

BUILDING A LEADERSHIP CULTURE

LEADERS



HERE

MARK MILLER

Bestselling author of *Chess Not Checkers*
and *The Heart of Leadership*

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Berrett-Koehler Publishers, Inc.
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Berrett-Koehler Publishers, Inc.

1333 Broadway, Suite 1000

Oakland, CA 94612-1921

Tel: (510) 817-2277, Fax: (510) 817-2278

www.bkconnection.com

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First Edition

Hardcover print edition ISBN 978-1-62656-981-2

PDF e-book ISBN 978-1-62656-982-9

IDPF e-book ISBN 978-1-62656-983-6

2017-1

Production Management: Michael Bass Associates

Cover Design: The Book Designers

*This book is dedicated to my wife, Donna.
Her patience with me is unfathomable and
her contributions to my life are incalculable.
I love you!*

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Introduction

Leadership is the cornerstone of all great organizations.

Yes, before you think it, I do understand that more is required than outstanding leadership to build an enduring organization. After a five-year research effort, our team found High Performance Organizations actually have *four things* in common. They all Bet on Leadership, Act as One, Win the Heart, and Excel at Execution. I wrote about these “moves” in my previous book, *Chess Not Checkers*.

However, the journey to high performance always begins with leadership. This book is a deep dive on one critical question every organization faces:

How do you ensure you'll have the needed leaders to fuel your future success?

The answer, in short: Build a leadership culture.

Let's be clear on terms from the beginning. A leadership culture exists when leaders are routinely and systematically developed, *and* you have a surplus of leaders ready for the next opportunity or challenge.

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Imagine what would happen if organizations were proactive and strategic and built their own leadership pipeline and filled their bench with capable, ready-now leaders? What if companies and nonprofits created a culture in which exceptional leadership at all levels was the norm?

Even as I write this, I am well aware of the resistance to this idea of building a leadership culture. Here are some of the more common objections. . . .

“We don’t need a leadership culture; we’re doing fine.”

You may be right: you are doing fine—for now. However, even in organizations currently enjoying success, this is often due to the efforts of a few good women and men who shoulder the burden for their entire organization. Their heroic acts are required again and again to win the day. Not only does this approach fail to leverage the full capacity of your people, but sustained greatness is unlikely.

“Leaders are born, not made.”

If you fall victim to this myth, your organization is probably not going to make the investments needed to grow leaders at all levels. You will just wait for the next leader to walk through the door. In essence, you are waiting for Superman or Superwoman to miraculously appear and save your company. This is a dubious strategy for future success.

“We’re too busy to think about the future.”

If your organization is like most, you probably do not have enough capable leaders in place today. And, if you have a shortage of leaders, the ones you do have are often pedaling hard just trying to keep up. They certainly aren’t thinking about developing future leaders. Therefore, a leadership shortfall today is often the preamble to a shortage of future leaders. If you do not break this cycle, it may ultimately break you.

“Even if we wanted a leadership culture, we don’t know how to build one.”

This is the best form of resistance! Although I will work to address all the objections outlined above, *Leaders Made Here* was written primarily for this final group—those who can see the value in a strong bench of capable leaders but just lack the strategic framework to make it so. This book is really for you.

Ultimately, your future success depends on the *quantity* and *quality* of leaders on your team. Follow the path outlined in the following pages, and you will position your organization among the elite. You will create a place where leadership excellence is not a dream but rather a by-product of a sound strategy executed with diligence.

The future begins today. Let’s get started!



Human Error

The sound was deafening and the confusion was debilitating. Blake was struggling to pick himself up off the floor and wondering what had just happened. The only light streamed in through a small window near the ceiling as the sun crawled over the horizon.

As Blake strained to scan the room, he could see others getting up. They were all covered in dust and debris. His ears were still ringing from the explosion.

Just a moment before, he was beginning his first meeting with his leadership team as the new CEO and then, this. . . .

“Is everyone okay?” Blake yelled.

“I’m okay,” came a voice through the shadows.

“Me, too,” said another.

A third voice asked, “What happened?”

“I don’t know,” Blake said, as smoke began to fill the room. “We need to leave the building—now! Where’s David . . . and Sally?”

Becky shouted, “They’re over here!”

Blake jumped across the table to find both of them on the floor. He leaned over and from what he could see, it didn’t look good. They were both unconscious.

“Are they okay?” Amanda screamed.

“I don’t know, but we’ve got to get them out of here,” Blake said. “Tim, you and Bill take Sally, and I’ll get David.”

Luckily, the group had only one flight of stairs to navigate to reach the street level. When they emerged, they found many of their fellow employees had already found their way out of the building. Thankfully, the sound of sirens could be heard getting closer.

Blake and his team laid Sally and David on the grass. David began to cough and sat up; Sally didn’t—she wasn’t breathing. Blake started administering CPR—no response. Blake continued until the paramedics arrived and took over. They were able to restart Sally’s heart and whisk her away to the local hospital.

The employees on the street watched as their building was engulfed in flames. The bright orange flames battled with the rising sun as smoke billowed hundreds of feet into the air. The heat pushed everyone back as several fire engines appeared on site.

Blake approached a man he thought was the plant foreman and said, “Did everyone make it out?”

Regrettably, he said, “I don’t think so.”

“Who’s missing?” Blake demanded.

“We have six team members unaccounted for, sir.”



Two weeks had gone by since Blake's fateful first morning on the job. The explosion had marked him and the entire organization forever. They had, indeed, lost six lives that morning. The cause was reported to be "human error."

This tragedy compounded the challenge Blake faced. He had been brought in to turn around a struggling company. Now he had to manage the grieving process, rebuild trust, physically rebuild the building, and along the way, change a culture of hideously low engagement and diminishing performance.

As he drove toward the temporary office they had constructed on site, he reflected on the last decade of his life—an emotional, challenging, and fulfilling journey.

After learning to lead during his tenure at Dynastar, the last few years as CEO of a small business had helped him understand what leading an organization demanded. His initiative to teach his entire staff to play chess, not checkers had revolutionized their business. The success they earned had catapulted their performance and market share, and the sustained superior performance brought Blake his share of recognition.

The attention, fueled by a couple of magazine articles, landed Blake on the radar of several executive search firms. In the beginning, he didn't take their calls, but one day he decided to return a call. After hearing an offer that seemed too good to be true, he

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and his wife Megan decided the upside of this new opportunity was worth the hassle of a move.

Blake's new company was a mid-sized firm in a slow-growth industry. However, his organization was not enjoying any growth; sales were actually declining, and profits were not far behind. Also, he had learned the last engagement survey reflected declining morale as well. He knew these indicators were the result of deeper root causes. He just needed to figure out what they were—and quickly.

Today's meeting would be a challenge. There was a lot to do before the accident; the list of pressing issues was now staggeringly long. The attendees would be the same as two weeks earlier with one exception:

Becky Gonzales, Sales & Marketing

Tim Godfrey, Manufacturing

David Baldwin, Operations

Bill Alexander, Chief Legal Counsel

Amanda Chesterfield, Chief Financial Officer

The notable absentee was Sally Danbury, the former head of Human Resources. After what happened, she decided to take an early retirement and spend more time with her grandchildren. After thirty years in the workforce, she felt like she'd earned a break.

"Good morning," Blake said in a tone more subdued than usual.

The team acknowledged his greeting but said nothing.

“How are you?” Blake said addressing the entire group.

A few people expressed their still-raw emotions regarding the accident. David Baldwin, head of Operations, gave a report on the cause of the explosion and presented some process changes being implemented to improve safety in the future.

“That’s fine,” Blake added, “but I think the solution may be much more difficult than what you just presented.”

“What do you mean?” David asked.

“We certainly need the highest safety standards. We must rebuild the trust of our people, and these process changes will help, but as I understand it, the safety measures we had in place before the accident would have worked—if they had been followed. Is that correct?”

“Yes sir, that is correct,” David admitted.

“Ladies and gentlemen, this incident is a graphic and tragic indicator of our problem. To call what happened ‘human error’ is a disgrace to those who died; the root cause would be more accurately labeled ‘leadership error.’ Leadership failed and people died.

“Based on the last engagement survey data, the vast majority of our people are sleepwalking through their days! This is not an HR problem; it is not the front-line supervisors’ fault, and it’s certainly not the employees who created this toxic work environment. This is a leadership issue—it is our responsibility.

Leaders are responsible for the culture in an organization. We will raise the bar.

**Leaders are responsible for
the culture in an organization.**

“A decade from now, we will look back on what happened here as both a tragedy and a turning point. We’ll create a better organization as a result. I wish we could have changed before it came to this point, but we are where we are.

“For today’s meeting, let’s hear a quick report on how the plant situation is going to affect the business over the next 90 days and look at the impact on our annual projections,” Blake said.

After the final report, Blake said, “I have one more item on our agenda for today. We need to talk about who will take Sally’s place as head of HR. Any thoughts?”

Nothing from the group—not a word. Impatiently, Blake asked, “You guys have been talking about succession planning, haven’t you?”

Becky spoke for the group, “Well, I’m sorry to say, no; no, we haven’t.”

“OK,” Blake said in disbelief. “I’ll do some homework and we’ll address the Human Resources issue during our next meeting.”

“Anything else?” Bill asked.

“Yes, one more thing,” Blake said. “At our next meeting, come prepared to talk about *your* leadership bench. I know now may not feel like the best time to tackle this topic, but if we’re not careful, the present will always press out the future. As senior leaders, we must work on both today and tomorrow.”

As if choreographed, the group all began to fidget. Blake picked up on it right away. “What did I say?”

“First, can you tell us what you mean by a leadership bench?” Amanda requested.

“Sure, I apologize—that may be new language for you guys. A leadership bench is a term to talk about current and emerging leaders. It is often represented in a plan that outlines your best thinking regarding succession—everyone’s ‘next man/woman up’ strategy and the replacement’s replacement as well. Ultimately, I want us to be three deep in every key leadership position.”

“I hate to tell you, Blake, but we have nothing like that.” Becky seemed to have revealed herself as the spokesperson for the group or at least its most outspoken member.

“Okay, that will be one of the topics on the next agenda. We may need to extend the meeting. We have a lot to talk about. Please bring what you have regarding your current and emerging leaders.”

Immediately after the meeting, Blake decided he had enough information to contact his mentor, Jack Deluca. Jack had been a wildly successful CEO, and Blake thought a conversation would be helpful.



Bet on Leadership

Blake sent Jack an email and was not surprised by the response: *See you Thursday morning at 10:00—usual location.*

As Blake had done many times before, he made the drive to Gresham Park. From his new address, on the other side of the state, the drive was a little shorter. Blake knew the routine—find the crowd, and he would find Jack.

Just as on other visits, Blake found the table at which Jack was holding court, schooling some unsuspecting opponent on the finer points of the game of chess. The pristine, fall weather seemed to have increased the crowd of onlookers.

“Checkmate,” Jack said in a tone reflecting both excitement and humility. He had won again as he most often did here in the park; grandmasters don’t have many legitimate rivals in this setting. The crowd offered what might be described as a “chess clap”—a golf clap but slightly more subdued.

As the latest student left the table wondering what had just happened, and how it happened so quickly,

Jack addressed the crowd, "That's it for today. Thanks for stopping by. See you next week."

As soon as he had finished speaking, he stepped toward Blake and gave him a big hug. "How are you?"

"Good, not great—better now. It's fantastic to see you," Blake said.

"Sit down, sit down. I heard about the accident. Are you okay?"

"Shaken, for sure. Actually, if I'm honest . . . devastated. Jack, six people died! Six of *my* employees."

"I understand, but, Blake, it was your first day on the job. You're good, but you're not that good. There's no way you could have prevented this tragedy. But . . ." Jack paused. "You know you can prevent the next one."

"I hope so," Blake said.

"Hope is not a strategy." This was not the first time Jack had reminded Blake of this truth.

Hope is not a strategy.

"You know what to do."

"Yes, I do. I should lead."

"Damn right—you should lead! Anything else? Are we done here?" Jack asked.

"I just wanted to test a couple of assumptions as I begin this journey."

"Okay, since you're here."

"I know there are four moves that enable high performance: Bet on Leadership, Act as One, Win the Hearts, and Excel at Execution."

"Correct. Those haven't changed."

"I just want to be sure I do this right."

"What do you mean?"

"I don't want to screw this up. My last company was tiny compared to this one. There was no media coverage of my last assignment!" Blake paused, "And, now the accident. . . . This feels different."

"The scope, scale, and complexity may be different, but the way forward is not. When you refer to 'doing this right,' you need to get that out of your head. The four moves work every time. However, how you apply them, the actual tactics, will be determined by the circumstances you face."

"Okay. I thought that's what you would say."

"What's your plan?" Jack asked.

"Well, in addition to providing counseling for all the employees, and physically rebuilding a large portion of the plant, I plan to continue learning all I can about the business and the people, and I'm going to Bet on Leadership."

"Why?"

"I know if we don't crack the code on the leadership challenge, we'll never execute on the other moves. And, as far as I could tell during the first couple of weeks, we have virtually no bench strength. The most prominent example is Sally, the former head of

HR. After the accident, she decided not to return, and it doesn't appear as though we have anyone to fill her seat from the inside."

"Are you sure?"

"Sure of what?"

"Sure no one inside can step up?"

"No, I'm not. I've only been on board two weeks, and it's been a little bit crazy!"

"Well, I would suggest you try an interim, even a consultant, until you're sure. If your instincts are correct and you don't have anyone inside, you can always go outside."

"Got it. I may call you and ask for another meeting."

"I hope you will; it's always great to see you. Please tell Megan and the kids I said hello."

"Any parting wisdom?"

"Have fun—don't let this hard season steal your joy."

On the drive back to the office, Blake thought about Jack's advice to appoint an interim or hire a consultant to help with the leadership bench issue to give him time to learn more about the talent he already had within the organization. As his mind scrolled through the most talented HR people he knew on the planet, one name rose to the top.

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