

# 2014 PROCESS CONFERENCE: DR. DAVID SHANER KEYNOTE DISCUSSION

THIS IS A SESSION OVERVIEW FROM APQC'S ANNUAL PROCESS CONFERENCE, WHICH TOOK PLACE OCTOBER 16-17, 2014 IN HOUSTON.

At APQC's 2014 Process Conference, Dr. David Shaner led a keynote discussion focusing on six key questions that any leader at any organization should ask themselves when looking to lead change. However, the approach Shaner takes to his toolkit for change is atypical as it balances some of his knowledge from being a professional athlete, his background in Asian studies, his time as college professor, and over 30 years of experience in helping leading organizations drive change.

Shaner opened up his talk by asking the room with "why are you here?" He surmised that the individuals attended the APQC Process Conference for the following reasons:

- ♦ The attendees were here to learn, network, share ideas, and understand how to improve processes with their organization. But there was more.
- ♦ The attendees were here because they have a job, and an employer, and they want to do their job well.
- ♦ Finally, the attendees have jobs because they are not independently wealthy.

The goal of this question was to drive home the point, that when you change culture to just include process improvement metrics, there is a huge aspect still missing. Shaner wanted to shift the change conversation to include employee engagement and fulfillment. His goal was to get everyone to think about "what would our company be like if every signal day every individual was striving to be the best in the world at what they do?"

## SIX CRITICAL QUESTIONS

Shaner has six simple, but critical questions to help drive change within an organization.

1. Where – where is the culture of your business?
2. Who – who owns the culture of your business?
3. When – when can you change the culture of your business?
4. How – how do you know the culture is changing?
5. What – what gets the change started?
6. Why – why do people change?

### Where is the culture of your business?

Shaner initiated his six questions by asking where the culture of the organization lies. The culture of any business is not in its brand, process improvement activities, or R&D group. According to Shaner, the culture of any organizations is in its people, but that doesn't really cover it all. The culture of any organization is in the minds of its employees, customer, supplier, and shareholder. Interestingly enough, according to Shaner, the mind is also the location of the resistance to change.

The challenge is that it is hard to change one's mindset. Think about how hard it is to convince individuals to change their diet. It is even harder to change the mindset of 100 people or 70,000 people in an organization. According to Shaner, it requires significant resources to change the mindset of the organization because everyone is addicted to doing it the way it has always been done. One of the ways Shaner accomplishes this change is what he calls 'boardroom awareness.' This approach requires including employees in the conversations and strategies about the organization; because it drives complete transparency. This information sharing fills the minds of the people and makes sure they understand how they can improve their work to the best of their ability. This also removes any doubts or uncertainty about what the organization is doing. Shaner's goal is to create a positive workplace where all associates can grow and develop professionally; employees will naturally do their best, at all times because they are happy at work. Shaner said, when you enhance the quality of life for the people at work, the financial numbers take care of themselves because the people want to get better.

## Who owns the culture?

According to Shaner the employees own the organization's culture. These individuals go to work every day, and spend more time at work than with family or friends. Shaner put it this way; why should you put up with anything less than the highest quality of work, not work product, but the highest quality of life, when you spend some much time there. According to Shaner, driving genuine teamwork is not a priority because companies are under scoping the change management required and the problems they need to face. He said leaders need to break down the silos and fully understand how the left hand and the right hand work together. However, many organizations are not willing to invest in that training and development, so it doesn't happen.

Shaner then proposed his solution in the frame of a question. Would you like it if everyone in your company was thinking and acting like an owner? Of course leaders would. When Shaner works with organizations, he suggests implementing a gainsharing plan with each organization. According to Shaner, every time there gainsharing, the cost of the gainsharing program pays for itself each and every time. The owners are no longer just the senior managers of the company. However, in Shaner's experience, as soon as you make people an owner, they begin getting interested in how finance keeps tracks of the numbers, how much scrap waste is created, and where to find process improvement. The reason, they are incentivized.

## When can you change the culture?

Shaner said there are three time periods (the past, the present, and the future) as to when the culture of an organization can be changed; however, two of the answers don't exist. The culture can't be changed in the past or the future because those time periods only exist in your present memory. The culture can only be changed now, in the present.

How has this worked for Shaner over the last 30 years? Shaner demands the ear of the CEO when he partners with an organization, and states that the CEO's legacy needs to be focused on improving the quality of life for all of their associates. Shaner starts this by asking the CEO, "What are you doing with your job? Do you want to be the leader that helps people grow and develop personally at work, or the guy that just made people do work the way it has always been done?"

## How do you know the culture is changing?

How do you know if the culture is changing, because as noted the culture exists in people's heads? Shaner says it is evident in their behavior. According to Shaner, when you change the way people work, by breaking down silos and introducing concepts like gainsharing, and associates start thinking and acting

like owners, it provides data, and data can be seen. For example, this data is presented in the form of financial performance of the organization. Shaner said, “if you want to attack the root cause of driving change within your organization, develop process and systems around the notion of what is driving the mindset of the people and whether they engaged or not?”

## What gets the change started?

The answer is knowledge. Shaner stated that organizations continue to under scope the human element and the amount of human training required to help people change. Leading organizations, that are really driving change, give their associates the knowledge of what other functions or doing, how those functions are performing, what competitors are doing, and insight into the corporate strategy. This knowledge empowers workers and emphasizes Shaner’s point about treating workers like an owner. Organizations that are not leading change don’t want to share this information or have this information “get out,” even though it doesn’t have any impact on the performance of the company. Shaner’s rebuttal to this is “tell everyone everything, and see how well your company performs.” He continued that by withholding critical information from the people you work with, it makes them feel like you don’t trust them.

## Why do people change?

Shaner said that individuals change because they are passionate about what they do, and are engaged and challenged at work. Leaders have to create motivators, like gainsharing and knowledge sharing, for every signal worker because it drives engagement. Shaner said that individuals who use terms like “thank goodness is it Friday” or “hump day” are not happy at work or engaged and will not change. However, Shaner said that engaged workers accept and drive change within organizations because they have been included in the plans, and understand the information that has been shared with them will have positive impacts on their quality of life.

## ABOUT THE SPEAKER

Dr. David Shaner is the Founder and Principal of CONNECT Consulting, LLC, a firm that specializes in facilitating measurable and sustainable performance improvement for businesses the world over. Over the last 30 years Dr. Shaner has lead change and performance improvement at leading companies in a variety of industries including Duracell, Gillette, Frito-Lay, Ryobi, Umbro, Owens Corning Composites, Caesar's Palace, The Mirage Casino and Resort Hotels, Synthetic Industries and many more.

He is the originator of the **Seven Arts change process** as described in his latest book - - **The Seven Arts of Change: Leading Business Transformation That Lasts (2<sup>nd</sup> Edition)**.

Dr. Shaner’s methodology is original and ground breaking drawing from his atypical background incorporating lessons learned from

- ♦ world-class athletics,
- ♦ cross-cultural approaches to performance improvement, and
- ♦ cross-disciplinary approaches based upon an understanding of the biological basis of productive learning and behavior (sociobiology).

He was a university professor at Furman University and Harvard University, a former world class skier, an internationally recognized martial artist (7<sup>th</sup> degree black belt), an author of four books, and editor of

the SUNY Press book series (with 37 volumes) on the biological basis of productive learning and behavior.

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