



Criteria for Performance Excellence

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Leadership

True leadership cannot be awarded, appointed, or assigned. It comes only from influence, and that can't be mandated. It must be earned. The only thing a title can buy is a little time—either to increase your level of influence with others or to erase it.—John Maxwell from his book *The 21 Irrefutable Laws of Leadership*.

So what is effective leadership and who can provide it? As we complete another presidential election in the U.S., I'm sure many of us have asked similar questions. Even looking within our own organization, both NACE International and the NACE Foundation have recently completed searches for executive directors to "lead" us into the future.

Outgoing or shy, aggressive or passive, attractive or plain—we all have a mental image of a leader's style and appearance. The reality is that effective leaders come in all sizes and shapes, but there are some common traits. Warren Bennis, in his book *LEADERS*, identifies four attributes common to leadership excellence:

- **Vision**—seeing a realistic future state and developing strategies to achieve it
- **Communication**—clearly sharing vision and strategies
- **Trust**—based on positioning
- **Commitment**—an action orientation

As countless leader-authors have pointed out, leadership is a balance of character, values, integrity, respect for others, courage, learning, and, lastly, knowing how to share success.

And how important is leadership? This is a much easier question to answer. News broadcasts and headlines are full of stories about corporate misdeeds and criminal prosecution of corporate executives. Some of these have touched extremely close to home within our own industries. Unfortunately, these incidents tend to create the impression that leadership failures are widespread and are the rule, not the exception.

A recent article in *USA Today* stated that corporate executives now rank right down there with lawyers in terms of reputation. The article goes on to state that any CEO who came along and said he wanted to put social responsibility equal to fiduciary responsibility would definitely not last very long. That view seems to place little importance on values and character. But General Norman Schwarzkopf has this view on

the importance of character: "Leadership is a potent combination of strategy and character. But if you must be without one, be without strategy." Character builds trust. Trust enables leadership.

Within the Malcolm Baldrige National Quality Award Program, the criteria for leadership excellence encompasses both organizational leadership as well as social responsibility. In the area of organizational leadership, applicants are measured by:

- How do leaders set, deploy, and communicate values, direction, and performance expectations to all stakeholders?
- How does an organization accept accountability for actions and create processes to protect all stakeholder interests?
- How do company leaders review performance and use results for improvement at all levels throughout the organization?

Social responsibility has become increasingly important in view of the highly publicized corporate scandals during the last couple of years. Companies charting their leadership excellence through the Baldrige process must demonstrate how their companies respond to these criteria:

- How does your company address impacts on society of products, services, and operations for the present and future?
- How is ethical behavior measured and monitored throughout your organization?
- How does your organization identify and support key communities?
- How do organizational leaders and employees contribute to improving key communities?

Honestly answering these questions about you and your organization will point out gaps in performance and highlight improvement opportunities. Achieving operational excellence is an unending journey. Someone is always raising the bar for excellence—let your company be the one that sets the standard.

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