



Developing Employee Ownership



MINE LEADERSHIP TRAINING GROUP

Current Conditions

Companies in the mining industry today :

- Need their employees to have a sense of “ownership” in the business.
 - employees as partners
 - employees as advocates
- Need employees who can adapt to change
 - Understand the need for change
 - Not resistant to change



Ownership Descriptions

- More receptive and open
- Accept the need for change
- Respond quickly to change;
Change comes from within
- Continuous improvement efforts
- Employees act as partners
- Takes ownership of the industry
away from work

Ownership Delivers

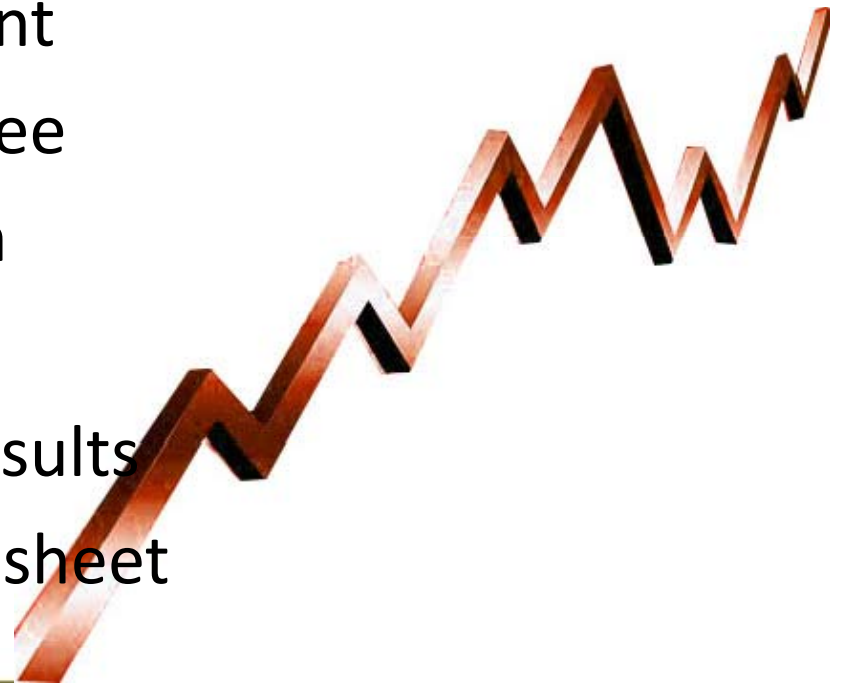
Ownership delivers to the business:

- Motivated employees
- Employees who can change and adapt as needed



Ownership Outcomes

- Increased business flexibility
 - Change-able processes
- Increased commitment
 - Motivated employee
- Increased satisfaction
 - Stable workforce
- Improved business results
 - Profitable balance sheet



3 Counter Trends

- Diseconomies of Scale
 - Impact of company size
- Generational Diversity
 - Impact of age-diversity
- Turbulent Times
 - Impact of economic condition

» Re-Engage, by Branham & Hirschfeld

Employee Ownership

Employees who feel **ownership** are **motivated**

- ...motivated employees are engaged and productive. They add value to the organization

- ...where motivation is lacking, value is diminished. Additional costs are incurred. Productivity, safety, and long-term success is limited.



Employee Ownership

Employees who feel **ownership** are able to **adapt to change**

- ...employees are “Ready for Change”. They add value to the organization
- ...where change is resisted, opportunities are lost. Productivity, safety, and long-term success is limited.



Ownership

- Motivation
 - At work
 - Away from work
- Change Readiness
 - Planned Change
 - Emergent Change

Create a Culture of Ownership

Goals for this talk:

- How to develop and sustain workforce motivation.
- What is a “Readiness-for-Change” Culture?
- What are the necessary ingredients for such a culture?
- How can you measure whether or not you have a culture that is “ready-for-change”?

Dealing with Motivation

It is not enough to be able to effectively deal with change. You need something more.

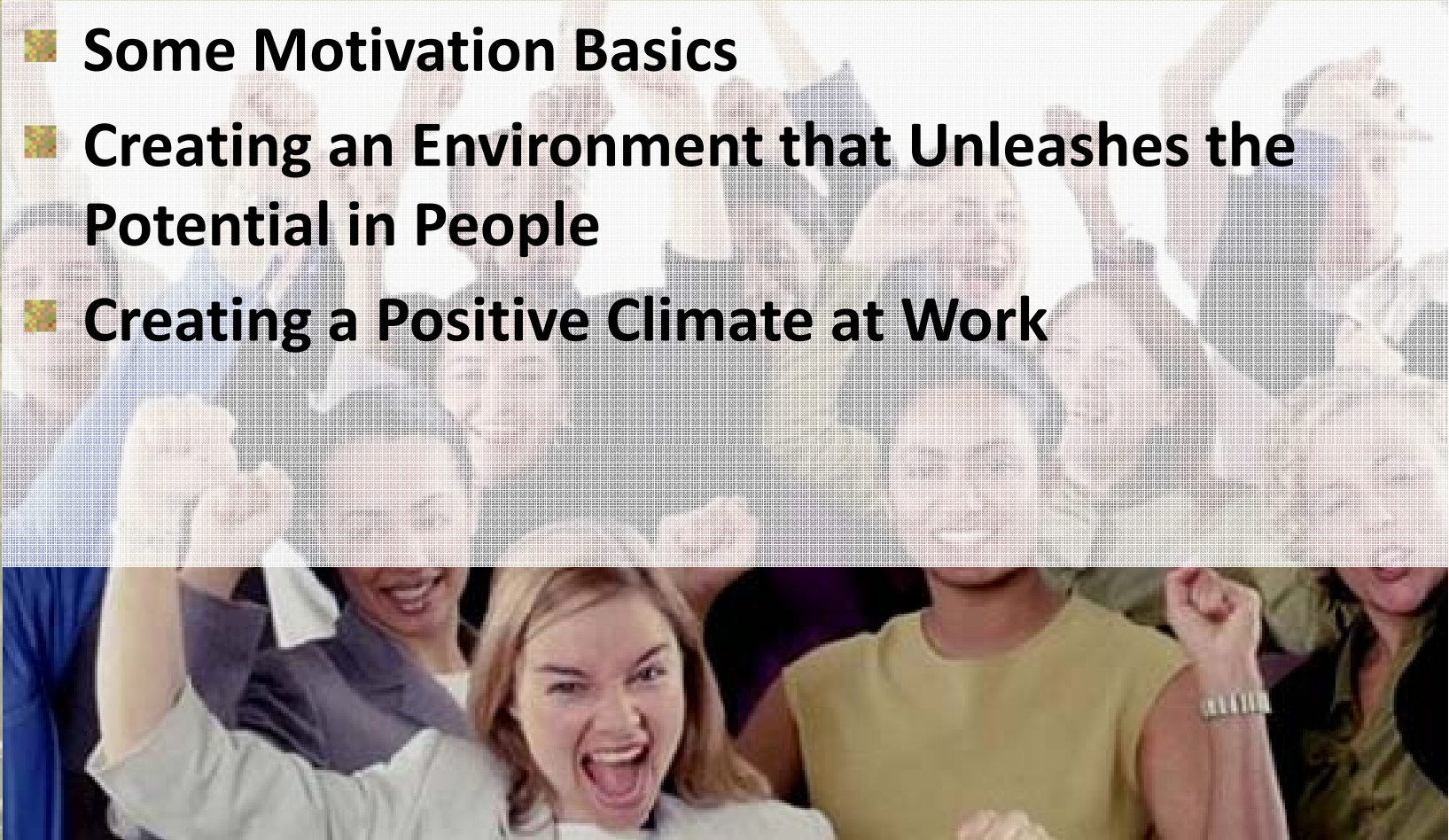
You need another product of ownership:
Motivation.

“Have some fire. Be unstoppable. Be a force of nature!” ~ Cristina Yang



What We'll Cover Here:

- **Some Motivation Basics**
- **Creating an Environment that Unleashes the Potential in People**
- **Creating a Positive Climate at Work**



Part One

SOME MOTIVATION BASICS



Five Ingredients to be Successful at Anything

1. A Goal
2. A Plan
3. Ability
4. Motivation
5. Teamwork

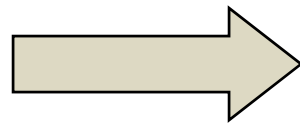


Five Ingredients to be Successful at Anything

1. A Goal
2. A Plan
3. Ability
- 4. Motivation**
5. Teamwork



What is Motivation?



Effort!

**US Army
Research
Institute
Study**



The Importance of Effort

“Continuous effort – not strength or intelligence – is the key to unlocking our potential” - Black Elk

“Always bear in mind that your own resolution to succeed is more important than any one thing” - Abraham Lincoln

“Obstacles can’t crush me; every obstacle yields to stern resolve” - Leonardo da Vinci



What Motivation is Not:


- Wanting something
- Being inspired
- Being satisfied
- Making a resolution



An Expanded Definition of Motivation:

**Sustained
Effort!**





**“Lack of sustained effort
has prevented many of us
from realizing our dreams.”**

How to Sustain Effort:

- Prioritize
- Sacrifice
 - Starting a business
 - Going back to school
 - Writing a book



Two Types of Motivation

- **Extrinsic**

The source of motivation is external rewards and punishment, such as pay, promotion, avoiding reprimands, etc.

- **Intrinsic**

The source of motivation is “intrinsic” to the task itself, such as challenging work, feelings of pride and accomplishment



Comparative Impact

- The Power of Intrinsic Motivation
 - A shelving production record
 - HR managers learning Lotus
- The Power of Extrinsic Motivation
 - Get you to do anything
- Problem with Extrinsic Motivation

Daddy's Home!



An illustration of how extrinsic rewards can ruin perfectly good intrinsic motivation.

Exercise 1

Identifying Intrinsic Rewards at Work





Part Two

**CREATE AN ENVIRONMENT
THAT UNLEASHES THE
POTENTIAL IN PEOPLE**



Lighting the Fire Within

- F** Feedback
- L** Lots of skills
- A** Autonomy
- M** Mine
- E** Effect on others

Creating Intrinsic Motivation in the Workplace

Feedback

Before

L

After

✓

Lots of Skills

L

✓

Autonomy

L

✓

Mine

L

✓

Effect on others

L

✓



Exercise 2

Applying FLAME at Work



Part Three

IMPROVING MORALE AT WORK



Creating a Positive Climate at Work!

- Showing interest
- Paying attention
- Expressing appreciation
- Celebrating successes
- Having fun



Positive Lessons at Work

- **Lesson One**

Positive actions you take can have a powerful impact on the behavior of others

- **Lesson Two**

Positive actions you take can have a “bottom line” impact on organizational success

- **Lesson Three**

Positive actions you take can lead to improved human relations and team spirit



Lessons *(continued)*

- **Lesson Four**

Positive actions you take can help people cope with the bad days

- **Lesson Five**

Having fun every once in a while can build camaraderie and team spirit

Exercise 3

Creating a Positive Climate at Work



Exercise 4

Improving Morale at Work



Summary

- Motivation is “sustained effort”
- There are two types of motivation
- Intrinsic motivation sustains behavior
- To increase motivation, add FLAME to the job
- To improve morale, create a positive climate at work by paying attention, showing interest, expressing appreciation, celebrating successes, and having fun





Part Four

Change-Readiness

Dealing with Change

- All change is not growth, as all movement is not forward -- Ellen Glasgow
- Any change, even a change for the better, is always accompanied by drawbacks and discomforts -- Arnold Bennett
- There are two primary choices in life: to accept conditions as they exist, or accept the responsibility for changing them -- Denis Waitley

Two Types of Change

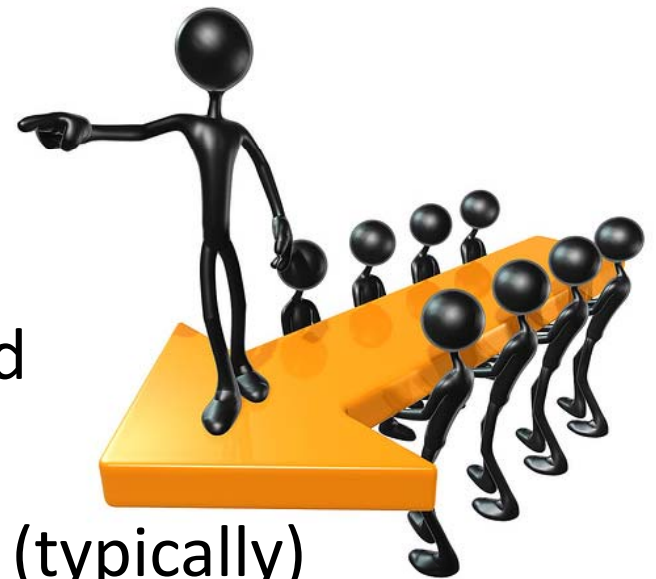
Planned
Change



Emergent
Change

Planned Change

- Anticipated; expected; predetermined
- Centrally managed
- Finite in nature
- Occurs as it was intended
- Assumes shared values and consensus
- Must overcome resistance (typically)
- Good for stable environments



Emergent Change

- Not planned ahead of time
- Arises naturally
- Not centrally originated or managed
- Improvised; ongoing; continuous
- Requires an “open” management style
- Resistance is usually not an issue
- Good for dynamic environments



Characteristics of a “Ready-for-Change” Culture

- Planned change initiatives are more easily understood and accepted by the organization

AND

- Change can emerge continuously from anywhere in the organization (i.e., “emergent change” is possible)

Exercise 5

Two Types of Change

Creating an Organization That Is “Ready-for-Change”

The Premise:

- If you install the right cultural elements in an organization, then change can “emerge” on its own.
- Further, the presence of these same elements will also help planned change be more easily accepted by the organization.

The Three Cultural Elements

1. A business literate workforce
2. A workforce that believes they have permission to act
3. A culture that allows people to both offer new ideas and challenge the status quo



Three Cultural Elements

1. A business literate workforce

If you want employees to react quickly and to embrace change rather than resist it, the more they understand the business the more likely you will succeed.

More on Business Literacy

A business-literate workforce is one in which all participants understand the following:

- The strategic environment in which the business operates
- The personal impact they can have on critical business outcomes

Key “Enabler” for Change-Readiness:

The Right Leadership

"Leaders establish the vision for the future and set the strategy for getting there; they cause change. They motivate and inspire others to go in the right direction and they, along with everyone else, sacrifice to get there." *(John Kotter)*

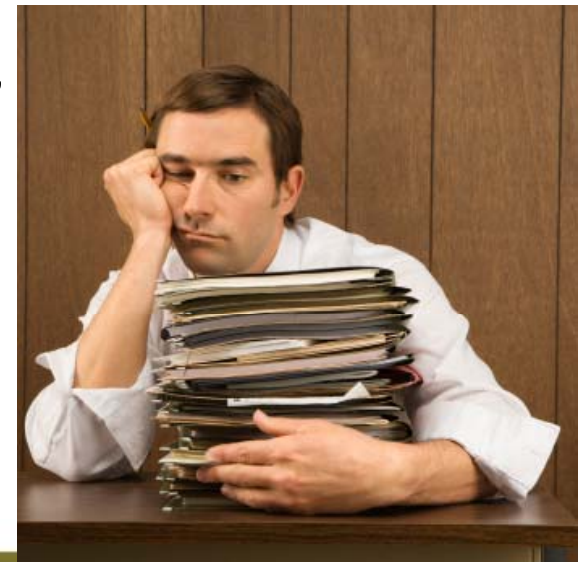
National Gallup Poll Results

How “personally” are employees engaged?

29% are “engaged”

54% are “not engaged”

17% are “actively disengaged”

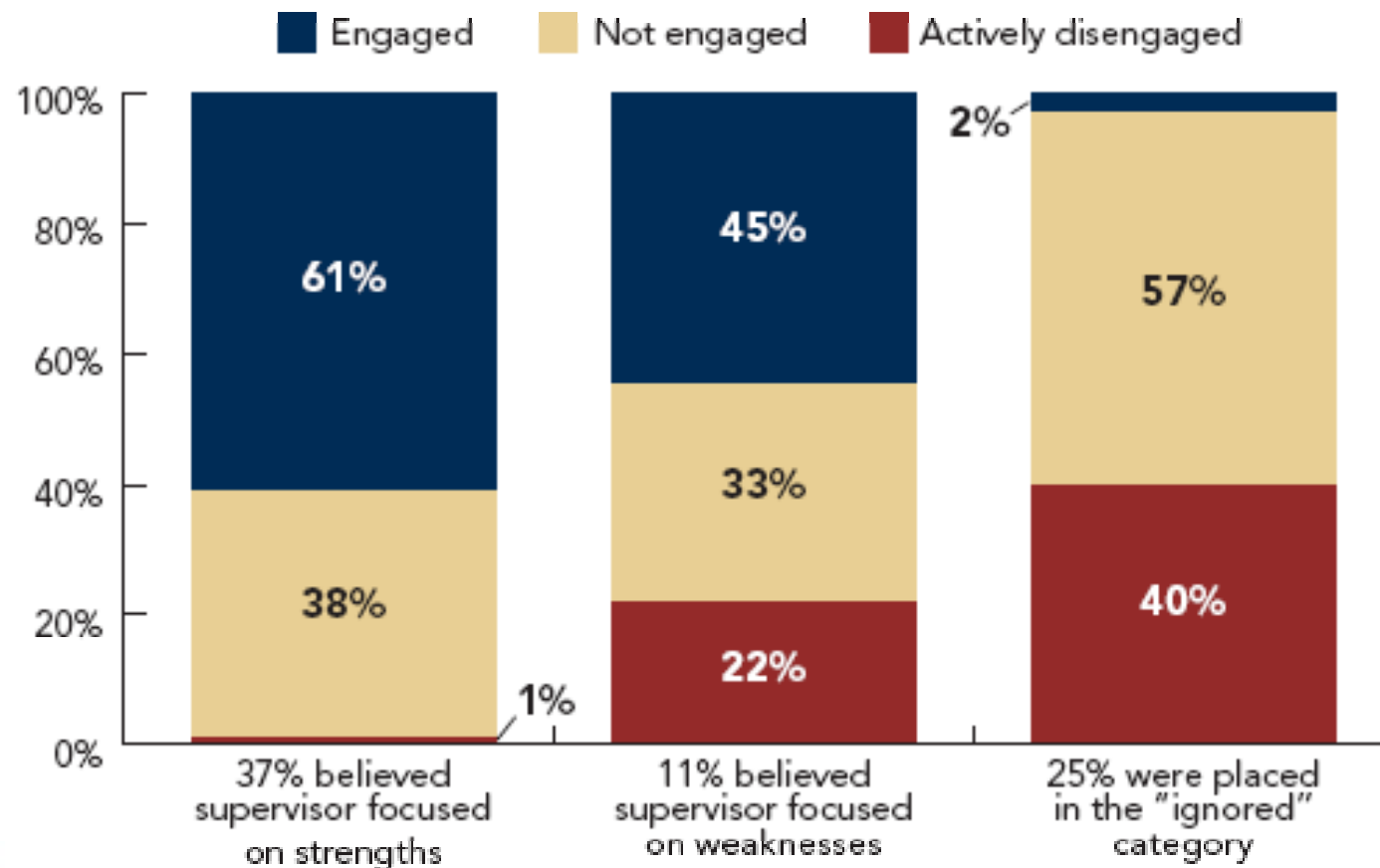


Gallup Poll Conclusions

Here is what those in the “engaged” category said about their leaders:

1. We trust our leaders
2. We have mutual respect
3. They are highly selfless
4. They are supportive & help us succeed
5. They value personal relationships

Impact on Engagement



Source: Gallup Inc., 2009

Key “Enabler”: The Right Leadership

- Willingness and ability to share strategic business information
- Willingness and ability to explain personal impact
- Willingness to create a climate in which new ideas are encouraged and all ideas are considered.
- Good communication habits and skills



Sharing Business Information

We don't necessarily mean classroom instruction. Methods could include:

- Informal conversations
- Posting business results
- Group discussions
- Giving the “big picture”
- Communicate the vision and values
- One-on-one coaching



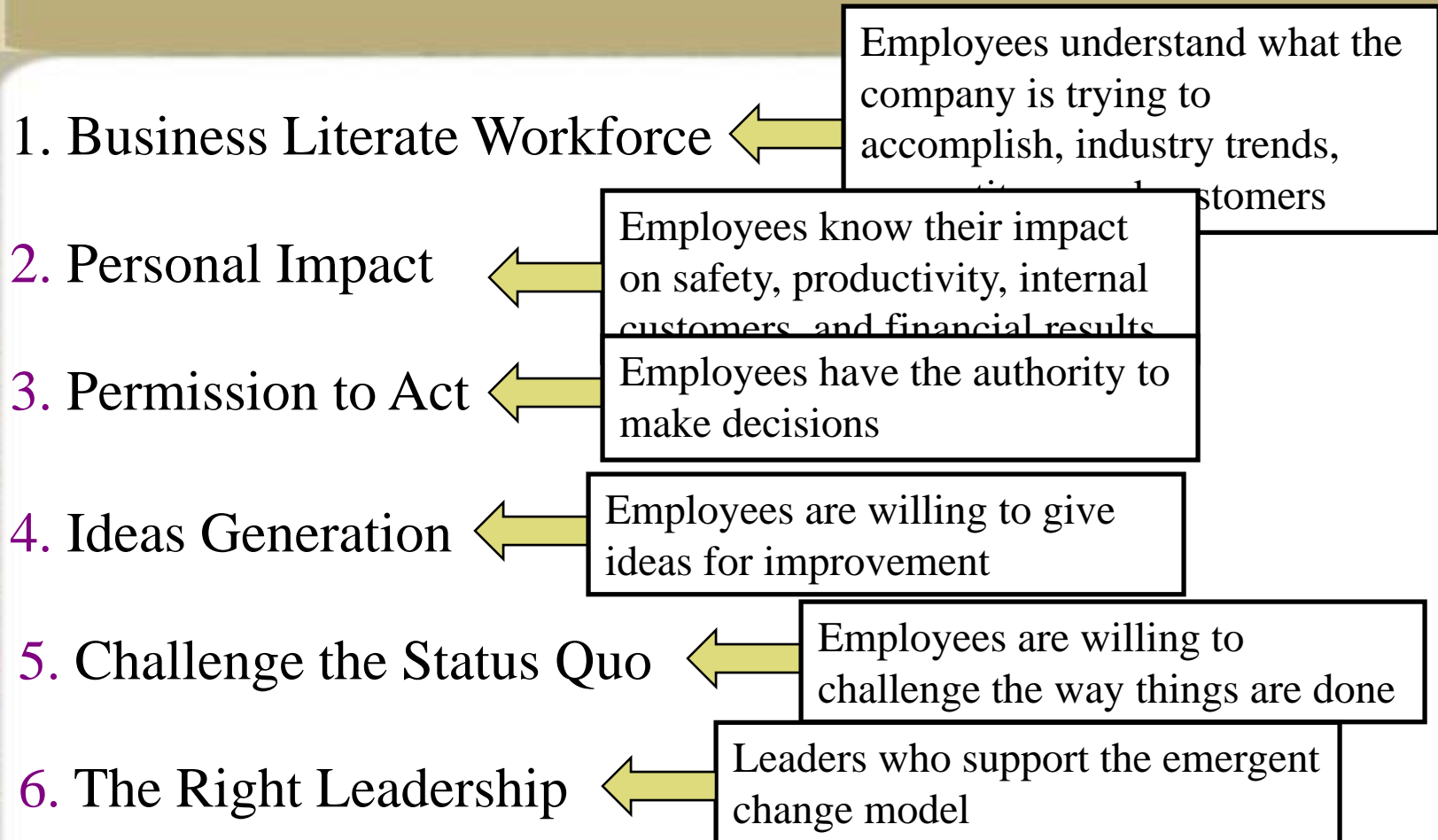
Benefits Of This Cultural Shift

In a “ready-for-change” culture, employees will:

- Understand better the need for change
- Assume more responsibility for change
- React more swiftly to change
- Fear change less
- Offer suggestions and make improvements on their own
- Feel more “ownership” in the business
- More likely act as “partners” in the business



The Necessary Cultural Ingredients for Change



**Install Key
Cultural
Elements**



**"Ready-for-
Change"
Culture**



**Business
Outcomes**

←
Strategic Understanding
Personal Impact
Permission to Act
Challenge the Status Quo
Idea Generation
The Right Leadership

←
Less resistance
Accept the need for change
Respond quickly to change
Change comes from within
Continuous change
Employees act as partners

←
Increased business flexibility
Improved business results
Increased commitment
Increased satisfaction

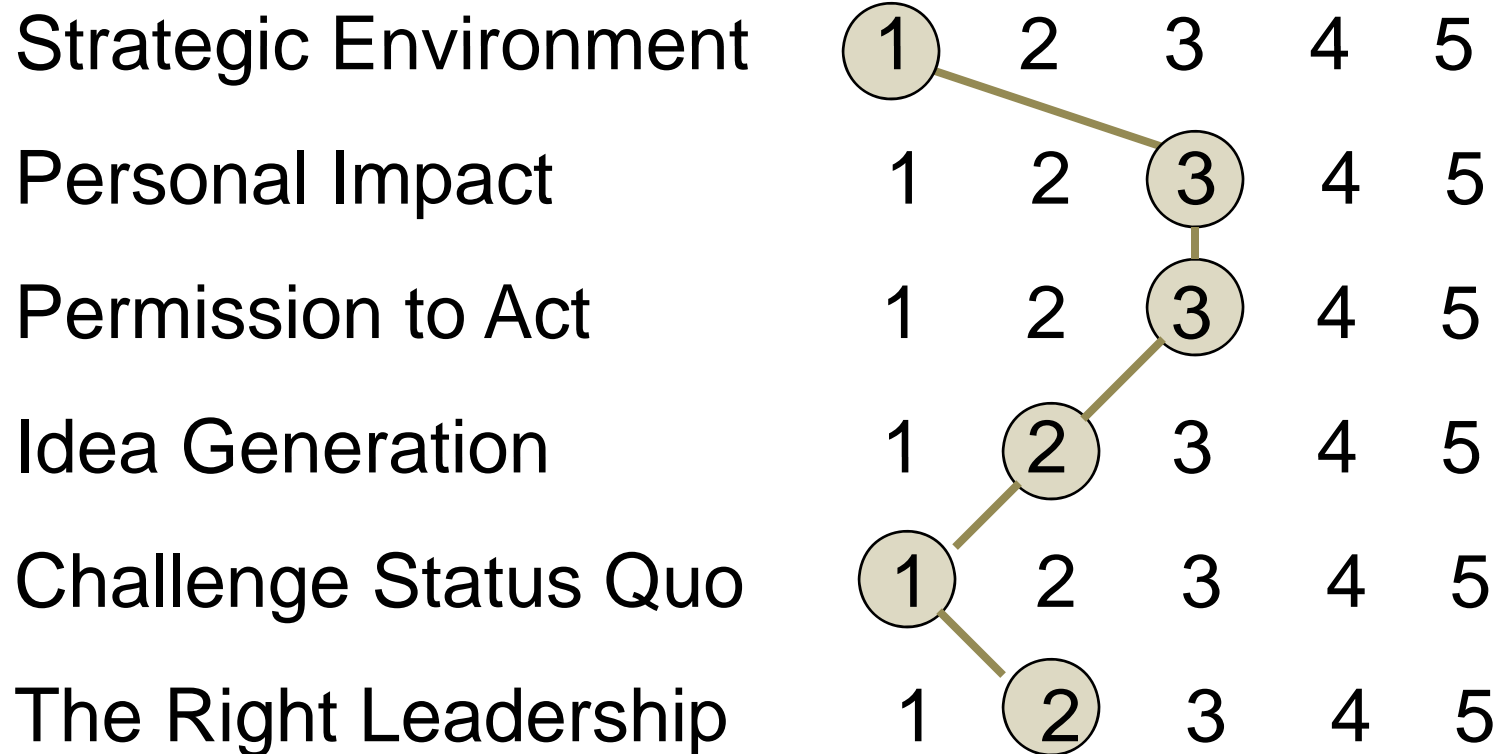
Measuring A “Readiness-for-Change” Culture

Three Steps:

1. Diagnose your organization
2. Establish a baseline
3. Monitor progress in creating a “ready-for-change” culture



A Sample Assessment Profile



Exercise 6

Factors that Impact Change-Readiness



Reaction...

- Questions and comments?

Exercise 7

Personal Action Steps



Contact Us

- www.mineleadership.com
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