
Charting A *Wiser* Course:

How Aviation Can Address
the *Human* Side of Change

A Book Talk

by Kaye Shackford

**2005 Symposium on
Managing Safety, Reliability, And Services**

April 25-27, 2005

Incheon, Korea

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When I was invited to talk with you about my book, I had two reactions: The honor of the opportunity and the responsibility of the opportunity. Then came the third response, which may have also crossed your minds: What relevance could there be for people in the Asian aviation industry today in a book written by a woman from America about her experiences in the aviation industry starting thirty years ago?

So let's find out what relevance there may be. Let me take you back in time to GE Aircraft Engines, circa 1972. I'll then tell you why I wrote this book, and what I intended to do and not do. I will tell you a bit about our target audience, what we hoped to give them, and why it may matter. Since my husband has just reviewed with you core concepts from the book, I'll give you one more example. Then I'd be pleased to address whatever questions you may have.

GE Aircraft Engines – 1972.

The company I joined in 1972 had set a goal to emerge from being exclusively a provider of military aircraft engines to also being a major player in the commercial aviation business.

Its professional population was made up almost entirely of technically trained, goal-oriented, disciplined, hard working, white men.

It was managed in a top-down, command-and-control mode, one step removed from the military leadership model of its client base.

Each functional area operated within its own silo and viewed other functions with some degree of suspicion and, certainly, from an assumption of its own superiority.

The top Human Relations manager – who had a very close working relationship with the group executive - convinced the group executive and some of his staff – but not all of them - that if they were to succeed in commercial aviation - after a disastrous early start with engines for the Convair 880 and 990 - they had to liberate the energy, creativity and self-direction of thousands of their employees, while somehow keeping that energy focused on achieving the organization's

objectives. They never concluded that these changes must apply to themselves as well.

They did know that as they communicated a very different set of personnel policies and practices, for some years policy would lead practice. Yet they had to set a path toward those different ways of working with each other.

They hired and empowered a highly skilled team of organization development specialists to identify and work with key managers and management teams to turn the company into a self-directed, learning organization.

My Masters' degree is in organization change and organization development. I had the great fortune to be brought in as a junior member of that team of internal change agents and to have a front-row seat on what we did to effect that transition. I was on several teams that managed those initiatives, and I was in charge of some of those initiatives.

So if some of these circumstances mirror your own, my experiences and perspectives may have value for you.

In addition, in 1988, my husband and I created a company called the Mattford Group in order to bring the most relevant of these concepts to the aviation community. Since then, we've worked with thousands of people from across the industry – airline people from large and small US carriers - Delta, American, Southwest, Midwest Air, Independence Air, and so forth – as well as a handful of people from European airlines such as Lufthansa, SAS, and Air France. And we've worked with people from tiers of suppliers to the airlines, including hundreds of graduates from United Technologies.

We have worked with everyone from entry-level buyers through to senior vice presidents and presidents. We work with marketing, sales, customer support, finance, contracts, legal, supply chain, operations, maintenance and engineering, facilities, and distribution people. We have had the honor of working with a union president and her colleagues, and with top people in employee relations and human relations and their teams.

Our students keep us in touch with the pulse of the industry – and not just from the 30,000-foot perspective of the executive office.

They keep us in touch with what it feels like and looks like from the middle, as seen by the people who - day-in, day-out - do the work of the organization. And they keep us honest.

Why I wrote this book.

As you know, after September 11th, aviation businesses in much of the world were struggling to survive, stabilize and rebuild. To quote a 2002 article in *Business Week*, they were “grappling with their costs, capacity, pricing and product features in ways they hadn’t seriously contemplated since the start of deregulation in 1978.”

But there was one key element of change that no one was addressing. I kept waiting for someone famous to write about it, because I knew that unless it also was addressed, these other efforts couldn’t succeed.

As my husband showed you earlier, the business environments we must now succeed in, and our own strategic objectives, have changed so much that managerial and behavioral models that once were core to our success are now operating at cross-purposes to our own objectives. If we’re going to achieve those objectives, we must align our behaviors with our intentions. As you also know, changing behaviors across a function or an organization is very, very hard.

The challenge is even more daunting because those of us who need to lead this effort to align our behaviors with our intentions – the operations managers and leaders of our businesses – are perhaps least prepared by inclination, training and prior experience to do so.

So I kept waiting for someone far more visible than I to come forward. But nobody did. Nobody wrote that book. Nobody made that case. I finally realized that I was closest. So I wrote it.

How I wrote the book.

In terms of how I wrote the book, here are some things I sought to do and to avoid doing. They relate to books I’ve found useful and those I’ve found useless.

Books that keep my attention help me solve problems that touch my life. So I wrote this book as one of us in aviation to all of us in aviation about problems and opportunities we all face.

Books that keep my attention do so through stories, models and images. My mind remembers

the story and gets the message that underlies the story. So this book tells you stories from my life and times in aviation that hopefully will trigger your memories of your own life and times.

I don’t respond well to books that have all the answers, written as if there is no downside to what they teach, or that leave the impression that their way is the only way. I am very clear that no one has all the answers and that everything involves good news and bad news. Since, in the final analysis, only I can decide what I should do, it’s equally true that only you can decide what you should do.

I do value books that help me and my colleagues talk together about the problems we’re trying to solve and opportunities we need to realize.

And I hope the same is true for you.

And we made one other decision. When Joe and I asked each other, “Who will read this book?” we concluded it would be people late at night, after a 50 or 60 hour work week, maybe on an airplane going somewhere, with tired eyes. So it is printed on bright white paper, in large size fonts, to make it easier on your tired eyes.

What value might it bring?

I mentioned to you earlier that it will be the operations managers of our businesses who will also be responsible for addressing the human side of change. The reason is very simple: *You are the ones who must meet your measurements.* If you’re like managers across our industry, you’re being asked to do more and more with less and less. And there is no reason to believe this trend direction will stop; it’s almost guaranteed that it will continue. Well, under such circumstances, there comes a time that you can’t work longer or smarter or harder, and you can’t throw more bodies at the problem. You have to work differently.

Yet, there’s a problem. As I mentioned, operations managers are perhaps least prepared to address this side of change; it’s not something you know how to get your minds around.

Many years ago, I taught school in a junior/senior high school in a rural county in a southern state in the United States – way out in the country. What I learned was that if children didn’t have the vocabulary – the word – they couldn’t think the thought. And if they didn’t have the concept, they couldn’t receive the thought. The same is true for adults, even very educated and intelligent adults.

So though you may have been wonderfully schooled in engineering or in business administration, this behavioral stuff has been outside your fields of expertise, or you've somehow assumed that it is "human nature" and it can't be changed. When people assume they can't change something – or when they don't have the concepts, models or words that let them get their minds around it – that opportunity becomes invisible to them. And yet, precisely because it's been largely untouched, addressing the human side of change can result in great gains in productivity and effectiveness.

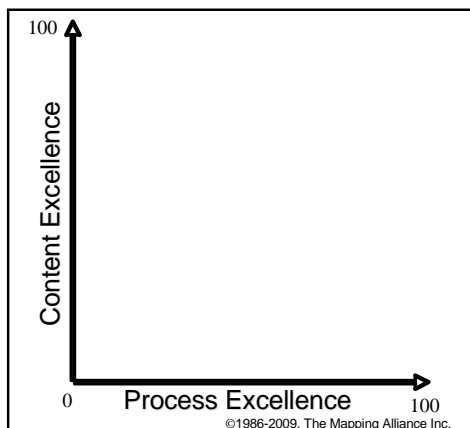
Now, you may know that my husband is an aeronautical engineer. I like engineers and I've learned some wonderful things about them. First and foremost, they love to solve problems. And they love models and concepts that help them solve problems – especially problems that until now have eluded solution.

What I also know about engineers is that if you give them a model, they will do things with it that I would never think of. But they're not going to find all the models by themselves. So, for the past thirty years, my job has been to give engineers models. And to give them the words and concepts that let them think those thoughts and receive those thoughts. And then to get out of their way and let them do wonderful things!

So this book contains the best concepts and models my colleagues and I have learned over the past 30 years – concepts and models that helped people and groups do what they needed to do.

Let me give you just one example.

Content/Process Model.



A man named Rich Hodapp showed me this model. He suggests that a mature business can

gauge its effectiveness in terms of two things – its *content* excellence and its *process* excellence.

Content is what the business does. It includes things like the excellence of your research and designs; your equipment, products and services; your maintenance, repair, and overhaul capabilities and facilities; information systems; yield management technologies; distribution systems; the know-how in the heads of your technical folks, marketing folks, capacity and pricing folks, and so forth.

I want you to think about your own organization and rank it on a percentile basis on your *content* excellence, with 100 percentile being perfect. Place an "x" somewhere on the "content excellence" axis.

Then imagine, as fully as possible, what it would take - in terms of money, resources, people, time, and effort - to grow that another five percentile points.

Process excellence has to do with how you do what you do with one another – inside your own organization, with your employee groups, and across organizational silos, as well as out into the marketplace with customers, suppliers, alliance partners and regulators. These would include people management skills, problem-solving skills, communication skills (both sending and – importantly - listening, written and verbal, up and down and sideways), personal interaction skills, customer satisfaction skills, coordinating skills, account strategy skills, group decision-making skills...

Again, if you were to rank your own organization on a percentile basis on your *process* excellence, where would you put yourself on this scale? Put an "x" somewhere on that "process excellence" axis.

And what would it take in terms of resources to grow *that* five percentile points? Ten percentile points?

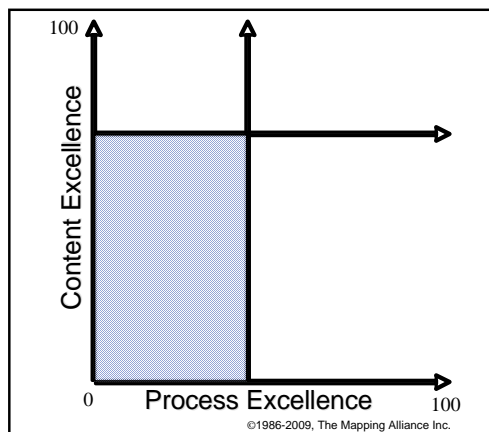
I have asked this question many times – to individuals, at conferences, to management associations, to top officers in aerospace companies of all sizes. Invariably, they tend to mark their *content* excellence between the 75th and the 90th percentile. (Engineers mark it highest.) When asked what it would take to grow that another five percentile points, the answer is always, "A lot!" And they're right. The closer you get to 100, the resources required for

incremental improvement increase at an exponential rate.

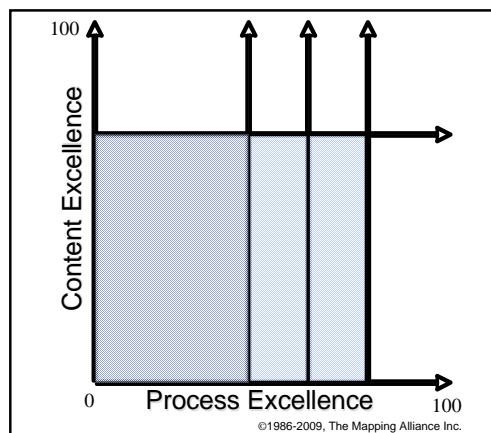
When asked about the current state of their *process* excellence, almost every person asked put it much lower – from the 35th to the 50th percentile. When asked what it would take to grow their process excellence by five or even ten percentile points, the answer was almost always, “A lot less.”

I agree with that, too. First, there is so much room for improvement. And, more importantly, it doesn’t take huge investments in systems, bricks and mortar, or equipment.

Rich Hodapp suggests that, in mature businesses in competitive environments, these two together roughly define your business effectiveness and your marketshare.



Now, we *have* to keep our content excellence high – it’s our ticket to the ballgame. And we’ll continue to pour resources into it, just to maintain parity.



Yet this chart suggests that massive leaps in effectiveness are available to us by growing our process excellence. And, compared to the

resources required to grow content excellence, we can get a lot of bang for the buck by doing so.

What’s wonderful about our current situation is that should we decide to get serious about growing our process excellence, given where most of us now are, so much improvement is possible!

So this is one of the models and concepts that may prove helpful to you.

Twenty years ago, when Joe and I realized the thread that ties all these process skills together – communication, problem-solving, decision-making, and agreement-shaping – was negotiation, that helped us clarify how we could be most helpful to the aviation industry.

And when we realized that interest-based negotiation - the model identified by the Harvard Project on Negotiation - had the power to help people throughout our industry realign their behaviors with their organization’s objectives, and that it could help their businesses move toward becoming self-directed, innovative, highly efficient – and highly human - learning organizations, we set out to bring this perspective and these skills to each of you and to all of you.

And now I need to turn it back to you. I’ve sought to sketch out what relevance this book may have for the problems you need to solve and the opportunities you want to realize. But the proof is in the relevance that you find. So please let me know the extent to which it turns out to be helpful to you, both as individuals and as members of management or leadership teams. The back of the book contains information on how to reach me. I would deeply value hearing from you by mail or email.

Thank you very much for your attention.

Kaye Shackford, Vice President of The Mattford Group and author of “Charting A Wiser Course: How Aviation Can Address the Human Side of Change,” can be reached through www.negotiationsolutions.com. Her book can be bought at www.chartingawisercourse.com and other aviation web sites.

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