



Operational Leadership: The Required Skill Sets at Every Level

Operational leadership is critical for efficient operations. How to assess leadership capability vs. ability. Includes a simple overview of symptoms and solutions that can change the game for operational leadership.

Ideas for Converting Natural Operational Leadership Ability into "Game-Day" Capabilities





We often see the same tell-tale signs that an organization is lacking the multi-level operational leadership skills needed to succeed. For example, mistakes repeated over and over and permanent solutions rarely implemented. Managers often end up promoted into positions through seniority or attrition. When we fail to provide adequate training to foster new capabilities in managers who move up, opportunity is lost.

Operational Readiness Leads to Growth

In January 2015, TBM conducted a survey of executives and senior operating leaders in major global manufacturing organizations. The purpose was to identify specific issues and challenges experienced by these companies, and to better understand how and why Operational Readiness is viewed as a contributor to strategic objectives for growth and profitability. That survey revealed three key findings:

1. Operations functions are seen as an asset to the organization because they deliver annual efficiency gains and are responsive to changing customer needs and market conditions.
2. The greatest opportunity for improvement in the operations organization is the development of "soft skills."
3. Leadership development and training are a point of focus at all levels of the operations organization.

Leaders often express frustration that their managers sometimes advance into new positions without the required skills for managing at their new level, bringing only an innate ability and poor practices and leadership skills from their previous positions.

Soft Skills Development

The development of soft skills at all levels of an organization is critical to efficient operations. When asked, business executives noted that the following specific manager skills either don't exist or are in need of deep improvement: The manager—

- delegates, coaches, and mentors
- creates a positive learning environment
- maximizes staff utilization

- motivates the team
- communicates effectively

Typically, leaders assume managers already have these skills, by virtue of the fact that they are managers. However, it's the rare manager who brings this full skill set with him or her to a new position. Each of these skills must be developed over a span of time where continued progress is tracked and measured. Additionally, lean skills need to be actively taught so managers gain a full understanding of lean principles, and learn what tools to use, when to apply them, and how to draw a direct line between operational improvements and financial performance measures.

Capability vs. Ability

In our business, we draw a very definite line between capability and ability. In general, your best people (who demonstrate capability) often get promoted. What we see is that capability isn't the same as ability. An example of ability in contrast to capability would be someone who is a capable athlete, but wouldn't necessarily be a great quarterback without developing specific skills (ability) to make critical game-time decisions on the field and lead the team to victory. So it's important for us to delineate between the two here:

Capability	Ability
The personality, brain power, social skills and basic business understanding	The tools and discipline, as well as the muscle memory, to use their capabilities to achieve results

Ongoing training in combination with Deliberate Practice (with feedback) is the only way to successfully move the needle from capability to consistently demonstrated ability.

Assessing Capabilities vs. Abilities

When a business recognizes there is a void in their management structure and systems, they are able to evaluate and consider how to make improvements. Since many of these changes involve shifts in philosophy that begin at the executive management level, an outside perspective is invaluable. The first step on this pathway is getting a properly structured management system (we call it an “operating system”) in place. An efficient operating system dictates how the business is run—the company culture—beginning from the production floor all the way to the executive suite. When TBM goes through this process with clients, we start with an hour-by-hour assessment and in-depth task analysis, and build out the right processes to meet the daily, weekly, monthly, and

yearly objectives. All the processes, from the basic to the complex, are built to align with the topline business goals.

Getting a Structured Management Process in Place

We often see the same problems happening again and again: issues aren't being permanently resolved. Often, managers take on the role of firefighter—managing daily problems—without ever addressing the root causes for the recurrent fires, mostly because they're too busy putting out the same fires week after week. Companies approach us all the time looking for a way to evolve their management process for improved sustainability and results. I would argue that evolution is too slow and that organizations need to take drastic measures for a revolutionary approach for becoming more effective. Here's a simple overview of symptoms and solutions that can change the game for operational leadership:

Symptom	Situation	Solution
Often unable to act on and achieve goals	Priorities constantly shifting—lack of focus and resources	Select strategic goals and create strong alignment to support and achieve them using strategy and goal deployment
Key performance measures poorly defined	Metrics do not indicate root problems and don't drive performance	Develop and cascade “vital few” key performance indicators aligned to the strategy, drive behavioral changes and deliver performance
Same problems occur again and again without being fully resolved	Root causes not identified and counter measured	Implement a tiered, cross-functional problem solving methodology—drive to permanent solutions support accountability (we call this MDI or Managing for Daily Improvement)
Overly focused on day-to-day tasks without seeing the “big picture”	Culture of urgency and firefighting	Develop and coach managers, supervisors, leads and employees to focus on the important as well as the urgent.

Developing Abilities

The analysis process described above is done from the bottom-up on purpose. Once we understand the structural gaps at the most granular levels, we can identify associates' and leaders' strengths and weaknesses. We then provide them with the skills training they need to develop specific new abilities. We also put programs in place where expectations are set, and provide coaching, practice opportunities, and measurement. An example of this would be where a person could easily understand the rules of golf, which clubs apply to different situations, and have basic swing mechanics. But coaching may be needed in order to improve the ability to score well and manage on-course situations. This is *developing ability*.

Operational Leadership External Resource Checklist

- Current state assessment relative to standard benchmarks
- Management / operating system development and implementation
- Education to the leadership structure
- Coaching and mentoring
- Executional process for alignment, focus and accountability



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