The Bus Riders

Jim Collins published a book in 2001 that has many truisms that are as relevant today, as they were then. The book is called "Good to Great." I recently pulled it out again when one of my LinkedIn connections mentioned a quote I used from Jim's book when I gave a presentation at a convention in 2016 titled "The Bus Riders". The quote is: "***Get the right people on the bus, get them in the right seats and then drive the bus.***" The research that accompanied that quote produced another great quote from Jim: "***It's who you pay, not what you pay them that makes the difference***."

The bottom-line message of The Bus Riders is that to be an effective CEO / President of an organization, you must have the concentration of a bus driver to keep your eyes on the road ahead of the bus (aka managing the long-term plans). You cannot have the need, physically or psychologically, to be constantly checking on what the other people in the bus are doing. Getting to the point of not having the need creates three important questions:
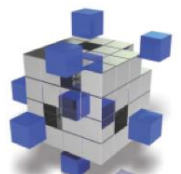
- How do you know who the right people are?
- How do you know where to seat them?
- How do you drive the bus while people are working without your direct supervision?

I am not going to get into details (I have published other articles to assist with those), but here are some highlights to begin the thinking processes.

The Riders Required

Who you need now will be different from who you need in the future. Some roles (e.g. payables clerk) will have minor change while other roles (e.g. CIO, COO, CFO, VP-Sales / Marketing, VP-Human Resources, etc.) will require skills that will need to be able to be adaptive to change. Therefore, you will need both a tactical and strategic human resources plan that includes items such as continuous skill set improvement and allowance for structural reorganization.

To make sure your organization does not degrade in human abilities, you will want to implement HRDRP (Human Resource Disaster Recovery Plans) for the critical structural components of your rider's plan.

Seating the Riders

The first step to successfully seating the bus riders in the right place is to have a proper description of the roles required for both the current (tactical) and long-term (strategic) organizational structure. Where organizations fail in this task is in thinking that a person will only be a "payables clerk" when the person in that role may also be involved in cost accounting, supplier evaluation and ERP selection teams. This indicates that there is a need to have an in-depth description of the


knowledge capital required and evaluation of social impact elements of each role in the organization. Where there is more than one person in a role (e.g. several payables' clerks), the need to first evaluate what you have currently, and the potential of the current cohort occurs before determining who the next bus rider will be.

The seating plan also provides the organization with how to evaluate and successfully move a rider to a better position on the bus…or out the back door when required.

Managing By Exception

Many leaders have been taught to Manage By Walking Around (MBWA) which, if done properly, is not a bad method of taking the pulse of the organization. However, balancing MBWA's good points versus the perception of employees that 'the boss is looking over my shoulder' or 'the boss doesn't trust me' and the amount of time and cost required to properly MBWA and questions arise in terms of value versus potential downside. Then there is the organization that has multiple locations, countries, cultures, risk factors, etc.

Managing By Exception (MBE) is a far more effective method of ensuring that the CEO can be the bus driver that does not steer the bus into a bus shelter, fire hydrant or other obstacle such as pedestrian. What MBE requires is having the *right people* in the *right seats* and *access to fast, reliable information that alerts the CEO* to issues that require immediate attention or corrective action. Immediate action items are those where there is some form of risk to the organization that has not been dealt with effectively by others in the organization. Corrective action items would include issues such as a significant: downturn in an Employee Value Index; change to the performance of a sector of the business; or resignation of a direct report to the CEO.
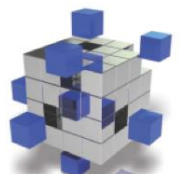
You may want to read my article "The Spider and the CEO" which was posted on LinkedIn on September 27, 2017.

Components of Effective Bus Management

A CEO that is going to be effective in maintaining focus on the road ahead of the bus has a few key needs:

- An exceptional direct report team that includes the VP, Human Resources (not going through someone else).

- A clearly defined tactical plan with tactical action triggers identified.

- A clearly defined strategic plan with an honest SWOT assessment and strategic action triggers defined.

- A plan for getting the organization from the tactical "as is" status to the strategic "to be" that is expected. This would include an organizational change management strategy as roles, technology, and structure change.

- A clear understanding of the process conditions and data exceptions that create business risk or have the potential to require a change to the strategic plan.

- Information technology that monitors business and operational processes and corporate data. The information technology must have the ability to recognize data exceptions and when processes are not being executed in a timely manner. Then that technology must be able to escalate that information to the appropriate levels of management until such time as action is taken.

Parting Thoughts

- Einstein once said that one cannot solve the current problems, which were created by the current pattern of thought, by using the current pattern of thought.

- "Knowledge of the self is the mother of all knowledge. So it is incumbent on me to know myself, to know it completely, to know it's very atoms" - Khalil Gibran
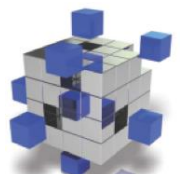
The "Q" Factors

Most readers will know what I'm talking about if I mention the term "IQ" as in: "They have the IQ of a stone". In this situation, "IQ" is the Intelligence Quotient which is a statistical measurement of someone's thinking power. However, there are two other "Q" factors that are gaining attention in the workplace: the "EQ" and "CQ" factors are becoming factors in rating people for their potential for advancement and placement within teams and organizations. Oftentimes these two factors are combined in a broader view to create an "SQ", or "Social Quotient", factor.

The first one we'll look at is the "EQ", or "Emotional Quotient", factor. This factor pertains to a person's ability to balance a range of emotional factors such as empathy, passion, integrity, flexibility, stability, stamina, etc. in both social and business settings. The business EQ analysis is obviously required due to the positive or negative impact that emotion can have on team-based environments. However, people at all levels of an organization can also be called upon to interact with suppliers, customers and other stakeholders in the organization. Being able to balance emotions in a social setting may also then be critical.

The second factor is the "CQ", or "Cultural Quotient", factor. The CQ factor looks at how people interact with people of other cultures. The basic question is: "How aware of different cultures is a person and how do they adjust to each situation?" Given the multi-cultural make up of North America and specifically Canada, this factor is becoming somewhat critical for many organizations that embrace continuous improvement. However, it's not just the visual cultural issues that people need to be aware of. It's also the corporate culture differences between two different organizations or two different divisions of one organization.

To give you some practical examples of the Q factors at work, I'll relate a couple of experiences that I've had with various people. All names and timeframes are changed to protect the parties involved.
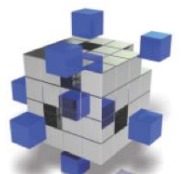
John

John is a customer service manager. He is a highly committed person that takes great pride in his work and the satisfaction levels of his clients. On the EQ side, John exhibits a great amount of passion for his work, empathy with his clients and stamina (he'll work the long hours when he needs to). However, John also has a definite need to be recognized on a regular basis, which can create some instability within team structures. John is also a stickler for adhering to process. While this can be a very good trait, John lacks the ability to recognize when some flexibility is needed.

Therefore, while John is a good customer service manager, he's not a likely candidate to lead a CI team or advance to an executive level of management.

Judy

Judy is an accountant for a US-based company that has facilities in several countries. She's a very good accountant and knows her personal management objectives very well. Her IQ is above average, and she knows it. Judy has a passion for getting the books done right and each period end done quickly so that management has good metrics with which to make decisions. Of our EQ factors, you would say that Judy has passion, integrity, stability and stamina.

However, empathy is not a word that you would associate with Judy. A bull in a china shop would be more appropriate. Neither would cultural awareness be high on her list of attributes as she's been known to make comments about the "stupid Canadian tax system", "harboring terrorists" and other derogatory remarks regarding Canada in general to her Canadian colleagues. She's had similar comments attributed to her from her French and British colleagues.

Judy has also hit the ceiling as far as any promotional potential. In fact, Judy may find herself out of work if she doesn't make some corrections as her organization has begun a Six Sigma project that is going to have an impact on accounting. There's no potential for Judy to participate in this project due to her history in dealing with other people in the organization…far too many bridges burned. Her knowledge of the organization's accounting setup and practices will be used, but her participation in anything new will be limited to getting whatever information someone needs to further the project along. Even though Judy's IQ
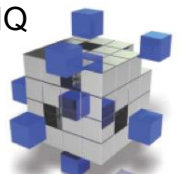
is above average, her combined SQ is going to stop her from leveraging what she has into something better for herself and her organization.

How do you rate?

For anyone to advance in the 21st century workplace, an IQ capable of doing the job and experience is only the starting qualification. I'm not talking about just advancement into or through management ranks…I'm talking about as simple as participating in a CI team initiative which leads to positive recognition.
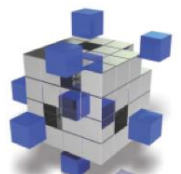
However, assuming that you have the brains to go forward, how do you know how you rate from an EQ and CQ point of view? The answer depends upon how badly you want to know and how aware you are of your own "Q" factors.

There are HR specialists that will do an assessment for you, or your organization. This is going to cost somebody some money and the amount is totally dependent upon the scope of the assessment. I had one done several years ago for my own purposes and the scope was stem to stern (intelligence, personality, occupational fit, etc.). It was one of the best investments of my life and I learned the types of environments that were best suited for my skill sets and the type of manager/employee relationships that would best work for me as both management and employee.

However, let's just say that you want to ask some simple questions to determine whether you've got issues or not. Here are some examples of ones you should ask yourself:

- Am I generally pleased with my co-workers?
- Do I have a drive within me to do better, even slightly better, than anyone expects?
- Can I admit that I'm wrong?
- Have I been able to adapt to a new person coming into the group regardless of who they are?

If you honestly answered yes to all the above, you're in decent shape. If you answered no to any of them, ask yourself two questions: (1) why not? and, (2) how is this affecting my health and family, my job performance and opportunities for advancement?

The Four Levels of Competency

In an earlier paper, I talked briefly about the "Q" Factors that are rapidly becoming a measurement of the ability of people to be included in cross-functional or cross-relational teams or to be thought of in terms of management advancement. In this paper, I will build on the idea that the reader has identified a need to correct one of their "SQ" factors and wants to move forward on a path to becoming competent. As a quick review for those who haven't read the last paper, the SQ factor is the combination of your Emotional Quotient (EQ) and Cultural Quotient (CQ) factors. EQ factors are related to your ability to control and utilize your emotions effectively in interpersonal activities. CQ factors are related to your ability to recognize and react appropriately to different cultural situations.

Although we can dissect personal continuous improvement into multiple variables and levels within those variables, there are four main levels of competency within each variable.

Unconscious Incompetence

At this level, you're unaware that you are incompetent in one of your Q factors. In other words, you don't know what you don't know about what you're doing incorrectly. How do you become aware? First, and this is sometimes the hardest part, you must acknowledge the fact that you might have some social quotient deficiencies. The typical methods by which you become aware of this deficiency are:

- Employment reviews when your immediate supervisor, or the human resources professional, sits down with you to discuss your performance or behavior in a particular situation. As senior management myself, I actively solicit feedback from my direct reports during our reviews (and throughout the year) on ways that I can more effectively work with them.

- Peers, family and friends. Watch and listen for the responses of other people when you interact with them. Do they sometimes wince when you tell a joke? Could be that the joke was inappropriate for the group that you are in. Do people avoid certain topics with you in discussion? Maybe
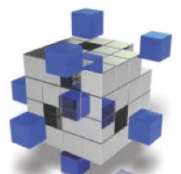
there's an emotional signal that you're giving out that shows that you're not open to discussion on that topic.

- ✦ Self-awareness. Ask yourself: "Am I meeting my own performance goals?" If not, you need to do some root cause analysis to find out why not. If you cannot come up with a root cause by yourself, it's time to talk to someone you trust and will take constructive criticism from.

Conscious Incompetence

Once you've determined that you have something to improve upon, you are now consciously incompetent. Now you have a decision to make: "Do I fix it or not?"

The thinking that you would put into that decision would be based upon whether the impact of not becoming competent is going to be significant or not. If the issue is stopping you from advancing or participating in a group that you want to participate in, then it's a decision of becoming competent or accepting the glass ceiling that has just been put in place over your head.

There also needs to be some priority upon how fast you want / need to be competent. If you have identified multiple improvements that you want to make, then you should realize that tackling them all at the same time is likely a recipe for failure. Therefore, you can either go after the 'low hanging fruit' which will be a quick rise to competency or tackle the one that gives you the largest return on your investment.

In any case, you should come up with a plan for reaching the next level. You'll also need to determine the amount of assistance that you'll need to get there and where that help will come from.

Conscious Competence

You have a plan that you are committed to and have begun to use the assistance, knowledge and tactics that you have learned or gained. This is now the level where you begin to consciously recognize situations where you were previously incompetent and use that knowledge to demonstrate competence in that situation. However, you still need to consciously recognize the situation and think through the appropriate reaction.

Unfortunately, you may still make some errors in judgment or execution. This is to be expected, and you shouldn't get down on yourself. What you should be
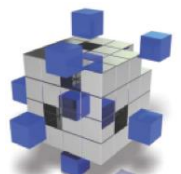
doing at this level is decreasing the number of errors you make over a period of time and assimilate the new behavior into who you are.

If you're wondering how you recognize your improvement, just think about how you first became aware of the incompetence that you displayed. Going back to the people that first gave you the 'hint' that there might be something wrong and soliciting feedback, or watching their reactions to your 'new way' of handling a situation, is a good method of measurement. Also remember that this is a qualitative measurement as we are dealing with *social* behavior issues. So, there are going to be mixed reviews dependent upon who you ask or interact with. Look for an overall trend, not a fixed numerical performance indicator.
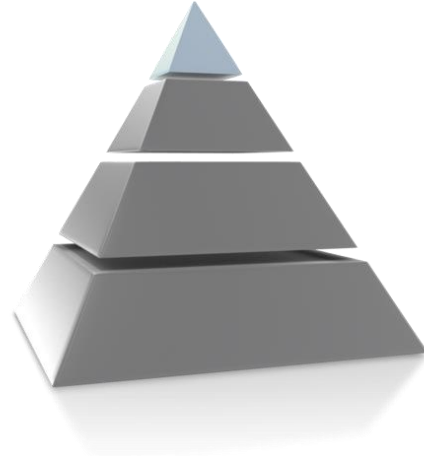
This is also the time when you can start working on your next SQ factor project.

Unconscious Competence

After a period of time, you will have noticed that you no longer need to think about a situation before knowing how you are going to react to it and react well. What you have succeeded in doing is making the 'new way' the only way that you react, and you may notice some benefits. First, people are going to feel more comfortable being around you and will support your inclusion in teams. Second, upper levels of management will begin to take notice leading to increased opportunity. You also have a better chance of making a successful move to another organization. The last one I'll mention here, but certainly not the last benefit, is that you feel better about yourself. Nothing breeds contentment like success.

Summary

I've never seen anyone be upset by someone else improving their SQ factors. Quite the contrary, people who consciously make the effort to change to add value to a team or organization often become valued members of teams and leaders for personal continuous improvement.
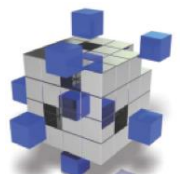
The Right Person Now & Later

In the business transformation consulting profession, especially when we are 'rescuing a project,' we often see humans in the wrong roles within the projects (or in the organization itself). Since we have regular project management meetings, we will sit down with the executive sponsor of the project to discuss the issues and plans to overcome them. Sometimes it means we need to gently bring up the personnel issue and find a way to deal with them. Depending on the situation, there may be a need to change some personnel and, if so, we get into a discussion on how to make sure that the right person is going to be brought into the project and what happens when that person's role in the project is complete. If human resources have not been part of the discussion to date, they do get involved now.

Recruiting the Right Person

How to do select the 'right' person for any position in the organization with a high probability of success? The answer is to have a process that is more quantitative than qualitative. That leads to the question of how to quantitatively define and select that person. The following is the '*very short version*' of what that looks like.

First, you need to quantify minimum, maximum and prime values for what the organization needs to have in five areas:

- Education
- Experience
- Emotional Quotient
- Social Quotient
- Security

The first two are found on a person's resume.

- Note: There can be trade-off regarding level of education versus the experience factors.

The initial Quotient factors are discovered during the interview process.

- Depending on the position being filled, there may be a more in-depth process to be followed when you get down to the final selection process.

The amount of time and effort required for the Security factor is based on the industry and level of the roles being filled.
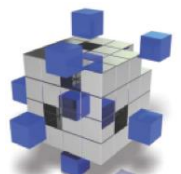
Then you recruit.

- Do not make your recruitment posting so long that it reads like a restaurant menu. Document the position's description, educational and experience requirements, and top five responsibilities.
- State the location and type of work conditions (e.g., remote, mixed mode remote and in person, full time on site, etc.).
- State any security requirements.
- One paragraph about the organization with a link to your website is sufficient or the recruitment notice starts to look like marketing and salient points get glossed over.

With resumes in hand, you measure them against the three factors you can quantify at this time: Education, Experience and Security.

- Based on the outcome of the quantitative analysis, you need to (and should) get down to a short-list of candidates.
- The number of candidates for interview consideration is often equated to the roles the person will fulfill within the organization.

Interviews can be dealt with in several ways.

- Sometimes an organization will set up remote interviews with some candidates that are highly qualified to get a 'first pass' on the Quotient values.
- Whether in person or remote, the first interview process is set up to be executed within 22 minutes. Yes, it is that rigorous (and lean)!
- Final interviews should always be done in person. Depending on a few factors and tasks requiring completion, those interviews can last anywhere from 30 to 90 minutes to execute properly.

Get the list down to two final candidates.

- Complete background checks not only on references provided by the candidate, but also other people within former organizations / educational institutions. This may require the candidate to sign off on the process due to privacy laws / expectations.
- It is not a bad idea to let the short-listed candidates know that, should they make it to the final selection, this is part of your process and get their sign-off. Don't be surprised when a candidate drops out voluntarily.
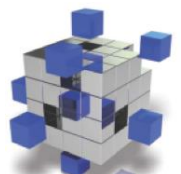
Promoting the Right Person

Essentially, it's the same process as recruitment but you can reduce the t. and effort if you have defined the five areas properly, validated the promotional candidate's abilities and cleared them of any additional security checks required.

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