## The LENS Journey

as lived by Lee Early, January 2021

## THE EVOLUTION WITHIN THE REVOLUTION

This is a series of stories. They are the stories of an evolution in Leadership Effectiveness and New Strategies (LENS) from my perspective. Like most revolutions - - they seem always to be led by a relatively small, sensitive, and responsible group of people. This seems to be the case within large corporations as well as the structures of society.

LENS began under the name Leadership Effectiveness for a New Society for a while. This was before I became involved --when Leah, and I were living in the mid Pacific during the 70s. LENS began as a weekend course. A weekend design usually meant most people were off from work and available to participate. It was designed to begin on a Friday evening, after work, all day Saturday, all day Sunday, and ending Sunday evening with the closing dinner celebration. The "course" developed in such a way that random people from different situations, different walks of life, different backgrounds, education, ages, races, religious affiliation attended.

In 1980 Leah and I were assigned to Detroit. Everything in our lives up until that point changed. Suddenly we were forced to deal with the issue of self-support in a city struggling to stay alive. I had heard that the ICA was charging \$1,200 for a LENS. I did not know of a single instance we actually charged that amount, let alone collected the \$1,200 fee for the course.

The first step in LENS evolution began with Ray Caruso and Rick Loudermilk. Ray worked at McDonald's as head of their Marketing Department. As far as I know, McDonald's was the first inhouse LENS. The participants had a common purpose, a common structure, and the possibility of accomplishing what they said they wanted to tackle.

I never knew how much we charged, if anything, for the McDonald's gig. I did hear that, as a part of the LENS, McDonald's proposed the breakfast menu, a first for any fast-food franchise. For his efforts, Ray Caruso won the marketing man of the year award. A bit later, McDonald's changed their menu to include a breakfast selection. (That's how the story was told.)

Since my concern was self-support, I saw LENS <u>might</u> be the vehicle to begin dealing with that issue. Soon after arrival in the "Motor City", I attended a training course in Minneapolis on "How to teach LENS". I was a very reluctant participant. In the second session on Saturday morning rockets' red glare exploded in my head. The second session of LENS is the Underlying Contradictions session. I was struck with this session because years earlier I have been in the World Series of Sales Competition and had also attended courses by one of the nation's leading sales trainers. Doug Edwards drilled it into our heads that we were to surface the major block in a client's decision to buy whatever it was we were selling. We were trained to make the block the final block, to ask for the order and shut up. Once you can determine the real block preventing a perspective buyer making a buying decision, the client is just handing you the keys to a positive decision. The Minneapolis version of LENS bore a striking resemblance to the sales training I had encountered. It seemed like the same thing with just slightly different language but nevertheless, the same idea.

I was sold on the LENS process.

All the way back to Detroit, I told myself we had to see General Motors. I had no idea how to do that. since I had never sold a LENS, taught a LENS or even seen LENS taught. Over the course of the next several days I learned how NOT to sell LENS. We did not get so much as a nibble. So, starting from square one back in Detroit, we got on the phone and started calling. I say "we". What I really meant was she. It seems everyone in the Detroit house was allergic to the telephone with the exception of Katherine Barton. Katherine focused on calling hospitals. That was her comfort zone and

thank goodness she had a comfort zone, because it seemed nobody else did.

#### LENS IN THE MERCY HOSPITAL NETWORK

Our first lead came from a not-for-profit hospital. Katherine scheduled an appointment with the Vice President and Chief Operating Officer of the Mt. Carmel Mercy Hospital in Detroit. Leroy Foley signed on for a LENS at the asking price of \$1,200. Board members, senior officers and their direct reports attended the LENS. There were about 30 participants. I was scheduled to give one talk.

The LENS was a hit. Shortly after it was over, I received a call that would change my world and maybe even a sliver of someone else's world.

Frank Stella was the Chairman of the Board at Mount Carmel. He owned a restaurant supply house in Detroit, probably the largest in town. Frank was also the Chairman of Detroit's Orchestra Hall Renovation and Restoration Project. He spoke at least three languages and was the proud owner of a throne like chair he kept in his office, that the Pope had given him. Frank was well known around town.

Frank asked me to come see him. He was on the phone talking to someone in Italy when I entered his office. He indicated for me to sit on the opposite side of his desk. After the call, without hardly a breath or a break, he asked me very directly - - "Can you raise money?" I said yes, of course I raise money all the time." Then he said, "I need you to raise \$2,000,000 for the restoration and renovation of Orchestra Hall and we will pay you \$10,000 a month to do it." I accepted the offer. The Detroit House became self-sufficient and swiftly became a positive cash flow resource for the Chicago area.

Those two events – the Mt. Carmel Mercy LENS and the renovation and restoration of Orchestra Hall dealt with the issue of self-support. Thank you, Katherine Barton.

About this time several things began to happen. One, we expanded our work into other Mercy hospitals. We held a LENS at Mercy Center in Chicago.

#### JASPER MILLS AND NOVATEC

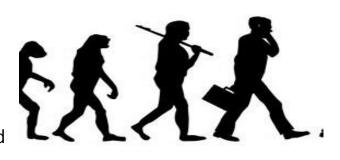
John Epps and I facilitated a LENS in Lumberton, NC for Jasper Mills. Jasper Mills was our first for profit corporation. The number of items on a "first" list grew. The first time to build in a follow up structure with the LENS service, and our first private jet airplane ride. It was Jasper Mills where we first learned about a one third mix of participants. We found it helpful to have one third of the participants come from upper management, one third from middle management, and one third from the floor of the plant. This insured diversity and shed light on different perspectives. The most important thing it did was to create ownership in the plan. Ownership resulted through the involvement of the folks who, after the event was over, were the people who would actually do the work.

We still did not know the market value of a LENS. However, the Detroit team did learn that the marketplace – the client – sets the value. We do not. We learned that when we set the price, we tend to always under value our services and products.

On the heels of the success at Jasper Mills, I had a bit more courage when I went to Chicago to meet with Cynthia Vance. Navitech was Cynthia's client prospect in Chicago and when it came time to quote the price of the LENS, I still did not have the courage to ask for \$25,000. Instead, I quoted the Chief Operating Officer half that price. Half was payable before we started the LENS and the other half to be paid at the end of our 90 day follow up session – - based on his satisfaction. There would be no conversation.

Either he liked what he saw happen or he didn't. He handed me the second payment before dessert was served at the closing dinner celebration.

We can be reasonably sure of one thing about this business of evolution. The old boy on the left of the picture did not consciously set out to evolve into the fella on the far right. And so it was with LENS. We did not consciously set out to change



LENS from a weekend seminar into a methodology of strategic change within organizations.

In the beginning, we included all of the trappings of the original weekend seminar. All five lectures or talks were included. We used selected quotes from <a href="The Ronan">The Ronan</a> as a sorbet for the brain - - a way to clear the head and signal a transition from one section to the next. Feedback convinced us the participants were extremely confused. We did little or nothing to give them a context or explanation of what we were doing with these readings. The participants' confusion intensified when the last word of the weekend - - and the last words of the The Ronan were:

#### "... to hell with it "

The evolution of LENS happened, therefore, over successive events making subtle and sometimes not so subtle changes. We dropped <u>The Ronan</u> readings. We changed the talks from lectures to contextual stories and instructions on what comes next. One of the more "not so subtle" changes happened relatively quickly. In Detroit we began seeing LENS as a self-support vehicle. At this point, we had over a dozen on our staff in our regional training center. The LENS seminars were taught by our staff who were assigned to do a lecture, facilitate a workshop, or lead a plenary. "Facilitation" was not a word we used in the beginning. We saw ourselves as first and second teachers with a couple of participant observers thrown

in for good measure. But that practice changed rather suddenly when I heard from three clients - - in chronological order: "Why do you have these people in the LENS? They do not add any value to the process."

At the time, I thought those comments were rather harsh and I became immediately defensive. After the third time hearing the same words, I could no longer ignore these judgements. These comments were coming from highly respected and thoughtful clients, who were paying me upwards of \$25,000 plus expenses and who were writing at least six referral letters to prospective clients.

After considerable thought, we shifted from using our staff in a LENS as workshop leaders to training client's in-house employees to lead workshops. These newly formed "Facilitation Teams" met for several four hour sessions prior to the event for training. In addition to workshop leaders, we also asked the client to provide two people to be the production team. This team produced the flip chart size paper wall décor that captured the process and results from each session. These charts became the context for the next session. The production team also produced the final document handed out at the closing dinner celebration.

These shifts required training and operational manuals. Each member of the Facilitation Team received a "Facilitator's Manual" with detailed directions for each workshop including a context, instructions to the participants and step by step procedures. In addition to the Facilitators Manual, we also produced the "Participant's Manual". The binders had a final section for the final document to be published on site and handed to each person at the closing dinner celebration.

The harsh criticism from the three clients motivated the Detroit team to form the BAR: The Board of Advice and Review. It was a volunteer board of Presidents and CEOs of various firms in Detroit. All members were former clients. They became our unofficial board of directors.

We incorporated LENS International, Inc. in 1984. The Order Ecumenical owned all the stock, valued at \$1.00. We did not elect a Board of Directors. The BAR hosted a quarterly meeting over dinner. Wives were included and encouraged to participate. We presented a new product, or a new process, or a revised process, and they gave us feedback. They also advised on financial and legal matters and client relationships.

One of the most memorable BAR recommendations came after our report on a Design Conference we had just completed with Amway. The board, to a man, announced that if we proceeded to do a program with Amway they would resign from the board. What we had discovered during the Design Conference was rather eye opening. It seems Amway had just been indicted in Canada for tax fraud and the "American Way" story was full of holes. We also discovered some black market activity in South America and Africa. We did not proceed with Amway.

In addition to the BAR, we also hired a marketing and sales training person to work with our staff. The trainer was a female and since most of our staff were female, this seemed appropriate. These sessions were extremely helpful, and we learned two major things during the sessions. The first thing we learned was the difference between selling and marketing. The instructor defined "selling" as anything and everything you and I do that calls for an immediate customer response. "Marketing" is anything and everything you and I do that does NOT call for an immediate customer response. Therefore, if you are not selling, you are, by this definition, a marketer.

One of the most substantial roadblocks to any business is the aversion most folks have toward salespeople. All of us have encountered the stereotypical used car salesman - - pushy, overbearing, manipulative, glad handing shyster. The high commission earners know the 13 methods of closing, a series of methods that build a box around a prospect he or she cannot get out of. It is tricky, slick, and finally is beginning to give way to "consultative" selling. So, not only do most of us have an aversion to

selling, we also are cowards. We have an intense fear of telephones. What we really fear is "cold calling". That fear is rooted in the fear of rejection, of failure, the fear of hearing the word "NO" branded on our souls forever. How were we going to overcome that fear?

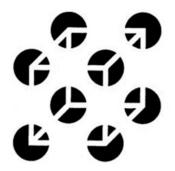
Our staff members thought of themselves as "trainers". That was their story. Some were better than others. They were comfortable with methods. Therefore, we invented the Design Conference. The second thing we learned in our training sessions was how to price a LENS. Our trainer encouraged us to quote two prices. The first price was a dollar figure we felt justified in asking for our efforts. The second price was a request that our client write at least six referral letters to people he/she felt would benefit from this process. The criteria for writing the letters were that clients be satisfied with the result of the process. Implementing the two-price system became critical to our success in the future. I continued using this two-price method after Leah and I left LENS International and moved to California. One client, who I will come back to later, wrote 26 letters. Those letters opened doors to half a dozen new contracts.

At this time in our evolution, we had no idea about the dollar figure we should charge for a LENS. As I have stated, it has been my experience that most people undervalue their worth and tend to price their services well below market value. We had to determine what the market value was. The only way I knew how to do that was to keep raising the price until we hit the upper end of the market. Therefore, my price kept increasing to \$50,000 to \$75,000 plus expenses. I finally hit the upper end of the market for our services at \$125,000 for a two-and-a-half-day LENS with 30, 60 and 90 day follow up sessions.

Continuing to "add value" to the client remained a constant focus.

On a few occasions the client pre-selected the team membership for the first three sessions of the LENS. These teams were called out of being at the beginning of the fourth session when all the participants were

reconfigured into Task Forces. The Task Force creation was another major innovation. In my opinion, the creation of Task Forces and the creation of Task Force Charters became a key to effective implementation.



Session four in a LENS was always a challenge. When a cross gestalt was used, we confused the participants and only a few of our staff understood it. I never saw anyone pull it off. We changed session four to reconfiguring participants into Task Forces. Each participant volunteered to be on a Task Force with a minimum of three people. Once

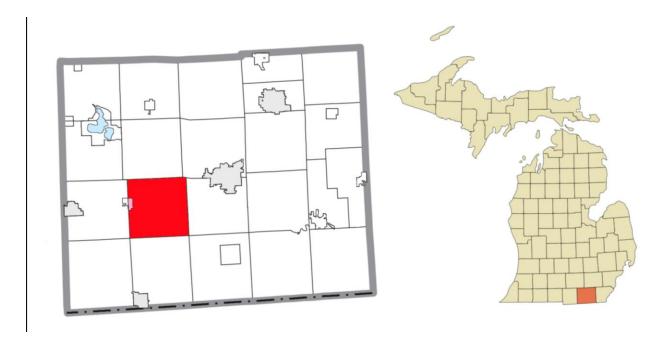
into Task Forces, each group had to produce their own Task Force Charter of how they intended to implement one or more proposals.

Client facilitation teams not only required training, but we also discovered that they were our eyes and ears inside the organization. For months following the event our in-house cadre tracked the progress of the Task Forces and gave us "heads up" to conflict and trouble spots beginning to brew. We added three monthly follow up sessions to our "Scope of Work" for a client. These newly trained teams not only led the workshops during the LENS, but they also turned into a trained in-house group of facilitators the client could call on to facilitate the work of the Task Forces and other events within the organization.

This was a "value added" benefit to the client.

This arrangement of training in-house facilitators was a value added to LE Associates as well. Up until that point, I had hired four workshop leaders, an assistant facilitator and a production person from the staff of the ICA. The client paid their expenses but, their \$2,000 fee was paid by LE Associates. This new arrangement saved the client the expenses for six additional people and saved LE Associates \$12,000 per LENS. I have not had a single negative comment about this practice since we started it

# LENAWAY COUNTY, MICHIGAN "How do you save the municipal bond rating?"



One of our earlier LENS successes was in Lenaway County Michigan. Lenaway County is about 100,000 people in population and tucked into the lower southern part of Michigan. We held the LENS in a high school gymnasium in Adrian , the county seat. The sponsors included the Lenaway County Economic Development Committee. The upcoming event was well publicized. Two television stations and three newspapers covered the event. At the opening address there were about 80 participants which was a challenge because of the numbers of trained facilitators needed to conduct the workshops. In preparation for the event, we trained 10 workshop leaders from Detroit and a few local residents.

The major concern of the Economic Development committee was the Lenaway County municipal bond rating. They were about to lose a grade in their bond rankings and were very concerned about their ability to raise money for public projects. The LENS was considered a success on two fronts. The major focus, of course, was that the County keep its bond rating. They not only maintained the grade level, but shortly following the

publication and circulation of the final LENS document, the bond grade improved.

There was also a "facilitation learning" that came out of this event. We noticed, in many cases, usually in the public sector, the tendency of the participants is to do a study. During the proposal section of this LENS, we stopped the process when two or more task forces reported they we're going to do a study. Publicly, in the plenary, I asked the following:

"Let's assume that you just got the report back from your study. The study has been done and you are holding the report. What did it say? What are the three or four proposals called for in the report?"

They knew exactly what the study was going to say. It was remarkable to me that in 90% or more of the cases the participants could answer that question. The need for a study, therefore, proved to be irrelevant. Action was our bias, not studies.

## THE KENUCKY COMMERCE CABINET "Stop the presses!"

This was the first time, in my experience, where we stopped a LENS midway through one of the sessions.

The Kentucky Commerce cabinet was composed of representatives from each one of the counties in Kentucky. At the time Kentucky was ranked dead last in education levels, economic development and general health in the United States.

The LENS was held in the local gymnasium, and like little Lenaway County, we had an overflow crowd. The process went reasonably well through the Practical Vision and Underlying Contradictions sessions. When we got to the plenary of the Strategic Proposals, the participants became very restless. It was at that point many realized that these proposals were

serious, strategic and actionable. The task forces were actually going to implement these proposals. One of the participants declared that the first session on vision was not actually their vision.

Much to my horror Jack Gillis, who played the lead facilitator role, stopped the process in its tracks. We put up the vision chart on a large flipchart. Going through each vision element, one by one, we asked questions of clarity - - not whether or not this was their vision but rather was the vision clear - - could participants "see " the vision? It is very hard, if not impossible, to argue over what someone sees in their mind's eye.

A salesperson will have "visions" of a six-figure commission check. The controller will see a positive bottom line on a balance sheet. What a person "sees" is what we have to deal with. The challenge for the facilitator is clarity – what do you see? Another participant cannot argue with what someone sees in their mind's eye.

I learned that Jack's willingness - o stop the process and keep us open to the possibility of changing direction on a dime – demonstrated our trust in the participants insights and our methods.

# SINAI HOSPITAL "We pick up where your consultants stop."

Shortly after we finished with The Mount Carmel Mercy Hospital LENS, I got a call from Irving Shapiro, President of Sinai Hospital. Mr. Shapiro asked us to meet him in his office. A participant in the Mount Carmel Mercy Hospital LENS was recently hired at Sinai and told Irving about the LENS we had done at Mount Carmel. When Jack Gilles and I showed up in his office, he reached behind his desk and retrieved a fairly thick document that was produced by one of the major consulting companies in the country for a price tag of \$250,000. This strategic plan had just been published and was accompanied by a "Executive Summary". The first thing we ask Mr. Shapiro was how many of these documents were produced and how many staff

now had a copy? His answer was six. We then ask him why the executive summary? "Well, he said - - "because no one is going to read through this volume of a plan." It seems he had a board meeting scheduled in two weeks to present this costly strategic plan and was a bit nervous about how and what he was going to say. We took the plan back to Detroit and put the strategic proposals on one chart. This gave him a way of seeing the entire picture. Frankly he was blown away. He then asked us to present this to the board. We politely refused.

The board meeting was handled smoothly, and we landed a LENS with Mr. Shapiro, his six division leaders and their direct reports. The LENS was a success. It was such a success that the head nurses decided they wanted a LENS. We held the second LENS with the nursing staff at Henry Ford's retreat motel outside of Dearborn. Not to be outdone by the nurses the doctors then wanted their own LENS. We did a third one for the lead doctors and their staff. All these documents were pulled together in a four-hour presentation to the complete staff of the hospital. Sinai went from a net loss to a fairly significant net profit in one year - - so much so that they bought the hospital down the street - - Mount Carmel Mercy Hospital.

We learned, almost without exception, that organizations, be they for profit, non-profit or public sector, had some kind of plan in place when we walked in the door. We learned to take their plans and begin Session One with the question: "Given this strategic plan, what do you see in place in five years?" That one question put everyone squarely centered in the LENS process.

# MC DONNELL DOUGLAS TECHNOLOGIES, INC. The first combat mission of the F117 Stealth fighter

When our family moved to Rancho Peñasquitos, San Diego, California, three and a half miles away was the famous Torrey Pines golf course. I spent many hours there. As luck would have it, I was paired up with two engineers working for McDonnell Douglas Technologies, Inc. They told me the parent

company had just hired a new general manager. The new manager wanted an audit and a fresh start.

I had never been in a new top-secret facility before McDonnell Douglas Technologies, Inc. When I entered the building, I was greeted by klaxon alarms and whirling red and amber lights to alert everyone in the plant to stop what they were doing, cover computer screens, and protect whatever data was on their desktops. I was ushered back to the general manager's office and was in for another surprise. The second I went through the door it automatically shut behind me with a very distinctive metal clack. Now I was in a soundproof room with the general manager, and that - - in and of itself -- was upsetting, to say the least.



This was the first time I quoted two prices for a LENS: \$25,000 plus expenses PLUS at least six referral letters based on his satisfaction. At the closing dinner

celebration,

for the first time publicly, we witnessed videos clips of the F117 stealth fighter in combat over Panama. Remember Panama? I could not imagine this plane could actually fly. It was so ugly and so not aerodynamic looking - - it was a serious ugly duckling. In its development stages at the Lockheed Skunkworks, the X plane was known as "Have Blue". The F117 was

virtually invisible to a radar technician. The only thing the radar operator saw on their radar screens was blue sky. This advance in technology was later referred to as "Leap Frog". Such advances have the ability to leap over the normal evolutionary patterns. It makes obsolete existing defense systems.

#### **SRI INTERNATIONAL**

Following the LENS at McDonnell Douglas, the general manager wrote his six letters of recommendation to senior management people he knew personally. One went to Dr. Joe Eash at SRI International, formally the Stanford Research Institute in Menlo Park, CA. SRI is the largest not-for-profit private lab in the nation. Another to Dr. Joseph Reagan, Vice President and Director of the Lockheed Palo Alto Labs, the largest for-profit private lab in the nation, and a third landed on the desk of Dr. John Ratelle, Senior Manager of the Advanced Computing Lab at Palo Alto. SRI International and Lockheed Palo Alto Labs sit about three miles apart as the crow flies. Halfway along that flight is Stanford University. These three developmental powerhouses changed the world.

When Leah and I moved to La Jolla, California in the late 80's, my learning curve was about to encounter a very steep incline. This process began during the opening introduction conversation. The question was: "Give your name, what you do here at SRI and when you joined the organization". There were 40 people in the room. About a third of the way around the room a participant said his name, what he did and stated that he'd joined the organization a week after it was formed. WOW – that was over thirty years ago. Then, another six or eight folks answered, and another man said that he too joined the organization the week of its formation! These two men, in the same organization, working every day for over thirty years had never met. This was astonishing to me and illustrated how insulated, myopic, and ridged a "stove pipe" structure could be.

Most of the participants were men, who were PhD's and research engineers. Most had been there for 20 years or more. Engineers are bright people, highly educated and they love precision. Research involves asking questions. These guys were not timid and asked a ton of questions. Inconsistency, befuddlement, confusion, irrationality and fuzzy thinking do not go well in a group like this. As any LENS facilitator knows, the Practical Vision plenary is different from the Underlying Contradictions plenary and they both differ from the Strategic Proposals. These guys were not having any of what they saw as inconsistency and chaos. You can imagine a very lively debate going on in the middle of the room and over which I had no control. Joe Eash saw what was happening and came to the front of the room and suggested I take a seat for a bit. The room became very quiet when Joe began telling this story:

"There once was a group of research scientists sitting in a room to observe and interpret a video tape that had just come in from the battlefield. The subject of the video and the discussion surrounded a particular object first detected at an altitude of 30,000 feet, by one of our spy planes traveling at mock 3.5 (three and a half time the speed of sound). Even at that speed and at that altitude, the video was remarkably clear. The consensuses was that they were looking at a Soviet T34 tank emerging from a wooded area along a particular border. A second video was shown – this time taken from a prop propelled aircraft at an altitude of 15,000 feet. Yep " they all agreed -"T34 tank alright" - so, now what are you going to do? Call in a strike force and knock this guy out who is clearly off the rez and up to no good. They decided to see if they could get a camera inside a jeep and get as close as possible for a positive ID. The third video was shown to a room full of embarrassed engineers. Their T34 battle tank had shapeshifted itself into a black Angus bull."

This taught me in life, to try to keep any deliberation open for as long as possible before making decisions. It also taught me to keep the process

open as long as it is possible in order to help people avoid jumping to erroneous conclusions.

Much has been said about the referral letters these men wrote. Some are quite good. I am including several for you to see. (Attached are letters from McDonnell Douglas, Lockheed Missiles and Space Company, Inc., Lockheed Advanced Development Company, and the Office of the Under Secretary of Defense.) Joe Eash wrote a letter to Dr. Joseph Reagan at the Lockheed Palo Alto Labs. They were good friends and had worked together at the nuclear test site at Mercury City outside of Las Vegas.

## LOCKHEED MARTIN CORP. "The Palo Alto Labs"

I facilitated several programs with Dr. Reagan, including several LENS and at least one Marketing series in each of the nine labs. At the closing dinner celebration of the first LENS, Dr. Reagan recounted events of the last three days in front of the group. He stated that he had participated in offsite events for dozens of years during his service at Lockheed. He said this was the most comprehensive and effective offsite he had ever attended. He was looking forward to the results in the task forces. And he asked that I stick around to talk about further work.

As a result of Joe's focus on the "D" part of Research & Development, I created a marketing workshop series for each of the nine labs. Shortly after the LENS Dr. Reagan wrote 26 referral letters.

#### MICDONNELL DOUGLAS

McDonneil Douglas Technologies Incorporated

DR. ALLEN R. ATKINS Vice President, General Manager

5 July 1990

Mr. Joseph J. Eash Sr. Vice President Engineering Research Group SRI International 333 Ravenswood Avenue Menlo Park, CA 94025

During the past few months, I have had a really interesting and educational experience in which I think you might be interested. My real challenge in moving to McDonnell Douglas Technologies, Inc. has been coming up to speed with a new company, in a new environment and in a changing world with "Peace" breaking out. Coupling this with the latest government and industry thrust of Total Quality Management (TQM) and Participative Management required that I had to identify a process and methodology that was proven and could put me on the road to providing the changed leadership that was needed.

After reviewing several approaches, I chose to implement the methodology of Lee Early of LE & Associates. Mr. Early's approach of involving a sampling of the entire company to address a common vision, the contradictions to achieving those visions, the strategic plans to address the contradictions, the tactical plans to move toward the strategic end state and the implementation plan which allows for real short term (immediate) progress toward the tactical plan, has resulted in a different company for MDTI. This approach integrates all the key elements of TQM and Participative Management into a real working program with which the workforce can identify and be party to the end results—the state that I think we all want.

Lee Early did not come into our company to do a plan for us; he came in and led us through the journey as a "Value Added Facilitator." Lee did not tell us what the problems were, nor did he tell us how to solve them. He facilitated the asking and probing to surface the hard questions and answers that the people needed in order to formulate the future state. His unique approach allowed our team of approximately 14% of the entire company to quickly, and with consensus, reach clearly-stated visions and formulate real result-producing actions. This process required probing to the innermost concerns and perceived contradictions addressing the reasons our vision could not be met. Lee forced the group to address the hard questions that then allowed us to get to the core of the problems.

Based on the positive results and the progress being made by the people in the company along their paths to the future, I truly believe that we have received more than we bargained for, and I do mean bargain. I would like to invite you to get in touch with Lee to see if he can provide a unique approach that I am sure will allow you to better focus your personnel and resources. I have attached his card for your convenience. I invite you to call me if you have any questions or comments. My number is 619-592-2000.

I really enjoy talking about a new idea and a new approach to solving new problems. Lee Early's methodology is such an approach, and I believe that it can help you. I am looking forward to hearing from you so that I can further explain the benefits that we have experienced. Thank you for your time.

Sincerely

## Lockheed Missiles & Space Company, Inc.

Palo Alto, California 94304

J. B. Reagan Vice President & General Manager Research & Development Division

July 3, 1991

Mr. Robert Wilson Chairman of the Board Southwall Technologies, Inc. 1029 Corporation Way Palo Alto, CA. 94303

Dear Bob,

This letter is by way of introduction to a Continuous Improvement process that my organization has tried and is very excited about. The process is comprehensive and took us from establishing a practical vision for our organization to identifying the obstacles that lie in the path of that vision, to deriving a strategic plan for overcoming those obstacles and finally to developing a 90-day tactical plan to eliminate the most important obstacles. We developed all of this in a two and one-half day offsite including the real time creation of the documented plan.

At the offsite we used the services of Lee Early and Associates who have developed this consensus-building process for over twenty years with a wide variety of groups. My organization met as a group of 53 managers, directors, and vice-presidents. We first met in small groups of ten or so, with each group arriving at a consensus of a common vision for the group and the organization. These groups then met in plenary to share these thoughts and to arrive at a common practical vision for the organization five years in the future. The process was then repeated to arrive at the obstacles in the path of that vision. In a similar way a strategic plan was derived and finally a 2 year tactical plan was developed. The most urgent tasks and milestones to be accomplished in the 90-day period after the offsite were clearly highlighted. The enthusiasm and energy at the offsite was fantastic.

We have just completed our 60 day post-offsite review. Twelve taskforces are active in addressing such issues as customer satisfaction, changes needed to our policies and procedures, additional training and many other important Continuous Improvement items. The interest, enthusiasm, and hard work has been abundant. We are about to drive the process further down into the lowest levels of our organization. I believe we are on the path of a truly long term Continuous Improvement process that will have profound positive effects on our organization because of the buy-in and commitment at all levels.

Because this process has been so successful for our organization and because I know of your interest in Continuous Improvement I wanted to make you aware of it. If you would like to discuss details and results further I would be happy to do so. I have also asked Lee Early, one of the originators of this process and the facilitator at our offsite, to give you a call in the near future to explain the process.

Yours sincerely

Joseph B. Reagan

# The Lockheed Advanced Development Company



A Division of Lockheed Corporation P.O. Box 250

Sunland. California 91041 Telephone: (818) 847-5025

Sherman N. Mullin

March 16, 1992

Mr. Sidney P. Rundell
Vice President & General Manager
Communication Systems Division
Unisys Corporation
Defense Systems
640 North 2200 West
Salt Lake City, UT 84116-2988

Dear Sid:

We are deeply involved in a strategic reassessment of the "Skunk Works" and are taking actions to prevail in a radically changed business environment. As a major element of this initiative, we engaged Mr. Lee Early of LE Associates, LaJolla, California. Lee was strongly recommended to me by my colleague Dr. Joe Reagan, Vice President and General Manager, LMSC Research and Development Division.

From February 27th to 29th we had an intensely productive off-site meeting, with 35 senior managers involved. Lee Early has developed a consensus building process which is understandable, practical, efficient in use of time, and exceptionally productive. Our management team was very impressed with how much we were able to accomplish with Lee Early's in-depth involvement and depth of practical experience and the skills to apply it. We came away with a concrete 90 day action plan derived from prioritized two year and five year objectives which we generated.

I am making you aware of Lee Early and his capabilities because he has (and will) help us tremendously and I believe he could do the same for you and your organization. I have taken the liberty of asking Lee Early to call you in the near future to explain his unique approach.

I hope you are surviving well in the budget battles and that we will continue to be successful in the programs we are mutually committed to. We are intensifying our focus on future intelligence system architecture.

With best regards,

bcc: Lee Early



#### OFFICE OF THE UNDER SECRETARY OF DEFENSE

#### 3000 DEFENSE PENTAGON WASHINGTON DC 20301-3000

December 8, 2000

Mr. Lee Early President, LE Associates 310 Cottonwood Court #1 Incline Village, NV 89451

Greetings Lee.

On behalf of the Advanced Systems and Concepts Office, I wish to thank you and your team for your diligence and efforts at our Techniques for Anticipating and Understanding Societal Instability workshop. You took on a challenging task, and we were impressed by your seemingly tireless efforts to structure the interaction of a disparate collection of people discussing a complex and important topic. You have played a substantial role in aiding us to think more clearly about, and hopefully, act more effectively towards the citizens of our world. Your sense of the humane and the possible was demonstrated throughout the conference.

Again, we thank you, as well as Randy, Jean. Clarence, Dick, and James for your efforts. Best wishes in your future endeavors.

Sincerely,

JOSEPH J. EASH. III
Deputy Under Secretary of Defense
(Advanced Systems & Concepts)

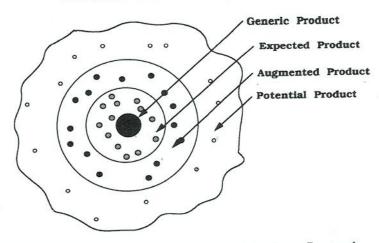
It was at this time the Soviet Union collapsed leaving the United States without an enemy, without a target, without anything to defend against as we had just withdrawn from the Vietnam War. That conflict, for the first time since World War II, our Navy did not have a "blue water" Navy to fight. Instead we faced a Brown water Navy meaning the Navy now faced very fast, very small, open air boats operating in shallow rivers and streams. This was a totally new concept. Also, as a result of World War II, Congress demanded that our military be capable of waging war on two global fronts, the Pacific and the Atlantic. When the Soviet Union collapsed, so did our focus on fighting a blue water navy.

Everything changed at that point. The US was now faced with redefining the theater of war and what had been our operating principles since 1947. The US was now the only global country with the capability of waging a global war on two fronts.

What were we going to be called upon to defend? From whom? Over what, requiring what kind of equipment, and what kind of armament? The Navy couldn't focus on building the <u>next</u> Navy. Ships were already designed. The Navy had to look into the future and create "the Navy after next".

At the same time the universe of computing technology rapidly grew up. The world headquarters for Apple , Oracle, Intel, HP and half a dozen others were all located in the Palo Alto area. Computing and Research & Development ranked as hot topics. Therefore the Palo Alto labs, and particularly the Advanced Computing Lab directed by Dr. Reagan and Dr. John Ratelle respectfully, participated eagerly in LENS. I facilitated LENS at various levels within the Palo Alto labs including a new series of marketing workshops. Marketing was not something anyone in the labs had ever considered.

#### THE TOTAL PRODUCT CONCEPT



Note: The dots inside each ring represent specific activities or tangible attributes. For example, inside the "Expected Product" are delivery conditions, installation services, post purchase services, maintenance, spare parts, training, packaging convenience, and the like.

I used the book "Marketing Imagination" to introduce the difference between marketing and selling in every organization. If you were not a salesperson requiring an immediate customer response to your efforts, then you were, by definition, a marketing person. Everyone now is a marketer. This notion was a major shift in their imaginations. The idea did not go well with some. "I am a research scientist and now you are telling me I have to be a marketing person?"

Briefly the marketing workshop series the series focused on the above book. It began asking the question of "What is your generic product? What are your expected product elements? What are your augmented product elements? And finally, what is our major, unique, competitive advantage?" The task forces were formed, implementation briefs written, assignments made, and bottom lines established. Each task force wrote a Task Force Charter, signed by the president of the company, with monthly and quarterly implementation timelines, measurable objectives set forth each month. The marketing workshop series did produce several "products" flowing from the Research efforts in the Labs.

#### LOCKHEED ADVANCED DEVELOPMENT CORP.

"The Skunk Works" Sherm Mullen: "We were too early."



One of the letters Dr. Reagan wrote went to Sherm Mullen, President of the Lockheed Advanced Development Corporation, known as "The Skunkworks".

At the time, the Skunkworks was located in Burbank, California. I must admit I was thrilled, and awe struck just walking in the front door of this famous organization. The major premise behind the Skunkworks was the notion that reconnaissance prevented more wars and saved more lives than wars ever could.

Therefore, they were in the business of developing reconnaissance aircraft.

The U2 was one of its more famous developments.

The U-2 reconnaissance

The SR 71 is still the highest flying, fastest aircraft ever built but went out of service in the 70s when satellites became our major source of reconnaissance. Nevertheless, the



main lobby of the Advanced Development Corporation was a historical adventure in and of itself.

I was finally ushered into the President's office. I entered

and was greeted by Mr. Mullin where he asked me to sit in front of a long, low coffee table. He walked over to the bookshelf and selected a scrapbook, a large leather bound 24 inches by 18 inch scrapbook with gold lettering on the face of it which stated:

"From war to peace 1947"

Scherm, handed me the book and said – "We were too early".

Indeed they were. The Lockheed venture into the commercial airline market ended with two, back to back crashes of the L1011 Tristar. The airplane was too far advanced, too

complicated and too automated for pilots to comfortably fly.

Before we did a LENS at the Skunkworks, I attended one of the Board meetings Sherm held at the new facility in Palm Springs. There had been rampant speculation on why, what and how the Skunkworks



would replace the SR71. The press could not understand why Lockheed would abandon such a successful program. They must have a secret replacement aircraft hidden in the Nevada desert. After all the SR71 flew for years without anyone knowing a thing about it. The new aircraft, it was rumored, was the Aurora. It's pulsating rocket engines could throw the aircraft across the sky at mock 7 and above. At that speed the plane could fly from Edwards Airforce Base in California to Moscow AND back in seven hours and 15 minutes – hardly enough time to enjoy the scenery. Janes: The trusted source for defense and security intelligence, had an article on the plane in their newspaper on the front page. I made copies for everyone who would be attending the Board meeting and had placed them on their chair seats.

When his PR Director informed Sherm of all the reporters standing outside on the sidewalk, he said they wanted to know about Aurora. "Can we tell them about Aurora?" Sherm's response: "You can tell them anything you want." That was classic Sherm Mullin. Short, precise, to the point and no bull shit.



When I facilitated the LENS, the Skunkworks was located in Burbank, California at the end of the commercial runway. Prior to the LENS the organization had plans to move lock, stock and barrel to the California desert – over the next six months – at an extreme cost. One of the decisions in the LENS collapsed that timeline.

Our first 30 day review was held in their new facility in the California desert, saving over \$3,000,000.

The Lockheed LENS was one of the best I had ever facilitated. Sherm was impressed, too impressed, in my opinion. Armed with a Strategic Proposals chart and a final document, Sherm went to the Lockheed Board of Director's Meeting. At that meeting Sherm committed to develop six "silver bullets "in the next six months. A silver bullet, as he defined it, was an advanced technology that did not naturally migrate or mature, but "leaps over" the present state of the art. Radar is an example of leapfrog technology. Stealth is a more current example. He hired me to work with the task force in charge of producing these six silver bullets to make a long story short I worked with that group two or three times a month and they did produce six silver bullets.

Before going into that workshop we set forth the following four criteria:

The products, #1, had to be market driven with a possible, #2, a military application. It also had to be, #3, completed in the back room – in the Skunkworks - with no budget, and #4, it had to fly.

The overall strategy is to produce a prototype, demonstrate its effectiveness and then call the military. "If you want one of these airplanes to be retrofitted for military service, then, here it is. Here is the estimated cost, anticipated delivery schedule, and here is its capability." This was a 180° turn from building an airplane to meet military specifications and then hoping to maybe finding a commercial application. This reversed the process: build an airplane to meet commercial specifications first and then call the military.

There were a couple of the products that did meet our criteria. One was an aircraft that was 500 yards long, 17 stories high and it flew. It flew from a regional distribution center, like Chicago, to a regional distribution center, like Beijing, bypassing centralized major hubs, flying over established railroad, and highway systems, flying over ports of departure, over oceangoing traffic, over ports of call on the other side of the ocean, and again flying over central hubs and ground transportation systems to land inland at a regional center, all in one trip. This method of transportation, if in being could disrupt all truck, railroad, and shipping systems. This mode of transportation had the potential of dramatically cutting the cost of shipping. Bulk freighter rates were \$0.80 a ton mile. Our vehicle, transporting the same volume, and for the same distance, in half the time costs \$0.08 cents a ton mile.

One of our challenges was how to make it. At the time I happen to be working with Don O'Mara, the President of Hexcel Corporation and Chris Ruegg, General Manager of Cieba Giegy. Both those companies were instrumental in working with the Skunkworks to finally come up with a manufacturing design that utilized composite materials which was Hexcel's specialty and honeycomb floor panels made by Cieba Giegy. Both clients of mine, I knew their product line capability and their upper management group. Our next challenge came from FedEx . FedEx were so excited about this possibility that they ordered over 30 aircraft to populate their entire network all at once. We simply could not afford that kind of expense upfront and therefore, had to scale back the project considerably. The concept is still an active possibility today.



Another one of the breakthroughs was the supersonic sound suppression technology now being used on sound suppression for supersonic aircraft in the States and other nations.



Another product that came from the task force was the X 33 single stage to orbit vehicle. This was the 1st single stage to orbit attempt and really did not ever get off the ground since the competitors also latch onto that idea in a frenzy The X 33 is still one of the vehicles being considered by NASA and other private firms for their venture into commercial space transportation.

I had fun working with these guys at the Skunkworks. We had lunch and dinner together, shared a beer or two. We played golf together and shared back yard bar-b-ques with their families. But, the world was changing, and changing fast.

The United States foreign relations began to dramatically improve and accelerate, particularly our relationships with Russia – the former Soviet Union.

#### LOCKHEED MISSILES AND SPACE CORP.

(A corporate dilemma)

"Lockheed Space Corp., a division of Lockheed Missiles and Space Corp, were using Russian rocket boosters to launch our satellites into space, and the Missile Corp division had no one and nowhere to point their missiles. Both companies occupy the same common campus in Sunnyvale, California" Down the street from the Lockheed Palo Alto Labs, sits the Lockheed Missiles and Space Corp. in Sunnyvale, California.

The first LENS we did with these folks was with the Missiles company. Their initial claim to fame was the Polaris submarine which launched the international guided missile. Indeed, the US Navy had moved into the Lockheed plant facilities in Sunnyvale. Since the collapse of the Soviet Union, the Navy had very few targets worthy of such firepower. Relations with the Russian Federation developed very quickly. The Space Systems Division of the company began using the "beefy" Russian made booster rockets to launch our heavier payloads into space.

The Missile Division of the same company sat literally next door to the Space Systems Division, and Space Systems were using Russian missiles? This was totally unacceptable to the next door missile systems folk.



Our Design Conference, a four hour session, *(see the procedures attached)* for the Missile Systems Division combined LENS with workshops from the Marketing series I'd just finished in the Lockheed Palo Alto Labs blocks north up the street. They went into competition with the Russians for the booster rockets on the Space System projects - - and won!

Since then, Space Systems and Missile Systems have learned how to play nice and the results are outstanding. Here are some examples: *Virtual* Reality and *Alternative* Reality and *Physical* Reality combined with *Artificial Intelligence* and applied to space exploration - if your imagination will expand that far -it will give you a clue as to the goings on at the Space Systems Division these days.

# -The Design Conference

## The Design Conference

#### What is it?

The Design Conference is a four-hour session led by a Master Facilitator from LE Associates. It is divided into two parts:

- Creation of a Focus Question using a Corporate Survey Method of Issues Analysis with the management team
- II. Explanation of the process, methods and tools in the technology of participation used in planning, problem solving and implementation

### Who attends the Design Conference?

The Design Conference is attended by a selected group who is most familiar with the critical issues facing the organization and who can make the decisions about its future. The size of the group is usually limited to six to eight people.

## What is the intent of the Design Conference?

- To allow participation and ownership in the design of a program which responds to the Focus Question
- To introduce LE Associates
- · To demonstrate the effectiveness of the methods used

## What are the products of the Design Conference?

- · Generation of the critical issues facing the organization
- · Articulation of the Focus Question
- · Creation of a program which effectively deals with the Focus Question

#### AMOCO PERFORMANCE PRODUCTS, INC

"Water moldable metal substitute"

One of our referral letters showed up on the desk of Linn Matthews, Vice President, Marketing, Sales and Customer Focus for The AMOCO Performance Products, Inc.. Mr. Matthews had a rather significant challenge. He was in charge of a brand new plant created specifically to manufacture parts made from water moldable plastic – parts that would replace the hard to make, heavy metal parts in automobile engines. These parts would be lighter, stronger, easier to make, safer and could be produced quicker than the molten metal extrusion process they would replace. The water moldable process was the key.

After the plant was up and running, and after several initial sales, Linn discovered he had a problem - - the product didn't work.

When I arrived, there was nary a mention of this problem. The Design Conference only surfaced the typical focus on plant efficiency with a slightly stronger emphasis on the customer. The Practical Vision of the LENS went well, but the Underlying Contradictions surfaced the real problem. During the LENS process, the group defined the problem, formed a Task Force around it and created a Charter. (See Task Force Charge example attached.) Linn signed the charter and the Task Forces got to work. It is critical to note that the Task Forces are made up volunteers from within the company. They find the time – at lunch, on breaks, before and after work to meet. There were salespeople involved, production people were interested so, we had a few of those on the task force. The research folk were vitally interested. Human Resources and Safety were represented as well as a couple of folks from upper management.

At the 30 day review, everyone reported on their Task Force work. The materials task force quietly reported they might have come up with something that might work. They intended spending the next 30 days building a prototype and testing.

At the 60 day review the Materials Task Force reported that their prototype was working



and that they intended building a working full scale model and produce a sample product. Just for the fun of it, they chose a metal part from a Lamborghini. Of course they did - - if this process worked, it was going to command top dollar in the marketplace.

At the 90 day mark a very strange thing happened. A week or so before I flew back to Atlanta to facilitate the 90 day review. I was told by one of the Facilitation Team members that the Materials Task Force had successfully tested their process and the resulting products had, in fact, worked! This was a big deal. I couldn't wait to get to the plant for the celebration.

When I walked in the door, the place was dead. People were there alright. Everyone was hard at work at their workstations as if nothing had happened. What the hell was going on? When the Task Forces reported out. The 90 day review included all the participants in the LENS. Everyone heard the report. No one, up until this point, had told me, but now the truth came out.

As in most Fortune 500 companies, AMOCO did exactly what their wealthy cozens did – they formed a "Blue Ribbon" committee of senior officials, spent hundreds of thousands of dollars and countless hours in meetings to produce a report – a "White Paper" of what they'd done to research the problem. While they were meeting, the volunteer Task Force, on their own time, with no budget not only solved the problem on paper, but they also built a prototype, tested the process and produced a working product. The Task Force was embarrassed. Upper management was incensed. However, during the reporting of each Task Force, everyone realized that the problem had been solved. The plant could produce a workable product.

I called the plant two years later just out of my own curiosity, to see how they were doing. The plant had doubled sales and production each year since LENS.

#### THE PENTAGON

"Advanced Systems and Concepts"



One afternoon, out of the blue, my phone rang. It was Dr. Joe Eash from SRI, except Joe was calling from his new job at the Pentagon. Joe was now the Deputy Under Secretary of Defense (Advanced Systems and Concepts) and he had a question for me. He began by explaining - - something like this:

"It is a generally accepted fact that the last people who want to go to war are the war fighters. It is a misconception to think that the military is always looking for a fight.

My job here is to try to avoid shooting wars. It has been our experience in this building that NGO's have played a major role in keeping the peace. They can go into a conflict zone and, in many cases, figure out a solution to a problem before it gets out of hand and the military is called in to resolve it. As is often the case, the politicians are the folks who rush into military intervention. So, here is my question for you:

I want to be able <u>to forecast trouble spots well in advance of them becoming a military problem.</u> If we could identify potential conflict areas, we could alert NGOs and they could go into the area and hopefully deal with the situation. If I got the intelligence community, representatives from the branches of the military, professors and physical scientists, social scientists, computer engineers, agriculture and clergy in one room for two days, could you and your staff facilitate the event? I could use my office to pull this group together and I could provide access to open source computers from around the world. What do you think?"

After my shock began to subside, I said "Yes". This was going to require a very unique team, not simply folks who could facilitate a workshop and read and follow written procedures. This team and the participants had to think on their feet. Thinking outside the box would take on new meaning. I did not care if the participants could think outside the box. They had to THINK, outside, over the top, under or around the box –

just think. I'm not sure I recall everyone on that team, but Jim Wiegel, Jean Watts, Dick West, Randy Williams and Clancy Mann were there. Each brought a different perspective and insight to the discussions.

Over the course of the two days we heard and saw presentations that were incredible. At the close of the event we had identified four broad areas of possible conflict – 1. Slow moving and 2. Fast moving natural disasters and 3. Slow moving and 4. Fast moving human disasters. Then, we chose four areas of the globe that were approaching open conflict. Finally, we wrote four master strategies: intensive, extensive, probing and flanking strategies were written for Cuba, North Korea, China and I forgot the fourth area of the globe.

Joe made good on his promise of open source computer access by way of one of the largest, if not the largest computer networks in the world – the Naval Research Center's central computer complex in the northern Pacific. The system was not perfect. Human beings continue to play a critical role in decision making. Computers can identify possible civil unrest. But, as Jim Wiegel pointed out – not all civil unrest is a bad thing. So, strategy must include consideration of that wily human factor.

#### **INCLINE VILLAGE HIGH SCHOOL**

"The English and Speech Department"

I suppose a disclaimer is in order for this one. I think I had a leg up. Leah was a classroom teacher in the English Department. So, this wee report is for the record. The LENS was very engaging for the seven participants. The teachers envisioned revitalizing the four year high school English curriculum no less. They all agreed that the time was well spent and worth every nickel of the \$10,000 fee. Not all LENS off sites are worth the same amount of money. Few English Departments can afford \$10,000. My point in telling this story is not the price of the event. My point is that LENS works with seven participants as well as seventy. They all were priced differently - slightly, and sometimes not so slightly different just below the value enjoyed by the client.

The smallest LENS I ever facilitated was with two people seriously thinking about marriage.

Back to the subject of fees, here is my last story:

In the Design Conference, toward the end of the four hour session, there always came the moment of truth - - when the participants and especially the President - - wanted to know the cost.

By this time I had the price in mind, plus those six referral letters. I took a sheet of paper and wrote down the price. I then folded the paper, hiding the cost and placed the paper in the center of the table. I then asked each participant to answer the following question:

"Assume we effectively dealt with the Focus Question you just articulated, what do you think it would be worth?"

I asked each person to jot down their number on a piece of paper – don't put your name on the paper – just pass it here to me. I then read their answers. In almost every case their number exceeded mine. In several cases the participant numbers exceeded seven figures.

This process – these methods are worth more than I and all colleagues who worked in LENS facilitation have here to fore imagined.