





# **Executive Summary**

That employee engagement decisively contributes to manufacturing success has long been known.<sup>1</sup>

However, many studies show there is a deep and broad lack of employee engagement in our nation's manufacturing industry.<sup>2</sup> This lack is known as the Engagement Gap. Though manufacturing leaders agree that the Gap urgently needs to be closed, the fact remains that for at least two decades, it has remained relatively constant and by some measurements has even widened.3 4

The reasons for the Gap's persistence involve fundamental mistakes manufacturing leaders make in understanding engagement, cultivating it, and sustaining it. Of course, not all manufacturing organizations make the 17 mistakes described in this Special Report. Most, however, make at least a few of them.

Because Brent Filson's Leadership Talk systems target critical working relationships, they can rectify those mistakes and achieve extensive advances in engagement that produce across-the-board payoffs. Detailed in Brent's six books and five leadership guides, providing a conceptual framework and a comprehensive system of results-producing processes, the Leadership Talk Systems have worked for 34 years with leaders of all ranks and functions in a variety of industries worldwide.

Organizations that don't employ **Leadership Talks** – or similar methodologies which result in emotionally-rich, more productive relationships - will continue to stumble trying to close the Engagement Gap.

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# Introduction: How the engagement gap in manufacturing costs employers more than they realize and harms their prospects.

Mark Twain said of the weather, "It is something everybody talks about, but nobody does anything about." U.S. manufacturers experience another phenomenon about which much is discussed but, frankly, little is done.

That phenomenon is the Employee Engagement Gap, or the chasm between the number of employees engaged in their work - i.e., enthusiastically contributing to a manufacturing organization's success - versus those who are uncaring or, worse, actively disengaged and underperforming.<sup>5</sup>

Past and present studies have shown what's common sense: engaged employees in manufacturing are measurably more productive, profitable, safer, healthier, more loyal, and less likely to leave their employer.6 According to a Gallup report, organizations in the top quartile of engagement reap the following benefits:

Safety	70% fewer safety incidents
Retention	24% lower turnover in high- turnover organizations
	59% lower turnover in low- turnover organizations
Absenteeism	41% lower absenteeism
Quality	40% fewer quality incidents
Profitability	21% higher profitability <sup>7</sup>
	•

Yet the Engagement Gap has remained relatively constant over the years.8

Furthermore, in terms of its financial effects, the Engagement Gap may be getting worse. A decade ago, the Engagement Gap cost the United States economy more than \$300 billion dollars a year in lost productivity.9

**Engaged employees are measurably** more productive, profitable, safer, healthier, more loyal, and less likely to leave their employer.

Today, disengaged employees are costing U.S. businesses \$440 to \$550 billion in lost productivity and performance every year. 10

Among the many reasons for the existence of the Engagement Gap are: leadership failures; changing manufacturing environments and conditions; demographic challenges; cultural transgressions; retention problems; skills-deficiencies; flawed incentive programs; compensation issues; process breakdowns; poor, dysfunctional communications, incorrect assignments; and faulty succession systems. 11 12 Some of the many ways manufacturers have tried to close the Gap include: 13

- Increasing perks; 14
- Coaching; 15
- Promoting culture change; 16
- Enhancing employee experience; <sup>17</sup>
- Improving employee feedback; 18
- Developing skills; 19
- Enhancing their job involvement;<sup>20</sup>
- Selecting the right managers and holding them accountable for employee development; 21
- Promoting motivation; <sup>22</sup> and
- Upgrading leadership skills.<sup>23</sup>

In fact, a small cottage consulting industry has been built entirely around dealing with the Engagement Gap.<sup>24</sup> So why hasn't the manufacturing engagement gap been closed



# With ample resources and efforts focused on closing the Gap, why does it remain persistently wide?

# Manufacturers are missing the key ingredient, one that's right in front in them.

Brent's experience, which includes years as a Marine infantry officer and 34 years consulting with leaders of all ranks and functions in top companies worldwide, has convinced him of the reason why so many programs fail to at least achieve sustainable results.

They are not focused like a laser on that determinant from which deep, lasting engagement flows: relationships. Relationships in manufacturing formed between employees and their leaders, their coworkers, and their organizations. What are these relationships and what promotes and sustains them? Generally, they are fostered when people bond in motivational ways.<sup>25</sup>

Your experiences can testify to this. Think of a coach, a teacher, a mentor, a leader with whom you bonded deeply. Think of the feelings, words, and actions that relationship inspired. Think of how that relationship enriched your life on many levels.

Of course, in manufacturing, getting this sort of engagement clearly cannot be about joining hands and singing kumbaya. Any efforts must be about getting results, about engaging workers to make tough, sometimes unpopular choices, that lead to action and achievement.

There is another testifying factor: history. Both oral and written chronicles show that when people needed to do great things, often a leader had to gather them together and speak from the heart. Time and again, this heartfelt speech created heartfelt bonding and resulting actions that changed history. employees throughout a manufacturing organization are inspired by their relationships with each other and with management, the Engagement Gap cannot substantially exist.

# How can the right relationships be realized, promoted and sustained?

This is where the **Leadership Talk** comes in. The Leadership Talk is a process-driven leadership system that promotes bonding to create these kinds of engaged relationships.

It's based on the principles that leaders do nothing more important than get results; and that the best results happen not when leaders are simply ordering people to go from point A to point B, but when leaders are inspiring them to want to go to point B. Presentations format and communicate information, while **Leadership Talks** not only communicate information but also do something more: they establish deep, motivational relationships with people, so they'll act to achieve great results.

No other leadership program deals with relationships in such a comprehensive, process-oriented way that focuses not just on establishing their viability but also on continuously enhancing their productivity while making sure they bolster increases in hard, measured results.

Granted, not every relationship developed through the **Leadership Talk** will have that special bonding mentioned above, but using Leadership Talks consistently will move the resulting interactions closer. The **Leadership Talk** is not a "silver bullet" Closing the engagement gap in manufacturing will require a high-priority leadership effort involving strategy, efficient resource allocations, accountability systems, training, evaluation and monitoring efforts, cultural advancements, and measurement mechanisms. 26 But because the Talk involves all ranks and functions of leaders using it many times daily, it should be the linchpin of any comprehensive endeavor.<sup>27</sup>



# The 17 Mistakes

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Right decisions can't come from wrong perspectives. Page 5.

## 2. Neglecting the Decisive HOW.

Ignoring the WHAT/HOW disparity will eventually turn around and bite you. Page 6.

#### 3. Information Overload.

Simply dumping information rather than dealing with emotional realities undermines even the most resolute engagement programs. Page 7.

#### 4. The Runner Stumbles.

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culture addressing Neglecting when engagement incarcerates you in the escapeproof prison of low outcomes. Page 13.

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# #1: Mistaken Perspectives

Like poison poured into a population's water supply, mistaken perspectives can spread toxicity far and wide in a manufacturing organization. It behooves manufacturing leaders of all ranks and functions to constantly analyze, monitor, and evaluate the perspectives by which they are operating.



When going fast, leaders often confuse their perspectives with reality and have difficulty truly understanding the point of view of others."

Manufacturers blunder when they try to get the shop floor engaged while neglecting to consider the perspectives their leaders bring to their interactions with those on the floor.

As Steffan Surdek wrote in Forbes, "We live in a professional world that goes fast and where people do not always take the time to step back. When going fast, leaders often confuse their perspectives with reality and have difficulty truly understanding the point of view of others."28

What's worse, many manufacturing leaders don't know that they don't know the importance and impact of their own perspectives. Consequently, they get embroiled in endlessly harmful relationships that sabotage engagement.<sup>29</sup> It's a classic case of the Dunning-Kruger Effect (illusory superiority) applied to manufacturing. 30

Certainly, there are many instances of leaders changing their perspectives after encounters with employees - whether those encounters regard engagement or not.31 However, what's really needed is a systematic, analytical, results-producing dynamic in leaders' perspectives.

**The Leadership Talk** 

The Leadership Talk is designed to promote deep and lasting engagement by helping leaders not only come to grips with the realities they face and the perspectives those realities engender but also to use those realities to achieve increases in results.<sup>32</sup>

For instance, when leaders are first introduced to the **Leadership Talk**, they typically have a breakthrough experience. Learning just a few of the processes, they invariably change their perspective regarding a selected audience they plan to address and so change what they intend to say to that audience. What they will say from this new perspective is much different – and much more effective - than what they would have said had they not applied the

processes. And because they have changed what they say, their audience will become engaged to the extent that they change what they do. The processes can continually help manufacturing leaders analyze, clarify, and employ their perspectives, so they deal with, and even lead, the changes buffeting their organizations instead of being the victims of those changes.



# #2: Neglecting the Decisive HOW

Though some leadership efforts to close the Engagement Gap emphasize both WHAT and HOW, 33 most are long on WHAT and short on HOW. Unfortunately, few manufacturers know about the WHAT/HOW disparity, let alone have the capability of dealing with it. Identifying and rectifying that disparity can generate a strong, competitive advantage.

Manufacturing leadership is recognized as of paramount importance in closing the Engagement Gap.<sup>34</sup> Studies show that "people leave managers, not companies."35 However, many leaders spend their entire careers struggling less with the wrong ideas of HOW to lead and more with figuring out how to apply those ideas in practice. That's because the vast majority of leadership advice they receive is linked to WHAT but ignores or skims HOW.

A recent article in Fast Company is typical of this emphasis on the HOW at the expense of the WHAT. In "What Is the Best Leadership Advice You Ever Received," the authors include tips such as:

- "Stay focused and don't try to win a popularity contest,"
- "Keep good people, the rest will fall into place,"
- "You have to have big shoulders," and
- "Learn to follow first."36

All good advice, of course, but like most leadership advice, the WHAT overshadows the HOW. If WHAT details necessary leadership activities, then HOW maps the precise ways to make those activities happen.<sup>37</sup> HOW is what gets you from where you are to where you need to be.

This is especially true in manufacturing when leaders must communicate with power and precision in a variety of challenging environments. Leadership advice on closing the Engagement Gap is no exception. Most proposals involving leadership's role in the Gap focus on the descriptive WHAT – not the prescriptive HOW, which is much more important to achieving practical results in closing the Engagement Gap.

Or, as The Business Journal puts it, "Factory workers don't care about mission statements."38

The WHAT vs. HOW disparity not only harms the job performance and careers of individual leaders but overall manufacturing organizations too. According to Deloitte University Press's 2014 Global Human Capital Trends report, leadership "remains the No. 1 talent issue facing organizations around the world," with 86% of respondents rating it "urgent" or "important." Only 13% say they do an excellent job of developing leaders.<sup>39</sup> There are many reasons for this discrepancy between need and outcome, but one key reason is an organizational focus on WHAT at the expense of HOW.

The **Leadership Talk** is grounded in systematic concepts of WHAT, but its processes champion many ways HOW those concepts are put into action.

For instance, when leaders face communication challenge, the Leadership Talk requires them to ask three specific questions. If the leaders answer NO to any one of those questions, they cannot give a Leadership Talk. These questions are not meant to be stumbling blocks but rather

stepping stones. Leaders must work on answering these questions until they can say YES to each one. Only then can they give a Leadership Talk.

When this HOW questioning is constant and automatic, it leads to leaders doing and saying things that foster employee engagement in manufacturing on a practical – and effective – level.<sup>40</sup>



# #3: Information Overload

Advancing employee engagement in a manufacturing environment requires skillfully and consistently meeting the challenges of emotion. Even in hi-tech manufacturing, feelings can be useful.

Clearly, manufacturing success must be driven by strong technical advances, but there is another key driver: emotion. Organizations lacking employees who are emotionally engaged in their work achieve only a fraction of their potential results.<sup>41</sup> Yet endeavors to close the Engagement Gap in manufacturing are generally information rich but emotionally impoverished.<sup>42</sup> These endeavors offer an intellectual approach to engagement but neglect practical ways to foster the deep, emotional bonding engagement feeds on and is animated by. 43

# #4: The Runner Stumbles

Efforts to advance engagement must have mechanisms built into them at the beginning of their life cycles to ensure they endure all the way to the end of their intended life cycles.

The persistence of the Engagement Gap in manufacturing proves that many efforts to close it even if initially successful – simply don't last.

There are many reasons for this: over-reliance on surveys, succession issues, operations bias, ignorance of what produces and drives engagement, lack of funding, and management deficiencies. 46 For instance, when workers view engagement efforts as simply one more "flavor of the month," long term success cannot be achieved.

The **Leadership Talk** is founded on ways to systematically instill such bonding. For instance, responding to leaders'

need to establish more effective relationships, we have developed a system of Leadership Talk processes that help leaders form important, emotional connections.44 These are not simply "feel good" interactions. Rather, they focus on cultivating increases in hard, measured results that would not have happened without the application of such emotion-bolstering efforts.<sup>45</sup>

# The Leadership Talk

**Leadership Talk** not establishes motivational relationships but also uses evaluation and monitoring

systems embedded in the processes to ensure those relationships endure.<sup>47</sup> That's because **Leadership** Talk can be used many times daily, day in and day out, in countless manufacturing environments. They are not simply periodic communications.<sup>48</sup> Furthermore, supported by the **Leadership Talk's** Initiative Strategies, the Talks become integral to far-reaching and long-lasting tactical and strategic endeavors. 49 50







# #5: Anemic **Programs**

#6: The Proteus Problem

If you cannot link engagement activities directly to the vital results manufacturing organization vour needs, you should question whether those activities are worth the time, attention, and funding.

Most ways of closing the Engagement Gap have little relationship to achieving significant, practical manufacturing results.

Mission statements, team building, transparency, clarification of goals, accountability programs, 360degree evaluations, surveys, recognition/rewards, communications advances, etc. - though useful in their ways – have not been directly linked to increases in the indispensable.<sup>51</sup>

Yes, clearly, engaged employees can help get better results, but the links between the usual Gapaddressing programs and the indispensable haven't been comprehensively instituted. If they had been, manufacturers would have given highest priority in funding and resourcing to those programs.

Closing the Gap should not be viewed as ad hoc, catch-as-catch-can effort. It requires comprehensive, systematic, interlocking endeavors that continually modified, invigorated, and improved.

Clearly, U.S. manufacturing operates in an exceptionally volatile environment. Our nation's manufacturing leaders must juggle a lot to be successful: non-stop competition; the on-going requirements to keep costs low, quality high, and value great; the demands of innovation; demographic changes; workforce turbulence; intrusive regulations; the retention of highly skilled employees; and many other challenges.54

This volatile environment has strongly contributed to the Engagement Gap, because such challenges strike at the foundations of organizational and cultural stability that nourishes engagement. Engagement is a moving target, existing in different degrees and constantly-changing states in disparate sectors of manufacturing organizations.

**Leadership Talk** processes consistently help leaders identify, validate, and achieve those results manufacturers unquestionably need.

For instance, we have developed a 7-step process for repeating essential results obtained through Leadership Talks, then stepping up those results to much higher levels of accomplishments - all on a continually progressing loop. 52 53

# The Leadership Talk

The **Leadership Talk** helps leaders face these challenges. Its applications are broad, deep, and rapidly applicable. The

processes have significantly boosted the job performance and careers of a wide range of leaders from first-line supervisors through middle managers and C-suite executives. 55 Furthermore, such processes can saturate all manufacturing levels and functions and adapt quickly and effectively to changing circumstances.56



# #7: Top-Down Bias

#8: Ho-hum

Small-unit leadership is the crown jewel of manufacturing engagement.

Generally, efforts to close the manufacturing Engagement Gap come from top-down dictates. However, some of the most effective strategies flow from simple, bottom-up communications and actions where the lowest ranks of employees play important roles in designing and executing engagement activities.57

If an engagement activity doesn't motivate and captivate the people involved in it, consider ending it.

Scrutinize Gap-closing programs in manufacturing, and you'll find that most are taken from academic, ivory tower sources or are a rehash of traditional leadership dogma. Of course, many derive from thoughtful, inductive-based undertakings.<sup>62</sup> Still, the lack of fresh and innovative ventures has contributed to the endurance of the Gap.

The **Leadership Talk** can boost bottomup endeavors because – although it is supported by concepts and processes in

six of Brent Filson's books plus five of his leadership guides – the communications can be given on the spur of the moment with the help of a simple wallet card.<sup>58</sup>

In fact, once leaders have immersed themselves in the **Leadership Talk** philosophies and used the processes repeatedly every day for many months, they become advanced masters.

As masters, they can continually step up results by going about their daily tasks with Leadership Talkleavened, intuitive responses to any situation they face.<sup>59</sup>

Furthermore, the **Leadership Talk** has had impressive success with small-unit leaders who are critical to the advancement of most engagement endeavors. 60 61

## The Leadership Talk

the developed innovative **Leadership Talk** processes by calling on Brent's experiences as a Marine,

infantry platoon, and company commander; as a leadership thought-leader who has worked extensively with GE leaders during the Jack Welch era, as well as with other leaders in scores of organizations worldwide. His efforts have resulted in the **Leadership** Talk offering a refreshingly new way of communicating, eschewing academic and traditional approaches to leadership communication.

When leaders replace their commonplace presentations with the compelling communications of Leadership Talks, they become more effective in developing engaged relationships. For instance, with safety and employee engagement increasingly playing central roles in manufacturing operations, Leadership Talks can promote what Brent calls "a cascading of cause leaders" to facilitate advances in these areas. 63



**6** Some of the most effective strategies flow from simple, bottom-up communications and actions."



# #9: Johnny One Note

The first step in generating engagement is to analyze the needs of those you want to be engaged.



The precept "Think globally but act locally" applies to the Engagement Gap since U.S. manufacturers operating in various localities around the world are challenged to deal with different cultural mores. For instance, Western and Eastern cultures have widely divergent perspectives on individuality and teamwork. U.S. manufacturers often stumble when they bring a one-size-fits-all cultural perspective to operations in other countries, hampering engagement.<sup>66</sup>

Because the **Leadership Talk** processes systematically and precisely identify everyone's special landscape of needs and intentions, they have thrived in many different cultures, languages and economic/political systems from China, Japan, and Russia to Europe, the U.S. and South America.

**Leadership Talks** may be called the global *lingua franca* for getting people engaged.

# #10: In Bed with The Status Quo

The Engagement Gap is persistent because it is often supported by a tenacious status quo.<sup>67</sup>

> The status quo, the existing state of an organization, can be the strongest check against attempts to close the Gap because it customarily fights the change that accompanies closure, rewarding conformity and penalizing risk takers. 68 Yet in manufacturing, it is the rebels and risk-takers who are often most successful at closing the Engagement Gap. The workers, not given to rebelliousness and risk, are also important facilitators of breaking through the status quo to promote engagement.<sup>69</sup> Unfortunately, for the past two decades, we have seen few, if any, organizations seeking to close the Gap mention the status quo, let alone develop systematic ways of countering its inevitable attack.<sup>70</sup>

Every effort in closing the Gap must include an analysis of the status quo and ways to respond to it. If that analysis and response are not made, the organization conducting the effort is effectively in bed with the status quo, i.e., so deeply involved with it that its pernicious qualities cannot be dealt with. The **Leadership Talk** has a successful track record of defeating the status quo because its plain-spoken processes inspire the very employees who make up the status quo to defeat its attacks.71 72



# #11: Feeble Drill Down

When it comes to engagement, there are easy approaches ("they have to change") and hard approaches ("we have to change").

Many efforts to close the Gap fail because they break down on manufacturing's surface formations and activities, with top leaders being engaged but having no idea how to get lower level workers on board.<sup>73</sup>



# #12: Strategic Neglect

Without a strategic component, few engagement activities can be sustained.

The Engagement Gap has persisted through the years because the programs to combat it are generally one-dimensional. They deal only with tactical and operational efforts, but not on strategic levels. Engagement is too important to the manufacturing industry to be dealt with exclusively in operational ways. Strategy is necessary to give depth, guidance, and power to engagement activities. Any engagement-advancement program must be linked to two strategic thrusts: the first is the organization's strategy to succeed, and the second is the strategy of the engagement program itself.

The **Leadership Talk** was developed in the crucible of intense global competition with companies that had to

break the molds of their individual status quos to get their employees to be deeply engaged in their work. For instance, when Brent first began bringing the **Leadership Talk** methodology to GE executives, Jack Welch said that one of the toughest challenges he faced was driving engagement throughout the entire 400,000 employee organization:

"Of course, my direct reports will be inspired. If they're not, they won't be my direct reports for long. But how do I drill down into and through those middle managers and to the first-line supervisors around the world to get them all engaged as I need them to be?"

Brent Filson made sure the **Leadership Talk** processes met those challenges by instituting processes that could drive engagement through all levels and functions of entire organizations.<sup>74</sup>

# **The Leadership Talk**

The **Leadership Talk** works both operationally and strategically. For instance, a strategy that grows out of

the **Leadership Talk**, the **Leadership Strategy**, can be a critical tool in dealing with the Gap.

We know that a common organizational strategy is simply a way to direct a company's activities around central, animating ideas.

A **Leadership Strategy**, on the other hand, seeks to obtain, organize, and direct the heartfelt commitment of the people to carry out the organization strategy.<sup>75</sup>

Once a **Leadership-Talk Leadership Strategy** is understood and undertaken, it can often be more effective in advancing operational success than operational activities alone.



# #13: Wrong Response

In getting employees engaged, be guided by Brent Filson's adage: "Authority is a poor excuse for leadership." Engagement depends on bonding with employees, and bonding depends on more than just on-the-job considerations.



The Gap prevails because many manufacturers make the mistake of responding wrongly to the new engagement challenges confronting them today.<sup>76</sup>

Manufacturing's engagement needs have changed since the dawn of the Industrial Revolution, when captains of industry directed the relatively uneducated country people who flocked to their factories where, how, and when to work. In fact, that word "order" comes from a Latin root meaning to arrange threads in a weaving woof. The most efficient and effective production methods resulted from having workers be "ordered" or ranked like threads in the woof of production lines to mechanically follow directions.

However, in today's fast-changing, fiercely-competitive, unpredictable manufacturing environments, getting workers engaged must mean more than having them follow orders.<sup>77</sup> Engaged workers must take pride in and feel excited about their work and understand the strong, positive links between that work and the organization's success. They must be motivated to constantly do their best work. They must feel valued and appreciated by that organization. They must trust and respect their leaders, be deeply committed to quality initiatives and devoted to teamwork.<sup>78</sup>

Such engagement cannot be ordered. Instead, it must be triggered by the special bonding described above, bonding that entails more than onthe-job considerations. Workers are increasingly scrutinizing the total personas of their managers – not only who they are on the job but who they are away from the job. 79 80

**The Leadership Talk** 

For years, in teaching the **Leadership Talk**, we have told leaders, "Make your leadership your life. If you don't, you diminish both your leadership and your life." Over the decades, leaders have successfully used the methodologies in their personal lives. This not only helped the leaders meet a variety of challenges both on and off the job, it also helped those leaders boost engagement by better relating to the personal lives of the people they led. As the Dale Carnegie Institute found: "Research revealed that employees ... often become less engaged as they face external family pressures. Supervisors who get to know their employees on a personal level and care about their private lives can counteract this disengagement. These caring activities are two of the four most important drivers of engagement."81



# #14: Cultural Crimes

"Culture eats strategy for breakfast." – Peter Drucker. The cultures of organizations – the shared beliefs governing organizational behavior – contribute significantly to both the widening or the closing of the Engagement Gap.



The elements [of an organization's culture] fit together as a mutually reinforcing system and combine to prevent any attempt to change it."

Advancing engagement through culture change can be daunting. Steve Denning observed in *Forbes*:

"Changing an organization's culture is one of the most difficult leadership challenges. That's because an organization's culture comprises an interlocking set of goals, roles, processes, values, communications practices, attitudes and assumptions. The elements fit together as a mutually reinforcing system and combine to prevent any attempt to change it. That's why single-fix changes, such as the introduction of teams, or Lean, or Agile, or Scrum, or knowledge management, or some new process, may appear to make progress for a while, but eventually the interlocking elements of the organizational culture take over and the change is inexorably drawn back into the existing organizational culture."82

# The Leadership Talk

At first glance, the **Leadership Talk** might seem like a quintessential "single fix change." How can simply "talking" (and "listening") have the broad and deep impact on culture Denning said is needed? The answer is that the very attributes associated with superior manufacturing cultures — like dynamic worker/leader relationships, inspiring organizational goals, sustainable high-performance results, trust-inspiring activities, and transparent communications — are the very attributes the **Leadership Talk** cultivates in organizations. As Brent Filson says, "Culture is not changed unless those involved in the culture agree to the change, are motivated to make it happen, and act to institute the change."

The **Leadership Talk** is the best way to inspire those people to do so. When an organization is saturated by leaders of all ranks and functions constantly giving **Leadership Talks**, the culture of that organization *must* change – and must continue to change in positive ways.<sup>83</sup> Because the **Leadership Talk** works at all levels and functions in organizations, because it is both operational and strategic, because the fruits of the **Leadership Talk** in micro environments can be transposed into organizational activities in macro environments, and because applying it consistently enables leaders to obtain increases across the board in hard, measured results, the **Leadership Talk** is a powerful catalyst for Gapclosing, culture-changing activities.<sup>84</sup>



# #15: Right Moves but Wrong Game

#16: Structural Cracks

Lead the employees to be engaged in such a way that you and they together not only achieve the required results but also grow professionally and in the best qualities of being human.

One of the most important ways to get people engaged has been recognized but seldom systematically enacted.

That's to change the game from small to large.

Rather than simply enacting incremental advances, often greater engagement can be instituted by advances in overall organizational success. Clearly, employees feel pride in being a part of a successful enterprise and are more likely to be engaged than employees in a failing organization.<sup>85</sup>

A key question to ask: "Does our organizational structure inspire people to choose to be engaged?" Within the answer is an engagement dynamic you may not have considered.

Most efforts to close the Engagement Gap employ the direct approach, and few organizations recognize that the indirect approach is sometimes more effective. Secondary issues like good will (or lack thereof) in business and social communities, the character of managers, the pride (or lack thereof) of being part of an organization, etc. can all have a notable effect on engagement.

Organizational structure is a mechanism that can indirectly, but strongly, affect engagement. Structure frames people's thoughts and actions and guides how individuals feel about an organization. Another reason the Gap stubbornly persists is that the organizational structure has not been systematically addressed.

Since the results accruing from Leadership Talks go to the heart of what's necessary for organizations to succeed, the Talk can facilitate this change in focus.

The Leadership Talk
to fluid, or

For instance, closing the Engagement Gap in manufacturing often entails getting the organization moving from low growth to high growth or boosting production-line efficiencies from best-in-class to world-class.

Those are two outcomes the **Leadership Talk** can help achieve. <sup>86</sup>

The **Leadership Talk** works in a variety of structures from bureaucratic (defined by strong, hierarchical lines of reporting)

to fluid, dispersed-authority arrangements on the opposite extreme. For instance, in matrix manufacturing where managing can take place crossfunctionally and cross-organizationally with multiple lines of reporting, the **Leadership Talk**'s flexibility in inspiring people to achieve results is particularly effective. Furthermore, since the **Leadership Talk** is a results-generator, it often shapes its own organizational structure. Such powerful, indirect effectiveness goes right to the heart of promoting engagement.<sup>87</sup>



# #17: Gresham's Law

Do not look to best practices exclusively as ways to advance engagement but look to failures as well. Failure analysis often leads to successful execution.



One of the big mistakes manufacturers make regarding the **Engagement** Gap is failing to translate engagement best practices inside and outside their organizations." One of the big mistakes manufacturers make regarding the Engagement Gap is failing to translate engagement best-practices both inside and outside their organizations.88

Best practices, activities that repeatedly achieve superior results, are especially important in manufacturing in reducing costs, curtailing waste, improving quality, boosting worker skills, advancing efficiencies, applying technology, and promoting innovation. Of course, the manufacturing industry has led the way in instituting best practices in a variety of areas, quality improvement being the most successful and the most prominent.

However, when it comes to the realm of engagement, manufacturers have not done so well not because of a lack of best practices but because those best practices have not been translated.89

There are generally two reasons for this: one is that even the best programs and the practices that carry out those programs are often thwarted by a deeply rooted status quo, so fall short of their optimal potential. 90 Such a shortfall confirms Gresham's Law, the bad drives out the good.

Two is that leaders instituting best practices lack a translation mindset and the precise, powerful actions resulting from that mindset. 91

The Leadership Talk

The **Leadership Talk** is a potent vehicle for best-practices translation. For example, decades ago when Brent was first developing the Talk, he was invited to help General Electric leaders introduce the quality-enhancing methodology, Six Sigma, to an important GE business.92

The result was that the leaders of that business, using **Leadership** Talks, elevated the effectiveness of Six Sigma introduction so that the business was one of the front-runners in the corporation in applying Six Sigma for results. The best practices developed in that introduction were used extensively in other businesses and venues.<sup>93</sup>



# Conclusion: The Engagement Gap in Manufacturing can be closed.

It's possible to rectify every mistake described in this document, and to do so with a system that's as straightforward as it is transformative.

Though employee engagement is indispensable to manufacturing success, studies show that U.S. manufacturing has for years failed to achieve strong engagement results. This failure can be linked to fundamental mistakes that manufacturing leaders make mainly in the realm of developing and sustaining productive relationships.

Brent Filson's **Leadership Talk** systems focus on developing those relationships to help leaders rectify mistakes like those identified in this document, while at the same time producing increases in hard, measurable results – more results than if the systems had not been used. Saturating organizations with leaders of all ranks and functions constantly giving Talks requires comprehensive, systematic endeavors.

However, it's important to understand that the **Leadership Talk**, as powerful as it is, is not a panacea. Closing the Engagement Gap in manufacturing by following the **Leadership Talk** system entails leaders of all ranks and functions constantly giving Talks. Though results can come immediately, a long-term perspective is also needed. Because leaders will have to learn and apply the processes, while at the same time carrying out their daily tasks, diligent, organization-wide efforts must be instituted to build the critical mass of leaders constantly giving Leadership Talks for transformation to take place. It must be recognized that closure will not happen easily or quickly and must be constantly monitored, evaluated, supported, and sustained.

Since the advantages of achieving an engaged workforce far outweigh the disadvantages of a serious Gap, such efforts are clearly worth the price.

To find out more about the **Leadership Talk**, read one or more of Filson's five books devoted to the Talk and/or his scores of articles on the subject, or ask about an introductory session, free to readers of this report.

A 90-minute, interactive introductory session can help leaders replace presentations they plan to deliver with more effective **Leadership Talks**. Brent guarantees that, even though the session provides only a fraction of the **Leadership Talk** concepts and processes, it will nonetheless lead the participants to change what they will say and replace it with far more effective communications.

Even the handful of processes they learn in the introductory session can be used in other communications for the rest of their careers. That introduction will ensure they fundamentally change their ideas on leadership communication.

That's not speculation. Brent continues to run into former participants in airports, hotel lobbies, and conferences who eagerly share their Leadership Talk perspective-changing success stories with him.

For more information, and to view scores of endorsements from leaders of all ranks and functions, visit http://www.brentfilson.com.



# Brent Filson and the Filson Leadership Group, Inc.

Brent Filson learned about leadership as a Marine Corps rifle platoon and company commander. As a civilian, he has, during the past 29 years, helped thousands of leaders of all ranks and functions worldwide boost their leadership effectiveness. Working with some of the top companies in the world, he has developed motivational leadership strategies, processes and skill sets, and created and instituted leadership educational and training programs. He is the author of 23 books (more than a million copies sold) and hundreds of articles on leadership. His leadership books and articles have been featured in more than 200 magazines and newspapers. He has been interviewed on nearly 200 radio programs, discussing his leadership processes. He has lectured at Columbia University, MIT's Sloane School Of Business, Boston College, Wake Forest University, Williams College, Villanova, and more; and he has spoken before many dozens of private, non-profit and government organizations. His latest books are, The Leadership Talk: The Greatest Leadership Tool and 101 Ways To Give Great Leadership Talks. The book was a finalist in Foremost Magazine's National Book Awards, and it won the Independent Publishers national award for "best business/personal growth" book.

"Brent Filson is one of the most talented communicators in the world. If you want to learn to motivate two, two hundred or two thousand people to take action for results, his lectures and seminars are a must!" -Joseph Mancuso, CEO of the Center for Entrepreneurial Management.

Besides having lectured about the Leadership Talk at MIT Sloan School of Management, Columbia University, Wake Forest, Villanova, Williams, Middlebury, Brent Filson also brought the methodology to leaders in these organizations: Abbott, Ameritech, Anheuser-Busch, Armstrong World Industries, AT&T, BancOne, BASF, Bell Atlantic, BellSouth, Betz Laboratories, Bose, Bristol-Meyers Squibb, Campbell Sales, Canadian Government, CNA, DuPont, Eaton Corporation, Exelon, First Energy, Ford, General Electric, General Motors, GTE, Hershey Foods, Houghton Mifflin, IBM, Meals-on-Wheels, Merck, Miller Brewing Company, NASA, PaineWebber, Polaroid, Price Waterhouse, Roadway Express, Sears Roebuck, Spalding International, Southern Company, The United Nations, Unilever, UPS, Union Carbide, United Dominion Industries, U.S. Steel, Vermont State Police, Warner Lambert — and more.

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