

Action Guidance

Supporting Resilience and Sustainability
Through People Behavior



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Making our point



The *New Normal* of economic and socio-political environment



New generations entering the labor market



Increased/increasing awareness on climate and social issues

Resilience

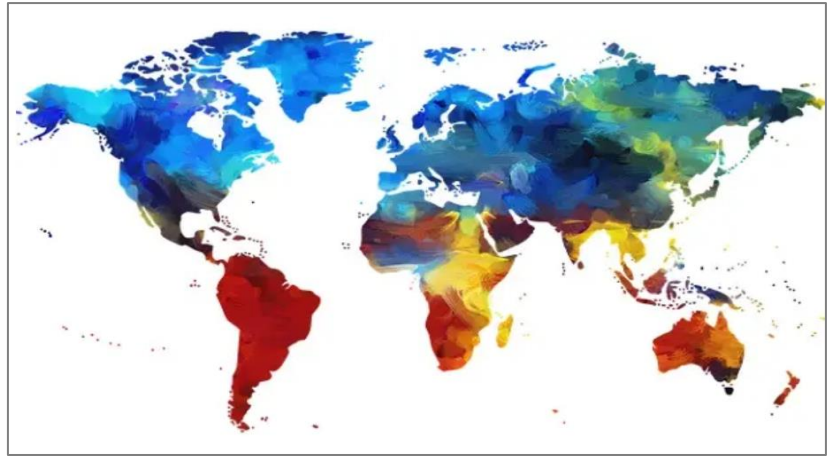
&

Sustainability



Supply Chain Network (re)design
Renewed managerial, leadership and Human Capital Management approaches

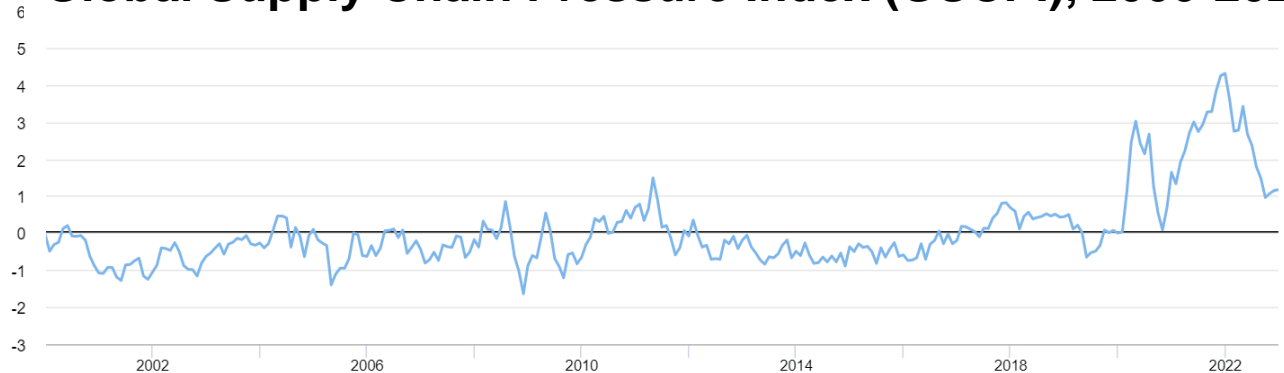
Context Understanding



Unprecedented challenges



Global Supply Chain Pressure Index (GSCPI), 2000-2022



Source: <https://www.newyorkfed.org/research/policy/gscpi#/overview>

Conceived by the Federal Reserve Bank of New York, the GSCPI combines commonly used metrics on variables that put global supply chains under pressure, like delivery times, raw materials purchasing and transportation costs, overall customs duties.

The GSCPI is expressed in terms of standard deviations from the average pressure affecting global supply chains.

Global Supply Chains are facing a “New Normal” of unprecedented pressure, volatility and uncertainty

Unprecedented challenges

innovation through passion



**Overlapping phenomena:
“Great Resignation”
“Quiet Quitting”**



**Employee Shortage
Skill Mismatch**



**Younger generation's
impatience**



**Increased distress and
Burnout conditions**



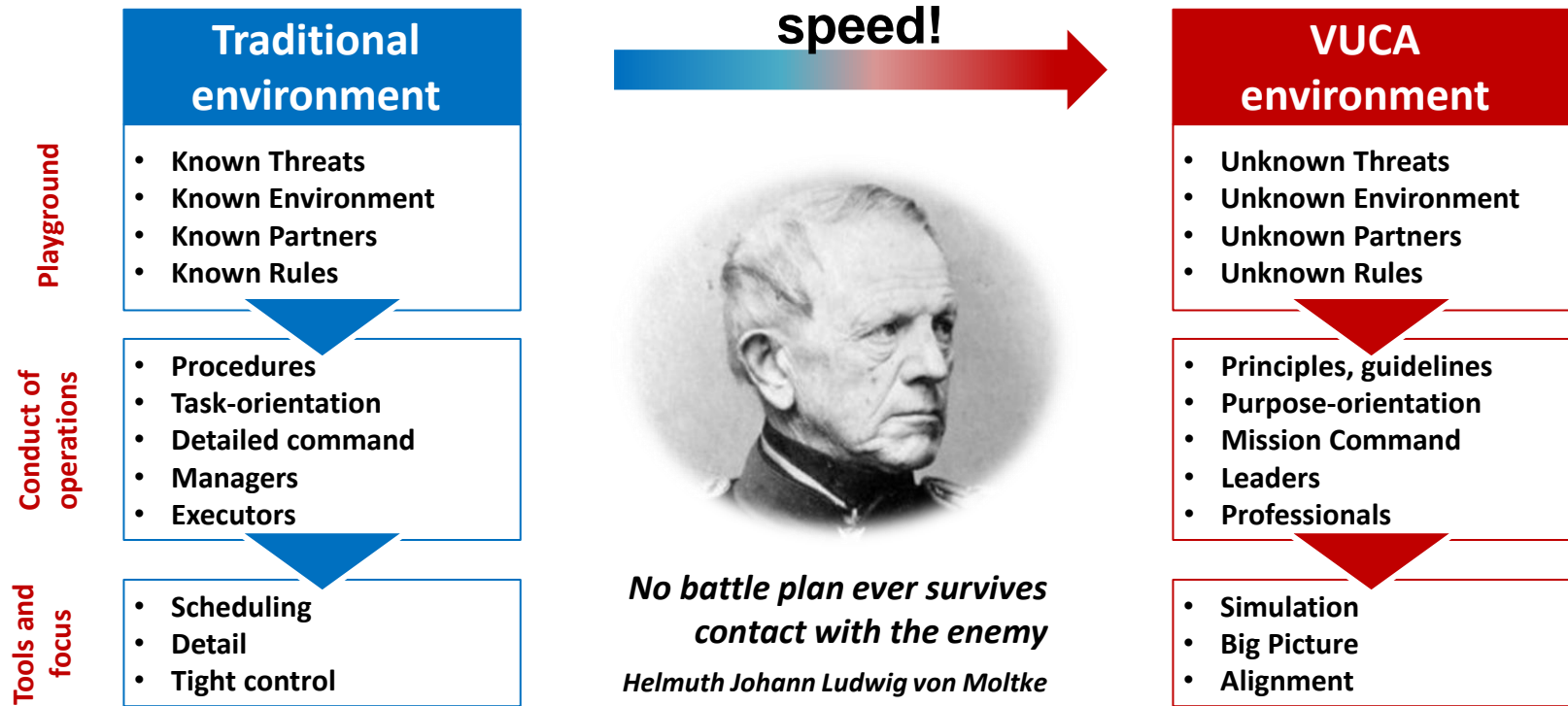
**Increased competition
In hiring and retaining
talented People**



**Digitalization and new
working modes**

**Emerging workplace and social phenomena and acceleration
of existing ones**

VUCA: the implications



Totally different styles in the conduct of operations are required

Action Guidance



achieving
organizational
resilience

Action Guidance defined

What is it?

The approach to operations management that supports and fosters **decentralized decision-making and execution** appropriate to the situation, exercising **disciplined initiative**

What does it imply?



provide a clear intent

push down decisions where action takes place

take initiative and (calculated) risks

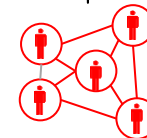
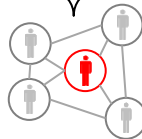
What does it ask for?

motivation

competence

intra-Team cohesiveness

inter-Team cohesiveness



Making the right choice

**Detailed
Guidance**

VS.

**Action
Guidance**

**Insufficient People's
competence**

**Not yet consolidated
mutual trust**

**Risk severity unmanageable
at lower organization's levels**

**Known and acceptably
stable contexts**

**People's high level
of competence**

**Well-consolidated
mutual trust**

**Risk severity manageable
at lower organization's levels**

**Unknown and highly
unstable contexts**

**The preferred choice
for the New Normal...
... but we must know
how to apply it !**

Action Guidance: the 7 pillars



- Empowerment
- Decentralized decision-making and execution
- Appropriateness to the situation

- Disciplined initiative
proactive, purpose-oriented, behavior and determination
- Risk acceptance
risk assessment & treatment, error acceptance
- Competence
method, education, training
- Mutual trust
shared values, feedback, cohesive teams, relationship quality
- Shared understanding
context understanding, situational awareness
- Clear Leader's intent
unambiguous statements, dissemination, comprehension check
- Action Assignments
Who, What, When, Where, Why

Action Guidance: required traits

SCM Leaders

Strategic thinkers and engaging Leaders

- quickly and thoroughly **understand** the (changing) **environment**
- leverage **“fingertips feeling”**, sensing what really matters in the fog of unfolding events
- **make a vision** about the needed course of actions, even with limited or contradictory information
- **set** the most appropriate **guidelines** for their Teams
- **communicate in a crystal way** their intent and guidelines (Management by Purpose)
- **empower their Teams** to translate guidelines into decisive action
- be **frontline leaders**, but refraining from doing the job *in lieu* of their Teams
- **manage trade-offs** between result accuracy and available time

**provide purpose, direction
and motivation**

SCM Professionals

Proficient navigators of the “New Normal”

- quickly and thoroughly **understand** their Leader’s **intent**
- develop **situational awareness**
- **operate on guidelines**, not on specific instructions
- be capable of **thinking and acting “one level up”**
- be capable of **improvisation and innovation on the fly**

**seize the initiative
in unclear situations**

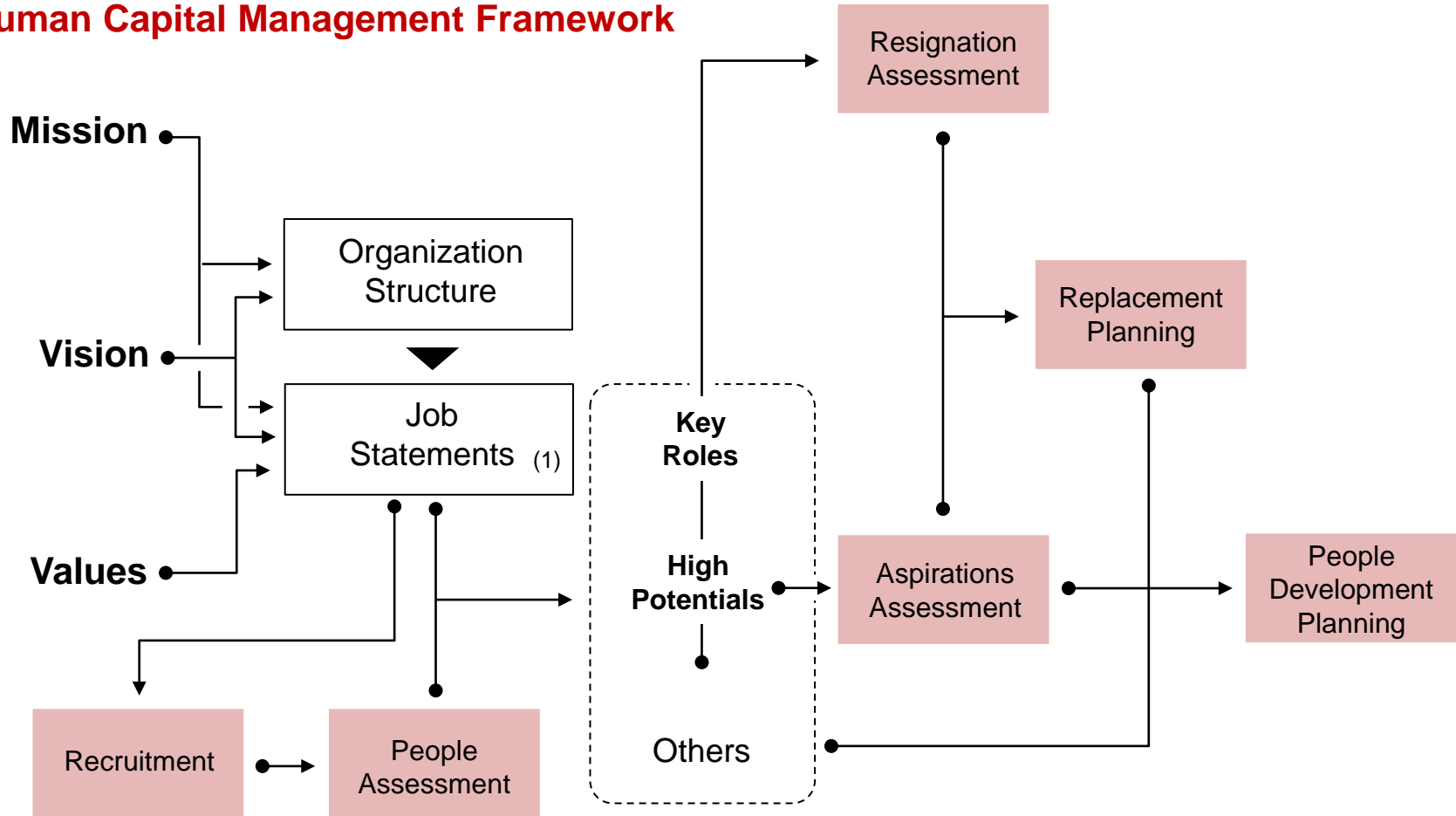
Human Capital Management Framework



attracting, retaining,
and developing
the right People

A holistic and balanced approach

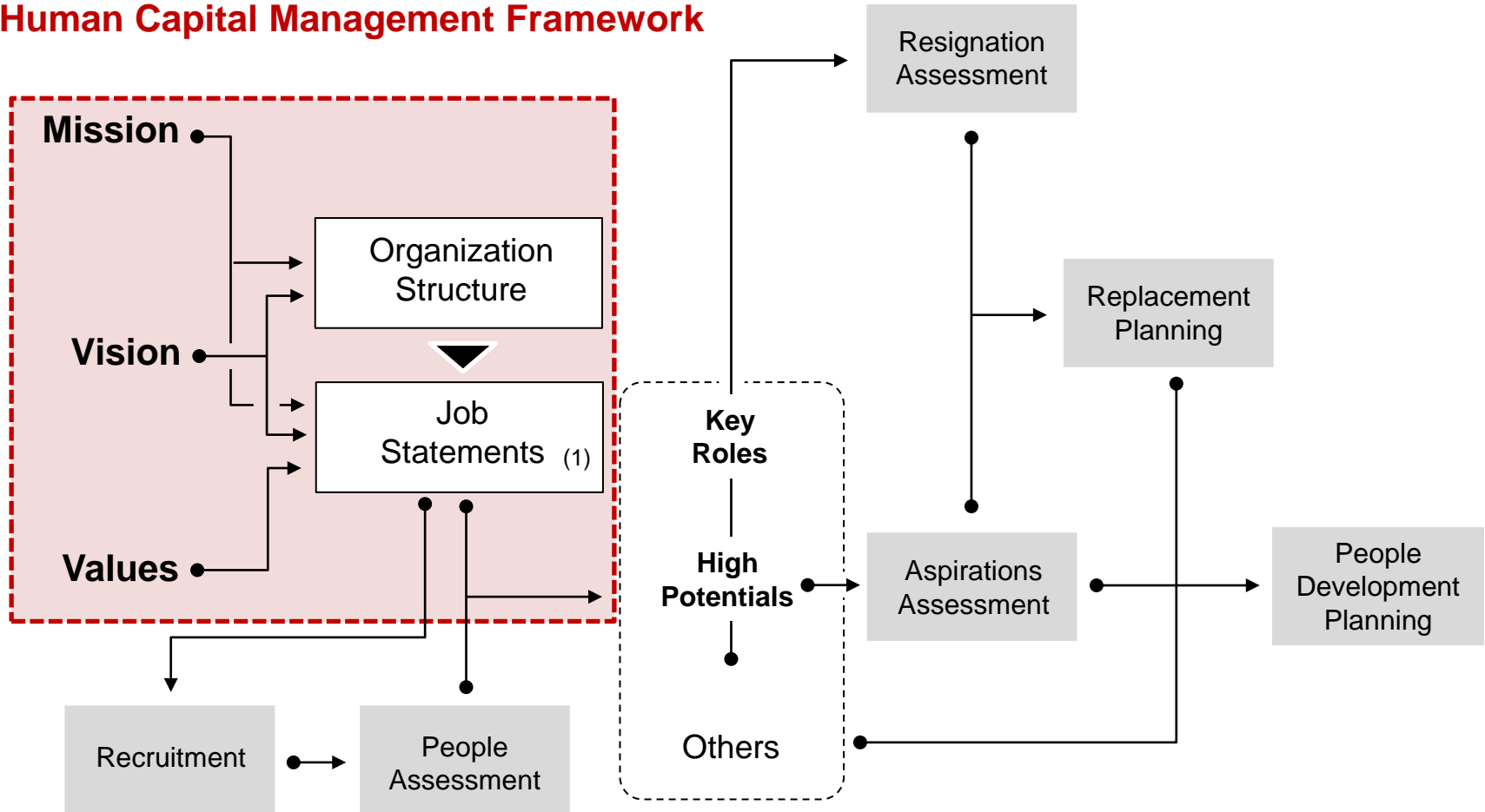
Human Capital Management Framework



(1) Purpose, Responsibilities, Soft Skills, Hard Skills, specific Skills

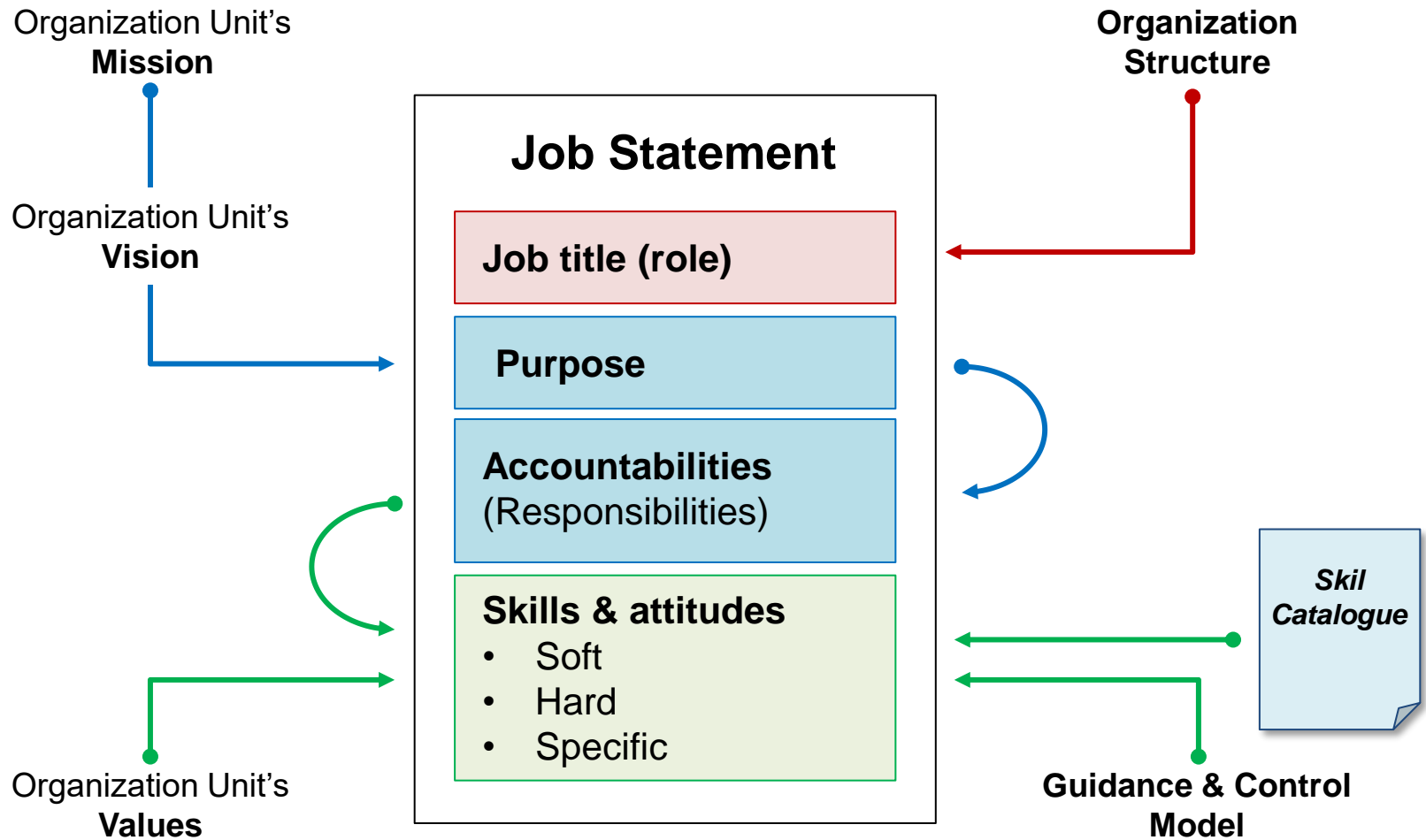
A holistic and balanced approach

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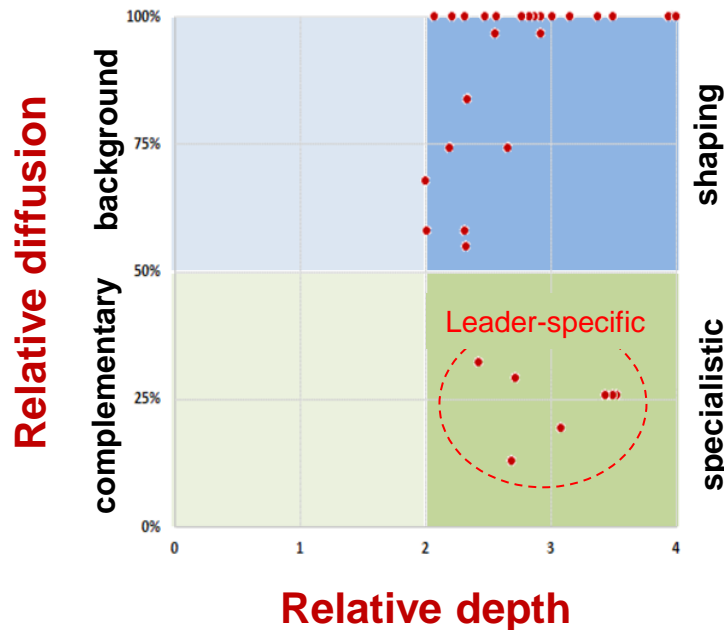
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Designing the Job Statement



Soft Skills for Action Guidance

Example: SCM organization



Result orientation

Initiative, creativity, decision making

Context Understanding, Situational Awareness

System and Analytical Thinking

Problem Framing (defining & solving)

Judgment

Relationship Management

Ethics and Integrity

Adaptive Leadership

Tenacity, Adaptability, High Stress Tolerance

Intellectual curiosity

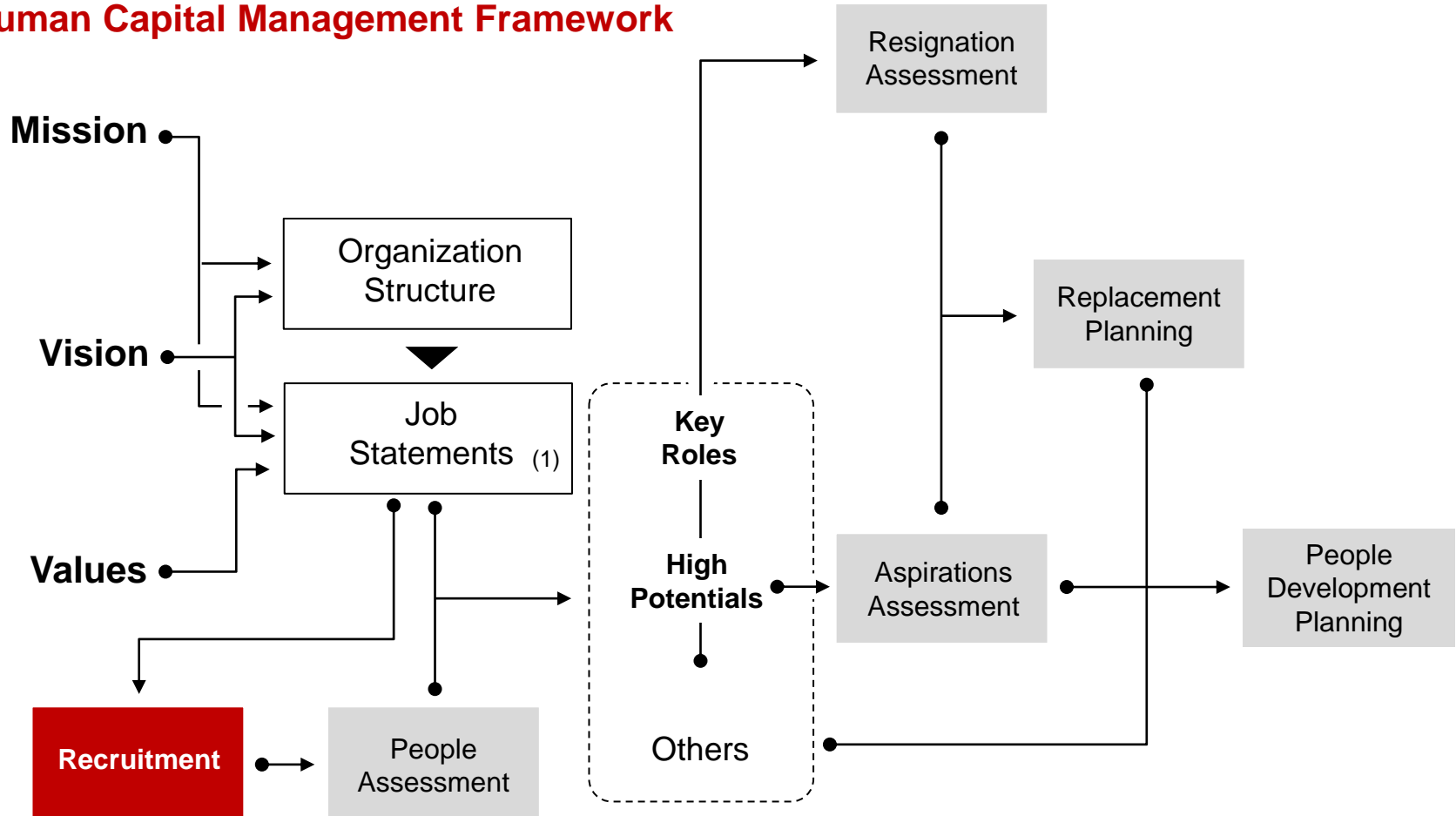
Self-confidence and Self-development

Empowerment

If you don't have them, this is not your right place!

A holistic and balanced approach

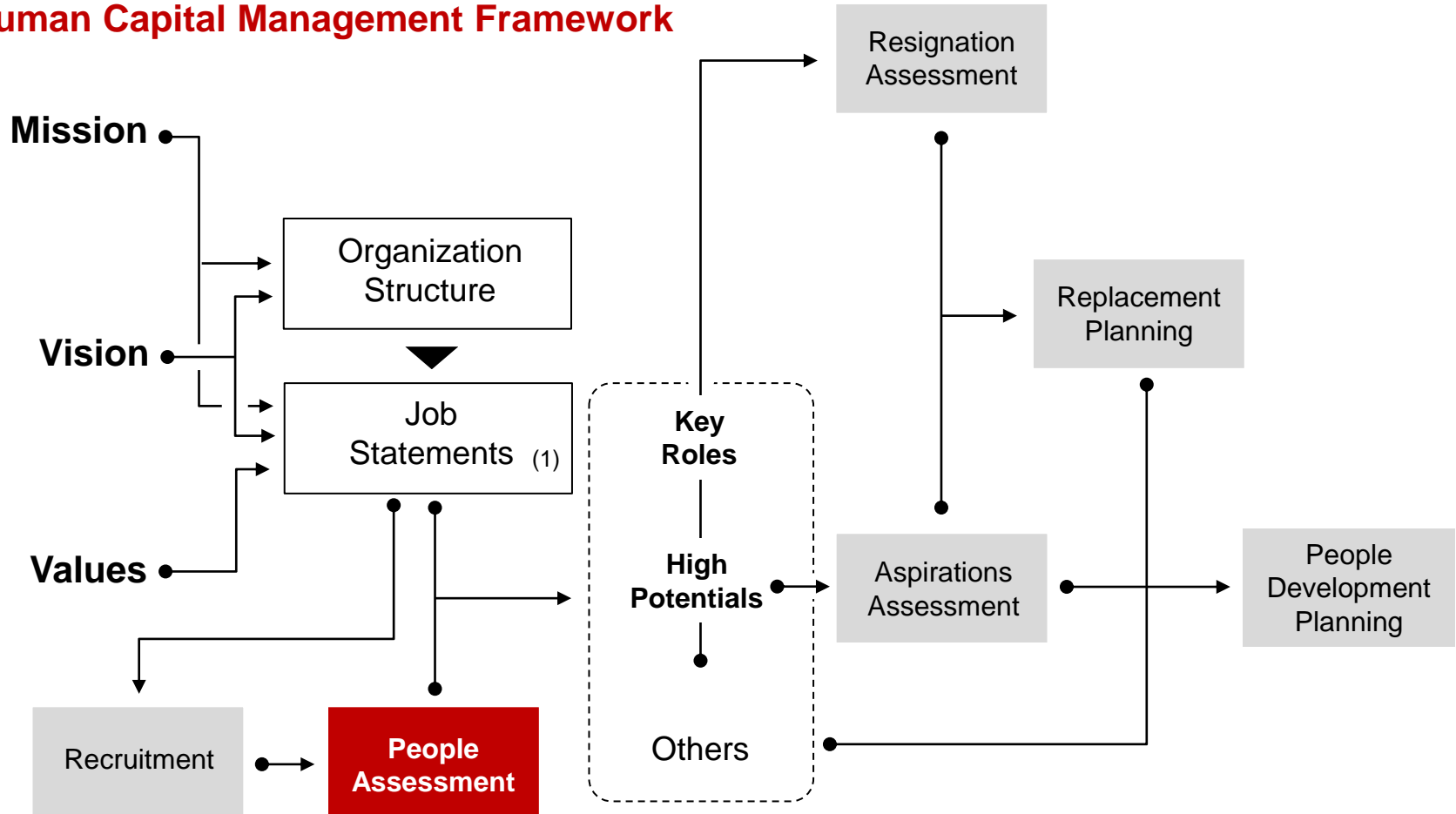
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People Assessment

Individual

Motivation Assessment

- Assess the motivation **nature** (Intrinsic, Extrinsic) and its **key factors** (Driver, Derailer)

Skill Assessment

- Assess the **Job's current and potential coverage** with regards to the target state

Group-wide

Togetherness Assessment

- Assess the **Team's** overall **functioning dynamics and harmony**

Relationship Assessment

- Assess the **functioning dynamics and harmony** among **different Teams**

- Spot potential **criticalities** and concerned **risks**
- Provide insights for **People Development actions**

Motivation Assessment: example

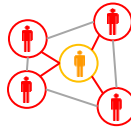
● Intrinsic motivation

The motivational factors determining the motivation that arises from the **self-perception** and **the satisfaction in performing activities**, independently from the outer context and conditions.



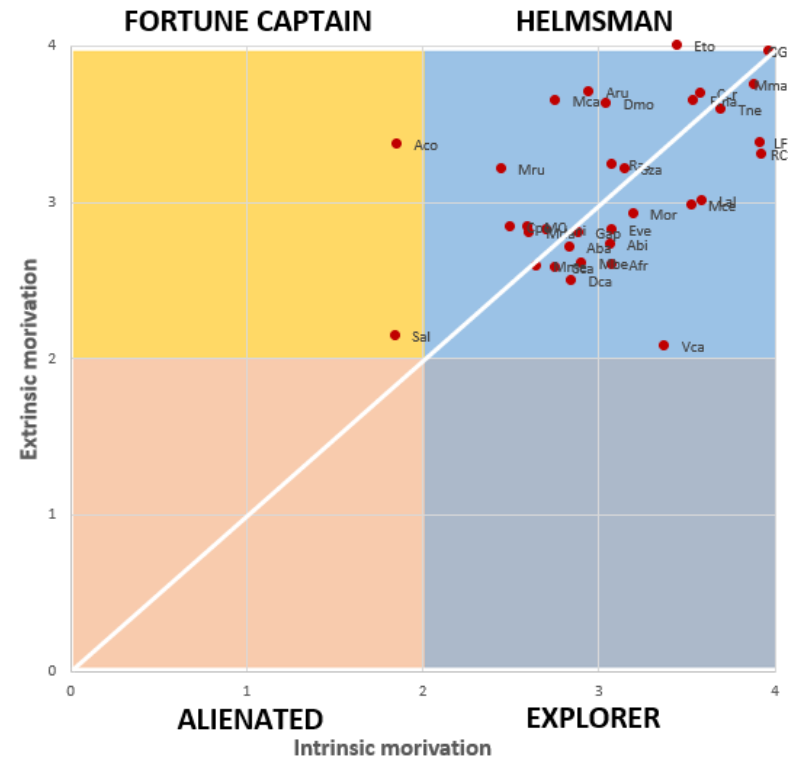
● Extrinsic motivation

The motivational **factors influenced by the outer context and conditions**, on top of the ones determining Endogenous Motivation.



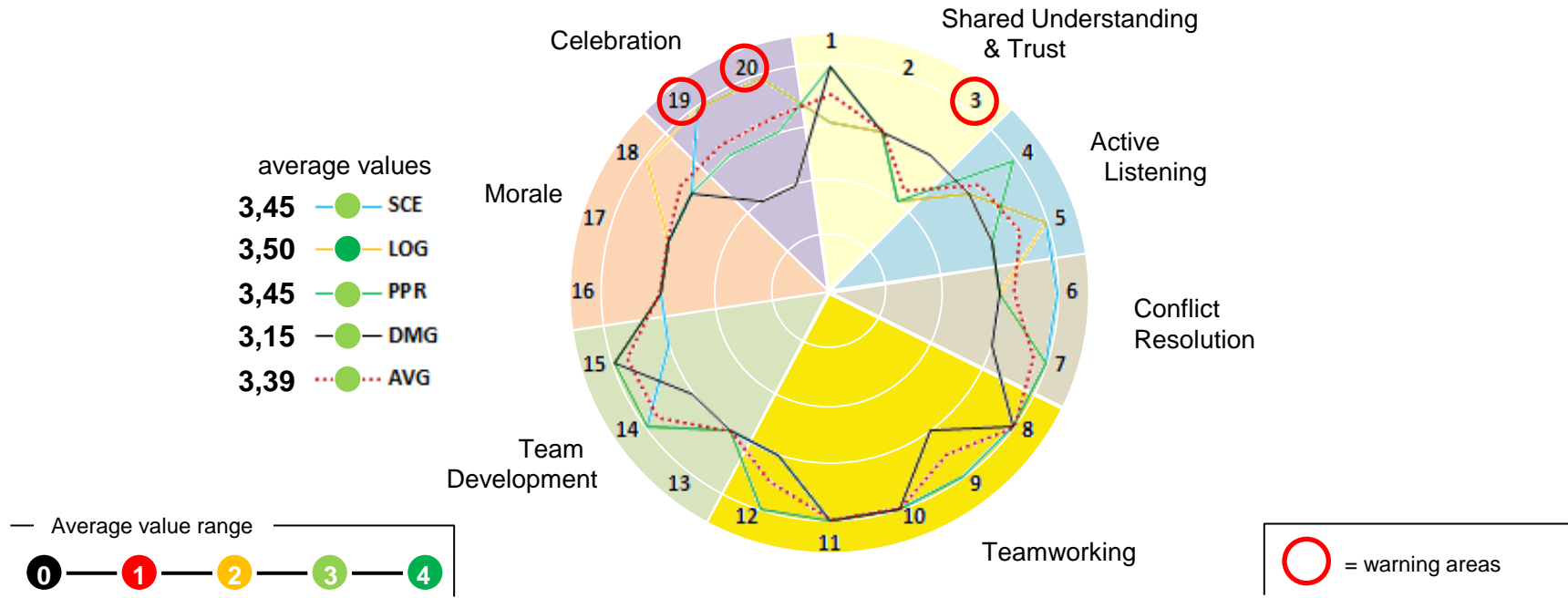
Motivation drivers and derailers are to be carefully assessed and duly exploited, or mitigated

SCM ORGANIZATION



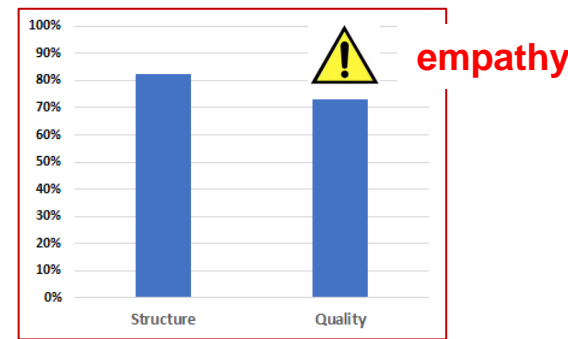
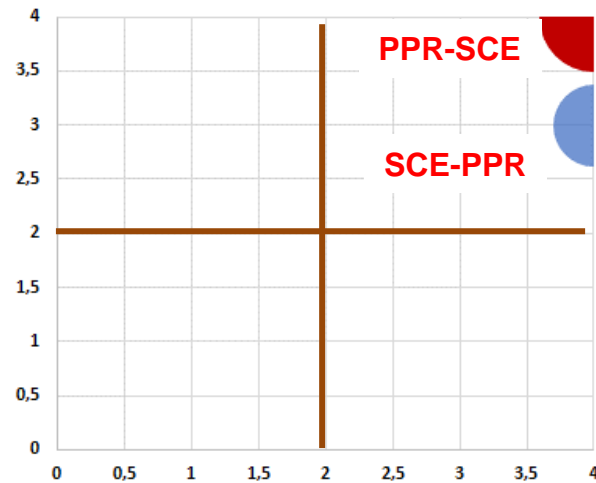
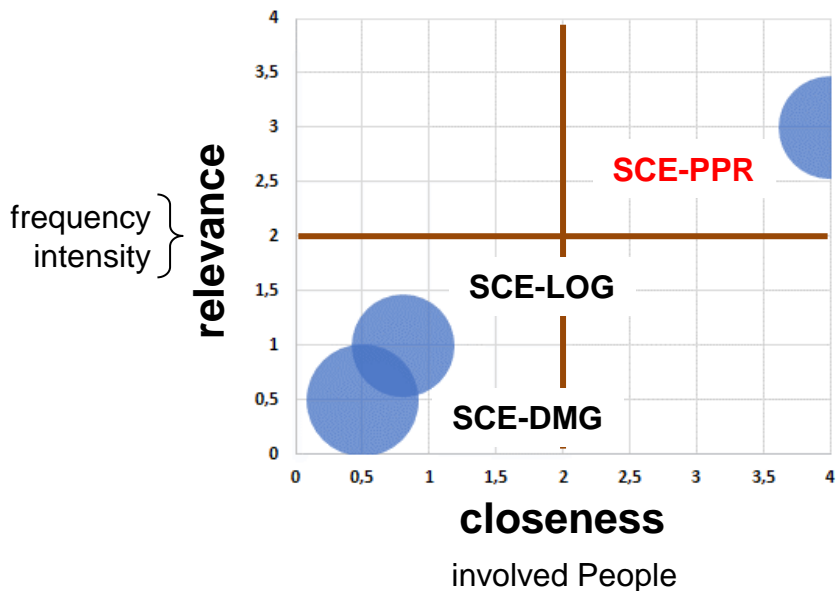
Togetherness Assessment: example

TEAM COHESIVENESS, SCM UNITS



The bonding together of People in such a way as to sustain their will and commitment to each other, the organization and task accomplishment, despite fatigue, uncertainty and stress

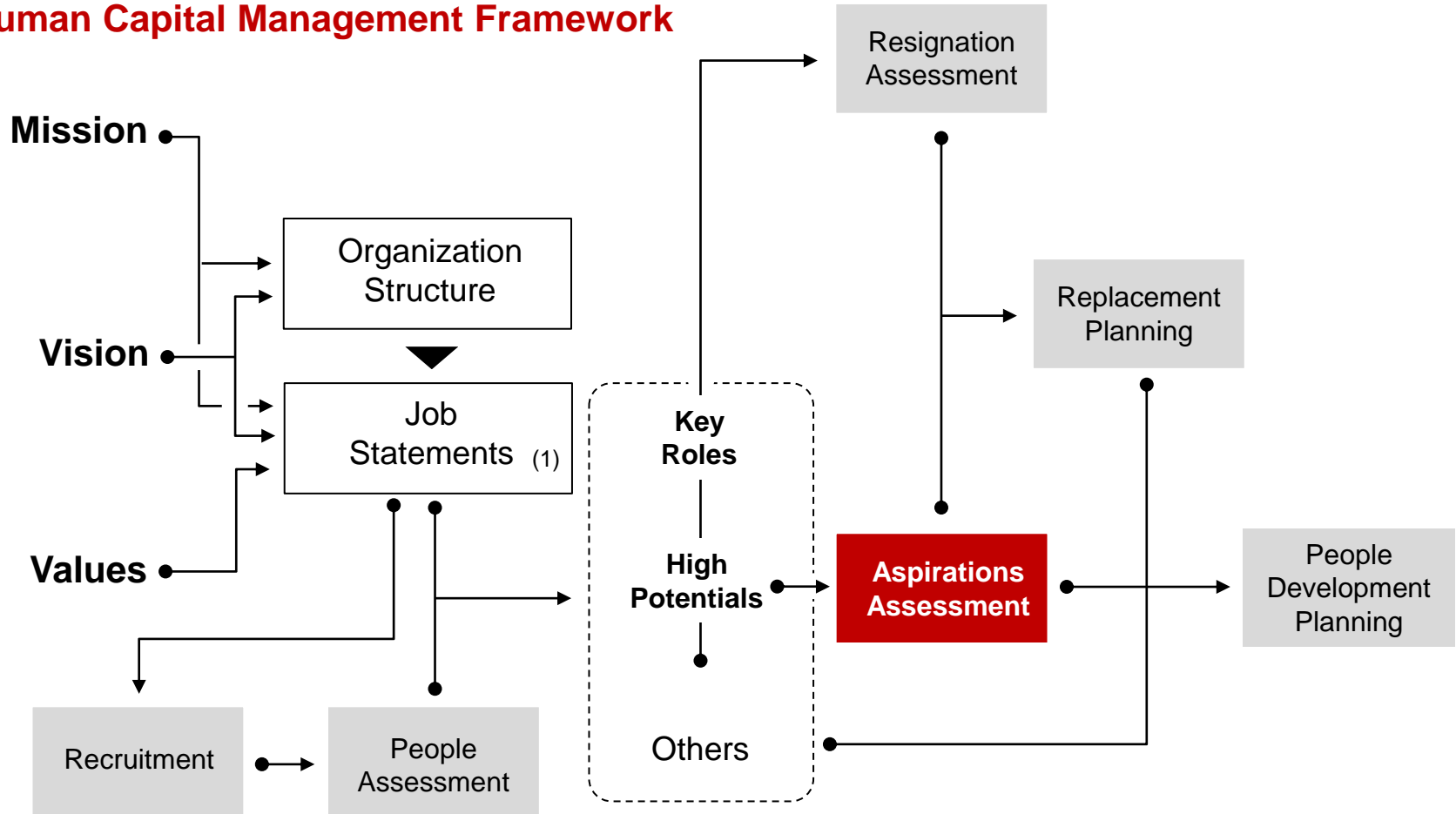
Relationship Assessment: example



agreement

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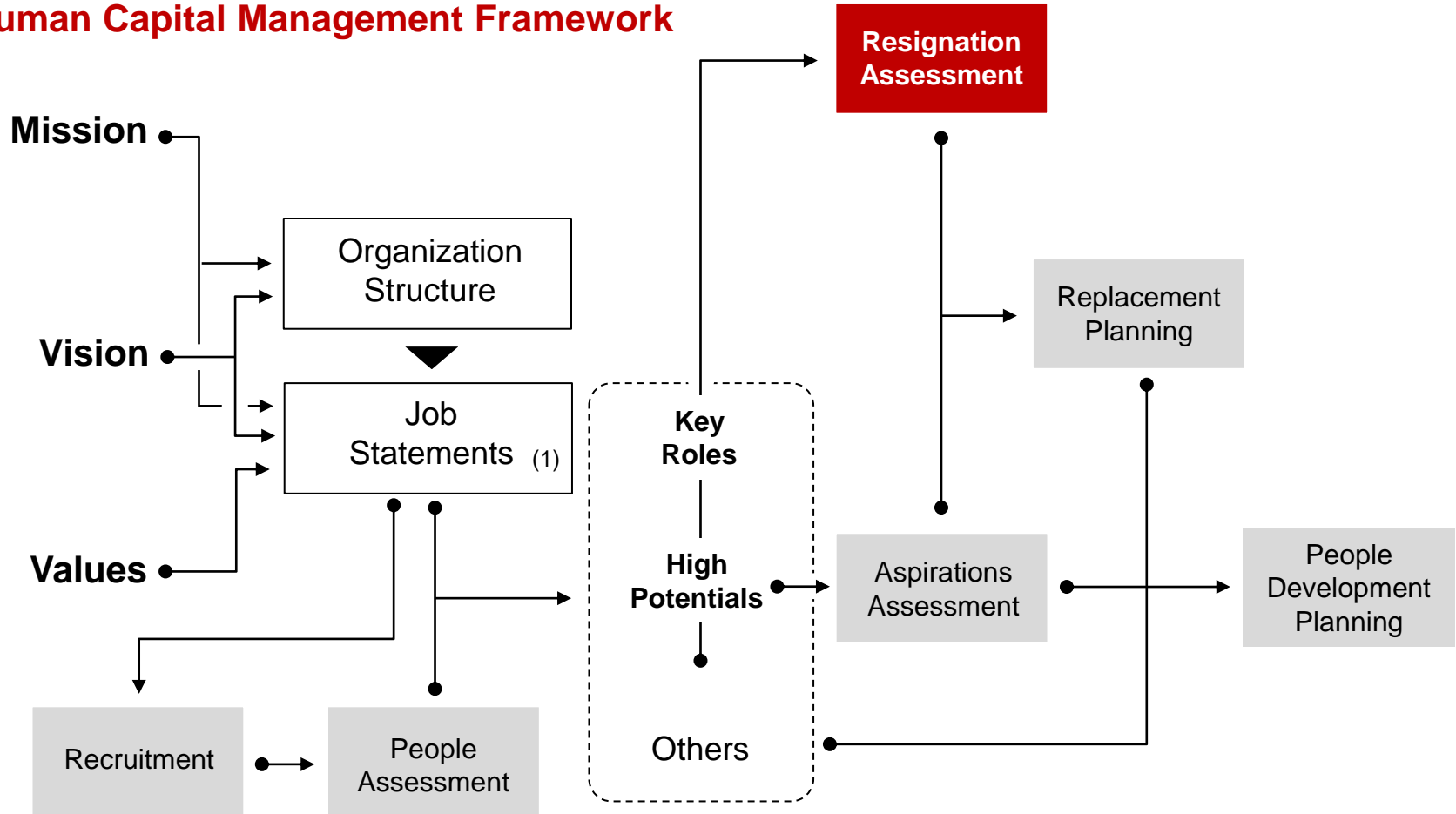
Aspirations Assessment

- Assess High Potentials' and Key People's **aspirations** (professional growth, career, work/life balance) in the **short, medium** and **long term**
- **Prioritize and sequence** aspirations
- Assess how these aspirations are **realistic** and consider them in the **Replacement Plan**
- Provide the consequent insights for **People Development actions**



A holistic and balanced approach

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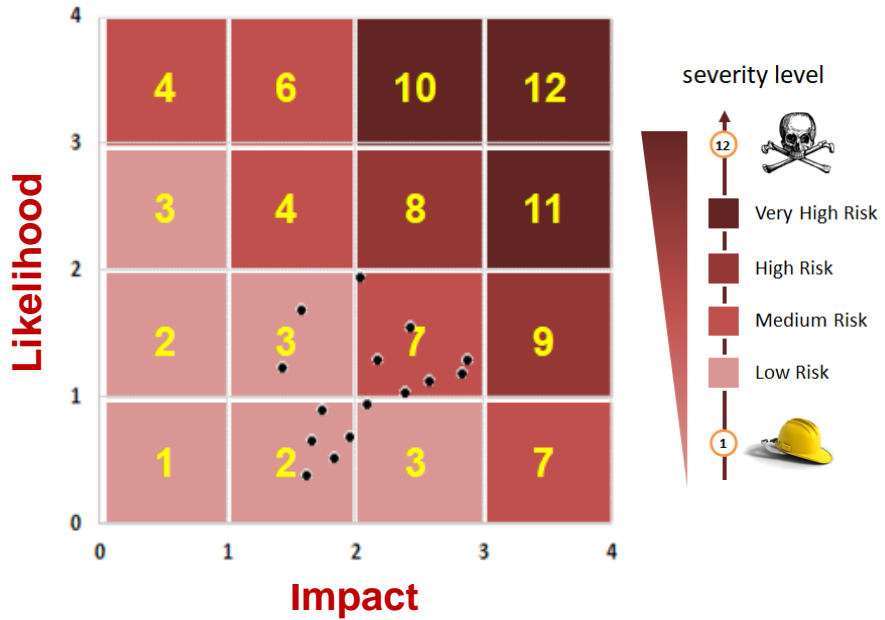


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Resignation Risk Matrix: example

KEY PEOPLE AND HIGH POTENTIALS, SCM PROFESSIONALS

- Likelihood factors**
- Attractiveness
 - Retirement
 - Salary
 - Gratification
 - Development
 - Leader Fit
 - Company Fit
 - Personal Matters

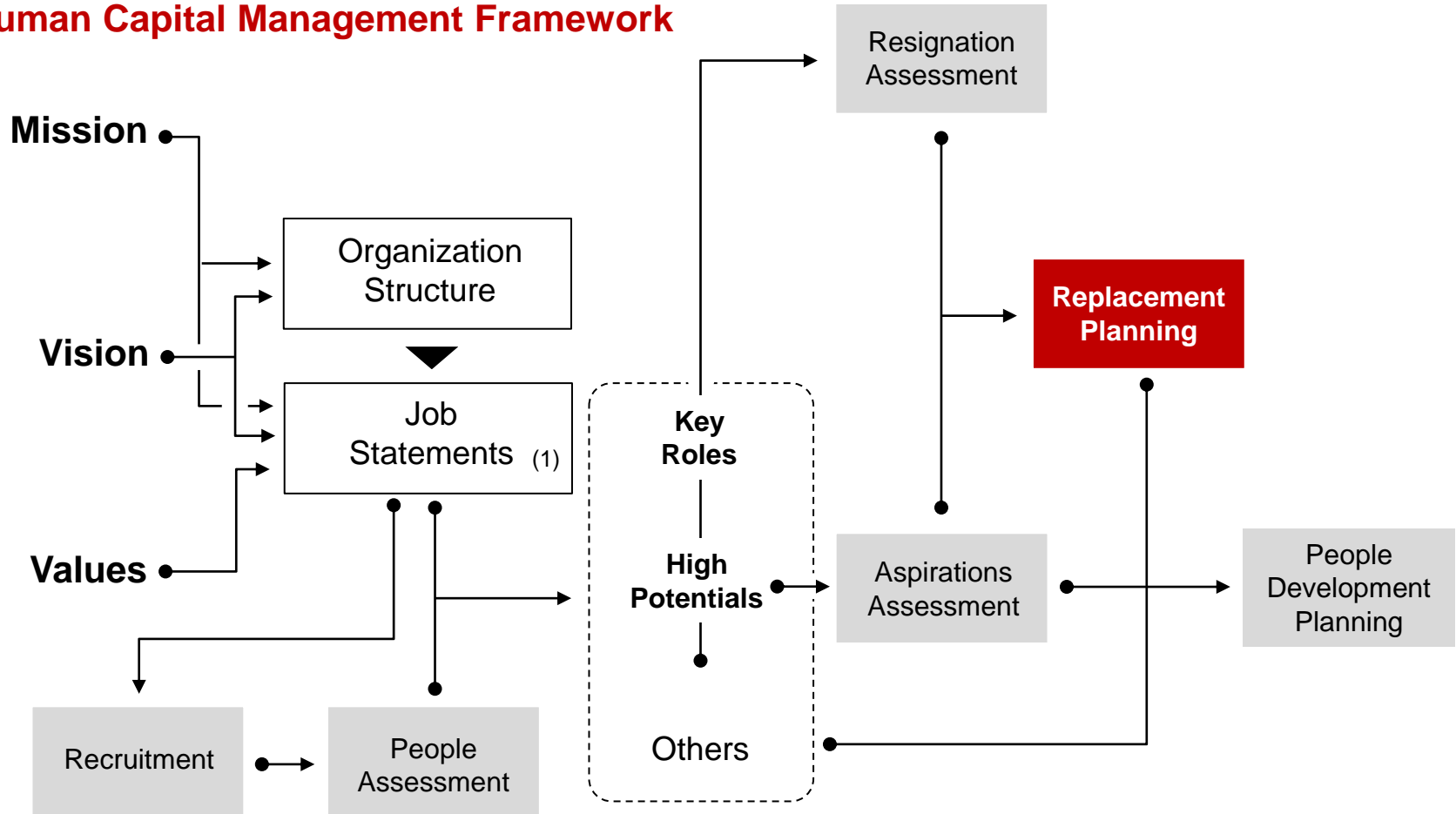


- Impact factors**
- Professionalism
 - Potential
 - Replacement
 - Results
 - Competition
 - Duck Call
 - Morale

Resignation factors provide at the same time a current state appraisal and useful risk treatment insights

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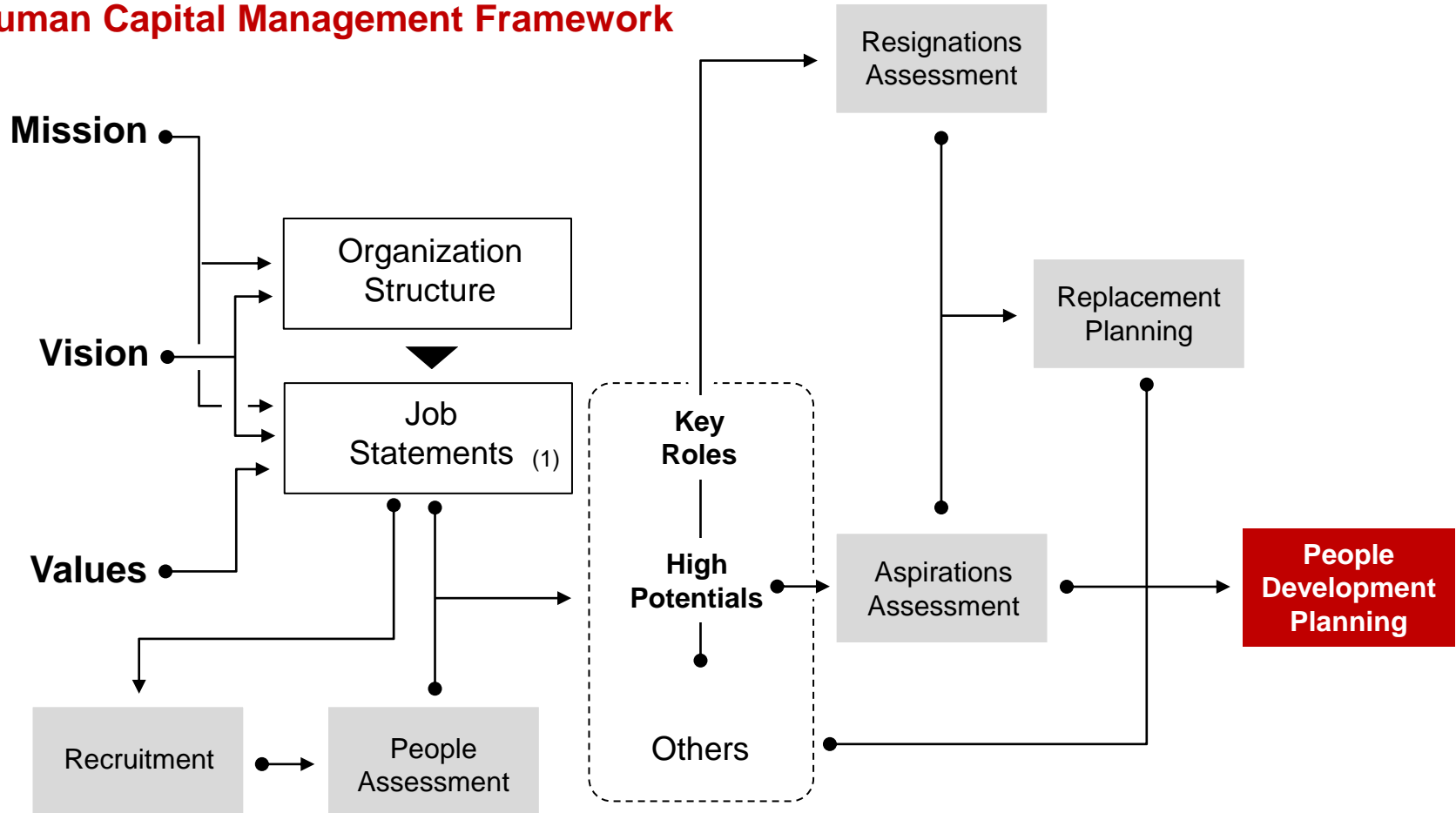
Replacement Planning

- Identify, in the short, medium and long term, Key People's potential **replacements** through **organic** (within the organization/Company) or **inorganic** (within the Group, or external) paths
- Spot major **criticalities** and wake-up calls
- Assess the Replacement Plan's **robustness** in the face of multiple exits
- Provide the consequent insights for **People Development actions**



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Takeaways



- On mistakes
- On Leadership

On mistakes

In an emergency situation the man who does something is sometimes wrong, but the man who does nothing is always wrong

Lt Gen Julian Byng



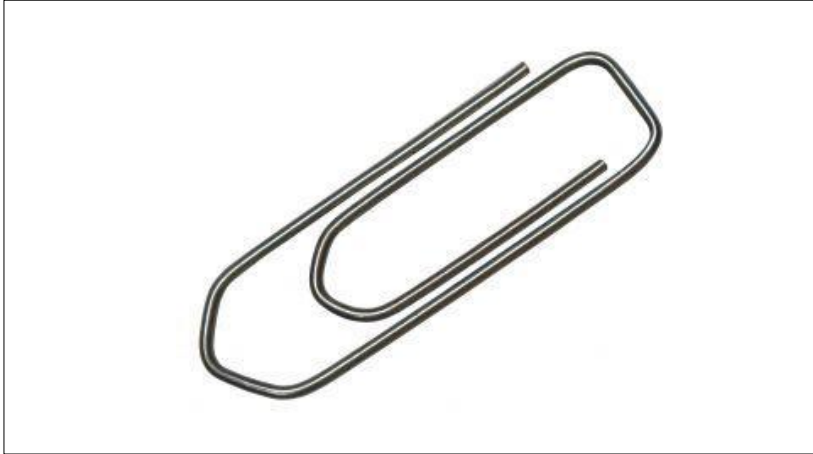
On Leadership

*Leadership is not
being in charge.
It's about taking
care of People in
your charge.*

Simon Sinek



Annexes



● SCM Tenets and Leading Principles

The SCM Tenets



Integration

We do not operate independently, but as part of a larger Company/Corporate Organization. We are responsible for integrating our operations within the Tecniplast family, building and keeping shared understanding and a common purpose.



Adaptability

We acknowledge and accept that no prefabricated and ever-lasting solution to operational problems exists. We adapt our thinking, actions and techniques to the specific situation to be faced, accepting calculated risks in unfamiliar or rapidly changing situations, continuously assessing and adjusting the course of action.



Coherence

We set objectives and arrange concerned activities to ensure coherence, among purpose, time and resources. Such coherence is key to ensure an effectively achievable result.



Effectiveness

We organize, educate, and train to achieve unmatched effectiveness under a wide range of circumstances. Effectiveness is a persistent requirement for our Organization: efficiency must not be overlooked, but effectiveness comes first.



Synchronization

We operate to perform multiple, related and mutually supporting activities to produce maximum results with minimum resource usage by sharing information, keeping initiative and self-coordination.

The SCM Leading Principles

(1/2)



Method (Methodical way application)

Method ensures the translation of a plan into effective and decisive actions. Systematically apply the best-fit method in the tasks to be performed. Hope is not a method.



Context understanding and situational awareness

Understanding the context to be faced and be situational aware is key for acting methodically. Always seek, gather and process all available information to keep shared understanding.



Crystal-clear intent

A crystal-clear intent ensures a non-ambiguous and straight communication, facilitating self-synchronization.

Make sure the intent is clearly expressed and understood.



Clarity of Objective

Clarity of objective avoids misunderstanding and depletion of resources. Direct every operation toward a clearly defined, decisive and attainable objective.



Simplicity (Principle of Parsimony)

Clear, uncomplicated plans and concise instructions ensure thorough understanding. Anything that is not strictly necessary should be avoided.

The SCM Leading Principles

(2/2)



Priority (Concentration and Economy of Force)

Employ all available resources in the most effective way possible.

Concentrate efforts and resources on the primary objective and allot minimum essential resources to secondary objectives.



Unity of Accountability

This to ensure a non-ambiguous and effective Leadership in the course of actions.

For every action, seek unity of Accountability.



Initiative (Tenacity)

For every ongoing action, seize initiative and push it down to the lowest possible level and where the action takes place. Delegate decision-making as the situation calls for.

Retaining and exploiting the initiative avoids loss of momentum.



Constant, effective and fast coordination

This to allow for synchronized action and changes on the fly, should unfolding circumstances require it. Systematically exchange information and use it to allow self-coordination.



Timeliness

Timeliness supports effective synchronization and avoids the risk of delayed action.

Time is a key asset that can hardly be replenished: make sure not to waste it.



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Thank you!

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