Charting A Wiser Course

A Book Talk

by Kaye M. Shackford

Experimental Aircraft Association
AirVenture 2011
July 26, 2011
Oshkosh, Wisconsin

CHARTING A WISER COURSE

A Book Talk

by Kaye M. Shackford

My name is Kaye Shackford. I've worked in the aviation industry since 1972.

How about raising your hand if you weren't even *born* in 1972?

So, like many of you who *didn't* raise your hands, I know a few things about the history of aviation, just from having lived it.

As far back as the '50s, I was in love with the dream and the magic of flight. I met my husband Joe at GE Aircraft Engines in '76. He's here today. He's an aeronautical engineer by background – from Purdue – and an international sales and marketing manager by profession. Since '88, we've run a workshop called *Negotiating Solutions* for people in the aviation community. And we belong to EAA Chapter 1073 in Truckee, California.

We've made arrangements to give each of you a copy of our book. It's called *Charting A Wiser Course: How Aviation Can Address the* Human *Side of Change*.

My goal for this session is simple: It's for you to walk out of here having made a personal decision to read at least the first forty pages of this book. If you do, you'll likely read the rest. And if you do that, you may just decide to become what's known as a paradigm pioneer.

Most of you are at Oshkosh because you love airplanes and technological advances and gadgets. Yet I'm not going to talk with you about airplanes, technological advances, or gadgets. I'm going to talk with you about how we do what we do with one another – what we're doing now, why it's not working, and what may be a better way.

First, I need to ask you a few questions.

How many of you are now - or ever have been - employed in some aspect of the aviation/aerospace industry?

How many of you are now - or ever have been - employed in a company with more than twenty people in it?

And how many of you consider yourselves to be technically oriented – by any combination of nature, avocation, or vocation?

I want to give you a conceptual overview of where we're going, and then take you through some of these ideas in more depth.

Whenever we come together to do work, once more than a few people are involved, we set up structures to help work flow – organization structures, reporting relationships, and what I call the "paraphernalia of culture" - hiring criteria, performance screens, salary structures, and *multitudes* of metrics. Beneath these external and *visible* elements are largely unexamined and *invisible* sets of assumptions and values about how to succeed at making things happen in the environments in which we find ourselves. These elements were woven into the fabric of the company at the time it was first created. And they tend to remain largely invisible, unexamined, and unchanged.

Now, usually, the environments in which we need to be effective shift relatively slowly over time. As they do, the elements that were put in place to help us get work done begin to get in the way of what we're trying to do.

Sometimes, though, tectonic-shift size changes occur in our environments. When that happens, these invisible assumptions, values, and behaviors - and their corresponding paraphernalia of culture – can make it almost impossible to do what we need to do. Increasingly, problems occur, problems that elude solution in spite of enormous efforts to solve them.

Those of you who follow our industry can just look around: *The problems we should be able to solve continue to elude solution*.

Just to name a few, the 787 is more than two years late. The A380 and the Airbus A400M are terribly late. Lean/Six Sigma is struggling. Jim Womack of the Lean Enterprise Institute, who with his team coined the term "lean production," says that Lean success stories are more "islands of lean than archipelagos" – they're not spreading, and in many cases they're not embedding.

And though we all know we need to change union-management relations, in many cases they're at an all-time low.

What on the surface for all the world may look like failures of technology or suppliers or unreasonable union positions or unreasonable management positions, may turn out to be failures of these cultural assumptions, values, and behaviors that are no longer sufficient for our current environments.

The good news is, once we identify the true root causes, we can shape solutions. It's not easy, but it's do-able.

So that's where we're going.

Let me 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. I'll share with you a couple of the models our students have found useful in their work - and in their lives outside of work. And I'll tell you just a few stories our students tell us. Then we'll then get your copy of this book to you. After that I'd be pleased to stick around and talk with you further. Joe will also be available to that discussion.

Why I wrote this book.

This book was my September 11th response. As you may painfully recall, after September 11th, our aviation businesses were struggling to survive, stabilize, and rebuild. A 2002 article in *Business Week* said 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."

They were laying off appalling numbers of people. They were implementing major structural initiatives – lean applied to the shop floor and to business processes, value-streaming, supply chain management, and others. They were seeking to implement contractual and procedural changes in how they worked in the marketplace with suppliers, customers, and partners. And they had also identified the need to change the working relationship between management and employee groups.

But there was one key element of change that no one was addressing. I kept waiting for someone famous and visible to talk about it and write about it, because I knew that unless it too was addressed, these other efforts could not succeed.

This element has to do not with the *content* side of change – which is what everyone was paying attention to – but with the *process* side of change, with what Douglas McGregor called "the human side of enterprise."

But nobody wrote that book. Nobody made that case. I finally realized that I was closest. So I wrote it.

Here's the two-part concept that defines my time in aviation, and that forms the core premise of the book. It's very simple:

The purpose of our behaviors is to achieve our objectives in a particular environment…and negotiation underlies most of our behaviors at work.

We do things to get what we want and need for ourselves and for the folks we represent, for our constituents.

But as a species we get taught much of how to behave and what to do by the communities we find ourselves in. So you were hired – or you volunteered to get involved with the union - and someone said, “Sit here.” “Do this.” “Don’t do that.” And “Follow my lead.”

So a lot of what we do in organizations we learned from others, who learned from still others, about how to be effective in an environment that presumably existed when those behaviors were first codified. You can imagine that some of these models, assumptions, and behaviors trace back for decades. In some cases they trace back for hundreds, maybe thousands, of years.

But what happens when our environments change? Are the behaviors still effective? Sometimes our business environments - and our objectives to be effective in those environments - change so much that the very behaviors that were key – or at least sufficient – to our success are now literally working at cross-purposes to what we say we’re trying to do.

That was the case I set out to make when I wrote this book. And I believe it to be even more true now.

How I wrote the book.

In terms of how I wrote the book, I sought to do things that relate to books I’ve found useful and to avoid doing things that relate to 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 common histories we’ve lived through, and problems and opportunities we all face.

Books that I find helpful do so through stories, models, and images. My mind remembers the story and gets the message that underlies it. So this book tells you stories about my life and times in aviation, and those of my colleagues and our students, 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 the opportunities we want to realize. And I very much hope the same is true for you.

And Joe and I made one other decision. When we 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?

If we decide to re-align our assumptions, values and behaviors - and, eventually, our paraphernalia of culture - to match the business environments we now must succeed in, it will be the operations managers and union leaders of our businesses who have to take the lead, because they're the ones who must meet their measurements, and they're the ones who need to preserve good jobs for their members over the long run.

If they're like the managers and leaders we work with, they'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 it will continue. Well, under such circumstances, there comes a time that you can't work longer or harder, and you can't throw more bodies at the problem. And you can no longer assume the other guy *is* the problem.

You have to work differently, and you have to work together.

The dilemma is that operations managers and union leaders are perhaps least prepared to address this side of change; it's not something they know how to get their minds around.

Years ago, I taught in a junior/senior high school in a rural county in North Carolina – 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 intelligent, educated, and goal-oriented adults.

So though our managers and leaders may have been wonderfully schooled, with degrees in engineering or in business administration or with an A&P license, this "touchy-feely" stuff has been outside their fields of expertise, or they've assumed that it's "human nature" and therefore 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.

I mentioned to you that my husband is a technical person. I like technical people, 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.

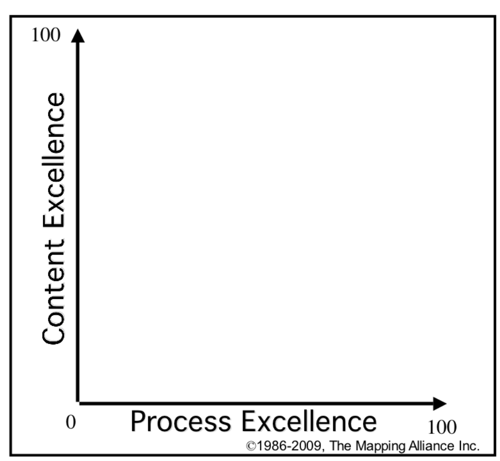
What I also know about technical people is that if you give them a useful model, they will do things with it that I'd never think of. But they're not going to find all the models by themselves.

So my job has been to give technical people models that have to do with this *human* side of enterprise. 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 wondrous things!

Let me give you a couple of examples.

Content/Process Model.

A man named Rich Hodapp showed me this model – a way to put a pattern on what I've been seeking to describe to you.



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 your designs, products and services; your manufacturing, assembly, & test capabilities; maintenance capabilities & facilities; information systems technology; distribution systems; technical/procedural know-how… and so forth.

I want you to think about your own organization (the one you're in now or the one you used to be in) and to rank it on a percentile basis on its *content* excellence, with 100 percentile being perfect. Imagine 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 – again – has to do with *how you do what you do with one another* – with your employee groups and across organizational silos, with customers, suppliers, partners and regulators: people management skills, problem solving skills, grievance resolving skills, communication skills, personal interaction skills, customer satisfaction skills, coordinating skills, account strategy skills, group decision making skills, and so forth.

Again, if you were to rank your own organization (current or past) on a percentile basis on your *process* excellence, where would you put it on this scale? Imagine an "x" somewhere on this "process excellence" axis.

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

I have asked this question many times – to individuals, at conferences, to management associations, to top officers in aviation and aerospace companies of all sizes. Invariably, they tend to mark their content excellence between the 75th and the 90th percentile. When asked what it would take to grow it 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 this by five or even ten percentile points, the answer was almost always, "A lot less," in part because it doesn't take huge investments in systems, technologies, bricks and mortar, or equipment.

Rich Hodapp says 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.

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

When Joe and I realized the thread that ties these process skills together – management, communication, problem-solving, decision-making, agreement-shaping – is negotiation, that let us identify how we could be most helpful.

As we set out on this path, we discovered that interest-based negotiation - the model identified by the Harvard Project on Negotiation – not only could help people be effective in our massively changed and changing environments, it could also help them get far better results with far less effort, in ways that were consistent with their own integrity, and that let them find a better balance between work and the rest of their lives.

So let me define negotiation in this context.

Whenever you're seeking to solve problems, make decisions, shape solutions, or reach agreements with others over whom you don't have direct control - in what's called a mixed-motive environment - you're negotiating.

A mixed-motive environment is a situation where some of your interests overlap with those of the other person and some don't…and of those that don't, some may be in direct conflict.

So, how many of you, at work every day, or, for that matter, at home, have to solve problems, shape solutions, and reach agreements?

How many of you must do this in a mixed-motive environment?

And how many of you must do this with others over whom you don't have direct control – employees, peers, bosses, customers, suppliers and partners, wives, husbands, teenage kids?

The truth is, we're all negotiators.

When we realize that negotiation underlies our behaviors, the findings of the Harvard Project on Negotiation can be used to identify the pattern of those behaviors.

We can then place them side-by-side with our objectives and ask a simple question:

Can we achieve our objectives using these behaviors?

Let me show this to you.

We start with actual objectives. I hope you'll try this out later using your own organization's objectives. For this demo, I'll use some maintenance, repair and overhaul objectives:

- Become #1 in the eyes of our customers in safety, compliance, quality, aircraft appearance & on-time availability.
- Operate as a team-based, decision-making organization.
- Improve working relationship & trust between management & employee groups.
- Use collective knowledge & commitment to achieve operational excellence.
- Streamline operations & infrastructure to contain the cost of maintenance.
- Continuously improve our operations & business processes, applying lean principles in a volatile environment.
- Keep jobs in-house by reducing maintenance cost per available seat mile to that of the external MROs.
- Enhance our safety & compliance culture.
- Improve relationships with our regulators.
- Align supplier & inventory functions with lean product delivery system.
- Leverage our services capability to increase company revenue.

So that's what we're intending to do. Now we add our *behaviors*. The Harvard Project calls our current model *Positional Negotiation*.

In one version of this model – *Hard* Positional Negotiation – the premise is that the pie is fixed, negotiation is about claiming value and my job is to get more than you. They identified these elements:

- Participants are adversaries.
- The goal is winning.
- Demand concessions to continue the relationship.
- Be hard on the people and the problem.
- Distrust others.
- Dig in to our position.
- Make threats.
- Mislead as to our bottom line.
- Demand one-sided gains.
- Search for the single answer - ours.
- Insist on our position.

- Apply pressure.

When we operate in the marketplace, we're comfortable enough with negotiation being a game whose purpose is winning. When we operate internally, we may use other words. But most of us learned that our job is to get *our* job done, meet *our* measurements and get *our* people to do what we want. And since we truly believe that our position is the right one, our job is getting others to fall in line with us, like it, hopefully, or not.

The words may be gentler; but the underlying assumptions are the same.

Some of us play a "nicer" version of the game. It's called *Soft* Positional Negotiation.

- Participants are friends.
- The goal is agreement.
- Make concessions to cultivate the relationship.
- Be soft on the people and the problem.
- Trust others.
- Change your position easily.
- Make offers.
- Disclose your bottom line.
- Accept one-sided losses.
- Search for the single answer - theirs.
- Insist on agreement.
- Yield to pressure.

Positional Negotiation

Soft Positional

- Participants are friends.
- The goal is agreement.
- Make concessions to cultivate the relationship.
- Be soft on the people & the problem.
- Trust others.
- Change your position easily.
- Make offers.
- Disclose your bottom line.
- Accept one-sided losses.
- Search for a single answer - theirs.
- Insist on agreement.
- Yield to pressure.

Hard Positional

- Participants are adversaries.
- The goal is winning.
- Demand concessions to maintain the relationship.
- Be hard on the people & the problem.
- Distrust others.
- Dig in to your position.
- Make threats.
- Mislead as to your bottom line.
- Demand one-sided gains.
- Search for a single answer - yours.
- Insist on *your* position.
- Apply pressure.

You can see it's the flip side of the same game.

Game theory says that a hard game dominates a soft one. Given the choice of being the "beater" or the "beatee," most of us in aviation play the Hard Positional game. We didn't invent it. But we're very good at it.

Now, back to our core concept: The purpose of our behaviors is to achieve our objectives…

Does this compute?

Behaviors

- Participants are adversaries.
- The goal is winning.
- Demand concessions to maintain the relationship.
- Be hard on the people & the problem.
- Distrust others.
- Dig in to your position.
- Make threats.
- Mislead as to your bottom line.
- Demand one-sided gains.
- Search for a single answer - yours.
- Insist on *your* position.
- Apply pressure.

Objectives

- Become #1 in safety, compliance, quality, aircraft appearance & on-time availability.
- Operate as a team-based organization.
- Improve working relationship between management & employee groups.
- Use collective knowledge & commitment to achieve operational excellence.
- Streamline operations & infrastructure to contain the cost of maintenance.
- Apply lean principles in a volatile environment.
- Keep jobs in-house by reducing maintenance CASM to that of the external MROs.
- Enhance our safety & compliance culture.
- Improve relationships with our regulators.
- Align supplier & inventory functions with lean product delivery system.
- Leverage our services capability to increase company revenue.

If this strikes you as seriously dysfunctional, I agree. It's like trying to get from Oshkosh to Milwaukee by way of the North Pole.

When we ask that operational question I mentioned earlier:

"Can you achieve these objectives using these behaviors?"

I think the honest answer is, "You can get part way there." Managers and employees regularly do incredibly difficult things. But the rest of the answer is, "You can't get all the way there."

I hope your next question might be: "Is there a better way?"

That same project at Harvard suggests that the pie is not fixed and negotiation really is not about beating the other guy.

Rather, it's about this: Solving problems, realizing opportunities and shaping solutions to satisfy your constituents' – and your counterparts' - interests and needs better than any alternative reasonably available to you or them, and doing so in such a way that you and your counterparts look forward to solving problems and shaping solutions together again.

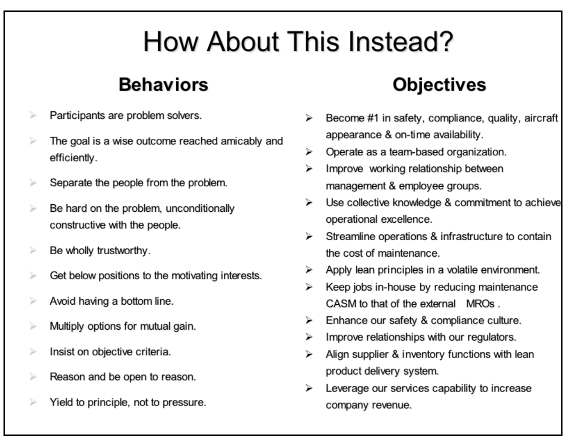
Their researchers laid out the old options against these criteria. Soft positional or hard positional negotiation – which game should you play?

Some of you may remember a movie called *War Games*, in which a super computer played endless sessions of Tic Tac Toe and nuclear war scenarios. Finally it learns. In both cases, the only way to win is not to play.

Which game should you play? Neither, they said. Change the game. In interest-based negotiation:

- Participants are problem-solvers.
- The goal is a wise outcome reached efficiently and amicably.
- Separate the people from the problem.
- Be hard on the problem, unconditionally constructive with the people.
- Be wholly trustworthy.
- Get below positions to the motivating interests.
- Avoid having a bottom line.
- Multiply options for mutual gain.
- Insist on objective criteria.
- Reason and be open to reason.
- Yield to principle, not to pressure.

Here are those objectives and these behaviors…



Some of you will question whether people in our industry really do use hard positional behaviors. We certainly *talk* enough about collaborating with employees, customers, suppliers and partners. Twenty-three years of helping thousands of people in aviation make this mind change – from master black belts to union leaders to operations managers to sales, field service, and supply chain folks around the world – leaves me convinced that Positional Negotiation really is our current model, even though almost everyone knows that what we're doing is nuts.

I would suspect that most of you probably believe that you yourself *don't* use hard positional behaviors. We tend to confuse the fact that we're decent people who love our families and mean well by our businesses with our negotiating behaviors. Our behaviors, and the assumptions and mindsets that underlie them, are largely invisible to us.

So I need to introduce you to a concept called *Attribution Theory*. I learned it from Tom Peters and Robert Waterman in a wonderful book called *In Search of Excellence*.

Attribution Theory says that if something positive happens, it's because of what I did. I take credit for it. If something negative happens, it's not me, it's the system or it's the other guy, and I render myself innocent of its implications and of any obligation to change.

Some years ago, at American Airlines' annual management meeting, every seat in the auditorium had been fitted with a real-time response device. A set of questions had to do with whether people saw the need for behavior change. As each person pushed buttons in response to the items, the results were projected on the screen.

Here are the items:

"*My management* needs to change how it works with people." 90+ % yes

"*My colleagues* need to change how they work with people." 90+ % yes

"*My subordinates* need to change how they work with people." 90+ % yes

I bet you can see where this is going…Here's the final item:

"*I* need to change how I work with people."
90+ % no

Attribution theory being what it is, most of us, if asked, would agree that our industry and our organization need to change. But almost every one of us, if asked, would tell you - in all honesty - that *we personally* don't need to change or that *we already have*; it's *everyone else* who's the problem.

At the point that each of us discovers that "Oh, shoot, it's me, too," change is possible. Until that happens, it isn't.

Our next shock comes when we realize what lousy solutions we've been getting, compared to what's out there, just lying around in the environment waiting to be picked up.

For many people and organizations, this possibility of far better solutions becomes the motive energy for change.

So, how do we change our behaviors?

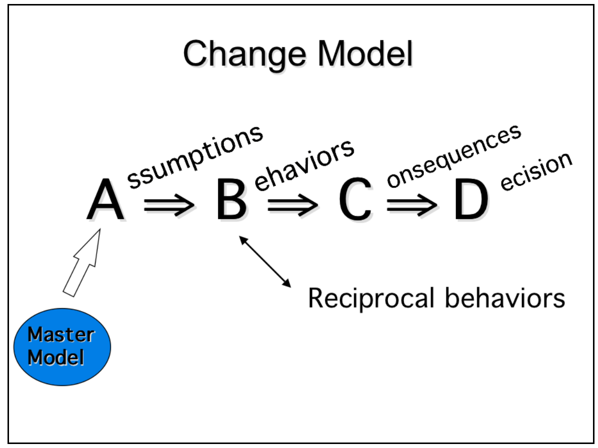
But should you ask the next question -

"How do we build these skills in our people?"

- skills training can't do it. Skills training can improve behaviors within an existing model. But when the model itself is no longer sufficient, skills training doesn't work.

Changing the invisible model that drives our assumptions and behaviors seems to require highly experiential, immersion education to the mind-shift level. If in the past you've sent your people to skills training as part of your change initiatives and nothing much seemed to change, let me show you a major reason why:

Years ago, a colleague showed me this model for behavior change.



We start with our *Master Model* – our paradigm - for how to make the world work.

Our master model drives our *Assumptions*, which include our vocabulary and our metaphors, the images we use to define reality.

Our assumptions drive our *Behaviors*.

Our behaviors tend to elicit *Reciprocal Behaviors* - not always, but they tend to.

And these behaviors in combination have certain *Consequences*.

The model says that if we don't like the consequences, if they no longer serve us well, we can make a *Decision* to change. Usually, when we decide to change, we try to change our *Behaviors*. This is the province of skills training, good intentions, and trying.

No matter how well intended we are, unless we get to the underlying model, we learn the skills but they don't last. The model pulls us back into old familiar assumptions and behaviors. This is really important to understand.

We have to go all the way back to surface and then change the master model, which drives different assumptions, results in different behaviors, elicits different reciprocal behaviors, and…you get the idea.

Here's a pop quiz that applies this to negotiation. I'm going to take you through it twice, and all I'll change is a couple of words.

Suppose, based on your current model, the words you use to describe the other guy in a negotiation are "my opponent" or "my adversary." May I assume you've heard these words?

So, if that's your opponent, your adversary, what *Assumptions* are you likely to make about your *purpose* as you prepare to negotiate *against* your opponent?

A. To solve problems, to shape agreements.
B. To avoid losing, to protect myself.
C. To win, to beat them.

Form follows function. If your purpose is to win, to beat them, what might your *Behaviors* be like?

A. More open, trustworthy, collaborative.
B. Defensive, suspicious, distrustful.
C. Adversarial, aggressive, abusive.

Now, remember I said that your behaviors tend to elicit reciprocal behaviors from the other guy? So if you behave adversarially and aggressively, what *Behaviors* are you likely to elicit?

A. More open, trustworthy, collaborative.
B. Defensive, suspicious, distrustful.
C. Adversarial, aggressive, abusive.

And what might the *Consequences* be? More precisely, what's the likelihood that you're going to come up with creative, near-optimal solutions and look forward to working together again?

Somewhere approaching zero? You got it.

So, what would happen if we did change our minds? Let's take that quiz again. But this time, the words we use aren't "my opponent" or "my adversary." This time, let's describe the other guy in the negotiation as "my counterpart." Kind of like me, works too hard, goes home tired, doesn't see family enough. Has a job to do, kind of like me. My counterpart.

So what *Assumptions* might you make about your purpose as you sit down to negotiate with your counterpart?

A. To win, to beat them.
B. To avoid losing, to protect myself.
C. To solve problems, to shape agreements.

Form follows function. If your purpose is to solve problems and shape agreements, what might your *Behaviors* be like?

A. Adversarial, aggressive, abusive.
B. Defensive, suspicious, distrustful.
C. More open, trustworthy, collaborative.

So, if you operate in trustworthy ways and are open to finding things that are better for you and also for them, what *Behaviors* are you likely to elicit from them?

A. Adversarial, aggressive, abusive.
B. Defensive, suspicious, distrustful.
C. More open, trustworthy, collaborative.

And what might the *Consequences* be?

A. Near optimal, mutually beneficial.
B. Time efficient, amicable.
C. May strengthen the relationship.
D. Potentially, all of the above.

In a nutshell, this is what we're talking about.

So that's the concept behind a paradigm shift – small changes in our perceptions lead to small changes in our assumptions, which lead to significant changes in our behaviors and very significant changes in our results.

The good news is that when you make that shift, you can do with relative ease and simplicity things that felt like pulling teeth before.

You'll find that my book contains a lot of stories about people in our industry who have been using this approach. Some are good news stories; some are about things we've learned the hard way.

Here are a few of the smaller good news stories:

I love to share the story of a no-nonsense, 30-year veteran of a major airline's maintenance and engineering organization. He and a colleague were on the management team that met with union reps on first step grievances. About a month after they attended the workshop, he called me, puzzled, to say, "I'm not sure what's going on, but something's changed." He went on to explain that instead of sending 90% or more of the grievances up to Headquarters, which is what they had been doing, almost all were being settled or withdrawn at the first step meetings. I asked why he thought that was happening. He said, "I don't know. I think maybe we're listening differently."

A managing director of line maintenance for a major airline described to me what he calls Defining Moments. He said, "It can be as simple as having an accident on an airplane while it's in Maintenance. You can say, 'Is the airplane damaged?' Or you can say, 'Is everyone OK?'"

The field HR manager reinforced his comments, adding: "That means everything. Employees talk with one another. They say, 'He didn't even ask how I was. He asked, 'How's the company's property?'"

A very experienced labor arbitrator wrote me to describe the differences he saw in himself: "I openly share my interests with my counterparts. Then I try to listen carefully for what they say or don't say their interests are. It has enabled me to open the lines of communication and establish trust with counterparts who are viewed as difficult and adversarial by my colleagues. It's so much more genuine, productive, trust-inducing and effective. Once you start practicing it, it creeps into all of your human interactions. This is a lifestyle change, a better way of being in the world."

And the chairman of a ceramic coating center in France wrote to tell me this: "Whenever I am in a cooperative or partnership environment – in business, social and family - which is most of my time, the only way for me to interact effectively is to apply this new paradigm. Do I have evidence for this? Yes, of course. Whenever I fail to get the required results or the quality of relationship I'm looking for, I can trace it to my falling back into the old paradigm, which hopefully with time is becoming less frequent. One more thing: I don't follow this new paradigm because it works. I follow it because, as you know, it's the right one."

Is there some underlying meta-mind change?

I have continued to wrestle with a frustrating feeling that we haven't yet reached the underlying model. The question remains, what's at the base of all of this?

As Joe and I have worked over the years with our clients, we're convinced that a meta-paradigm shift is slowly occurring; there seems to be growing openness to it. This mind change really does let us get far better solutions far more efficiently. It lets our outer actions be congruent with our inner values. And it gives back to us our life outside of work.

Deming taught us to ask why five times. I've spent my entire life saying, "What's going on here? What's the frame of reference that lets what I'm seeing make sense?"

We can get part way to this emerging paradigm through reverse engineering. I asked you to play with the difference between "negotiating *against* my opponent" and "negotiating *with* my counterpart."

If I'm negotiating against my opponent, my basic model is this:

It's me against you.

If I'm negotiating with my counterpart, my basic model is this:

We're in this together.

This became the opening for me.

The old model was, "It's us against them." The foundation layer of this alternative paradigm is this:

For better or worse,
we're in this together;
we're all
interconnected.

Not in a hierarchy. In an ecosystem.

In an ecosystem, you may be big and I may be little, but you need my participation as much as I need yours. You may be the manager and I may be the employee or the union leader. You may have more interest in meeting quarterly measurements and growing the business's financials; I may have more interest in preserving jobs and ensuring job maintenance factors are met. But if we do our jobs with integrity, we both have an overriding interest in the long-term success and survival of the organization and its people. We're in this together.

You may be engineering and I may be manufacturing or customer support. You may be looking for that optimal design. I may be looking at how on God's green earth do we make that thing or support it in the field? We each have a responsibility to create value for the entire organization. We're in this together.

You may be the buyer and I may be the supplier, each looking for the best solution for our constituents. But as long as your organization and mine agree we're in a long-term relationship *or may be again*, you have as much interest in my surviving and thriving (though not at your expense) as I have interest in your doing well and continuing to do business with me. And we should look long and hard before we decide we're not now and never will be in a long-term relationship. Business life has some curious turns and twists in it. We're in this together.

Now, these are the kinds of assumptions and behaviors that a small but growing set of people across our industry have been moving toward for the past twenty years or so. They make up the cultural mindset that can let Lean embed and spread, that can let supply chain management add value at every point along the value stream, that can change the working relationship between employee groups and management, and that can let the 787 and the A380 get back on track.

Folks are working on it in various pockets around our businesses, and we're making inroads. Yet, culture change finally succeeds because enough people change their minds about the nature of reality. Individuals choose to act in these ways. It starts with paradigm pioneers - people who take a step in faith to apply the new model because it seems to work better and because it just feels right.

A Chinese proverb says the best time to plant a tree is twenty years ago; the next best time is now.

This mind change should have occurred across our industry more than twenty years ago – but it didn't. I hope you agree that the next best time is now.

When you read this book, I hope you'll find that it resonates with you…and you'll choose to become a paradigm pioneer.

For now, thank you very much for your time and consideration.

For more information or with comments, please contact
The Mattford Group
P. O. Box 5454
Incline Village, NV 89450-5454 USA
Phone: 775.832.5300
Fax: 775.832.5302
E-mail: Mattford@aol.com
Web: www.negotiatingsolutions.com