

The Transformational Change Simulation and Leadership Workshop

“Different by Design”

Chapter Three: Fertile Soil

As we reconvened, I started by saying, “It is very important in the beginning of the implementation phase to expect that the frustrations from the past might boil over if we spend too much time processing what we will call “current reality.”

I paused to be sure we had everyone’s attention and said, “That is exactly why we simulate the future -- where anything is possible -- if we will “let-go” and begin to design the future we really want.”

Without further explanation I said, “At the break Debbie volunteered to tell how she transformed the “toxic soil” by implementing the Phase Three process in her bank -- would you like to hear her story?”

Everyone nodded and Debbie came to the front of the room.

“I am the Regional Vice President of the Treasury Services Division of a major bank--- I have hundreds of people who report to me. As you know, I was a customer yesterday -- got nothing in the beginning phase – was very angry -- because no one cared.”

“Then -- I was told in the second phase to get out of the factory -- that I was a nuisance and to read the sign on the door – employees only beyond this point.”

She paused and said, “Frankly, I wanted to give up being a customer -- Bill told me to hang with it -- that something might change --- thank you Bill!”

“Two years ago we had constant frustration internally between IT and Operations. We talked many times about changing the “culture” and it never changed.”

“I blamed the sales people for promising what we couldn’t deliver – just like yesterday – when everyone blamed the Sales Manager in both Phase One and Two. I had to find some way to escape blame for myself – I was not the “problem.”

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To get everyone’s attention she raised her hand and said, “Everyone--- look at someone beside you and say – “I’m not the problem!” – “You are!” -- Come on -- do it.”

Everyone looked at a person beside them and said “I’m not the problem!” --- “You are!”

That engagement brought a “fun” focus to the room and it carried on for almost a minute.

Debbie raised her hand, “Fun isn’t it!”

“Being free of “blame” was very comforting for me – initially I thought of it as “job security” – but I knew that the constant conflict within my Division would eventually take me down.”

“I was told to attend our “leadership development” program several times – I was always too busy – I really thought I was too important and it only applied to beginners.”

“Then I heard about this Simulation – was told by Amber’s new leader that it is more “executive” development – but I was still thinking of it as a way to “fix” my people.”

She remained silent for almost ten seconds. She looked toward Patrick and said, “Patrick was right – this is very serious – *the problem solving structure was deeply imbedded in me.*”

Then surprisingly she said, “This is the third time I’ve attended this Simulation. I knew – coming in yesterday what happens to the Customers – but yesterday was the first time I was able to “feel it” - - and it really made me mad as to how “nonchalant” everyone was about my demise.”

“It was so real – it was almost as if everyone in the factory was saying -- “serves you right for being a customer!” -- I could feel the contempt --- but it was not coming from any person – all the people were just doing their jobs -- not paying any attention to me -- it was coming from something I could not see.”

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Yesterday – as Customer B – I could actually “feel” how the “problem solving” structure – you may call it a culture – is not designed to serve customers.”

“The cutter was trying to solve the cutting problems – the folders were beserk because folding hurt their fingers -- the assemblers were having problems because the folds were not right – the painters were practicing their “waiting” skills --- and the Plant Manager had no clue what he was doing.”

She raised her hand and asked, “Have you – as a customer ever gone somewhere – and everyone is focused on the “problems” of their jobs and totally ignored you?”

Every hand went up.

“I actually had trouble eating my lunch – I was upset because it reminded me of the conflict that had been in place at our bank. It happened to me at two of our retail banks.”

“We have great people in our bank – just like all of us yesterday – but something had a grip on all of us -- that we did not understand.”

She paused and with some forcefulness in her voice, continued, “It was a real life experience for me --- many customers had that same kind of contempt for us as a bank as I had yesterday after Phase Two for the factories – and I recall how it was almost impossible to be nice to my people who tried to serve them and to the customers.”

She paused, “The first time I came to this Simulation was two years ago. As I said – it confirmed that I was an intelligent “executive” -- and when I went back to work, I continued to resist changing the way I was at work -- I was still convinced that I was not the “problem.”

With a long pause and some emotion in her voice she continued, “Then I had what I call a “lucky learning experience” -- I reluctantly did that “stupid” home work assignment of asking some poor server at a restaurant the “purpose” of their job -- and got a fantastic answer.” She paused and looked at me. “It was the one you recommended—one of your clients --- and got a fantastic answer.”

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“I was totally shocked – I asked her how she knew the “purpose” of her job? She said it was the key to creating the “fertile soil” in their restaurant --- it is on the wall back in the kitchen area and she took me back to see it – I even took a picture of it.”

With a smile on Debbie’s face she said. “Pam --she was one of those minimum wagers -- a young girl -- it was amazing how confident she was in the “purpose” of her job. I could not think of her as “Just a Server” --- I instantly saw her as a “person” and my entire attitude toward her changed.”

“I then asked her what she meant by “fertile soil?” She said they have a recipe that defines all the ingredients for a guest having a great dining experience --- that there were six recipes for six very different dining experiences --- from birthdays to business lunches to people who just want to be left alone.”

Debbie paused and said, “I was stunned – how could she know this – she had worked there for only a month.”

Pam raised her hand and Debbie motioned for her to wait.

“I asked, “how do you know this?”

She said, “When you are in the “dining experience” business – we all need to know the recipe for success.”

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Debbie raised her hand, “Everyone look at your partner and ask – “what business are you in?” Come-on -- do it!”

That question again brought laughter as it seemed like a joke.

Debbie raised her hand and when silence reigned, she said, “Now ask “what is your recipe for success?”

That question prompted a rather serious silence as almost everyone said, “I don’t know.”

“As I drove home that day, I asked myself, “What business am I in and do I know the recipe for success?” I’m the Regional VP and supposed to know.”

“I tried a lot of answers but they all came back to being in the banking business and our recipe for success was “make a profit.”

She continued, “The next day I went to work – called a group meeting and asked our IT and Operations leaders, “What business are we in” and “what is our recipe for success?”

The answers were, “Banking” and “make money.”

“Yet -- we tell our customer service people to be friendly – one training program called it customer centric – but we – as senior leaders were completely void of a “banking experience” vision.”

Curt – the CFO of one of the manufacturers had been rather quiet – had not participated in the interactive activities of Debbie’s presentation – raised his hand and asked, “Where did that young lady get the dining experience answer?”

“Great question Curt – she said it was the answer to the “why they exist” question in their “recipe development process” – it was printed on the sign that hung in the kitchen area – and everyone in the whole place knew that answer.”

“I was more than curious about the “fertile soil” concept. The headquarters for that restaurant is here in town – so I went to see the President. He knew our bank – didn’t like our bank -- thought I wanted to make a bank sales call – and tried to push me off to his

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CFO. I explained that I wanted to know about his “fertile soil” concept and he agreed to meet with me for ten minutes --- it turned into two hours.”

“He explained how everything came from this Simulation and showed me the structural framework design that his people had created – what you will all learn after lunch – and how they had seventeen straight quarters of same-store sales increase after his people created “fertile soil” for their restuarants.”

“He explained how all of his restaurants had different soil ingredients – that the one in Ann Arbor wanted a different look than the ones in Columbus -- than the one in Lafayette and the people in the restaurants – like that young lady were involved on a daily basis in customizing the soil to support the dining experiences that their customers wanted.”

“He was very clear that “recipe development” was in the hands of each store manager – not his strategic plan – and explained that when they focused on the total dining experience --- that surprisingly -- food was only ten percent of the “total” dining experience.”

She paused, took a drink of water and said; “He then told me about our bank – why he was reluctant to talk to me – confidentially – he said our “soil” is not designed to serve customers.”

“He then said, -- success in the restaurant business is all about the “fertile soil” --that people come and go – but the dining experiences must be continuously improved by the people who execute the experience – not by the managers or anyone here at corporate.”

Brent quickly said, “I know them – they call themselves the Home Town Favorite.”

Debbie paused and said, “He had been Customer D when he was here at this Simulation – and knew the anguish of the Phase One and Two customer experience.”

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“As I was on my way out of his office, he shook my hand and said, commitment to sustaining fertile soil is a massive leadership challenge.”

Debbie paused, “We don’t have time for you to hear the entire story as I know that Tom will help us understand how to create the fertile soil in our businesses – but Pam -- it is all a function of positive feedback – without it you will live in toxic soil – called a “culture” forever.”

She paused, “And we took that first step yesterday with a very simple leadership skill. I finally began to understand it the second time here --- Amber – that’s when I met your new leader – we both realized that it works if we will allow our “people” --- not “things” -- to design the recipe for serving customers in our businesses.”

Don asked, “How were you able to trust your people to do that?”

She looked at me for permission to continue. I motioned for her to tell them.

“Don – it’s simple – when we tracked ‘what’s going well’ -- we sometimes found that certain types of customers needed a little more “seasoning” in their IT recipe. We identified six very different types of “banking experiences” --- and finally realized that one size does not fit all – and transferred authority from the manager to our people to identify what was needed.”

Curt said, “Are you crazy!”

Debbie -- in a calm voice said, “Curt --- you’re not listening.”

“Like Jeff said earlier – we implemented the counselor way of thinking in the treasury services part of the bank --- and that technology enabled everyone to do care reviews with our customers- - yes “care reviews” – and that feedback changed how we were being proactive with IT in treating our treasury services customers.”

In a very calm manner she continued, “But the care reviews revealed that we had some --- very “nonchalant” behavior in other parts of our bank.”

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She paused again and said, “To some customers treasury service and retail banking and corporate lending are all linked together – and a disconnect in one area affects our reputation in others.”

“And,----as you will see later -- the absolute most difficult thing for us to change was the problem solving toxic structure within ourselves -- personally. The Simulation revealed that we all have it.”

Once again Curt jumped in and asked, “How did you solve that problem with IT? We have reactive excellence in our IT group but it’s impossible to be “proactive” on a global scale.”

Debbie reluctantly continued, “Maybe so Curt – but the shift from reactive to proactive is not a problem to solve.”

Curt wanted to be defensive, but Debbie raised her hand and he remained silent.

She quickly added, “None of us knew how to listen to each other internally until we added the “tooting” process and the counselor skills.”

“By focusing on ‘what’s going well’ -- our fertile soil began to enable the potential of our people to emerge. During the “tooting” we became aware that we did not ‘solve’ anything – we were beginning to create a totally different design that had never existed before.”

She continued, “Back to that restaurant that night – I asked that young *Master of Real Timer* – how she knew my “dining experience?” She said I came in wanting to be “left alone” – then -- when I asked that purpose question – I became an “interesting diner” -- a person who is willing to talk and have a good time while they are eating dinner.

Debbie paused as she recalled that conversation and said, “It was amazing --she said that a process step in the recipe for “interesting diners” is for her to engage in conversations -- as well as serving the food – they all had practiced that step -- as it is very difficult when they were ultra-busy-- and that is what she enjoys most about her work – it is far more than just being a server --- and her tips with “interesting guests” were outrageous.”

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“I was stunned -- how can a minimum wager – a millennial – know all this in just thirty days?”

“What’s the leadership lesson? When I met with the President, I related that story and he was very clear – executing the recipe – is not optional --- and it helps all the young people develop the discipline in their lives and in their business careers to know how a great company operates.”

She looked at me as we were running up against a break. I said, “Finish the story.”

She continued, “The second time I was here, I brought the rest of our treasury service leaders – so they could see what I was seeing – -Curt – like you -- they thought I was crazy -- and with this experience we decided to create the structural framework – the recipe – to design the fertile soil in our Treasury Division.”

“When we came to the competitive advantage “ingredient” in the framework – it is called “capability” --- we realized that we needed the corporate lending group to add some “seasoning” to our recipe for three of our “banking experience” clients.”

“Now we have invited our Corporate Lending group to be aligned with our team. That is why we are all here today.” She pointed to the other five members from the bank – only four raised their hands.

Curt asked, “Now that you know all of this – why don’t you just do it back at the bank – why waste your money on a training program?”

Debbie paused and patiently looked again at Curt and said, “Contextual change must be experienced in order for it to be implemented.”

Debbie said, “Ask Jeff -- he knows all about contextual change.”

Jeff raised his hand and asked to deferred to a later time.

Debbie’s comments about the actual implementation of the “real time” approach to doing business cemented silence in the room.

I said, “Give Debbie a hand.”

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Everyone gave her a standing ovation and since they were standing, I said, “Take a fifteen minute break.”

Curt went over and appeared to be apologizing to Debbie – she laughed – pointing toward Curt and acknowledged toward me that everything was okay.

Everyone immediately grabbed their cell phones and left the room, except Robin. She paused and asked, “Can I tell you a quick thing that I’d like to cover. My boss is here and I can’t say it in public.”

“Sure.”