

COGENT POWER'S PEOPLE-CENTRIC LEADERSHIP AND LEAN QUEST

It's about trust, openness,
mastery and doing
something meaningful.

BY LEA TONKIN

What makes people tick in your organization? How do you encourage and recognize their best performance? Have your vision and values become guideposts for everyday decisions and behavior, propelling the organization to market leadership? Seeking answers to such questions, and acknowledging the need to continue the quest to inspire better performance, leaders at power-generation equipment manufacturer Cogent Power Inc., headquartered in Burlington, Ontario, Canada, embrace an evolving people-centric trajectory. In turn, the company's team of engaged, accountable problem-solvers continues to power the company's profitable growth. Their collaborative, lean approach reflects fundamental beliefs of the organization — the “why” that makes the difference, according to Ron Harper, president. Here's how Cogent Power's people-centric approach to lean began, and how it continues to advance.

The journey begins

Like many organizations, Cogent Power started along the lean journey 13 years ago by employing basic tools such as 5S and value stream mapping (VSM). Initial performance improvements, followed by celebrations, were notable. And just as other manufacturers have experienced, “slide-backs” occurred; within 12 months or less, an area looked the same as it did in the beginning.

“At some point, you start to understand what you don't know and the degree that you don't know,” Harper said. “It became clear to me after the first 24 months of lean implementation that lean is more than a bunch of tools. Lean, and sustaining lean improvements, is more about people than we originally understood.”

The way to eliminate performance slippage is to constantly focus on improvement, at all levels, realized Harper. “It's a shift in thinking — a different mindset where improvement is more of a habit or a way of life than



Vlad Moya, shift leader, checks in with John Power, team leader.

a project. It requires people's engagement," he said. "I recognized that the only way to make that happen was going to be through leadership."

Harper said senior leadership spent a year learning "what we didn't know" about people-centric leadership, following the initial lean launch. "An advantage we had was that we had a lot of organizational trust throughout the organization and among leadership," Harper said of the company's later lean development.

People-powered client focus and results

During the past several years, Cogent Power's leadership philosophy has melded organizational purpose, people-centric leadership and a lean/continuous improvement approach. Focusing on client needs, Cogent Power employees share a common bond: purpose-driven excellence. Their intense collaboration with clients, and within the Cogent Power organization to support customers' world-class performance, reflects

shared understanding of the company's vision and values. Its vision:

- 1) Create solutions that meet humanity's need for efficient and sustainable electrical energy.
- 2) Be great in all that we do, developing and engaging with our people, clients and business partners.

"We're giving people the authority to solve problems — not being a bureaucratic system. It's a really different approach from many manufacturers, where the emphasis is on consistency and disciplined work," said Harper. "We're saying to people, 'It's OK for you to experiment and work with your team in a different way.' We need better ideas from throughout the organization, helping us to be a better company. We're dealing with people, not machines."

Harper recalled the sentiment expressed by Barry-Wehmiller CEO Bob Chapman — that people will lend their hands and their hearts in an organization, if only they are asked to do so. He also recommended counsel by Daniel Pink, author of "Drive," about crucial factors in better performance and personal satisfaction: autonomy,

COGENT POWER'S PURPOSE AND VALUES

Purpose

- Strengthen our team, their families and communities.
- Provide sustainable and profitable growth to our shareholders.
- Improve and strengthen our business partners.

Values

The company accentuates respect for people, transparency and a commitment to business and process excellence. A collaborative spirit, and performance that is consistent with beliefs and value systems, creates powerful, authentic connections with people and stakeholders in a lean-thinking approach to continuous improvement:

- **Integrity:** Conduct business fairly, with honesty and transparency. Everything we do must stand the test of public scrutiny.
- **Understanding:** We must be caring, show respect, compassion and humanity for our colleagues and clients around the world, and always work for the benefit of the communities we serve.
- **Excellence:** We must constantly strive to achieve the highest possible standards in our day-to-day work and in the quality of the goods and services we provide.
- **Unity:** We must work cohesively with our colleagues across the group and with our clients and partners around the world, building strong relationships based on tolerance, understanding and mutual cooperation.
- **Responsibility:** We must continue to be responsible, sensitive to the countries, communities and environments in which we work, always ensuring that what comes from the people goes back to the people many times over.



Problem solving among team members.



A large power transformer core.

“ Human beings will put substantially more energy to a purpose higher than themselves — one they truly believe in, in an environment where they are cared for. ”

RON HARPER



WHAT REALLY MOTIVATES PEOPLE

Autonomy: To be given responsibility and challenge, and the authority to make decisions that enable me to own and create results.

Mastery: Coaching, training and guidance needed to master the skills needed to be the best that I can be, achieving my potential.

Purpose: A sense of purpose that is larger than myself. Vision and purpose in my work that aligns with my personal values and goals, positively impacting the lives of others.

Source: Daniel Pink

mastery and purpose. In a related YouTube video, Pink explains how people want to direct their own lives — and how leadership needs to get out of their way; the desire to take on a challenge, and then to develop a sense of mastery and doing something meaningful; and how people flourish when they have a sense of purpose, unhitched from a narrow focus on the profit motive.

“We are purpose maximizers, not profit maximizers,” said Harper. “Human beings will put substantially more energy to a purpose higher than themselves — one they truly believe in, in an environment where they are cared for.”

Developing a people-centric leadership, lean mindset

So how can an organization create such an environment, where high

performance continually bubbles up? While vision, purpose and values provide a foundation for Cogent Power’s people-centric lean progression, clearly defined targets and an emphasis on creating value by meeting client needs engage business teams in delivering innovative solutions.

Harper is mindful that a high percentage of organizations do not achieve sustainable benefit from lean practices. He counseled that, in setting a course for improved business results, leadership must learn how to align specific performance targets with employees’ desires for personal achievement and fulfillment. “Linking purpose and achievement is critically important. It is at the heart of how you feel success, and inspires you to work through great challenges,” Harper said.

Lean principles, when applied with people-centric leadership (PCL), can have a more profound impact on an organization and its performance than a singular focus on profits and eliminating waste, according to Harper.



Ana Dragojevic participates in a human resources team member meeting at Cogent Power.

Leadership provides needed context — a sense that people are moving in the right direction. Then teams employing lean concepts, empowered to think beyond traditional, hierarchical decision making about what they can do for the company, devise and implement more innovative solutions.

Mapping PCL + recognition

“We need to create a self-sustaining lean culture, creating a sense of fulfillment,” Harper said. He advocates a mapping process — developing steps toward a people-centric, learning organization. Start with vision and direction, which feed personal motivation, he suggested. Then, personal motivation and alignment with the organization’s vision and direction ignite achievement, building business improvement momentum. In turn, recognition and personal fulfillment follow.

“Providing challenging goals for people, through your organizational vision and direction, enables people to find a path for creating personal

fulfillment,” Harper said. “That equals business results, giving them a personal sense of achievement and security, by contributing to solving a problem for a particular client or customer. If they are fulfilled, they want to do more of that.”

Personal fulfillment is complemented by formal and informal recognition within Cogent Power. “You need a means of formalizing recognition in your organization, and providing celebration,” Harper said. “But often, the most powerful feedback comes when there is a higher level of engagement with leadership. Acknowledgment from leaders should be personal. Everyone is different, and has different experiences.”

Leadership development programs

Consistent attention to leadership and team members’ development and training needs is another way to spark engagement in continuing improvements, according to Kate Selbie, Cogent Power’s business leader for organizational development and

HR. In addition to training focused on lean/improvement concepts, the company continues to enhance its development programs for senior leadership and others.

A 2017 addition: a one-on-one, front-line leadership development program encompassing people-centric strategies and expectations. Selbie said these training sessions, with later follow-up coaching, will emphasize the people-centric approach. “We’re not treating leadership development as a training event; we plan to have regular huddles on ‘how we’re doing,’” she said. The program will encompass safety, leadership fundamentals, people-centric leadership, administrative tasks, etc. Classes will be held every other week for two hours, for four months; monthly sessions and “refreshers” will follow. Course topics can flex, based on participants’ suggestions. The company also developed a mentoring guide that’s readily available to employees.

“People-centric leadership is a set of skills that can be developed over time,”



Ron Harper, president, and Kate Selbie, business leader, organizational development and HR

COGENT POWER CHECKLIST

- Have a clear purpose and vision.
- Accept the awesome responsibility for leadership.
- Care for your people and teams as whole people, not employees (you can't fake it).
- Align and engage people and teams to your vision.
- Create a culture of trust and openness.
- Create an environment of responsibility, accepting of challenge, and provide your teams the ability and authority to decide and act.
- Celebrate and recognize personal growth and achievement; create fulfillment.
- Remember profit is a result, a lagging indicator.



Cores for distribution transformers.

Selbie said. “We are learning how to cascade it in the organization. Some building blocks are more difficult to learn.” Ongoing development programs (and coaching) for leaders include information about desired performance results, and suggestions for how to go about achieving these results.

HR: Not just sitting behind a desk

“It’s important that HR is not just a person sitting behind a desk,” Selbie said. “We’re spending more time in employees’ workspaces, listening to their concerns and questions. We’ve been making changes in line of sight to our objectives and how we measure success. At the end of the day, we are accountable to our shareholders.”

Moving beyond a transactional role (hiring, etc.) into a more interactive approach, HR provides guidance, as needed, about the “four pillars” at Cogent Power:

- 1. Trusted advisor:** Cogent Power creates client relationships based on a high level of trust, intimacy and reliability.
- 2. Client experience:** The company aims to deliver exceptional client service by being trustworthy, caring about clients, going above and beyond and delivering solutions.
- 3. World class:** Providing world-class products and services, at competitive value, is enabled through lean practices, mastering work skills and effective problem solving.
- 4. Client-led innovation:** Lean thinking, as well as innovation driven by a creative, entrepreneurial spirit, helps the company engage with clients on a more personal and strategic level. In this sense, the company’s lean, people-centric philosophy becomes a growth strategy.

Providing feedback and information to team members helps them to understand what it means to do what the client needs. Meeting with team members during shift huddles, for example, can enable HR to share information

about organizational goals. Another HR role is introducing new employees to leaders and team members in various functional areas — helpful, since employees sometimes rotate among work areas to meet client demands.

“We help employees in any way we can,” Selbie said. “We can show that we care about them.” An open-door approach and a willingness to discuss employees’ issues at work or home builds trust. “Sometimes, it’s nice to have someone to talk to about struggles, or whether they need more training. People want to know their ideas are listened to.”

HR has also evolved as a key player in senior leadership. When HR has a seat at the leadership table, opportunities develop for sharing information about team players’ challenges in meeting client demands, training and development recommendations, etc.

Building momentum

Cogent Power’s transition to a people-centric, lean value-creation organization continues. Engaging team members in this pursuit — and building momentum for future progress — requires constant communication and support. “The number one thing is openness, and trusting team members to share their ideas,” Selbie said. “Then, empower people to take action — and take risks — even if that means a change doesn’t work. We don’t want to get people in trouble for trying an idea. If it doesn’t work, then we can sit down and walk through it, encouraging them to learn from experience.

“We want a culture of openness and innovation and trust,” Selbie continued. “These are brilliant people, who do the work every day. We need to encourage them to share their ideas with us. People need to know that they matter.”

An added suggestion for building a people-centric culture from Harper: Continually build trust in your organization. “All the work you’re doing to



Left to right: Ion Ungureanu, electrical applications engineer; Marc Taylor, transformer engineer; and Ted Johnstone, technical manager.

improve the organization and the potential with lean are severely hurt if you don’t have trust,” Harper said. He cited four elements to trust: credibility, reliability, an “others” orientation as well as being open and vulnerable. “The best way to build trust is to be trustworthy. Do what you say you’ll do, be reliable and accurate and let others know they can count on you. Be open to feedback and positions other than your own. Admit when you’ve made a mistake, and that you need each other and need to work together.” These actions and viewpoints may not be included in a typical leadership course, but they can be learned, according to Harper. “You learn by doing these things, and making mistakes sometimes,” he said. Creating leaders and thinkers through this interactive process can be uncomfortable and challenging. Some former leaders needing more traditional authority and power have dropped out.

On the horizon

“We’ve made major breakthroughs in organizational development and leadership during the past few years,” Harper said.

“We’ve also made some amazing progress in our business and market space.

“We’re on the cusp of a new breakthrough,” Harper continued. “It’s taken a lot of work and time to get to this point. I would describe this breakthrough as an interdependent leadership culture. Instead of a traditional hierarchical culture, it will be a more collaborative, interdependent culture where our leadership teams work together on issues such as supply chain, inventory management, finance and production functions. We can achieve a higher level of performance in this way, through collaboration internally and with our clients.”

Harper said the front-line leadership development program starting this year has been in the works for more than a year. “There will be bumps in the road. It will be aimed at new front-line leaders without a lot of leadership experience, and others. We’ll be working with them, helping them to learn about handling challenges and asking them for their feedback about what will work best for them.” ●

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