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Leaning to the 'Right' Side: Engaging Employees in a Highly Regulated Environment

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As an outsider to your industry, I am here to add one point to the discussion.

And the point is, that there is a set of virtues that are in short supply in your industry. And they are connected to some of those chronic, notorious issues that I have been hearing about this morning.

To make my point, let me tell you a story.

Some 10 years ago, I was part of a consultant team that Anders, and his CEO contracted to help them with what many people thought at the time was very tough, borderline hopeless. It was about bringing cultural change to one of the oldest and largest vaccine companies in the world.

Now for every one of you who has been part of such a cultural change, or even took it on you to lead it, you know that it is very easy to get lost, to get lost in the waves of challenges coming at you, wanting to drag you in all sorts of directions. The only way to cope with it is to have a mental map to navigate yourself and others through it, to know what is important to deal with now and what you have to suffer, just live with it and move on.

One of those useful maps I will present you today. I will build it alongside the conversation I had with Anders. I hope the map will be helpful for you to understand some of the cultural traits and virtues that we have to nurture if we want to be successful in engaging people. Not just waiting for orders but taking initiative in moving on challenges and opportunities, they see right in front of them.

Case for Change in a Major Pharma Company

So, here is the story to it. A quick background. The case for change, if you wish, was not only perfectly clear, but totally compelling. There were millions of doses of vaccines stuck in the process or even dumped. At a time when millions of people out there needed them desperately to protect themselves and people they cared about from all sorts of vicious diseases.

Now looking at the last decade, against all the hard work of many, it was a lost decade in terms of quality improvements for the company. On top, they had received some letters from FDA, which sucked up quite a lot of management attention. So, it was clear this was not just about upgrading the quality system and upskilling the quality function to deal with these challenges. It was very clear for everybody that this was a collective challenge.

In a bold move, the company brought together about 40 plus representatives from all sorts of functions: operations, supply chain, even HR, to take a hard look at the reality and jointly declare an ambition. And they came back with two or three paragraphs. And it was quite ambitious, I have to say. It was about getting into the hearts and minds of 16,000 people to shift their behavior to something they called the 'quality mindset.'

So, a lot of big fires, but one thing made the difference right from the beginning. They did not take that wonderful paper, hand it over to the communications department, and say, 'Drive a campaign.' No. Nor did they call in their team and say, 'Here is the paper…talk to your team' – so, everything that we know doesn't work, but still, people do a lot.

What they agreed was that they would use and create opportunities to talk directly to people about it. But the most important step that made a big difference was they left the talk with a request. See, very often, we receive these kinds of wonderful messages, and we are puzzled: 'Okay, we get it, but what to do?'

So, they left with a simple request. "If you feel the passion, if you feel this is important…you can help by taking that message into your space, to your peers. And not just talk to them but take the time to listen."

Reigniting Passion for the Purpose

The message had a lot to do with these virtues.

It was about reigniting the passion for the product, for the purpose, which often gets lost in the daily battles. It had to do with opening pathways for people to collaborate across walls that the organization

chart drew. It had to do with people being freer to make a difference. And it had to do with extending trust into other people's judgments, giving people more rope to make changes.

It had to do with not just planning, planning, planning, but experimenting and moving in small steps. So, this was the message, plus the message, 'Here is how you can help.' We got some traction.

We had some 250 volunteers who raised their hand and said, 'I will take it up.' See the point? If you are in that kind of situation, it is not that people argue a lot about whether change is *needed*. What is the real barrier is that people, at least by far not enough, believe that the change is *possible*. That is the barrier.

Now, with this first simple request, because it was unusual, we got a few people who said, 'I give it a shot, Remember, for 16,000 people, that's a lot of conversations. And some people didn't just want to talk. They started doing things. So, we get the first stories on actual wins that people produced. So, we clearly had momentum for this.

Now, two or three months afterward, I had a lunch conversation with you, Anders, and the way you entered the room made it very clear that you had not had a good morning – maybe even for a few days and needed to let go some of his frustrations in a safe place. So, I sat back and let it come.

I will spare you all the stories, but almost every day he and the still small volunteer army of supporters ran into an attitude that can be best described by. "Yes, we have problems, but I, my team, function, site, well, we're already doing our best. The problem and, hence, the responsibility to deal with it is…really sits somewhere else. Up there, down there, and over here, over there.

So, there was a friendly but very toxic dose of complacency running through this organization. And taking the challenges, the company was starting to move at five miles an hour, where something more like 70 miles an hour would have been more appropriate. And the reason was this:

Building Bridges versus Crusades

So, we stepped back and wrote that down. And suddenly we had this image:

It happened that a few weeks before our conversation, I had read a book from Barry Johnson on what he calls Polarities…opposing virtues or values…and our tendency to announce "crusades of change," attacking something "bad or evil" and pushing changes towards its opposing "good." It's kind of human nature, isn't it – we like to think in terms of "right and wrong," "good and bad." But that is not how the universe is organized, I learned from Barry.

Now, choosing between this (bottom left) and that (top right), I was kind of intrigued... I thought and said: "There should actually be thousands of people migrating to that (right side). Look at this! Seriously, who wants to come to work every day to experience something like this (left side)?

Yet, we had hundreds, but certainly not thousands moving in that direction". So, why not, was the question…what's going on here? And that became our conversation.

So, what is it that people complain about, but they don't attack it, they kind of tolerate the left side.

What are the virtues that they probably need or love even more than the top right? Or, minimally think that is expected from them. We made the list.

Dealing with Complexity

You are dealing with very complex stuff. And what does complexity do? It creates surprises every day – most of them neither career advancing nor good for the business.

So how do we handle complexity? We put controls in place, compliance in place, measures in place, procedures in place, and rules in place.

So, the core virtue on that side is control. Is control bad? No, not at all, if you deal with such a complex operation.
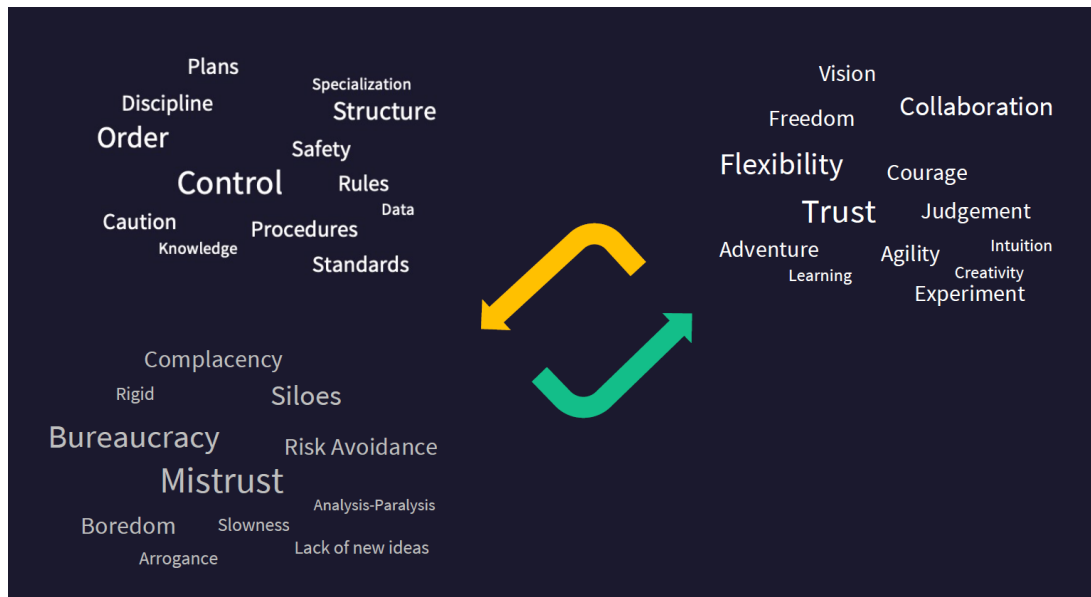
But if you lean too much into the virtues that allow you to deal with the complexity of your operation, it also creates the shadow (bottom left) that no one is particularly proud of and hurts the business. So, our cultural change was not about a crusade, attacking the shadow. We had to find ways of building bridges between the left and the right.

As you can see, the picture is not yet complete. Let's complete the map.

For those fearful ears, the big opportunity that the group of 40 had crafted sounded more like inviting Woodstock into the firm. Playing around with new ideas, people coming together for "lunch and learn" events with totally opaque agendas, encouraging people to come up with creative new ways for which someone else surely thought they already had an established standard and procedure.

A climate where someone out of the blue thought he or she was empowered to make changes or shortcut the chain of command to connect with people outside the narrow parameters of their job without consulting their boss, and so on – wouldn't that be creating chaos, wasting money and time, causing damage?

And that is what a lot of people feared. They may not tell you, but these fears drive them into resistance, actively or passively.

What we had now was a complete picture. So here it is finally…the one slide. (Pause)

What started as a crusade against bureaucracy, mistrust, siloes, slowness, arrogance, apathy, mindless compliance, etc. was now a much more demanding quest, dealing with a massive polarity of virtues and the fear of each other's shadow side. (Pause)

I think it is fair and defendable to say that your industry, in particular, has fallen too much in love with the left side.

No blame. It is reasonable: The health or even life of people is at stake and there is simply too much money involved to naively rely on people's and institutions' moral compass.
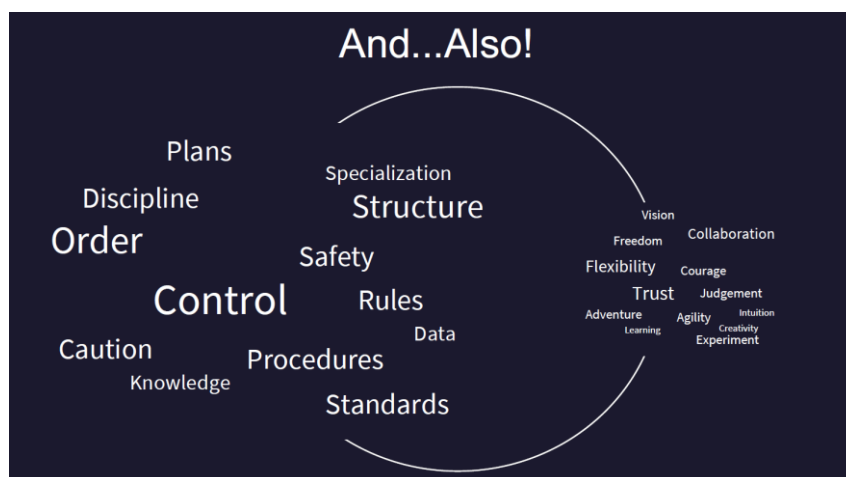
The system relies on control. Each time something goes wrong, or even we speculate that something could go wrong, we add a paragraph or even chapter to the book of rules. We ask for more data and detailed plans; we create specialist and "owners of something" jobs. We add governance, systems, procedures, processes, structures, and so on. Only to fall a bit deeper into the shadow side of this virtue system.

My core message here today is that unless enough leaders of this time and the next generations don't start leaning heavily into the right side…there is no hope for things to get dramatically better.

And, by now, we know it is not a crusade. See, you can't solve a polarity by jumping from the shadow side of one pole to its opposing virtue! It is an indestructible principle.

But we can better handle the tension. It is a bridge-building quest to come up with creative **and, also,** solutions that balance out the tension at a higher level. *How hard is that? Very hard.*

Burning Ladder Experiment

For this, I will tell you a little story about an experiment that was done with apes.

4 Apes in a cage. You put a trunk of bananas at the top of a ladder. Each time a monkey tries to climb the ladder to get the bananas, the whole group suffers a massive and painful firehose with cold water. After 2-3 attempts, no surprise, no monkey will climb the ladder anymore.

Now, you bring in one new ape and remove another. Obviously, the new monkey doesn't know anything about the firehose and tries to catch a banana, but the monkey now gets pulled back by the other monkeys in panic and even gets beaten up until he/she stops climbing. After 3 more cycles of exchanging monkeys, no monkey of the original group who has ever experienced the firehose is still in the cage. Still, no monkey tries to catch the banana…they just sit there staring at the bananas from time to time.

I know humans are smarter than apes, at least individually, but we take things for granted. It is very hard to know what you take for granted. For what reason? Because you take it for granted.

Engaging Employees

A big part of the right-side agenda was to engage more, many, many more employees to feel empowered to make changes and improvements in their sphere of influence.

Yet, if you are an operations manager and you have to deliver every year, 3% productivity improvement, you are not stepping back and saying, 'Oh, can you help with this passion?' No. You have a plan. You have initiatives, you have a set of projects, KPIs that you're tracking. Is that a bad thing? Not at all, but it is just the left side. Why not add the right side to it?

And the right side? Let me start with a question that Stephen Covey asked his audiences all the time. "*By raising hands, who believes that the vast majority of people in your organization have more passion, more talent, more ideas, more drive than their current job requires or even allows them to do?*"

Removing Barriers that are Discouraging and Disengaging

So, here we go!

So, this right-sided idea is not about engaging. It is about identifying and removing practices and barriers that are discouraging and disengaging people to make their work better and easier.

So, let's take a quick look at four practices that that are designed to keep people away from making improvements to their work and their work environment.

This might be a surprise: the **SUGGESTION BOX.**

The underlying philosophy: People will not make suggestions unless they are incentivized.

Science knows for quite some time now, that incentives crowd out an intrinsic motivation living in most people to be creative and make things better and easier. Yet, business still relies on incentives.

Second: "*Thank you for your idea. But what gets implemented is not your decision, not even your responsibility. We do it for you*".

So, you ask people to fill in a more or less complicated document, slip it into the box and wait for approximately 3 months to get some feedback on their idea (if at all) and eventually a token of appreciation in the form of a small monetary reward. It produces little, burns insane hours of a multi-level committee structure. Yet, it is kept in place because of some very dated, anecdotal evidence of its effectiveness.

The second big killer for me is **INSISTING ON THE CHAIN OF COMMAND**. More often than not, improvement ideas lie in "white" spaces at the intersection of departments, functions, and even sites – or at least require the collaboration across walls the organization chart draws.

The trained requirement of rolling an idea up the chain of command, moving over, moving down, effectively kills approximately 99,9% of improvement ideas.

I will give you an example here about if we take out the chain of command. A quality worker in the QC lab had to put 10 grams of powder into a routine test procedure. Some 50 times a day. He used a weighing machine to pour powder onto it, adding and removing, until he reached 10 grams – tedious,

time-consuming work. He had done this for years. One day at home, he had to add 25 grams of a nutrition supplement for his young child. It came with a spoon that you filled with powder. 25 grams – voila.

So, why not use a spoon for his work? He found someone who would mold him a spoon that held exactly 10 grams plus/minus 5%. Acceptable by the SOP. And used it from there on.

The benefit itself was mostly personal, saving him some hours of work per month.

Now, what are the chances that this improvement idea made it to the site manager who met with other site managers once a year- and that they would talk about…spoons? Zero.

But this is what happened next. As part of the mindset movement a very active community of volunteers who loved to promote "wins" and cool stories of people making things better and easier via social media and events. As it goes, there were many, many applications for that idea all over the globe. It went viral. Now we had scale in an objectively small innovation, producing thousands of hours of saved work.

Disengaging Practice #2:
Insisting on the chain of command

A second example: There was a lady who was part of the department QC lab, and every day, they got a big box with vials from manufacturing that had their labels on the vials. The first hours of work, they had to pull the labels off to do their work and put their own labels on. What a mindless work.

Now, she was pretty fresh and thought, 'That makes no sense.' Her colleagues said, 'Well, we reported it. But no one seems to bother.' She said, 'Well, I will take care of it.' She didn't know exactly what she was up to, but she got going, and after some weeks she had created a solution. It involved coordinating three departments. It was harder than she thought, because two of those department heads actually more or less hated each other, but she got it done.

Another example of disengaging practices is the **CHANGE PROCESS XXL**. Of course, you need a change control process. You want to stay compliant. You want to stay to the file.

Now, at one site, this process had, over years and years, morphed into a monstrous bureaucratic thing that actually discouraged 99% of people from making any change, 'Why bother? It is too much hassle.'

A few volunteers teamed up. One of them had been trained in Lean methods. He said, 'Okay, let's lean this thing out. Create a map of value-added and non-value added….' Pretty cool. They invited many people to give an opinion on it. They came up with a massively simplified change control process.

Well, it needed an intervention from very high up to get it into practice. Some of the middle managers thought that this volunteer idea was fantastic, but 'Please not in my garden.' But with some air cover the volunteers got it done.

Oh, this one is also a very effective one: **SEPARATION BETWEEN 'OWNERS' AND 'PERFORMERS.'** It is not unusual at all in your industry to have well-intended people writing standard procedures for work

they have not performed, not even once. It is not unusual to have people removed 2-3 layers up from the actual work to brainstorm about "improvement ideas" for work they have never performed.

Here is an example: In most business, operations in particular, you have to produce annual productivity gains. It is a meeting where the various "Heads of Something" create options and select projects and initiatives to deliver this gain.

How does a right-sided approach look like?

The Head of Operation in one site was willing to give it a try and invited next to some managers, highly engaged and knowledgeable performers of the work into the annual productivity initiative meeting.

When asked afterward 'How many initiatives came from the performers?' the answer was approximately 50%. Smile.

So, these were some examples of leaning into the right side to get more improvements from a large group of people. There are more levers to be discovered, once you start asking yourself the "right" question.

Recognition of Positive Change by FDA

These were just a few examples out of many. Once you have got a momentum going, you move at scale because all of those stories, of course, are going to shift the culture.

It became noticeable when FDA showed up at one site and said, 'I don't recognize that site anymore. There is a 180% degree of change. The way people show up, the way people collaborate with each other, the way people talk about the other department.'

The volunteers tracked the wins – 500. They had some 4,000 people. You know, someone just did something once and it was going on the list. Others were taking three or four hours a week for these types of activities. But it started to shift the needle.

Summary

Let me wrap it up. What did I talk about? If we look at the right-side virtues: trust, collaboration, agility, and so on – we have to nurture them. We cannot hope for them to happen in an environment that is so left- sided, by training, by education, by promotion.

This culture change is not a crusade, but a quest for **and, also** solutions, a challenge for building bridges between opposing virtues.

It requires leadership to credibly want to do this. Never, ever announce this if you do not want it as a leader. You betray people if you do that.

But if you do it the *right way*, inviting people to participate, you will get momentum. Because the biggest barrier is not that there aren't enough people who think change is *needed*. The real barrier is to find enough people who think that change is *possible*. And the only way to make a large enough crowd of people feel that it is possible is by creating a momentum with some early adopters starting to make moves, and other people seeing that they are not getting shot down but are able to produce progress.

About this whole engagement thing. Don't think about engaging. For the first two years, just think about '*What can I do or stop doing to disengage and discourage people from making improvements?*'

All of this will depend on leadership. But it is not leadership only from the people with the big offices or having leadership somewhere in their job description or title. If you do the math, some 5+% probably have this. But if 90% of what they do every day is management, left-side stuff, then you have a capacity leadership of 0.5% in your company. And if you are in times of change, that is totally, totally insufficient. You need to tap into the leadership of the many.

For this, you must make it, in my mind, a "want to." A volunteer idea.

And be patient with people stepping up. Don't expect crowds to come to you initially. But if it is five, go with the five. If it is 20, support the 20 to make them succeed and it will roll up. That is my message, and I think I am done.