to the Bottom Line. Manufacturing leaders are well equipped with education and knowledge of business engineering, supply chain management, but sometimes all that can take a back seat to people's skills. Kevin Snook is a leadership advisor and he's finding that there are two main challenges manufacturing leaders seem to be facing right now. And he joins me to provide some solutions. Kevin, it's great to speak with you again, and I bet you recognize that quote.

Speaker 2 00:01:03 It's lovely to be here again, Janet, and I recognize it. And, um, unfortunately it's one, that's still very prevalent in business at the moment.

Speaker 1 00:01:12 Yeah, I bet it is. So one of the questions you are facing quite often in your work with manufacturing leaders right now is why don't middle managers take more ownership and accountability for the business results. And I'm guessing there's probably a number of reasons they don't feel empowered or supported to do so would be just a couple, but what do you see being the common reasons?

Speaker 2 00:01:33 Yeah. And I see this in a lot of different places, Janet, and it shows up in different ways. And part of it is through my interviews or my discussions with CEOs or business leaders in manufacturing. Um, another part of it is just as I see people interacting around the workplace and see what's going on and quite often in our, in our discussions and in our classes, we're having people say, well, I wish these guys would just do what they're supposed to be doing. I wish they would take more ownership for, for the results. And, um, it's, it's very interesting because that's, uh, it's almost like a defense strategy for themselves. If my people are not taking ownership, then that's an excuse for me to, to not be getting the results that I ought to be getting. Um, what I actually find is that the people have a huge amount of ownership for the business.

Speaker 2 00:02:24 Uh, most people who are working in a company want to go to work and do a great job, you know, they're, they're as dependent or more dependent on that company and that job as the CEO is. And so, you know, they're the ones who want to put their kids through school that wants to want to be able to afford a new car or pay their mortgage. So they're desperate for the company to be successful and they want to have a lot of ownership and accountability for what they're doing there every day. But what's happened over a period of time is these middle managers come up with great ideas and they haven't been listened to, or they've up with great ideas. And they haven't been given the help and support to be able to put those ideas into place. And you know, that, you know, whenever you, whenever you're saying something you're asking for something, you don't get it a certain number of times, the natural thing is to stop asking.

Speaker 2 00:03:14 And when you stop asking, it looks like you've lost your ownership where really all you've done is you've kind of lost hope that something is going to change. What we need to be able to do as leaders is to make sure that we keep opening the channels for people to come up with our ideas and come up with their, um, with their improvements to the business and the things that will make their job easier. And as we continue to listen to them and give them the support to put those things in place, you find that the ownership or the accountability floods back into this team.

Speaker 1 00:03:47 So how does a leader actually recognize that this is the problem because you know what, you don't, you probably don't have notes or, um, you know, people's memories are, are short. They don't remember all of the things that somebody has suggested or asked in the past, right? So how does the leader recognize this and then go about fixing it?

Speaker 2 00:04:12 Well, the recognition is, is behaviors, you know, individuals, behaviors, and, u --

-- m, quite often in a factory, I see this as, you know, maybe there's people that are distracted with social media spend too much time writing emails or preparing for the report for the, for the reports or the presentation in too much detail. They're not, they're not comfortable going into an environment with the bosses without being fully prepared. Um, there's a whole set of behaviors. When you walk around a factory that you can see, um, maybe it's scrapped, it's building up or old pieces of equipment, things not being cleaned properly. All of those are indications that somewhere along the line, people have stopped taking ownership or stop taking accountability for the things that they're normally, you know, right on top of. And, uh, and so is looking out for those warning signs. And I'm a big fan of having regular reviews, regular one to one or two to one reviews with people. And during those reviews, you're listening and you're listening. Is that excitement, is that, um, feeling of being inspired? Is it still there in the individual? Well, here's the individual starting to lose their hope that anything's going to change. So it's really as a, as a leader being very perceptive to what's happening in the environment. And then what's specifically happening when you're face to face with people.

Speaker 1 00:05:39 And I guess as well, sometimes the leader really has to listen and really has to ask because maybe the results aren't coming and it has nothing to actually do with them, but something in that person's personal life.

Speaker 2 00:05:51 Yes. And I say that people, the same people wake up with a different head on their every day and we never know what what's happened to somebody back at home. Right. We don't know whether they've had an argument with their spouse, whether they're having some challenges with their children, whether they were in a car crash or a week before and now they've got a dodgy back. We don't know what's going on. And, and every day there's something else, a different tune playing in people's heads that the skill of the leader is to be able to have the conversations that allow that transparency allow that to come out in a, in an environment where people are not afraid that if there's something, you know, if they don't have a hundred percent business focus in their head, they need to be able to say that without a fear of sounding like they're not focused on the business.

Speaker 2 00:06:40 Um, the fact is none of us have what we would call a perfect life. None of us have a perfect background, but we can't all work, walk into work every day, a hundred percent focused on the business, unless there's somebody there in their business, who's allowing us to be transparent and allowing us to share where things might not be going the way that we would want them to be going in our home lives or in, in other parts of our lives. And that's distracting the business part. So the key there is really to, to be able to have those conversations, have that transparency and not allow people to hide behind the veil of, um, I'm okay. You know, it's okay. I'll deal with it. I'll get by. It's really about opening that up and allowing that conversation to happen now, in order for that to happen, of course, there has to be a level of trust.

Speaker 2 00:07:28 That's built up over a period of time and that's one of the keys to being one of these inspiring leaders is being able to build that trust with individuals. So how do you do that? It's conversations. Um, it's, it's, it's truly wanting the individual to succeed. I always say that the best way for a business to succeed is for every individual in the business to succeed. And the job of a leader is to, to see all of those individuals that are working with them and to say, okay, what can I do to help them support you to succeed in this role? First of all, we need to have very clear roles and responsibilities for people to be able to know when they're doing the right things. They need to be able to have the feedback from you, that they are doing the right things and that you want and expect more of those right. Things to be done. But really the background is you you're desperate as a leader for the individuals to succeed because that's the best way to pull the whole company forward.

Speaker 1 00:08:26 So in a, in a large company, there's managers all the way down the line. So some of them are sandwiched in between two levels except --

-- for the guy at the top. Right. And surely he's answering to someone. So how do you bleed that culture of trust and success all the way through?

Speaker 2 00:08:44 Yeah. And it starts with the top. Um, and it has to start with itself. I've worked in a lot of different companies and I've, I've tried working with, let's say one of the middle layers in the, and if they're not getting the help and support that they're required from, from their leaders, then it's really difficult for them to do the right things with the people further down the chain. And so there has to be a level at the top, which is, this is the type of company we're going to build. We want a company that's built on transparency. We want a company that's built on, um, opportunities for everybody to play their role to the fall. We want to be able to allow people at different levels in the organization to really take the decisions that they have the best capability to take. And, uh, and so yes, it starts with the top, but then we have to gradually build the same. It's the same process. We build the same process from the top through each different layer of the organization.

Speaker 1 00:09:44 So this is a total mindset change for some people, isn't it?

Speaker 2 00:09:49 Unfortunately it is. Yeah. I'd like to think that all of us want the people around us to succeed because, um, you know, when everybody around us succeed, it pulls up our level of capability and, and our level of performance as well. Um, but, uh, there are groups of people around the world that, um, did want it all for themselves. And, and actually they feel that holding other people down is the way to, to move themselves further forward. I've never seen that work in a company. Um, the very best companies are the ones that are, uh, certainly the best ones consistently over a long period of time are the ones that are supporting everybody to rise together. Uh, and that means that that direction, that very clear direction from the leadership needs to be there, but also backed up with sort of like the corporate values and that the corporate values are best when those values reflect the values of the leadership. Um, you know, the, the, the people that have actually put the company together. So, yes, uh, I would like to think that there were more companies on this path when we look around ourselves.

Unfortunately, there's a lot of people that have still got a ways to go in that

Speaker 1 00:11:00 You've actually been doing this for a really long time. Kevin you've worked with manufacturing companies all over the world, 26 or 30 countries. Tell me a story where you've seen this really succeed.

Speaker 2 00:11:14 Okay. So, um, yeah, I think I've been in 30 different countries now and, uh, 200 or so companies. And, uh, I would say that what's a of, but this probably 30% of those that are doing it pretty well. Um, there was one company that I was working with a very large company and, uh, for a long time, they'd been running with a chairman in place who was very autocratic and he'd done a great job of building the business to where it was, um, and that he was second generation himself and, and, and had done a really good job of putting systems structures in place, but everything was coming through him as the chairman. And, uh, at that point, the growth over the last five or six years have really dropped off. The company had done well, grown big, and then just, um, stagnated. And he was struggling to figure out what was, what was going wrong with there.

Speaker 2 00:12:14 And the fact was there was this level of fear in the organization, just that the transparency had been lost, that there really people in the factory weren't talking about what the problems were. They were trying to put a spin on, on the results that, you know, actually this is okay. And even to the extent, and in a couple of cases where the results were being fabricated, because they weren't, they weren't confident at being able to say, look, this is the gap that we've got. These are the problems that we have, the, the, the method around that was starting with the very top. And this was with the chairman and the CEO and saying, is this the way we want to be, you know, with the world moving forward, this autocratic system is really not serving us very much anymore. First of all, there's a huge amount of work and signatures and decisions that need to be made by the chairman.

Speaker 2 --

-- 00:13:06 And he was frankly, just the bottleneck of the whole business. And we said, well, how do we gradually start to change this? And it's a big leap of faith for someone who's got good results in a certain way, over a certain period of time to change that. So what we did is we took one, um, one division and actually one line in one division. And we started working with that line to, to do things differently. How could we roll down the decision making and accountability, really to the frontline workers on this one production line in one of their five divisions. And we started to do that. And after about three, four months, results were, were outstanding. They were better than any of the other lines in that division. And it was almost like this remarkable switch had been switched. And, uh, and then shortly after that, after about six months, when we proven that there was something going on here, we rolled that out to five production lines in that division.

Speaker 2 00:14:06 And each one of them, as they rolled onto their system, where the frontline employees were given more accountability and the ability to make the calls that they needed to make to get the help that they needed in order to be able to do things better. Um, each time we did that, then the results started to turn round and the results were manufacturing, efficiency, scrap, productivity, everything was changing that gave the chairman confidence that what we were, we were proposing, if you like, the philosophy was really working, that gave him the confidence to say, okay, let's do this in the whole of this one division out of the five and a year and a half later. So it was 18 months really to change the culture in division, but then he gave us the second division to work on. And we started to work in that group as well. So this is an example where a company that had stagnated really had really had the trust. If you like, it takes a huge amount of trust from a company leader to bring in somebody from the outside and to try to do things differently. And he had the, he had the confidence to be able to do that. He was desperate enough for the results that he wanted to make a change and just started small on a pilot line and gradually expanded it through the rest of the division.

Speaker 1 00:15:29 So I'm curious to know, did he, did you have to struggle with those three or four months to just sort of keep him on track and say, don't worry, the results will come. It just takes a little bit of time, or was he starting to panic after like the first month going this isn't working?

Speaker 2 00:15:48 No, it was, he was, he was because we chose in a small enough part of the business. He basically let us get on with it. And, and that was great. He had, he was making so many decisions for this company, this an \$800 million company, right? So this is a big group. He was making so many decisions across the business. And like I said, he'd become the bottleneck, but he was super busy all the time. Um, you know, this guy was working 14 hour days and driving so factories because he wouldn't even, he wouldn't didn't even have confidence in the results or the reports that were coming out of the factory. So he felt he needed to be in every factory every week. So, um, he had plenty to do, and he gave me the trust to be able to go in and work in a small part of the business.

Speaker 2 00:16:32 What was difficult was changing the procedures that the company had become ingrained in. And that really that's really why it was an 18 month process for that first division. Uh, even though they could see that things were starting to change after a month or two, um, there's still a group that had the fear instilled in them that, um, that this might not change. And I'll give you an example. There was in one area, we found out that the results that were being reported weren't, um, weren't true. And that the scrap level on the production lines was actually a lot higher than it had been reported. And, and I said, look, we need to be transparent about this. And there was a lot of, a lot of concern about that and saying, well, can we not, can we not say it? Can we just kind of fix it? And so we spent a little bit of time fixing it, and we got it down to the level that they had previously been reporting it after about four months. And then it got significantly better. And I said, okay, now we need to report, you know, how much better this has got. And th --

-- ey were like, can we not report how much better it is? Because then they would have said, we could have got it better years ago.

Speaker 2 00:17:46 You really can't win. In some cases, you, once fear gets into an organization it's really difficult for people to be able to trust again, and to be transparent. But if we can, if we can stick with the program for long enough, and we can build that level of trust, that really is the foundation to working in a whole new way.

Speaker 1 00:18:07 Um, and I guess, you know, with, with the chairman, driving around to all these factories all the time, trying to figure out what was going wrong, he was just rattling the fear cage every time he showed up somewhere and it just, he was perpetuating it wasn't, he

Speaker 2 00:18:21 That's exactly the way it is. And, um, and it was almost like for example, one of the factories where he would show up every Wednesday morning, it was almost like for the whole of that day, there was this, there was this cloud over the factory. I was visiting the factory for four days or four days a month. And so I'd be there Monday afternoon, Tuesday, Wednesday, and Thursday. And coming up to Wednesday, I couldn't even catch people to work with them because they were all preparing for Wednesday. And then during the Wednesday, everybody was like heads down and very strange, very strange situation. And, uh, but gradually, you know, once you start to change these things, people feel a sense of self confidence come back. They feel like they have some ownership and accountability and they can actually make a difference. And, uh, and that's when, you know, it's almost like the light switch comes on and be like, wow, I'm actually pretty good at what I do now. I'm starting to build some confidence which builds competence and then confidence comes in again. And, uh, and it's, it's, it's a wonderful situation because the lights just switch on.

Speaker 1 00:19:29 So you mentioned, you know, the chairman showing up at the factory to walk the factory floor. So the question, I guess, is every Wednesday seems a bit excessive perhaps, but how often should that manufacturing leader be on the factory floor?

Speaker 2 00:19:46 Well, I've always, I've always been trying to get CEOs of manufacturing companies to spend time on the factory floor. So, um, but when you want to be doing is when you're there, you want to be inspiring people. That's the difference. So I love people being out there, but they need to be inspiring and they need to be helping, right. There's no point in being there in order to just find out what's going on to get reports. And, and it it's, that's just checking on people. Um, now you do have to verify what you're hearing from people. And so part of the factory walk or the factory tour is, is looking around and looking at behaviors and looking at situations and, and verifying what you've heard from people. And I'm a big fan of the words trust, but verify, um, you want to trust people, but you also need to verify occasionally.

Speaker 2 00:20:37 Um, but if you're going there with this fear in place, then you're not going to see the reality anyway. Right. You're going to see, you're gonna see a prepared speech.

You're going to see a prepared factory floor. Um, what, uh, what we want to be able to do is to go in there, open with a very transparent culture, and then look for areas where as a CEO or as a leader, we can really help people accelerate their progress. And that means when you're out there, you're having conversations with people, you're figuring out what they're really doing well at what they're, what they're struggling with. They're where they need some new tools or some new investment, or some, someone else to come in and give them some guidance. You know, that's the sort of things that you're looking for. So it's not so much the frequency of visiting the factory floor. It's, it's having a very clear purpose when you go there and the purpose ought to be, to help them support people to do a better job.

Speaker 1 00:21:33 I remember talking to Peter Gibbons, um, some months ago, and he talked about how he had gone into a factory to help them out. And he was having a meeting with all the frontline workers. And after the long presentation that he gave one guy stuck up his hand and he says, well, if you're so good, can you get the window fixed? And, you know, the story, I think, right. And Peter sa --

-- id, what's the problem with the window? And the guy pointed to it, it was behind a curtain or something. He says that cracks been there for whatever six months or something, if you can get the window fixed, like, you know, that would be great. So that was the very first thing on Peter's list was to go and get that window fixed and replaced so that the people in their lunchroom would have a nice view. And that proved that he could get stuff done, which I think is really interesting. That was, to me, that was just a fantastic story of how you actually get things done and prove that you can get them done.

Speaker 2 00:22:32 Yeah. We have to prove that things are going to change and that there is an opportunity for change. And Peter is a fantastic leader. He's very inspirational. He's also a very good storyteller, which I think comes with, you know, part of that leadership skill. Um, but, uh, he's absolutely right. If, if you're constantly going in and your job is to help him support, but nobody ever sees anything change, then people are gonna lose trust in you that you actually have the ability to get things changed. What we need to do is not only look at what's important to us in terms of leading the business, but what's important to everybody who's working in the business and having that ability to ask the right question and then find out what would really inspire an individual. What is it that they need? And it doesn't mean that we are pandering to everybody's little whim, right?

Speaker 2 00:23:23 What it is doing is it's listening to all of those whips, listening to all of those ideas and then choosing the ones that, that we can actually put in place that we can impact. And, um, and for the ones that we choose not to work on, we need to be able to tell people exactly why we're not working on that and what we're working on instead. So having a very clear of priorities to be able to help people understand normally if people are listened to, but they understand that, you know, that priority is not right there at the moment. They're okay with that.

Speaker 1 00:23:56 So I'm curious, I think that probably some manufacturing CEOs come in from a different industry. So I'm wondering how do they gain respect from their team if they actually lack that hands on knowledge of a fact?

Speaker 2 00:24:11 Wow, that's a really good question. And for me, it's almost like that every time I go in to see a company, because whenever I go into a manufacturing company, I don't know the company, as well as the people that are there. I don't know the manufacturing equipment, as well as the people that are running. It, it's all fairly new to me. And, uh, if I go in there thinking that I have answers to every one of their problems and every one of their situations I'd be a four, right. Because they know their equipment and that business much better than I do what I can do when I go into a company like that is say, well, you know, I don't know your equipment and your business as well as you do, but I've seen a lot of things going on in other businesses. And maybe if we have the right conversations, we can come up with a better solution.

Speaker 2 00:24:56 We can come up with a better way of moving forward. So that's what I would say of any, any CEO or any leader that moves into a different type of organization. It's saying, well, I've got some strengths. I don't know this area, as well as you do. Let's have that conversation. Let me listen to you, let me listen to your challenges and your issues and where you feel you need help. And let's see that with my experience, how we might be able to put a new perspective to this and come up with some solutions that haven't been in place before. And so it's really that idea of having great conversations, asking really good questions, but then listening to the organization, each organization that I go into, um, they want to grow. I feel like all of us individually want to grow. What we're looking for is someone to give us permission, to grow, to give us the help and support, to grow, to allow us to flourish to our full selves. And that's the role I see of a leader is really drawing that out of an organization.

Speaker 1 00:26:00 Can you actually provide some key takeaways or thoughts on how, you know, those middle managers and even CEOs can start making adjustments to get their teams more success?

Speaker 2 00:26:13 Yeah. So that's, that's really wh --

-- at the aligned process is all about, right. Is what is a step by step process for working through this. And it is a step by step process. You know, we, we start with a, which is aiming from the heart or setting a compelling business direction. Um, and really you have to have that part first before you move through the other steps of the alignment process. And, uh, but when you do is you also realize it it's an iterative process, the more learn about putting great action plans in place about having the right metrics for the business. The more you'll realize that it's, it's a, um, about what really is going to turn your business on. And so starting with a, which is have a very clear and compelling direction for your business, aiming from the heart. That's always the first step.

Speaker 2 00:27:06 And then we move through, um, L which is lead with the frontline. And that's about putting a good action plan in place for the key things that you see right now that you want to be able to do with the business. And then I inspire with information is about putting the metrics in place so that, you know, whether you're moving in the right direction or not, and then we've got the G give help and support, which we've talked about a lot today and, and nurture with feedback and recognition, which is all about making sure that everybody who's coming with you on that journey really feels like that they're fulfilled at the end of the day. I'm looking forward to coming to work the next day. If you can build those five aligned steps into the organization and then keep iteratively working through them, you'll find that, um, yeah, overall from the top line all the way through to the bottom line, the business will transform.

Speaker 1 00:27:59 And you've you designed this process and you've worked at and perfected it over a number of years. This is a proven approach, right?

Speaker 2 00:28:08 Yeah. Well, you said I've been in it for a long, long time. I think I'm 30 years in now. And, um, and yeah, one of the things is, is longevity. Uh, but you have to be learning as you're going, right. And so, uh, I, I've been working on processes of parts of this process for a long part of my career. But then as I became a consultant 10 years ago, I had an opportunity to, to go into different businesses and different environments and different cultures and see whether the steps worked in those as well. And so that's what I've been able to prove over a period of at least the last 10 years is that these aligned steps really do work, but also that you need to play the long game. You know, that none of this is a quick fix. All of it is around gradually changing a culture into working in a way that the frontline employees feel empowered and able to make the decisions that we would want them to make.

Speaker 1 00:29:09 You're actually working on some online tools that are going to be great for manufacturing leaders. Can you tell us a little bit about that?

Speaker 2 00:29:16 Yeah, so I've just finished filming on, um, on an online course, which is a manufacturing leadership masterclass, and I'm really excited. I've just seen the first, uh, the first episode of that, or the first chapter of that, um, the video for it. And I'm really pleased. And, um, the idea of that is with, uh, with COVID and some of the other things that have been happening recently around the world, um, the, the ability to travel and have your feed on the, on the factory floor is, uh, is much more difficult for a consultant. And there's always been this paradigm and it was part of my paradigm as well, that in order to work with a manufacturing company, you, you have to be there in the factory. And I built my consulting business that way. Um, and I was always, you know, traveling from South America to Japan, to Indonesia and all over the place, you know, helping these different companies, what I've realized over the six months when I haven't been able to travel, is that the new tools that we have, you know, zoom and team, um, Microsoft teams and things like that, these different video tools plus real time data systems in different businesses can really give you a huge amount of, of, um, of leverage when you're working with teams around the world.

Speaker 2 00:30:34 And, um, it reduces the travel costs and it reduces the amount of time that it takes to travel and the amount of time that people have to invest in having you in their facility, it --

-- means that people can learn at their own pace, but still be held accountable. And so, you know, there's some great things happening with online learning and online tools. And a part of this is what I've been putting together on the, uh, on the manufacturing leadership masterclass is how do we do that? How do we combine both the training or the learning with the accountability and mentorship calls in order to be able to help people without having to do this training? So it's not quite such a heavy burden on the consultant or on the company. That's the 12th amendment.

Speaker 1 00:31:20 I think it's really interesting how we've all had to adjust through COVID and there's going to be some new ways about, of going about things that might actually be beneficial for everyone. So, uh, congratulations on the masterclass, Kevin, and I really appreciate your insights today.

Speaker 2 00:31:36 Thank you. It's been wonderful to speak to you as always

Speaker 1 00:31:39 Looking forward to chatting to you again next week. So thanks very much for sharing. Thank you, Kevin Snook is a leadership advisor and he's the author of the bestselling book, Make It Right. Five Steps to Align Your Manufacturing Business from the Frontline to the Bottom Line. And it's thanks to Kevin that we've been talking to manufacturing leaders and entrepreneurs on make it right for the last number of years, because he's been our sponsor. That's our show this week, please check out our Twitter and LinkedIn feeds that are on our podcast page and subscribe and share. If you want this podcast with your friends and colleagues through iTunes, Google play Stitcher, Spotify, and YouTube until next time. I'm Janet Eastman. Thanks for listening to Make It Right.

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