



So, what is TOTAL PERFORMANCE LEADERSHIP?

Total Performance Leadership (TPL) is the result of Allen Austin's commitment to making this world a better place. **With 90% of the world's workforce disengaged, and a broken executive hiring process that results in almost 50% failure, we believe this work is desperately needed.** Clearly, the opportunity is significant to make a better, more productive global workforce. And we have the ability, indeed the responsibility to help break the cycle.

Conscious Capitalism, a powerful movement that is perfectly aligned with TPL, asserts that the short term and unilateral focus on shareholder returns commonly seen today, and rewarded by many of today's capital markets is in fact a perversion of pure capitalism, which has done better than any other system on earth to lift people out of poverty.

Unfortunately, **today the power of TPL goes almost unrecognized in mainstream business, despite the fact that companies driven by these disciplines outperform their next best peers by 25% or more.** There have been zillions of books written on leadership, strategy and execution, and we've read most of them. Very few however are written about the principles contained in TPL. In his books *Good to Great* and *Built to Last*, Jim Collins did a good job of broaching the subject. Roy Spence's *It's Not What You Sell, It's What You Stand For*, and Barry Schwartz's *Why We Work* are also very good examinations of the power of purpose driven organizations. However, reading great material wasn't enough for us.

TPL is a journey and a commitment. It is a battle-tested, research-based architecture to help us fulfill our firm's core purpose: **To enhance the lives and the effectiveness of our associates, clients and leaders of the world.** While our journey as leaders, managers and management consultants started decades ago, TPL was born in March 2013 as we completed our own work to define our core purpose, mission, vision, values and strategy. The journey has been transformational, and the results have been nothing short of amazing. In a nutshell, TPL is about building for ourselves, and assisting others in building high performance cultures that engage workforces consistently outperform markets, deliver superior shareholder returns, high performance boards and exceptional leadership teams.

No amount of reading or studying can take the place of becoming totally immersed in your own process, and spending time with those who have lived and experienced the benefits of practicing these principles. The things that we're learning from incredible leaders who've led their own organizational transformations are astounding. And what's even more amazing is that this group of phenomenal leaders has been willing and eager to share their "**secret sauce**" because they fully support our effort to help others build extraordinary organizations.

Our research confirms that practicing the disciplines of TPL produces extraordinary results and delivers superior shareholder returns. The findings are irrefutable: organizations that practice TPL disciplines outperform their next best peers by 25% or more, deliver substantially higher customer satisfaction, have employees that are engaged and satisfied, experience dramatically lower workforce turnover, a higher degree of strategic clarity and much more effective execution.

Leaders of TPL organizations have made a commitment and a decision to start a journey that never ends. They've discovered a purpose greater than just making money. They've conceived and instilled vision, mission, values and strategy that energize and engage the entire workforce, not just the shareholders. They've figured out ways to measure the things that matter most including employee engagement and customer delight. They've committed to be the best in their sector and they've removed cost from their enterprises where the customer can't see it.

All of this notwithstanding, many CEOs, board members and senior business leaders see profit optimization and maximizing shareholder value as the primary purpose of their organizations. Most of their time and energy is spent focusing on strategy, tactical metrics and financial statements. No surprise here – it makes perfect sense because this is precisely what is taught in most business schools.

Despite the overwhelming evidence supporting the value of TPL, why then, are these disciplines not taught in mainstream business schools? In a 2014 interview on his radio show, aired on Business Radio Powered by the Wharton School, Stew Friedman, who leads the Work Life Integration Project at the Wharton Business School asked Barry Schwartz the same question. Barry Schwartz is a 1971 Wharton Ph.D. and organizational psychologist whose practice focus is the workplace. Barry says, and we agree, that “the mainstream business community has been heavily influenced by two individuals – Adam Smith and Frederick Winslow Taylor. His workplace research asserts that as much as 90% of the world's workforce is disengaged, thanks in part to what Adam Smith wrote in *Wealth of Nations* in 1776 and to Fredrick Winslow Taylor, who is seen by most as the founder of modern hierarchy and business processes. Both have had a profound effect on global business.

John Maynard Keynes said: ***“The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed, the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist.”***

We reject that people work only for pay and extrinsic rewards; that they need close monitoring, constant supervision, rules and confining policies. We know, through our research, observation and study, that when organizations share a purpose greater than just making money, and engage their entire workforces, they produce substantially

higher returns for their shareholders and have a lot more fun doing it. TPL organizations place their customers and employees first, and shareholders next. They lead with values and standards, not rules and policy manuals. They measure things that matter, and lead to superior shareholder returns: Leadership, Employee Engagement, Customer Delight Strategic Clarity and Execution Excellence.

TPL organizations look and feel good; the deeper you look, the better the view. Beyond exceptional returns, you'll see trust, smiling faces, exceptionally low turnover, spirited and healthy debate, systems that are driven by purpose, frontline employees who sound like company spokespersons and delighted, evangelistic customers. TPL organizations have frontline employees and customers who tell stories about them and are in fact their most effective salespersons.

Helping companies large and small, private and publicly owned, discover their purpose, vision, mission, values and strategy is something we've done for a while. We go a step further and stick around to help them implement and execute their strategies and fill key leadership roles within their organizations.

So far, we've now interviewed and examined extraordinary leaders for inclusion in this work, including Gary Kelly, CEO of Southwest Airlines, Drayton McLane, former Chairman & CEO of McLane Co., Charles Butt, Chairman & CEO of H-E-B, Ron Middlestaedt, Founder, Chairman & CEO of Waste Connections, Chet Cadieux, Chairman & CEO of QuikTrip, John Gibson, Chairman of ONEOK, Gary Miller, Chairman & CEO of Cannon Design, Vice Admiral (Ret) Ann Rondeau, Don Benson, former CAO of Aetna and Cigna, and Pattye Moore, Chairman of Red Robin & Former President of Sonic. We will soon be interviewing Steve Carley, President & CEO of Red Robin, Gary Luquette, President & CEO of Frank's International and retired President of Chevron North America, Tom Ryan, Chairman & CEO of SCI, and Paul Brown, President & CEO of Arby's Restaurant Group, just to name a few.

Join the movement and learn to employ the power of Total Performance disciplines which are:

1. **Disciplined Hiring:** Using disciplined hiring practices and employment brand building to identify, attract, engage, and retain top talent is key to an organization's ability to assess cultural fit, and deliver exceptional results. Following proven, time and battle-tested TPL Foresight hiring processes at every level ensure screening out B and C players in favor of A players, and align the right candidates around cultural fit, personal and professional attributes and performance expectations.
2. **Unified Leadership:** A high-performing team, where trust, healthy debate, shared vision, accountability, and results orientation exists. Most leadership teams are not teams at all, rather a collection of individuals who often

- compete for position, airtime and resources. Transforming a group of talented individuals into a unified team takes work process, patience, and commitment. The results are well worth the effort. As Dr. Jerry Harvey says, having unified leadership of this ilk, avoids unnecessary trips to Abilene.
3. **Purpose:** Harnessing the power of purpose, inspiring stakeholders & delivering exceptional returns. While some may call it mission, purpose is separate and overarching in most TPL companies. Less than 5% of organizations overall operate with a clear sense of purpose. TPL companies like Quik Trip, Southwest Airlines, Koch Industries and Nordstrom engage their workforces, especially millennials, with a purpose greater than just making money. Purpose driven organizations outperform their peers. The data is irrefutable.
 4. **Engagement:** Fulfilled, collaborative employees who are committed to the company's objectives. According to Gallup, the American and Global workforces are 70% and 90% disengaged. The best performing organizations in the world have substantially all their employees working hard toward the organization's objectives. The right values, vision, mission, strategy and big, hairy audacious goals are necessary for workforce engagement. Acknowledge performance, build team spirit & enable shared learning. Ultimate success is not a linear process. Individuals and teams benefit by celebrating the first downs, not just the touchdowns.
 5. **Clarity:** All stakeholders, including shareholders, employees and providers, understand the company's strategy, know where the organization is going, how it will get there, and their role in making it happen. Clarity is necessary to perform at optimal levels. In organizations with great clarity, communications are delivered so that constituents believe that their leaders know where they are going, believe what they are saying and are connecting effectively with their needs and desires.
 6. **Customer Experience:** Relentless customer commitment, anticipating needs and creating raving fans that tell great stories about you is the objective. Optimal performance requires a relentless focus on the total customer experience, not just reducing defects. Branding is about how your customer feels about you. Experience is about how they feel about themselves as they interact with you. Strategies that don't begin with the customer in mind tend to underperform. Those that lose sight of the customer will likely cease to exist.
 7. **Measurement:** What matters: Financial performance, leadership effectiveness, employee engagement & customer delight. Maximizing profitability requires

more than reading financial statements, which are largely backward looking. Measuring what matters requires measuring all the critical elements of TPL organizations. The quantitative bias promoted by modern day business methods and schools often misses the most important metrics.

8. **Cost Leadership:** Remove it where the customer can't feel it. TPL organizations remove as much cost as possible, being very careful not to affect the customer experience. Southwest Airlines, HEB, Quick Trip and Koch Industries do it extremely well, by removing costs from supply chain, building costs, and employee turnover. Top performing companies do not take cost out of the business by removing service and benefits from customers and stakeholders.
9. **Awareness:** Healthy Paranoia, never take success for granted, always push for improvement. 88% of the Fortune 500 companies in 1955 are extinct. Arrogance, inaction, and unawareness are the three of the biggest killers of modern-day businesses. Once an organization's leaders think they've arrived, they've begun their decline. Global business and is moving and changing at a dizzying rate and all who don't pay close attention run the risk of extinction.

A full explanation of the power of TPL is beyond the scope of this piece, so stay tuned for updates and real time examples of companies who are experiencing the power of TPL. If the notion TPL really resonates with you, we encourage you to become involved in this powerful, growing movement.