

# Leadership – Making or Breaking an Organization

## Creating effective organizations through effective leadership

When a football team is losing more than it is winning, the team's owner looks to the team's leadership for accountability and usually fires the head coach. Likewise, when a company is failing, new owners will fire the top managers. Leadership will make or break an organization. Leadership can solidify a company's future through vision, planning, morale building, and teamwork. Leadership can also cause a company's demise.

General Hap Arnold, Chief of Staff of the Air Force during WWII, engaged technical experts to look into the future. This was not an over the horizon look but an in-depth estimation of what was needed 10-20 years in the future. Some of the things planned: supersonic flight, long range missiles, air to air homing rockets, long range bombers, air refueling, etc. All these were to arrive on the scene, even though the prognostication took place before the end of the war. He established early a sense of direction that long outlived him. Industrial leaders could learn much from Hap Arnold.

Morale &ndash; Those in leadership positions must create an environment for good working relations in business. Start by engaging good talent, give good direction, and then get out of the way. Employees will perform when the prevailing feeling is that they are trusted and confidently expected to deliver. Morale is encouraged when employees are supported by management in their requirements, and they are treated as members of an important team. Periodic newsletters from leadership give the foundation of good communications. Highlight good performers and timely accomplishments in the newsletter. This is also the place to include pertinent news relating to the business. Good communication is key to good leadership.

Financial Decision Making &ndash; It should go without saying that those in leadership positions should be able to make good financial decisions. Managers should be coached to make financial decisions such as periodic budget allotments, future facility improvements and expansions, hiring plans to meet work goals, and testing requirements. Testing can occur on a small scale or a grand scale, depending on the progress of product development. Some testing can engage large facilities, and this requires long range planning. Long range planning requires leadership and vision.

Motivation of Sales Force &ndash; Effective leadership means knowing that the sales force is the point of the interface with the customer. Sales should be technically adept to speak the language of the industry and the customer in particular. Sales can be partnered not only with internal resources but also with the customer. Responsive to the needs of the customer, the company salesman has an important role to play in the progress of the company and he must be supported by those in leadership positions. Salesmen convey needs of samples to the customer, technical performance information, and cost estimates in various quantities. The adept salesman finds ways to help cut costs rather than sell the highest cost product. They will offer configurations A, B, and C, and then let the customer decide. All pertinent information for the various configurations will be made available. Service to the customer is high on the salesperson's agenda and it should be high on the agenda of those in leadership positions.

Motivation of Operations to be Cost Effective &ndash; Operations can be labor intensive or truly automated to achieve economical production. Good business leadership requires knowing the balance. It takes courage on the part of management to decide that resources should be expended to automate the line. The best way to invest in automation is to make it flexible for present and future needs. This takes some experience on the part of operations talent and support from leadership. Stepwise automation of the manufacturing processes will give confidence to operations and cause minimal disruption. Automate the most obvious applications, and then proceed to other processes. When the headquarters plant has proven that economies can be achieved by automation, then duplicate the automated processes in new satellite plants for enhanced efficiency. Good leadership will enable operations to make a solid plan for the future.

Cohesiveness of the Organization &ndash; Sometimes leadership means that the organization has some fun. The organization needs exercises in partnering to gain mutual respect among the various operating functions and gain cohesiveness of the organization. An annual meeting in a resort location will give them a chance to learn about each other in morning meetings, and then they can relax together in the afternoon and evening. A northern operation can benefit from a meeting in a warmer climate especially during a winter meeting. These can be memorable events for all and the company leadership can learn a lot by interacting with people in a fun environment.

Working Together &ndash; An expert in interpersonal relations has said that the one thing that unifies a group is adversity. The difference between good leadership and bad leadership is how well a group works together when adverse adversity strikes. When adversity strikes, leaders must get the people together and plan for recovery. Learning to work together under adverse conditions can be a gratifying experience. How well employees work together is a direct reflection on the organization's leadership.