

# LEADERSHIP ESSENTIALS



A NWS SR Newsletter promoting BLAST and the principles of leadership

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## CAN WE LEARN FROM WALL STREET?

by Jody James, Editor

What are some of the metrics by which we measure the success of American companies? Increasing profit margins, expanding earnings growth, growing market share? These measures obviously cannot be applied to a government agency. But, I think the fundamental attitudes and actions that keep all of these indicators moving in the right direction are important to any organization, whether or not that organization is in the business of making money.

And the successful development and cultivation of these attitudes and actions are fundamentally related to good leadership. If there ever was a time that our agency needed strong leadership – it is now. We have witnessed over the past 10 to 15 years an information explosion and the rapid evolution of technology in this “Information Age”. It has changed the way

we work, play, communicate, and do business. Critical to successfully navigating the ever changing waters of this new era will be the ability to recognize the importance of sound leadership, and the determined effort to seek out and develop that leadership at all levels of the organization.

We can indirectly learn about how to proceed in this brave new world by examining the driving force behind private sector companies. These private organizations have in common two primary goals. Those goals are: 1.) to keep the shareholders happy with ever increasing profits; and 2.) to keep the customers happy by providing them with desired goods and services in order that goal #1 can be accomplished.

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## CAN WE LEARN FROM WALL STREET?

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*“...an interruption that goes with a change at the top can potentially cause problems that affect everything from the balance sheet to corporate morale.”*

Granted, we are not in business to make a profit, but we are in business to keep our customers happy, and those customers do pay for our services, albeit in an indirect way through the federal treasury. We are accountable to them whether or not they are considered special or high end users of our products and services. This need for continuous customer focus is where sound leadership becomes critical. Good management and sound leadership are the most important factors that determine the success of a company, whether that company is an small-cap growth company or a multi-billion dollar Fortune 500 company. Investors realize this more than anyone else.

One of the first things that will send a stock reeling is news of a departing CEO. Stock shareholders are not stupid – they have too much on the line to be uninformed about any aspect of the company they own. They realize that an interruption that goes with a change at the top can potentially cause problems that affect everything from the balance sheet to corporate morale. There is something very important to be learned here that can be applied to a governmental entity. Leadership can make or break an organization, and I believe that applies to leadership at any level. Ineffective leadership can result in a less than efficient delivery of goods or services, which can then lead to shrinking profits, and sliding investor interest.

So can customers of a government agency be affected by less than stellar leadership? The answer to that question should be obvious. Bad leadership and ineffective management typically correlate with decreasing employee satisfaction and lowering morale. Unhappy campers at work will at some point result in unhappy customers. In an era of increasing governmental budget pressures, and private sector competition, that is not a path to profits or in this case accountability and survival.

Successful companies seem to be obsessed with the future. Those in the economic marketplace know better than anyone else how fast the world is changing, and how important it is to their success to be prepared for these changes. This leads to actions that try to foresee changes that will impact their business model. We in the government do not have a traditional business model, but we do have a model that needs to be understood. Understanding this model requires that an organization continually reexamine, refocus, and reevaluate. Who are the customers? - what do they want or need? - what is our demographic for a typical product? - what could a focus group tell us that we do not already know? Answers to these questions are critical to providing an optimum level of service, which in turn can be critical for maintaining funding, winning in competitive bidding, or even surviving.

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## CAN WE LEARN FROM WALL STREET?

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That effort to know our customer base is something that we are learning to do, but need to do better at all levels of the organization. This is especially important given the fact that it is at this ground roots level where most of the interaction between the employee and customer occurs – “the government closest to the people serves the people best”. This kind of thinking is part of the set of survival skills for the typical Fortune 500 company, and many corporate leaders who in the past have ignored these basics, or were not better attuned to the changing marketplace and changing customers’ needs, got a front row seat to the demise of their company.

Another important lesson that successful companies have learned is the importance of keeping their employees happy and motivated. This idea was not always embraced in corporate America but is now widely accepted even if many companies fail at doing it. “Keep your employees happy so that they will keep your customers happy” is the common mantra today. Some of the biggest corporate success stories over the past few decades have involved companies who took this idea to heart - companies like Microsoft and Southwest Airlines, and more recently Google.

Lastly, a huge part of being successful in business (or in government) is being innovative. That fact relates back to keeping employees happy. Everything else being equal, a happy employee is a productive and creative employee. Innovation and creativity will certainly be of paramount importance in the coming years, and this innovation many times begins with the individual or individuals in the lower levels of the organization. The world is moving too quickly and technology is changing too rapidly to ignore and fail to promote creativity.

When you really think about it, we do have a lot in common with those in the private sector. We all want to provide a product or service that someone wants, find fulfillment in that process, and feel like we have made the world a better place even if it is in a small way – and that is true whether or not the organization we work for has a bottom line. ■

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### ***The Immeasurable Costs***

The truly frightening costs come into play when you examine the relationship between employee satisfaction, customer satisfaction and profitability. And there is a direct correlation between the three.

Profit and growth are stimulated directly (and primarily) by customer loyalty. Customer loyalty is a direct consequence of customer satisfaction. Customer satisfaction is heavily influenced by customer perceptions of the value of services they receive. Value is created by satisfied, loyal and productive employees. Employees who feel a sense of teamwork and common purpose, a strong commitment to communication, and managerial empowerment are most able, and willing, to deliver the results that customers expect.

In a 2001 speech before the National Association of Manufacturers, Don Wainwright, president of Wainwright Industries, winner of the Malcolm Baldrige National Quality Award, summed it up even better than we could when he said:

***“Jack Welch uses only three indicators to run giant General Electric. He’ll tell you that the most effective and only numbers he needs to know are, in order of importance: employee satisfaction, customer satisfaction and cash flow.”***

# LEAD

## LEADERSHIP TRAINING IN THE CENTRAL REGION

BY JOHN GORDON, MIC LOUISVILLE

As many of my colleagues in Southern Region know, I attended the inaugural BLAST class in 2001. I believe in BLAST 100 percent, and the program profoundly changed my life and reaffirmed my leadership beliefs. When I moved to Central Region in January 2005, I wanted to bring leadership training to my new office in Louisville (LMK). I briefed Acting Regional Director Gary Foltz on the initiative and he supported me 100 percent. LMK SOO Ted Funk was already interested in creating leadership training since he was inspired after attending Management and Supervision at the NWSTC. We both agreed that Ted should create a fun and in-depth all day leadership training program for the office. It took Ted several months to put together, and in the fall of 2005 **Leadership Unleashed** was ready to present. Ted put on three separate all day workshops to catch the entire LMK staff, and in the last workshop members from Paducah, Jackson, KY, and Indianapolis attended. In early 2006, Ted presented his **Leadership Unleashed** at Indianapolis and Paducah. Ted received rave reviews from both our office and the surrounding WFOs.

In spring 2006, Ted and I briefed Gary Foltz and Acting Deputy Director Mike Looney, and it was decided that Ted would present his show to Central Regional Headquarters, and Topeka to get more feedback. Ted heard numerous positive comments, and met with NWSTC Director Donna Layton after she attended one session. Ted made some adjustments based on her insightful comments. Next, Ted presented a mini version at the CR ITO conference followed by a full length presentation at Jackson, KY, Chicago, and Northern Indiana. More positive feedback was given to Ted.

“The quality of leadership, more than any other single factor, determines the success or failure of an organization.” These words from Fred Fiedler’s and Martin Chemers’ book, “Improving Leadership Effectiveness,” are simple, yet compelling. Essentially, organizations win because they nurture the development of leaders at all levels of the agency. Shortly after Lynn Maximuk became Regional Director, he chartered a leadership team to bring leadership training to all of CR. Lynn commented, “the Senior Management of CR embrace these values and are committed to possessing a high-quality, professional, and empowered workforce. Strong personal and organizational leadership is necessary throughout CR to realize and maintain this commitment.” As a result, CRH assembled a Team of Field Managers in July 2006 to develop a Leadership Training and Development Program for CR employees.

Our mission was to develop a region wide leadership initiative, involving **all** employees, to enhance interpersonal skills, optimize team dynamics and performance, promote positive influence and change, maximize our effectiveness with constituents, partners, and customers, and develop future leaders within CR. The following name was coined for the CR leadership initiative program:  
**Leadership Excellence And Development (LEAD).**

A three-phased approach to LEAD was designed to achieve a comprehensive and unique regional leadership program. The first phase is a high-impact introduction to leadership and related topics for employees throughout CR. The second phase emphasizes local office enrichment of leadership

principles learned in Phase 1. The final phase is the formation of an intensive leadership program to develop leaders of the future in CR.

In Phase 1, CR will offer a full-day leadership workshop to all CR employees to enhance leadership and interpersonal skills, while promoting positive influence and change. A high-impact leadership workshop offered to CR employees at all WFOs, RFCs, CWSUs, and CRH is an important step in developing empowered leaders throughout Central Region. The workshop will address leadership characteristics, attitude, listening, communication, teamwork, influence, empowerment, diversity, conflict resolution, and customer service. It also will stimulate interactive discussion as a method to increase attendee enthusiasm, innovation, and leadership qualities.

A team of 6 dynamic and vibrant trainers (WCMs, SOOs, and ESAs) will deliver the full-day **Leadership Unleashed** workshop to train geographically clustered offices to all Central Region employees by the end of FY2007. This eight-hour workshop is a dynamic combination of interactive lecture, video and audio clips, and group exercises. Each team member will train an average of six offices. Field personnel who are unable to attend the full-day workshop will be able to watch stand-alone, online modules with audio accompaniment, which will be developed from the workshop.

During Phase 2, CR wants to ensure leadership development is ongoing and recurring for all CR employees to facilitate improved teamwork, sharing of innovative ideas, and personal and office growth. For principles emphasized in Phase 1 to become habitual, ongoing and recurring leadership enrichment and practice must take place. Such enrichment will facilitate enhanced employee proactivity and productivity, synergistic teamwork, and empowered workers dedicated to providing optimized weather and outreach services. All CR offices will be strongly encouraged to develop a local leadership enrichment program (similar to Local Blast at WFO Amarillo), where staff members gather periodically to discuss office leadership-related activities. Local management belief and support will be critical in developing and maintaining this initiative.

For Phase two, CRH will charter a Leadership Enrichment Team (LET) to consider ideas and a framework for ongoing regional leadership training and development. The LET will evaluate innovative ideas for promoting growth in leadership throughout CR.

While Phases 1 and 2 will empower and increase personal leadership in all CR employees, Phase 3 will provide formal, focused training to competitively-selected individuals aspiring to become organizational leaders within CR. This will be similar to SR BLAST and WR LIFT. Retired SR DRD Gary Grice (and co-founder of BLAST) has been recruited to be a contractor in setting up Phase 3 of the LEAD program. Gary's expertise and guidance will be a crucial link in the successful implementation of LEAD. SR Acting Regional Director Steven Cooper offered two slots to CR to attend BLAST 2007, and CRLIT members Dick Elder and Pete Browning had the privilege to attend in Atlanta.

SR will be sharing training material with CR, including hosting a "*Train the Trainers*" meeting in Fort Worth for Phase 3 LEAD instructors. If the budget allows, six to eight LEAD facilitators (proven CR leaders) will travel to Fort Worth for a five-day intensive leadership course, with invited guest instructors as desired.

In the spirit of "leadership for all employees," all interested CR personnel will have the opportunity to apply for LEAD classes regardless of job title or grade. Nevertheless, applicants for LEAD will face a competitive selection process as each class only will accommodate 12-15 students. The first LEAD class should be conducted in FY2008, contingent on the budget. The exact time frame will be refined as Phase 3 progress evolves in late FY2007.

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## *The Service-Profit Chain*

“The service-profit chain establishes relationships between profitability, customer loyalty and employee satisfaction, loyalty and productivity. The links in the chain are as follows:

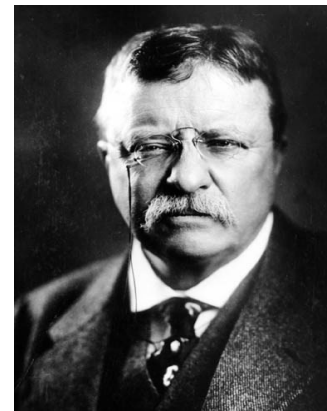
- Profit and growth are stimulated primarily by customer loyalty.
- Loyalty is a direct result of customer satisfaction.
- Satisfaction is largely influenced by the value of services provided to customers.
- Value is created by satisfied, loyal and productive employees.
- Employee satisfaction, in turn, results primarily from high-quality support services and policies that enable employees to deliver results to customers.”



### *Theodore Roosevelt*

“The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint to keep from meddling with them while they do it.”

Twenty-sixth President of the United States (1901-1909).



# BOOK REVIEW

## RAVING FANS

### KEN BLANCHARD & SHELDON BOWLES

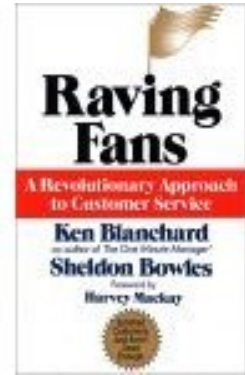
By Faith Borden, WCM, Las Vegas, NV

When was the last time you experienced superior customer service? How did it make you feel? What did you do once you had that experience? I have been conditioned like many others over the years, to expect only mediocre customer service at best. I am not happy with that, but have accepted the fact that is what I am probably going to get. I know that when I find a place that provides superior customer service I try to thank the individual, store, and management for the experience, and then tell everyone I know how great of an experience I had. I also will go out of my way to shop at that establishment when I can. That is what is described as a "Raving Fan." In Blanchard and Bowles' book, they use a fable involving a fairy godmother, Charlie, and a newly hired Area Manager to demonstrate the need to create "Raving Fans," not just satisfied customers. The Area Manager is the fourth Area Manager for this company that they have had in the last two years. He knows if he wants to keep his job he best focus on superior customer service.

With the help from Charlie, and others that he has helped over the years, the Area Manager learns the three steps to creating raving fans. The first step is to **decide what you want**. Create a vision of perfection centered on the customer. Decide what you would want if you were the customer. The second step is to **ask the customer what he or she wants**. The hardest part of this step is really listening to what the customer is saying, or more importantly not saying. Sometimes if the customer is not saying much then you need to figure out why. Most of the time, each individual customer's vision will only focus on one or two things. Hopefully their desires will fall into your overall vision. It may be that the customer's vision may be nothing close to your vision. You will have to decide if you want to change your vision to fit the customer's needs, or politely tell the customer that will not be possible. The Area Manager says, "If I go back and start telling customers to go elsewhere, I'm going to need more than a Fairy Godmother to save me." Charlie says, "The issue isn't telling customers to take a hike, although that might happen. The point is that customer service is as much a part of your product as any screw or bolt may be." Once your vision is created, and you find out what the customer wants, and that it fits into your vision, you are ready for the last step. **Deliver the vision plus one percent**. You have to consistently deliver the goods every time. It won't do you or your customer any good if you deliver one time, don't deliver the next time, exceed the expectations the third, and then just deliver the last time. Meet first, exceed second. Consistency is important in creating raving fans. Once you get consistency down you also will need to improve by one percent each time. By trying to improve by one percent you are giving yourself room to grow, and what to do next will come naturally. This is what makes things happen. By trying to improve, your business won't become stagnant and miss the changing of times, and customer needs. You are also doing this in small steps so you avoid trying to take on too much at one time, which could lead to becoming frustrated and not succeeding.

The National Weather Service can really apply the three principles from this book. We have lots of internal and external customers. We need to articulate our vision, and ask our customers if this is what they want and need. We also really need to listen to what they say. How many times have you heard everything is great, but that is not really the truth? As an agency we need to make that extra effort to serve our partners and customers in ways that meet their needs within the context of our vision and mission. Then, we need to deliver the services consistently every time, continually striving to exceed expectations by one percent.

I am a huge believer in excellent customer service. We are a unique agency and need to create raving fans that depend upon us time and time again. This book really addressed this point in a very easy to ready enjoyable story.



Ken Blanchard and Sheldon Bowles (1993). Raving Fans

William Morrow Publishers.

“...customer service is as much a part of your product as any screw or bolt may be.”

See the **BLAST** section  
of the Southern Region  
website at  
[www.srh.noaa.gov/srh/  
blast/blast.htm](http://www.srh.noaa.gov/srh/blast/blast.htm)

If you are interested in  
contributing to this  
newsletter, please contact a  
member of the  
BLAST Newsletter team, listed  
below.

## LEADERSHIP LIBRARY



Southern Region Headquarters has established a **Leadership Library**, which consists of audio tapes, video tapes, books, and workbooks. This **Leadership Library** is a part of Southern Region's BLAST program. Any Southern Region employee (not just BLAST selectees) can check out a book or tape from the library through his/her office supervisor. This library is formulated around the interest of Southern Region employees on improving their leadership skills.

Some of the material has been rated by one or more reviewers. We ask that, upon return of any material you checkout, please provide a very brief review of the material. This will provide the next person with a better understanding of what he/she can expect from the lessons.

## LEADERSHIP ESSENTIALS

**This newsletter brought to you by the 2004 BLAST Class,  
and the BLAST Newsletter Team**

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