

ODI High Performance Work Initiative Programme 2015/16

Case Report – Taege Engineering Limited Leadership Behaviours

Company Background

Taege Engineering Limited (Taege) has been in operation as a family-owned manufacturer of agricultural machinery and equipment since 1923. It has a jobbing engineering and componentry operation in Sheffield, Canterbury, and its manufacturing base in Christchurch. Taege has 30 employees and a staff turnover of 13%.

Taege sells predominantly in the domestic market with an increasing export presence in Australia - currently around 15% of sales. In 2015/6 the company had total sales of \$7.5 million and break-even profit, following a number of years of double digit growth and fair annual profit. Cashflow has been tight for some years and has resulted in a history of slow payment to suppliers.

Taege is owned by Managing Director, Keith Taege, and at the start of this project was governed by himself and two external advisory board members. Two of Keith's brothers, Murray and Brian, hold management and operational positions in the company. In 2015 Mick Ingram was appointed as the first non-family General Manager.

The company has recognised strength in innovation and production of reliable products, based on its intimate understanding of its farmer and contractor clients and the conditions in which their equipment operates.

The appointment of Mick Ingram as General Manager reflects Keith Taege's and his advisors' intent to position the company for a future that is independent of family management; the younger Taege generations are not involved in the business and are unlikely to become so. Mick has licence to innovate and change and has been instrumental in engaging Taege in ODI's High Performance Work Initiative programme (ODI HPWI).

Consultancy Goal

Following the diagnostics phase of the ODI HPWI, Taege engaged in its first consultancy to develop a unifying purpose and vision that reflects current and future performance aims. Specifically, the consultancy goal was to create a consistent and shared view of how Taege can achieve sustained growth in sales that contributes to customer loyalty, innovation, financial wellbeing and reinvestment opportunities.

Following that consultancy, Taege engaged in this consultancy to determine the leadership behaviours that would support the organisation to deliver the vision. The programme allowed for up to 40 hours of external consultation with ODI consultant, Kris Cooper, to develop and implement leadership behaviours. More specifically, the consultancy goal was

- To develop agreed leadership behaviours for Tiers 1 and 2 that will help deliver the culture of the business necessary to achieve the vision for Taege Engineering.

Consultancy Action Plan

As a result of consulting with the General Manager, it was determined that a group consultation and subject matter expert approach would be useful. This was because to successfully deliver this work it would be necessary for the consultant to build awareness of the business challenges in relation to delivering the vision, compared to the current delivery mode; as well as for the managers to open their thinking to the particular behaviours they needed to deploy to achieve the aspirations for Taege.

The consultant met with the Tier 1 managers to discuss seven characteristics of culture in organisations, what they thought their current organisation/behavioural practice was and what they thought those practices needed to be to deliver the vision. They also identified what they wanted to be known for by their best customers, and there was a general discussion about what leadership means in the context of what they want to achieve. Follow-up conversations with individuals helped the consultant gain perspective and particular examples about how the key behavioural leadership aspects are thought of, or could be thought of, at Taege¹. This was with a view to gain insight into the unique aspects of Taege leadership and the language of the organisation.

For Tier 2 managers, a separate conversation was held. During this conversation, the vision was shared and the Tier 1 leaders' summaries of current and ideal cultural elements. As well as talking about leadership in general and getting views on what Taege ought to be known for by their best customers, specific views were sought on the key behavioural leadership aspects, and any aspects of leadership they thought were unique to Taege.

From these discussions, a draft outline of leadership behaviours was prepared and sent to Tier 1 leaders for comment and review. Rather than getting individual feedback, in conjunction with the General Manager, it was decided to hold a meeting of the Tier 1 and 2 leaders to provide their views. This was duly done, and the leadership behaviours were updated as a result of discussions.

The consultant then prepared a feedback methodology to allow managers to self-assess and gain peer feedback on their current performance of the agreed leadership behaviours. The ODI SOAR development planning sheet was provided to support managers to prepare a leadership development plan as a result of what they learned in their self-assessment and peer feedback. It was intended that any remaining consultancy time would be used to support managers with their development through one-to-one coaching, either to prepare their leadership development plan if that was proving tricky, or in the development of specific leadership behaviours.

Consultancy Outputs Produced

These bespoke outputs were produced by the consultancy:

- **Taege Leadership Behaviours:** In overview, it was identified that Taege Leadership Behaviour is about: walking the talk, designing the future, engineering together, growing people, and groundbreaking delivery.

The Taege Leadership Behaviours are as outlined over.



- **Leadership Behaviours Feedback Form:** This is a form to guide the assessment of current leadership behaviours. It houses the self-assessment of leadership behaviours and the record of feedback from colleagues. Once completed, this form can then be used to inform a leadership development plan.
- **Leadership Behaviours Colleague Form:** This is a form that managers could use to get written feedback, if they elected to do this rather than (use the recommended method of) talking to the identified colleagues.

As noted earlier, Taegge was also provided with the ODI SOAR tool to help managers prepare a leadership development plan.

Issues, Opportunities and Solutions identified during the Consultancy

It is inevitable that issues arise as a result of consultancies like this. At Taegge, the **biggest challenge** was progressing this work just as the organisation commenced its 'busy season'. Success with generating orders made for challenging work scheduling, and so it is laudable that managers made time to attend and actively contribute at the group meetings. The challenge in this environment is continuing to get that commitment outside of the group setting. In many organisations, spending time on their own leadership development is viewed by managers as a non-urgent activity, and so in busy times, it ends up being bottom of the priorities. Another organisational challenge for the General Manager to navigate in this context has been evolving governance structures as a result of owner decision making. This is particularly challenging when orders are high and work programmes feature intense delivery schedules. In most organisations this combination of challenges leads to faltering progress on projects like this. This has been the case since the group-led components of this consultancy.

The **biggest opportunity** that arose through this consultancy was in the *conversations about leadership*. The group conversations to gather data for leadership behaviours and the subsequent feedback on the draft leadership behaviours featured animated, honest conversations about what matters to Taegge

managers. That Taege elected to have these conversations is courageous and testament to the commitment the owner has to considering alternative approaches that will enable delivery of the 'big vision' – a vision that requires capacity beyond individual style. Inevitably in the busy environment, some people had to come and go from the meetings, but overall everyone was involved and took their part in the process seriously. The energy, loyalty and commitment from managers to ensure Taege's success was highly evident in the style of the conversations and the nature of what people discussed. People had courage to raise issues that were important to them, and were keen to listen to perspectives that would help them further understand the approach to leadership at Taege.

Solutions offered by this consultancy are best summarised as the production of *documents that can be used to 'continue the conversations' about effective leadership* at Taege. At the end of the busy season it would be good to revisit the progress made and consider what else can be done to embed awareness, capability and confidence in managers to exercise good quality leadership. If this can be done, it is highly likely that the next 'busy season' will benefit from heightened capacity and delivery through improved leadership performance.

Assessment of Results and Outcomes achieved

The General Manager expressed satisfaction with attendance and participation in the meetings to develop the leadership behaviours. While the quality conversations raised both strengths and challenges for the business, they enabled collective understanding about the progress in leadership development Taege can expect and deliver. As reflected in comments from the first consultancy case study, key organisational metrics have improved during the consultancies,¹ and these successes have increased work demands. Since the leadership behaviour workshops, during the continuing busy season, managers have built on the strengths identified in their conversations around being "focused" and "going the extra mile" to deliver great products to their customers. These are leadership outcomes any organisation can be proud to own.

The Way Forward (90-day and 180-day implementation expectations)

During the next 90 days it is expected that the busy season will continue to (quite rightly) dominate managers' attention, providing ripe ground for practicing and witnessing the Taege leadership behaviours in action.

During the next 180 days it is expected that the leadership behaviours document will be revisited to debrief the handling of the busy season, and inform learning for next time. It is also expected that the development plans for individual leaders will be able to highlight particular priorities for individuals that will build capability and confidence. In this way, it is expected that leadership behaviour debriefing, and subsequent personal action, can be embedded as a 'business as usual' approach to the "good processes and protocols" that enable "Ground-breaking Delivery" of what Taege Leadership is (all) about.

Kris Cooper
ODI
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¹ As noted in the Vision case study, period sales, cashflow and profitability have all improved. For 2016/17 the company is on track for \$8 million of sales, with 15% in Australia, and good profit. Cashflow has significantly improved, due largely to planned reductions in inventory, enabling creditors to be paid on time.