



NACCO Materials Handling Group (NMHG)

Learning to Lead in Uncertain Times

Industry: Manufacturing

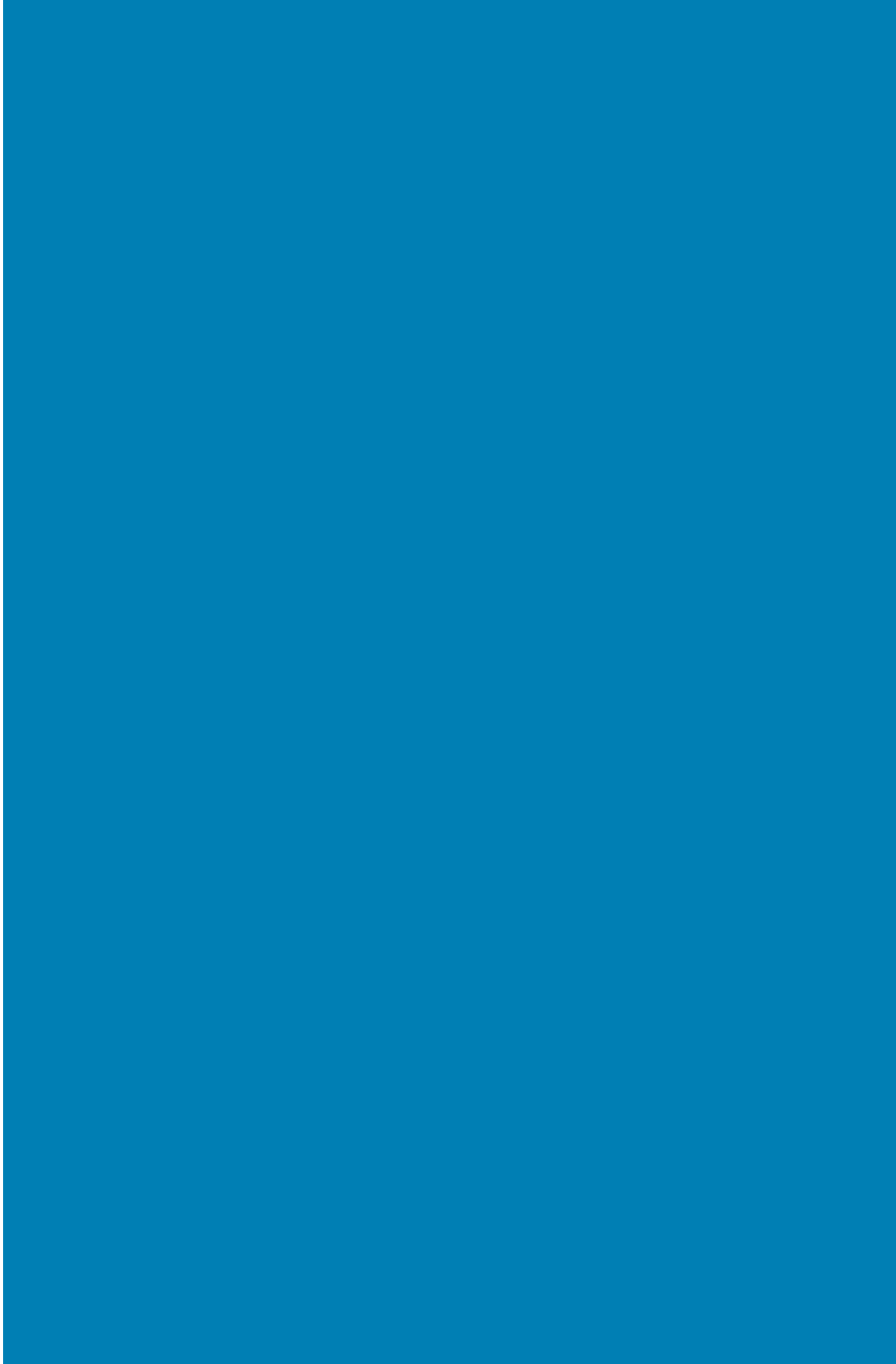
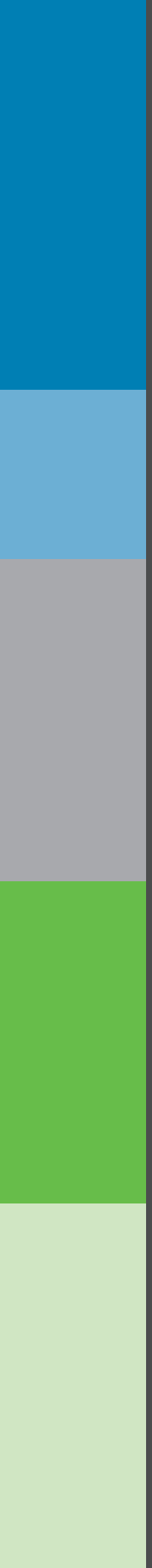
CCL Solutions:

Customized Leadership Development Initiative
Assessment and Coaching



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The Challenge

NACCO Materials Handling Group (NMHG) is one of the world's largest lift truck manufacturers, with a comprehensive line of products produced under the Hyster® and Yale® brand names. The company has more than 1,000 employees in Europe, Middle East, and Africa (EMEA), which is one of several regional operating divisions around the globe.

In late 2008 as the global economy experienced unprecedented turmoil, the manufacturing industry found itself facing significant challenges and uncertainty. NMHG EMEA was not immune; as the level of ambiguity and volatility rose, the company's sales fell.

Even three years later as the economy was recovering, there was a lingering impact on NMHG's business. NMHG EMEA found that on-going complexity in the marketplace and the rapid pace of change made it more important than ever to build highly effective relationships with key external stakeholders - in particular the dealers representing the company's products. Executives decided that to grow and sustain their business, they would need sales leaders to evolve their role and to focus more clearly on each dealer's needs and experiences.

“We determined that we needed to make a greater investment in those members of our team who execute our strategy and are crucial to our success as a business,” said Alison Richards, global organizational development manager with NMHG EMEA. **“We knew we needed to strengthen their leadership capabilities and help them adapt to uncertain conditions and changing business needs.”**



The Solution

NMHG partnered with the Center for Creative Leadership (CCL[®]) to design and deliver a leadership development intervention called “Leading in Uncertain Times.” The multi-layered initiative targeted sales leaders and their direct reports. It included:

- A diagnostic phase to identify key business challenges and translate them into leadership capabilities.
- Development of a structured learning experience for business directors, territory managers and key account managers on the NMHG EMEA sales team.
- Support for learning and application of new skills, with measurement of effectiveness, behaviour change and business impact over time.

The structured learning experience was viewed as critical. As course developers worked on content, they paid particular attention to what surveys showed were gaps in five leadership skills important to NMHG’s future success:

- Collaboration.
- Ability to evolve in uncertain times and as the business context changes.
- Spanning boundaries and working across brands, regions and cultures in a more unified way.
- Building and maintaining relationships with internal colleagues and external stakeholders.
- Acting, thinking and influencing as collaborative leaders.

At the individual level, the learning experience would need to build personal leadership skills, help leaders gain wider business perspective and increase their confidence and motivation. At the team level, it would need to promote an understanding of how to work better across brands and functional silos. At the business level, it would need to build an understanding of how to maintain results during an economic downturn, manage key relationships more effectively and deliver on the NMHG business strategy.

“We wanted not only to encourage and support our sales leaders, but also to help them redefine their role,” said Richards. “We needed them to become more collaborative, build relationships with the external dealers who sell our products and see themselves as valuable to our company’s success.”

The collaborative leadership development initiative adopted by NMHG includes a series of two-day working sessions tailored to the various levels of sales leadership. There are opportunities to share business challenges, explore leadership requirements, and create a tangible action plan to increase leadership impact across the company and with external stakeholders. A typical session might include:

- Organisational leadership content, including NMHG leadership diagnostics, trends in leadership development and techniques for leading through uncertainty.
- Individual leadership content, including self-assessments, coaching and action planning for impact.



The Impact

Interviews with key stakeholders and a post-programme evaluation survey show that “Leading in Uncertain Times” has been well received and is producing positive results for individuals, teams and NMHG’s business.

The learning experience is producing positive changes in how sales leaders perform their jobs.

During feedback sessions on the impact of “Leading in Uncertain Times,” participants have provided compelling examples of how their behaviour has changed in the workplace. They say they are:

- Involving people more and communicating more to promote awareness.
- Dialoguing more within the group and with others outside the group.
- Working together better collectively in response to the demands of the organisation.
- Taking a productive approach to difficult discussions.
- Deliberately involving and communicating with those who previously might not have been part of the conversation.
- Becoming more aware of opportunities.
- Trusting team members and no longer becoming a bottleneck for decisions and actions.
- Working together more closely as a team.
- Exhibiting more self-awareness and are better able to adapt.

Participants highly value “Leading in Uncertain Times.”

- A post-session survey completed by one of the groups participating in the program showed that all were either satisfied or very satisfied with the quality and content and that all would recommend the experience to others.





In Their Own Words

Participants in the “Leading in Uncertain Times” initiative have a uniformly positive view of its impact. The following comments are examples pulled from qualitative interviews:

“The main concept that I took from this leadership development journey is ... that we as individuals, groups and organisation are part of a larger ecosystem (society). Everything is interconnected. The collaborative leadership approach allowed me to strengthen my ability to work collaboratively and overcome silos.”

“I have learned that in order to achieve our common goal as an organisation, we need to be more sensitive to the other side. Communication is important and collaboration is crucial for our business...we are all different, we have conflicting pressures and demanding priorities - it is very challenging but, now, I know how to span these boundaries and build trust with people.”

“I recognized that communication and relationships are most important in leadership. Alignment and commitment can be achieved just through positive relationships and trust.”

“Working effectively across functions with different stakeholders is a key to our success. **My team is working very effectively now** across boundaries, we collaborate with marketing, manufacturing, and with the dealers’ community on different cross projects.”

“The process allowed us to reflect on our leadership style and behaviour. I feel that now **I am more sensitive and self-aware** regarding my impact on other people. I have also learned how to give and receive feedback.”

“I gained awareness that allowed me to add elements to my ability to influence and communicate with dealers; **it was a very helpful and powerful experience.**”

“Sales & marketing, manufacturing and the community of dealers have energy linkages between them. These three parts have to be interconnected and linked with the help of individuals and groups who share a common goal... **If you have good exchange in the organisation you get a better bottom line.**”



The Success Factors

It is clear that one of the most important factors contributing to the success of “Leading in Uncertain Times” is the deep commitment and support the initiative receives from the CEO and top executives at NMHG EMEA.

“We all understand the importance of sales leaders to our strategy, and we are committed to helping them be successful in their role,” said Richards.

Another success factor: Training is cascaded from area business development managers to their direct reports - giving them a shared “language” of leadership and a shared understanding of how to work together more collaboratively. They are able to reinforce each other and produce a broader impact on the business.

Executives at NMHG also point to the importance of their collaborative relationship with CCL throughout the discovery, design and delivery process. The partnership has enabled NMHG to deliver a powerful, integrated development initiative programme that addresses both the “what” and the “how” of collaborative leadership in uncertain times.

“Alison and the executive team at NMHG have been engaged and supportive throughout the entire development process,” said Rachael Hanley-Browne, CCL Regional Director for the United Kingdom/Ireland. “They have maintained a keen interest in their leaders and have supported and facilitated their collective application of new skills and leadership behaviours, including cascading this knowledge to their direct teams and key stakeholders through co-delivered workshops. The focus they devote to leadership development and their continued level of commitment has been impressive. We are now discussing how we can build on our work together across the wider leadership population at NMHG.”

Contributions by Vered Asif, M.A. and Rachael Hanley-Browne.





About the Center for Creative Leadership

The Center for Creative Leadership (CCL®) is a top-ranked, global provider of executive education that accelerates strategy and business results by unlocking the leadership potential of individuals and organizations. Founded in 1970, CCL offers an array of research-based programs, products and services for leaders at all levels. Ranked among the world's Top 10 providers of executive education by *Bloomberg Businessweek* and the *Financial Times*, CCL is headquartered in Greensboro, NC, with offices in Colorado Springs, CO; San Diego, CA; Brussels, Belgium; Moscow, Russia; Singapore; New Delhi - NCR, India; Shanghai, China; and Addis Ababa, Ethiopia.

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