"A useful and intelligent guide for elevating the performance of any organization."
—IBM W.R. PATTEN chairman, president, and CEO, The Rising Company

JUDGMENT
ON THE FRONT LINE

HOW SMART COMPANIES WIN
BY TRUSTING THEIR PEOPLE

CHRIS DeROSE
and
NOEL M. TICHY
Coauthor of Judgment

NOEL M. TICHY
bestselling author of The Leadership Engine and
Control Your Destiny or Someone Else Will

AND

WARREN BENNIS
bestselling author of Reinventing Leadership and Leaders

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Best & Worst Calls

My Best Judgment Call:

What Made it a Great Call:

My Worst Judgment Call:

What Made it a Bad Call:
Leadership Judgment Process
Can You Develop Leaders?

✓ **Do you have a teachable point of view™?**
  You must have a personalized, teachable view on (a) leadership, (b) growing the business, and (c) creating change.

✓ **Will you spend the time?**
  You must be prepared to commit one-half to one-third of your time to the development program.

✓ **Are you a vulnerable role model and coach?**
  You should be a learner open to new ideas and feedback, and a coach who can admit mistakes.

✓ **Can you create a learning program with real business projects?**
  You need to put people at risk working on business projects that matter.

✓ **Can you blend the soft and the hard?**
  You have to deal simultaneously with people and hard business issues.

✓ **Can you energize others as they learn?**
  You must create an emotionally engaging process that encourages participants to take risks and learn from their experiences.

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Roger Enrico’s People
Judgment:

Discovering CEO Talent
The Leadership Engine™
A Teachable Point of View™

- Ideas
- Values
- \( E^2 \) Emotional Energy / Edge
The Cycle of Leadership

Virtuous Teaching Cycle

- Engages Teacher in Mutual Learning
- Sets the Stage for Mutual Learning
- Learner
- Teacher
- Committed to Developing own Teachable Point of View
- Self-Confidence to Learn and Teach
- Has a Teachable Point of View™
- Reduces Hierarchy
- Commitment to Learn
- Creates Interactive Process

Source: Teachable Point of View is a registered trademark of Tichy Cohen Associates

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KNOWLEDGE CREATION SPIRAL

KNOWLEDGE DESTRUCTION SPIRAL

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When Judgment Fails...
People are our most important asset...which ones?

Traditional View

Thinkers
Translators
Doers
The Frontline Innovation Factory

What is your organization’s capacity utilization?
The Turtle Tank

Are you a leader… or a turtle farmer?
The HiPPO Corollary

The HiPPO…
• “knows” what customers want
• stomps on ideas
• bellows, doesn’t ask
• overrides expertise

Is ALWAYS Right
5 Step Process: Architects Needed

Building the Frontline Focused Organization

Step 1: Connect Front Line to the Customer
Step 2: Teach People to Think for Themselves
Step 3: Experiment to Implement
Step 4: Break Down the Hierarchy
Step 5: Invest in Front Line Capability

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Step 1: Connect the Front Line to the Customer

- Rewards & Recognition
- Frontline Judgment
- Work Processes & Rules
- Playing Field
- Values & Culture
- Tools & Training
Defining Your Frontline Need

Customer Needs:
- Limited Variability, Homogenous Problem Categories, Personal Attention Expected (Call Center)
- Complex, Variable, Highly Segmented (Investment Advisor)
- Simple, Consistent, Highly Routine, Low Service Expectation (Bank Teller)
- Complexity with Known Problem Categories, Reliant on Other’s Expertise (IT Technician)

Frontline Response:
- Problem Solve, Balance Customer Needs and Business Common Sense (Call Center)
- Innovate, Customize, Anticipate (Investment Advisor)
- Follow Processes, Possible Automation (Bank Teller)
- Problem Solve Using Decision Logic Technology or Decision Trees (IT Technician)

Front Line Judgment Required

Transaction Complexity

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Step 2: Teaching People to Think - US Navy SEALS

Constant development through action learning:
- Accepting failure and risk as metrics
- Overlapping spheres of responsibility
- Interrogative vs. Directive
- Contingency Planning
- Integration of front-line lessons learned

<table>
<thead>
<tr>
<th>Training Phase</th>
<th>Weeks</th>
<th>Physical Capability/Technical Skills</th>
<th>Judgment/Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEAL Qualification Training</td>
<td>15</td>
<td>• Advanced tactics and equipment • Medicine, reconnaissance, insertion</td>
<td>• Leading the team under fire</td>
</tr>
<tr>
<td>Junior Officer Training</td>
<td>5</td>
<td>• Mission Planning • Team SOPs and Tactics</td>
<td>• Contingency Planning</td>
</tr>
<tr>
<td>3rd Phase: Land Warfare</td>
<td>10</td>
<td>• Land-based team tactics and shooting • Equipment: firearms, communications</td>
<td>• Situational Awareness</td>
</tr>
<tr>
<td>2nd Phase: Combat Diving</td>
<td>7</td>
<td>• Swim and dive competency • Use of SCUBA gear</td>
<td>• Judgment under pressure</td>
</tr>
<tr>
<td>1st Phase: Conditioning</td>
<td>7</td>
<td>• Intense running, swimming, and exercise • Withstand pain of Hell Week</td>
<td>• Commitment to the Mission</td>
</tr>
<tr>
<td>Indoctrination</td>
<td>2</td>
<td>• Basic Fitness</td>
<td>• Being a Team Member</td>
</tr>
</tbody>
</table>
Critical Thinking & IDEO’s Innovation Process

PRACTICES FOR critical thinking

think
- ponder, question and challenge
- listen to all perspectives
- network internally and externally
- research the issue fully
- reflect on what was learned
- confront emotional issues
- make your information visible

point of view
- determine single owner
- fact-based findings drive rationale
- visualize success (how it looks)
- develop point of view
- only new evidence can change a point of view

plan to implement
- consider cross-functional impact
- anticipate obstacles/
- create contingency plans
- clarify and answer questions
- reduce complexity/
- determine measure
- finalize implementation plan
- communicate the plan and practice

implement
- demonstrate conviction
- align those being impacted
- execute flawlessly
- determine process improvement
- scrutinize and evaluate results
- celebrate success

*“How fast you get through all your plates is also important than ensuring you complete each plate before moving to the next one.”*
- Bill Gates

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Step 3: Experiment to Innovate

Scott Cook – 5 Models of Organizational Innovation

#1 Lone Genius
#2 Boss as Genius
#3 Copy Others’ Genius
#4 Cluster the Geniuses
“From” #2: Boss as Genius

Innovation Model
- Customer Observation
- Deep Analysis
- “Consulting” Model
- Long-Cycle Planning and Investment

Leader’s Role
- Make the decision based on the analysis
- Part of the team doing the work
- Reward success, punish failure

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“To” #5: Make Everyone a Genius

Innovation Model
- Rapid Experimentation
- Real-Time Learning Based on Customer Feedback
- Learning by Doing

Leader’s Role
- Champion the Vision
- Create Operating Mechanisms to Run Cheap Experiments
- Make Learning through Failure Safe

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Step 5: Investing in Frontline Capability

- Protecting Your Front Door
- Developing Your Front Line Capability
- Creating Supervisors Who Empower
Engaging Society’s Front Line
For Books, Videos and More Information

http://judgmentonthefrontline.com