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LEADERSHIP TRAINING, LEADERSHIP STYLE
AND ORGANIZATIONAL EFFECTIVENESS

by

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ABSTRACT

There is a well-documented shortage of competent leaders in American corporations today due in part to the fact that leadership has been traditionally conceptualized as an individual-level skill. Accordingly, development is believed to occur primarily through training to improve individual skills and abilities (Day, 2000). These approaches have failed to see that leadership is at its essence a complex interaction between the designated leader and the social and organizational environment (Fiedler, 1996). Corporate educators need to recognize this interaction and begin to focus on holistic training and development models that address the interpersonal and social leadership behaviors required for future success.

The purpose of this study was to explore the relationship between a
relatively new kind of leadership training based on the Health Realization/State of Mind understanding and organizational performance. It was a mixed methods design incorporating interviews with a number of leaders from a particular business area in the organization, work environment surveys, employee opinion surveys, and organizational performance measures.

An analysis of the results showed that the behavior of the leaders did indeed change, but the leaders attributed those positive changes to a combination of the leadership training, the influence of a transformational leader, and a shift in the cultural norms that improved the work environment. A comparison of the employee opinion and work environment surveys showed a noticeable difference in the quality of the work environment and overall job satisfaction between the subject business area and the rest of the organization. The organizational performance indicators, sales, income, and cost of poor quality indicated improvements as well.
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Chapter 1

INTRODUCTION AND STATEMENT OF THE PROBLEM

Background of the Study

Beginning in the late 1990s, a number of changes occurred at a company then known as Sanders, A Lockheed Martin Company. Many senior executives, including long-time president, Dr. John Kreick, retired or resigned; the company was sold to British-owned BAE Systems plc.; a new model for leadership training and development was implemented; a transformational leader named Walt Havenstein became president; and the national tragedy on September 11, 2001 changed commitment and funding in the defense industry. During this tumultuous time, organizational performance improved, and employee opinion surveys showed high levels of job satisfaction. The culture appeared to have changed, aligning leaders and employees alike in a renewed commitment to the ultimate customer (the war fighter) and to a set of interpersonal behaviors known as the State of Mind (SOM) values.

Background of the Researcher

As an internal organizational development consultant, the researcher was able to observe these changes in leadership behavior, employee morale, and business performance and became curious about the possible relationships
between State of Mind (SOM) leadership training, leadership behaviors, and business success.

Rationale and Significance

There is a shortage of competent leaders in American corporations today. In a 1997 Conference Board survey, 91 percent of CEOs surveyed rated leadership a critical success factor for global growth; however, only half of the survey respondents rated their company’s leadership strength as either good or excellent (Csoka, 1998). Responses from the 4,500 leaders and human resource professionals reported in the Development Dimensions International (DDI) 2006-2006 Leadership Forecast study indicated that 3 out of 10 leaders fail to demonstrate the key qualities necessary for effective leadership (Bernthal & Wellins, 2006). Although corporations spend an estimated $250 billion annually on executive development (Cherniss & Goleman, 2001), only one-third of the respondents in the 2001 Conference Board survey rated their company’s leadership capacity to meet business challenges as excellent or good (Barrett & Beeson, 2002).

“Leadership has been widely studied over a long period of time, yet it remains an elusive phenomenon to understand and develop” (Clawson, 2002, p. 325). Leadership has been traditionally conceptualized as an individual-level
skill. Accordingly, development is believed to occur primarily through training to improve individual skills and abilities (Day, 2000). These approaches have failed to see that leadership is at its essence a complex interaction between the designated leader and the social and organizational environment (Fiedler, 1996). Corporate educators need to recognize this interaction and begin to focus on holistic training and development models that address the interpersonal and social leadership behaviors required for future success.

Purpose of the Study

The purpose of this retrospective case study was to explore the relationship between SOM leadership training and organizational performance over a six-year period, from 1999 to 2005. It was not the intent of this study to show a causal relationship; therefore, the study identified a number of mediators, internal and external to the organization, and examined the interrelatedness of the mediators, SOM leadership training, and organizational performance. The results of the investigation will add to the body of research in the field of leadership training and organization development by showing those relationships as illustrated in Figure 1.
Figure 1. Mediating Effects on Leadership Training and Organizational Performance

Figure 1 Definitions:

**SOM Leadership Training**
State of Mind (SOM) Leadership Training is based on the Health Realization intervention, related to theories on resilience, hardiness, positive psychology, and mindfulness.

**Mediators**
President of Subject Organization: Walter P. Havenstein became the president of the organization in 1999. He is a transformational leader, as described in Chapter 2 of this study.


Pentagon/Political: As an external mediator, the politics in the Pentagon at any given time have the potential to impact the funding for the Department of Defense (DoD), the primary customer of the subject organization.

Work Environment: Although a distinction can be made between organizational culture, artifacts (phenomena one can see, hear, or feel), espoused values, and
basic underlying assumptions (ultimate source of values and action) (Schein, 1992); and organizational climate, the day-to-day work environment that includes such considerations as job satisfaction, job clarity, employee morale, and communication, the two are combined in this study and referred to as work environment. The reason for this combination is that the employees in the subject organization use the terms interchangeably to describe their work environment.

Organizational Performance
Organizational Performance: The success or failure of an organization as measured by its financial goals.

Outline of the Study

This study relied on qualitative data (individual interviews) and quantitative data (organizational performance) measured by financials and climate surveys to explore how and why SOM leadership training may have influenced institutional outcomes. A brief summary of the rest of the study follows.

The literature review in Chapter 2 is arranged in sections on leadership training and development, transformational leadership, and Health Realization/State of Mind and includes:

- A discussion of leadership training and development and the relative success and failure of current methodologies.
- A review of recent research on transformational leadership and organizational performance.
- The history of the therapeutic approach known as Health Realization (HR) and its business counterpart, State of Mind (SOM).

- A comparative discussion of the tenets of HR/SOM and the more well-known theories of resilience and positive psychology.

Chapter 3 outlines the research methods used for the case study including a detailed description of the site of the study.

Chapter 4 presents the results of the case study in the form of a description of the themes from the qualitative data. Climate survey results and organizational performance measures relevant to the case study time period are included as well.

Chapter 5 presents a discussion of the findings relating to the goal of the study and to the supporting theory described in Chapter 2. This section also includes recommendations for future research and implications for professional practice and applied settings.
Chapter 2

LITERATURE REVIEW

In order to provide the theoretical context for the research, this literature review is divided into three sections. The first section sets the background for the study by describing the current state of leadership training and development and the need for change in the content of these programs to meet current and future demands. The second section summarizes recent research on transformational leadership not only because it has been examined for over 20 years and linked to organizational success but also because the subject organization’s president embodies this style. The third section describes Health Realization, the therapeutic approach that forms the foundation for SOM leadership training. This part of the review includes references to some of the more well-known theories related to Health Realization and a description of SOM leadership training.

Training, Development, and Leadership Efficacy

The competency models that form the foundation for leadership development have been evaluated for more than 20 years, but no single model or developmental program has emerged as an overwhelming success. In the 400 companies surveyed by The Conference Board in 2001, fewer than half of the
respondents agreed that their leadership development programs effectively develop current leaders, improve results, or effectively identify future leaders. In terms of overall leadership capacity, fewer than 10 percent of the leaders were rated as excellent and nearly 50 percent were labeled as fair or poor (Barrett & Beeson, 2002). DDI’s 2005-2006 Leadership Forecast indicates that 3 out of 10 leaders fail to demonstrate the key qualities necessary for effective leadership (Bernthal & Wellins, 2006).

One explanation for this lack of success is that the content of leadership training and development programs does not reflect the social and interpersonal nature of leadership. Training and development programs continue to focus on the acquisition and improvement of traditional leadership and management skills of a cognitive nature, such as strategic planning and goal setting, delivered primarily through classroom training (Sugrue, 2003). The majority of programs in the executive development curricula at Harvard Business School, Wharton, and Yale School of Management are in business strategy, financial management, marketing, negotiating, and technology and innovation.

To better understand this disconnect, compare the aforementioned topics with the following competencies from the Leadership in 2010 Conference Board Report:
Future leaders must:

- Make sound decisions in an environment of ambiguity and uncertainty.
- Possess superior personal and organizational communication skills.
- Influence and persuade customers, suppliers, strategic partners, external constituents, and investors.
- Employ a variety of management styles to deal with cultural diversity in a global workplace and a multi-generational workforce.
- Draw on their personal adaptability to react to rapid change (Barrett & Beeson, 2002).

These competencies are not based on industry knowledge, intellectual acumen, or experience. They are behaviors based on the essence of a leader’s personal characteristics, which is the specific focus of research on leadership “de-railers.”

Leadership “de-railers” are the opposite of competencies. They are personal traits or behaviors that, if not addressed, pose an obstacle to the leader’s future career success (Barrett and Beeson, 2002). The term “de-railer” is used because in many cases the behaviors do not present themselves as a problem until a high potential is promoted to a leadership or management position. The
behavior then “de-rails” the person’s advancement like a train jumping the tracks. Common “de-railers” for high potentials include insensitivity, inability to work in teams, and a lack of clarity (Hay Group, 1999).

Four enduring themes in derailment research are problems with interpersonal relationships, failure to meet business objectives, inability to build and lead a team, and inability to develop or adapt (Van Velsor & Leslie, 1995). A closer look at the failure to meet business objectives shows underlying causes that are behaviorally based – betrayal of trust, lack of follow-through, too ambitious, poor performance (Van Velsor & Leslie, 1995).

Similarly, over the past three decades DDI (an international leadership and organization development consulting firm) developed a set of competencies that include innate and developed abilities, knowledge, and skills. Their typology of leadership qualities consists of ten leadership potential indicators: Passion for results, brings out the best in people, adaptability, authenticity, culture fit, conceptual thinking, navigates ambiguity, learning agility, receptive to feedback, and motivation to lead (Bernthal & Wellins, 2006). DDI’s 2005-2006 Leadership Forecast highlighted a disconnect between what organizations respect in their leaders and what causes their failures. The researchers found that bringing in the numbers and making tough decisions got respect, but the
people and personal issues caused leaders to fail (Bernthal & Wellins, 2006).

In 1995, Daniel Goleman’s seminal work in the area of emotional intelligence succeeded in drawing attention to the non-traditional components of effective leadership behavior. He emphasized the importance of self-awareness, empathy, and other social and interpersonal skills (Goleman, 1995). In 2002, *Primal Leadership: Realizing the Power of Emotional Intelligence*, (Goleman, Boyatzis & McKee) provided practical advice and research results illustrating the importance of emotional intelligence in the work place. The popularity of this work made it easier for training and development professionals to talk about the behavioral side of leadership success, but did not result in a wave of innovative new leadership development programs. If it were possible to improve leadership skills by reading a book or measuring one’s emotional intelligence and creating a plan to improve it, there would not be a shortage of effective leaders.

There are leadership development practices specifically targeted towards behavioral change such as multirater feedback (known as 360° feedback), executive coaching, and mentoring. Similarly, rotational job assignments and action learning address development needs in socialization and team building. However, a common weakness in these programs is the component of behavioral
change and the lack of guidance on how to change (Day, 2000). The effectiveness of any practice designed to change behavior is contingent on the participant’s desire and ability to change.

Transformational Leadership

The body of work based on transformational leadership research provides greater insight into the different, more holistic, set of competencies leadership training must address.

Based on a qualitative analysis of various political leaders, James MacGregor Burns (1978), a historian and political scientist, used the terms transactional and transforming to describe the relationship between leaders and their followers. The transactional leader approaches this relationship “with an eye to exchange one thing for another….” (Burns, 1978, p.4). In business, the “transaction” would consist of exchanging followers’ effort and performance for salary or other rewards. Conversely, transformational leadership has an inspirational aspect that motivates followers to look beyond their self-interest to a larger goal, a higher moral purpose. The transforming or transformational leader:

…looks for potential motives in followers, seeks to satisfy higher needs, and engages the full person of the follower. The result of transforming
leadership is a relationship of mutual stimulation and elevation that converts followers into leaders and may convert leaders into moral agents.

Moral leadership emerges from, and always returns to, the fundamental wants and needs, aspirations, and values of the followers.

[This is] the kind of leadership that can produce social change that will satisfy followers’ authentic needs. (Burns, 1978, p. 4)

Expanding upon Burns’ theory, in 1985, B.M. Bass introduced a model and measurement factors for transactional and transformational leadership behaviors as shown in Table 1.
Table 1

Transaction and Transformational Leadership Behaviors

<table>
<thead>
<tr>
<th>Transactional</th>
<th>Transformational</th>
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<tr>
<td>Contingent Reward: Exchanging incentives or rewards for task performance</td>
<td>Idealized Influence: Modeling behavior that generates trust and respect from followers</td>
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<tr>
<td>Passive Management by Exception: Using punishment to correct deviations from expected performance</td>
<td>Inspirational Motivation: Creates contagious enthusiasm toward an envisioned future state</td>
</tr>
<tr>
<td>Active Management by Exception: Monitoring to ensure that deviations do not occur</td>
<td>Intellectual Stimulation: Encourages new ideas and creative problem solving; fosters risk-taking</td>
</tr>
<tr>
<td>Laissez-faire Leadership: Ignoring problems</td>
<td>Individualized Consideration: Recognizes and supports followers’ different needs and desires in a supportive environment</td>
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Bass (1990) viewed the transactional/transformational leadership construct as complementary rather than polarized. He argued that depending on the organizational setting, one style might be more effective than the other and that
neither style would be successful in an absolute state. Bass created the Multifactor Leadership Questionnaire (MLQ) to measure transactional and transformational leader behavior using five scales: Charisma, individualized consideration, intellectual stimulation, contingent reward, and management-by-exception (Bass & Avolio, 2000).

Bass and Avolio and their colleagues refined this model and developed an assessment and training program in transformational leadership. Large studies were carried out at Fiat in 1989 and at the Center for Leadership Studies (sponsored by the Kellogg Foundation) in 1993. The Fiat study included 200 top executives and flowed down to many of the 4,000 middle managers and 20,000 supervisors in this 250,000 employee multinational conglomerate. The Center for Leadership Studies program included 400 leaders from education, health care, arts, industry and government. These studies were designed to validate the constructs of transformational and transactional leadership and to show that transformational leadership can be developed. (Bass & Avolio, 1994)

The MLQ has been examined in over 75 research studies and is considered the primary quantitative instrument to measure the transformational leadership construct (Lowe & Galen Kroeck, 1996). In their meta-analysis of the transformational leadership literature using the MLQ, Lowe & Galen Kroeck
(1996) found that the transformational leadership scales of the MLQ were reliable and significantly predicted work unit effectiveness across the 39 studies they examined.

The relationship between the transformational leader and his followers and colleagues goes beyond exchanges and agreements. By appealing to individuals at an emotional, personal level these leaders can set higher expectations for performance and motivate others do to more than they originally intended and often even more than they thought possible (Bass & Avolio, 1994, p. 3). Transformational leaders do this by employing one or more of the “Four I’s” (Bass & Avolio, 1994, p. 3-4):

**Idealized influence:** Followers identify, trust, respect and admire the leader and want to emulate him. The leader earns this admiration by considering the needs of others over her personal goals and demonstrating high standards of ethical and moral conduct.

**Inspirational motivation:** Transformational leaders provide meaning and challenge to followers’ work by clearly communicating expectations and linkage to the shared vision of the team.

**Intellectual stimulation:** Transformational leaders question the status quo and encourage followers to try new approaches. Creativity is
encouraged and individuals are not criticized publicly for their mistakes. Followers are actively engaged in identifying problems and finding solutions.

**Individualized consideration:** Transformational leaders seek to understand each individual’s achievement and growth needs by acting as a coach or mentor. This leader listens well, delegates effectively, and appreciates individuals’ differences in terms of autonomy v. structure.

There are a multitude of research studies linking transformational leadership behaviors with outcomes such as performance and satisfaction, but a few more recent studies are of particular significance to this research. Robert Keller’s (1992) work with leaders from 66 research and development project groups from three industrial research and development organizations looked at group performance over two different time periods a year apart. The sample was young, average age of the participants was 33 years old, and educated with all of the participants holding bachelor’s degrees and half with graduate degrees. The criteria for successful performance were technical quality, budget and cost performance, meeting an assigned schedule, value to the company, and overall project performance. The MLQ was used as the measure of transformational leadership. Transformational leadership predicted higher project quality and
budget/schedule performance ratings in both time periods. Keller’s research is particularly meaningful to this study because BAE Systems’ organizational performance relies on the same type of employees doing the same kind of work.

The second study involves the followers of transformational leaders and the notion that they find their work more meaningful and are therefore more self-engaged (Bono & Judge, 2003). The purpose of the study was to gain a better understanding of why followers of transformation leaders exhibit increased motivation, job satisfaction, organizational commitment, and job performance (Bono & Judge, p. 554). Rooted in self-concept based theory and the self-concordance model, the assumption was that employees who view their work as congruent with their own motives, goals, and/or values will be more motivated and more satisfied and will perform better. Participants in the study were 247 leaders and 954 of the individuals who reported directly to them in 9 organizations in industries ranging from advertising to aerospace. The MLQ was used as the measure for transformational leadership and a number of other surveys were used to look at leader and job satisfaction, organizational commitment, job performance, and self-concordance. The results showed that followers of transformational leaders reported greater self-concept engagement with their work. This study is significant because it makes the connection
between performance and the transformational leader’s ability to align employees’ personal values with the work they do.

In his unpublished doctoral dissertation, Daren Hancott (2005) examined the relationship between transformational leadership and predicting organizational performance. Hancott’s sample was the top 100 public companies in Canada as measured by total revenue. He hypothesized that there is a significant positive relationship between transformational leadership and company performance. Although his response rate of 26 percent dictates that the results cannot be generalized to other organizations, he found that transformational leadership is a common style practiced by leaders of the best performing public companies in Canada.

Health Realization/State of Mind

The theory behind the therapeutic approach known as Health Realization (HR) and the corporate training known as State of Mind (SOM) has been applied and studied for over 30 years. To date, what little research has been conducted applying the concept has been primarily anecdotal or, at the most, qualitative in nature. This literature review summarizes the existing research and books written on the subject and provides a brief history of the evolution of the understanding in the field of psychology and organization development.
Health Realization/State of Mind (HR/SOM) is an understanding, used in corporate training and mental health interventions/therapy, of how human beings use a set of three psychological Principles to create their life experience moment-to-moment. The words “Principles,” “Mind,” “Consciousness” and “Thought” are purposely capitalized to distinguish the specific meaning in this context from the common definitions of the words. The Principles are described as “divine gifts” (Banks, 1998) inherent in every human being.

Mind is the purest life force, the source of power behind life itself. It is a formless energy and a universal intelligence that provides the ability for all human beings to think about and experience their lives. (Mills & Spittle, 2001, p. 42)

Consciousness is the ability to be aware of reality and of how reality is created. (Mills & Spittle, 2001, p. 44)

Thought is the ability to create images in our heads. The three Principles, working together, make these images appear real. (Mills & Spittle, 2001, p. 45)
Two foundational beliefs set HR/SOM apart from the rest of the psychological and pseudo-psychological approaches to achieving mental well-being. The first is the absolute faith in the innate mental health inherent in every human being. Human beings innocently create their own mental pain and suffering through their own thinking which appears real to them in the moment.

The second difference has to do with the relationship between a person’s thoughts and his state of mind:

Most therapeutic work focuses on the specific content of people’s thinking as though it were absolute, with no acknowledgement of the subtle variations in thinking that arise from an ever-changing state of mind or feeling state. Once the process of thinking is realized, once people understand how their thinking works to create reality and how powerful the transitory and illusory images of thinking appear to be, they are set free from living at the mercy of any thoughts they think (Sedgeman, 2005, p. 49).

These two essential differences explain why it is possible for people to have profound insights about the connection between their distressing thoughts and their potential for mental well-being. Once one becomes aware of the fact of thought and its fleeting nature, it is no longer necessary to spend time
(sometimes months and years) analyzing the \textit{content} of thought. To truly appreciate the simplicity of this approach, it is helpful to have some understanding of the origins of HR/SOM.

\textit{History of State of Mind/Health Realization}

The teachings of theosophist Sydney Banks are the foundation for HR/SOM. Born in Scotland in 1931, Mr. Banks had an eighth grade education and worked as a welder before he had an epiphany in 1973 and began teaching others about the Three Principles. Prior to his epiphany, Mr. Banks and his wife attended an “awareness group” meeting they both found disturbing. In this particular seminar, couples were encouraged to “hash out” their differences, and there was much yelling and arguing. The seminar itself was a disappointment; but Mr. Banks met a young psychologist there, and they subsequently had an interesting discussion about insecurity being the root of their personal problems. In a later conversation, the psychologist told Mr. Banks that he didn’t think he (Banks) was insecure at all. Banks heard that as “there’s no such thing as insecurity, it is only thought” (Banks, 2001). For some reason, this resonated with Banks to such an extent that he could not sleep for three days. On the fourth day, as described below, he had an epiphany.
... I turned around and looked out the picture window at the ocean. It was like being sucked down a tunnel. There was buzzing, white light all around me. Just buzzing, buzzing. No one could see it but me. I was captured in white light. Right there and then, I realized the true meaning of God and started to cry. I turned around and said, “I’m home, I’m free, I’ve made it. I’ve conquered this world. This means to say that you and me [his wife] will be traveling all over the world. We’re going to change psychology and psychiatry, and millions of people will be healed.”

(Banks, 2001)

Although he was previously so shy that he found offering a toast at a wedding daunting, Banks began conducting open seminars in western Canada on Salt Spring Island teaching the principles. Spiritual and religious leaders from all over the world came to this tiny island community along with psychiatrists and psychologists. To this day, Banks has no explanation as to why people came in such numbers or how they knew where to go.

In the spring of 1976, Dr. George Pransky, who eventually would work with BAE Systems, was encouraged by a colleague to go to Salt Spring Island to hear Banks speak. He had other plans, but his colleague’s description of the effect Banks’ lectures had on the participants piqued his interest.
When pressed for details, John told me that he saw many couples who were recently on the brink of divorce and were now madly in love. He saw former counterculture people who had rejoined society and were successfully holding down and enjoying challenging jobs. He told me about tense and burned-out business executives who learned to relax and enjoy their work, even as their productivity increased. He had heard stories of clinically depressed and clinically anxious former psychiatric patients who were now living normal and satisfying lives without the need for medication. (Pransky, 1998, p. 4)

At the same time, Dr. Pransky collaborating with Dr. Roger Mills, a prevention specialist, working at the University of Oregon on a study of different mental health therapies sponsored by a grant from the National Institute of Mental Health. Pransky thought that if the people listening to Banks were demonstrating an uncommon level of emotional stability and happiness, then Banks and his students would be proper subjects for investigation under the grant.

Both Pransky and Mills found it difficult, initially, to accept the simplicity of the Principles. After all, they had both spent years studying psychology and working the therapeutic model of the time, which consisted of taking patients
into their past to solve their current problems. Dr. Mills remembers

One of the first things I recognized was that the insights or realizations
that genuinely contributed to happiness and peace of mind had nothing to
do with my past or with any intellectual “figuring out.” In fact, they were
much more likely to occur when my intellect—of which I had always been
proud—was quiet. ....At times I strenuously resisted the simple but
elegant logic behind these findings, yet I could see their potential for
unifying many different schools of thought and philosophies. (Mills &
Spittle, 2001, p. 24)

As Dr. Pransky described his initial experience in his book, The Renaissance
of Psychology (1998), he admitted he was both attracted to and upset by Mr.
Banks’ humble confidence about two premises: 1) A mental health practitioner
who has not found his own happiness cannot possibly help others to find theirs
and 2) Everyone has the capacity for happiness regardless of their past
circumstances. These two concepts ran contrary to much of what Pransky and
his colleagues believed, and it was also painful for him to admit that at the time
he wasn’t particularly happy himself. He was a classic “Type A” personality
who lived in a constant state of anxiety, and he was harsh with others, his family
included.
As a result of their initial exposure to Mr. Banks, Drs. Pransky and Mills dramatically changed their personal practices and became the co-founders of what was originally called Psychology of Mind and then Health Realization/State of Mind. After their exposure to the Principles, it was impossible to go back to their old method of counseling. It simply did not make sense to ask patients to recount the problems of the past and re-live their pain, when they had access to innate health in the present moment. Pransky founded Pransky and Associates in LaConner, Washington, the consulting firm that would eventually introduce this understanding to BAE Systems.

Today, HR/SOM is recognized as a strengths-based practice model (Lewis, 2003; Wartel, 2003) and used by hundreds of practitioners. There has been little formal academic research in the field; however, there are many published accounts of success in professional journals. The most common applications for HR/SOM are with communities at risk (Pransky, J., 1998; Mills, 1995; Mills, 1999), children and adolescents (Bernard & Marshall, 1997; Kelley, 2003; Mills, 1997), and individual and family counseling (Pransky, G. 2001, Pransky, J. 2006).

Prof. Judith Sedgeman and Dr. William Pettit of the Department of Community Medicine at West Virginia University have been teaching the Principles as a way to reduce stress. “Anecdotal results suggest that people who
gain insight into the principles that explain the nature of thought and experience and who realize how to re-access a natural, positive state of mind can and do experience sustained day-to-day peace of mind, wisdom and well-being, regardless of circumstances (Sedgeman, 2005, p. 47).

To date, only one unpublished doctoral dissertation (McMahan-Woneis, 2002) and a few popular business books (Kausen, 2003; Nakai & Schultz, 2000) discuss HR/SOM in a business. McMahan-Woneis examined the role of HR training in enhancing managerial creativity in a small study of 11 managers from health service agencies. Her research was an inductive ethnographic investigation based on personal stories. The data are triangulated with interviews of co-workers and/or family as well as with artifacts and products from the workplace. Paul Nakai and Ron Schultz worked for Senn-Delaney Leadership when they partnered to record their thoughts and personal experiences applying the HR/SOM understanding in business. Robert Kausen’s book, We’ve Got to Start Meeting Like This, provides an explanation of the Principles in everyday situations in the workplace. Kausen was one of the first practitioners/trainers to adopt this approach, and he continues to work with individuals and corporations, such as BAE Systems, to this day.
One of the challenges in teaching HR/SOM is that it sounds like everything from Zen Buddhism to The 7 Habits of Highly Successful People (Covey, 1989). Many people have read popular books by psychologists who are talking about HR/SOM and have worked extensively with Sydney Banks, George Pransky, and Roger Mills. Joseph Bailey and Richard Carlson have separately and jointly written a number of books bringing Principles to the public on a large scale. Together they wrote Slowing Down to the Speed of Life (1997); separately, Carlson wrote the hugely popular Don’t Sweat the Small Stuff (1997) series, and Bailey wrote Slowing Down to the Speed of Love (1999). There are, however, some very old and very new thoughts on human beings’ mental functioning and well-being that are related to HR/SOM. In 1899, a number of William James’ lectures include references to thought, consciousness, and the benefits of a calm mind; and there are parallels in the positive psychology movement and studies on resiliency.

*William James Lectures*

William James’ thoughts on psychology and the optimal use of the mind in his lectures from Psychology: Briefer Course and Talks to Teachers and to Students (James, 1992) were similar to the HR/SOM principles. Although he
referred to it as *consciousness* in the passage below, the meaning is very similar to the HR/SOM description of Thought.

Now the immediate fact which psychology, the science of mind, has to study is also the most general fact. It is the fact that in each of us, when awake (and often when asleep), *some kind of consciousness is always going on*. There is a stream, a succession of states, or waves, or fields (or of whatever you please to call them), of knowledge, of feeling, of desire, of deliberation, etc., that constantly pass and re-pass, and that constitute our inner life. The existence of this stream is the primal fact; the nature and origin of it form the essential problem, of our science.  (James, 1992, p. 722)

He went on to describe these fields of consciousness to include current sensory experience, past memories, thoughts of distant things, feelings of satisfaction and dissatisfaction, desires and aversions and other emotional conditions (p. 723).

A tenant of HR/SOM is that it is an “inside-out” world rather than an “outside-in” world in that every person has a unique reaction to the same external events based on how those events are interpreted. Similarly, James (p. 801) said:

Every impression that comes in from without, be it a sentence which we hear, an object of vision, or an effluvium which assails our nose, no sooner
enters our consciousness than it is drafted off in some determinate direction or other, making connection with the other materials already there, and finally producing what we call our reaction. The particular connections it strikes into are determined by our past experiences and the ‘associations’ of the present sort of impression with them. … It is the fate of every impression thus to fall into a mind preoccupied with memories, ideas, and interests, and by these it is taken in.

The most difficult concept to teach in HR/SOM is the Principle of Mind, this notion that there is a formless energy behind life. There is no simple explanation of how Mind works, and many people equate it with the concept of soul. James, too, could not aptly explain where one’s thinking comes from, although he posited that thinking follows one’s brain state and that some thinking is determined by our past experiences and education. He went on to say (p. 723):

On the other hand, if we should say that they [thoughts] are due to a spiritual being called our Soul, which reacts on our brain states by these peculiar forms of spiritual energy, our words would be familiar enough, it is true; but I think you will agree that they would offer little genuine explanatory meaning. The truth is that we really do not know the answers
to the problems on the explanatory level, even though in some directions of inquiry there may be promising speculations to be found.

In his Talks to Students in a section referred to as The Gospel of Relaxation, James discussed the relationship between a quiet mind and success (p. 833):

But the exact reverse is the case: It is your relaxed and easy worker, who is in no hurry, and quite thoughtless most of the while of consequences, who is your efficient worker; and tension and anxiety, and present and future, all mixed up together in our mind at once, are the surest drags upon steady progress and hindrances to our success.

One of the basic learning objectives in HR/SOM training is to make participants more aware of the fact that when they are anxious and pre-occupied with many thoughts, they are less productive and more likely to make mistakes – exactly what James told his students over 100 years ago.

The last parallel to James’ ideas has to do with being effortful about having a calm mind, which in itself is contradictory. He told the students (p. 840):

Even now I fear that some one of my fair hearers may be making an undying resolve to become strenuously relaxed, cost what it will, for the
_remainder of her life. It is needless to say that that is not the way to do it. The way to do it, paradoxical as it may seem, is genuinely not to care whether you are doing it or not. Then, possibly, by the grace of God, you may all at once find that you are doing it; and, having learned what the trick feels like, you may (again by the grace of God) be enabled to go on.

When explaining the Principles of HR/SOM, many practitioners say that what one is looking for is a feeling, not anything content-based, and that the harder one works to understand the concepts, the less likely he or she is to have an insight. Students want a formula, a technique, to quiet down thinking and access their inner wisdom, but the harder they try to achieve this end, the more cluttered their minds become. Then, just as James described, when they least expect it, when they stop trying, they experience a quiet mind and the insight appears effortlessly.

Positive Psychology and Resiliency

From the end of WWII until the end of the 20th century, the field of psychology became intent on curing mental illness from a disease framework. Practitioners focused on repairing damage: damaged habits, damaged drives, damaged childhoods, and damaged brains (Seligman & Csikszentmihalyi, 2000). In the past decade, the focus has shifted to prevention, and major strides have
been made from a perspective focused on building competency rather than correcting weakness. While the emphasis Seligman (2002) and others have placed on the positive psychology movement appears to be closely aligned with the assumption of innate health espoused by HR/SOM practitioners, there are some fundamental differences between the two approaches.

The goal of the positive psychology movement was to shift the emphasis of the field from preoccupation with repairing the worse things in life and focus on building positive qualities. Distinctions were made at a subjective level about positive experiences such as well-being, contentment, flow and happiness; at an individual level concerning traits such as the capacity for love, perseverance, forgiveness; and at a group level focused on civic virtues and the institutions that move individuals toward better citizenship (Seligman & Csikszentmihalyi, 2000).

The key distinction between positive psychology and HR/SOM can be best described using the example of optimism and pessimism. Advocates of positive psychology discuss whether these are traits or states and cite examples in which too much optimism can be as detrimental as pessimism. HR/SOM practitioners would say that optimism and pessimism are simply different kinds of thought. Thoughts can come and go quickly or become ingrained habits, but they remain only thoughts. Even the most pessimistic person at some point will have a more
optimistic outlook on life, if only for a brief moment. If that person recognizes the temporary nature of thought and the free will she possesses to turn away from thinking that doesn’t serve her well, she will naturally lean more often in the direction that brings her satisfaction and away from the thinking that causes discomfort.

Categorizing positive states and traits will take psychologists down a similar path, albeit a more healthy direction, to treating mental illness by identifying negative states and traits. Rather than looking for the innate mental health in every person, studies will focus on how to identify and amplify specific strengths. There’s an inherent labeling of “good” and “bad” in that system that cannot help but cause anxiety and concern. Do I have enough strengths? Which ones should I choose to amplify? How do I do that?

The trait-based positive psychology research on subjective well-being (Diener, 2000) comes closest to what HR/SOM is teaching. A central issue is “how a person’s values and goals mediate between external events and the quality of experience…. That it is not what happens to people that determines how happy they are, but how they interpret what happens” (Seligman & Csikszentmihalyi, 2000).

The other difference between positive psychology and HR/SOM is a lack
of absolute agreement on the belief that it is always an inside-out world.

HR/SOM practitioners believe there is no need to ask the question, “How does an overly pessimistic culture affect the well-being of its members?” because the answer is that not everyone in the culture will even perceive it as pessimistic. At the essence level, a person’s thinking will always be the mediator between external events and the quality of experience. If one believes that the problem is outside, the potential for issues is endless. If one believes that happiness and well-being lie in a particular mental mix of states and traits, the potential exists for endless searching for the right combination. The point of HR/SOM is not what you think or how you think, but that you think.

Resilience is often included as a topic in the field of positive psychology. Early theories on resilience cited genetics as the source – some people are just born resilient. Now there appears to be an increasing body of empirical evidence that resilience can be learned (Coutu, 2002). HR/SOM practitioners would say that people do not learn to be resilient; they are naturally resilient and don’t realize it.
Chapter 3

RESEARCH METHODS

This longitudinal case study examined the effects of leadership training combined with a number of mediating factors on organizational performance over a six-year period.

Research Goals

The research goals of this study were personal, professional, and academic. As an internal organizational development consultant in the subject organization, the researcher observed changes in leader behaviors, employee morale, and organizational performance. From a professional perspective, the researcher wanted to determine the value of SOM leadership training in the eyes of her internal customer and to identify the other variables that may have affected leader behaviors, employee morale, and organizational performance. The researcher designed and delivered some of the SOM leadership training and regularly worked with members of the leadership team and wanted to document a set of best practices that could be used in other parts of the organization. In the academic domain, the size of the study sample was too small to contribute significantly to the large body of knowledge on leadership training and development; however, it is the first study to look at SOM training for leaders in
a business environment.

Research Questions

The research questions were:

1) Did the leadership behavior in the IDS business area and the larger grouping of business areas called IEWS change during 1999-2005?

2) Did State of Mind leadership training influence these behavioral changes?

3) Were there any other mediating factors that encouraged the changes?

4) Did organizational performance improve from 1999-2005?

Research Site

The site chosen for this study was the Information Dominance Systems (IDS) business area at BAE Systems in Nashua, New Hampshire, an engineering company whose primary customer was the U.S. Department of Defense (DOD). IDS employed approximately 800 people during the time of the study. As shown in Figure 2, IDS was one of a group of business areas in New Hampshire known as Information and Electronic Warfare Systems (IEWS).
The IDS business area was selected as the research site for two reasons. First, the researcher had an established working relationship with the IDS leadership team, so gaining access to and the trust of participants was not an obstacle. Most of the interviewees in the study were located in six facilities in the Nashua, New Hampshire, area, and those in remote sites or retirees were contacted by phone.

The second reason for selecting IDS was the availability of historical employee survey results. In 1999, IDS was the first business area in IEWS to survey its employees on a regular basis to assess organizational climate,
employee morale, and culture, so historical survey data were available including a survey conducted in the fall of 2005.

Participant Selection

The participants in the study were members the IDS leadership team for some period of time from 1999 to 2005. The senior administrative assistant to the vice president/general manager was also included because of her longevity with the company and her day-to-day contact with the leadership team. Some of the participants have been promoted to different parts of the organization, some have retired, and two left the company. Appendix A shows participant information including role and tenure with the leadership team and current status. Appendix B contains the e-mail invitation to potential participants and the informed consent form. The researcher was unable to contact one member who left the company and chose not to interview one very new (less than 1 year with the company) member of the team. There were a total of 30 participants.

Methods of Data Collection

The study data included interviews with the senior leaders (past and present), employee climate survey results, financials, and program performance measures. (Note: In this industry, the large projects providing products to customers are called programs.) The climate surveys were web-based and all
IDS employees had an opportunity to respond.

An initial draft of the questions used in the IDS leader interviews is included in Appendix C. All but one of the interviewees agreed to allow the interview to be recorded, and one interviewee provided a detailed e-mail follow-up to the recorded interview. Any themes noted from the non-recorded interview were identified as such and rated differently.

The financial and program performance data were designated as company proprietary information; however, the researcher was given permission to use the company name and this information as long as only trends and not actual amounts were shown. This information, along with the historical climate survey results, was collected from the researcher’s computer records and from various subject matter experts in business management (finance) and performance excellence (quality control).

Qualitative Data Analysis

The challenge in analyzing the interview transcripts was to code them in a way that would separate the overlapping and interrelated data and rearrange them into categories that facilitate an understanding of the relationships among the variables. Maxwell (2005) suggested using organizational categories, broad areas established prior to interviews, as bins for sorting the data for further
analysis. Accordingly, the first step in the analysis was to code the transcripts based on the mediators and independent variable described at the onset of this research: SOM leadership training, Walt Havenstein’s leadership style, the 9/11 attack, Pentagon/political factors, organizational culture, and organizational climate.

The next step in the analysis, following Maxwell’s (2005) suggestions, was to determine which of the organizational categories were substantial enough to warrant substantive and/or theoretical categories and to define those categories. Substantive categories are descriptive of participants’ concepts and beliefs and don’t inherently apply a more abstract theory. They may be subcategories of the organizational categories, but they evolve during the analysis as opposed to being predetermined. Theoretical categories, in contrast, place the coded data into a more general abstract framework based on prior theory or an inductively developed one (Maxwell, 2005, p. 97). The theoretical category of transformational leadership was used to code the transcript data relating to Walt Havenstein.

The final step in the analysis of the transcripts was to create a framework to describe the interrelationships among the variables that incorporated the quantitative organizational performance data as well.
Quantitative Analysis

Selected questions from the 2004 BAE Systems Employee Opinion Surveys were used to compare the quality of the work environment in the IDS business area with BAE Systems plc. and BAE Systems North America.

Validity

The researcher’s position in the subject organization provided a high level of accessibility but also the most important threat to the validity of the study. The knowledge and experience of the researcher could manifest itself in an expectation to hear the interviewees discuss certain events and behavior changes. Maxwell (2005) advised qualitative researchers to be aware of the impact of researcher bias and reactivity and suggested various ways to address those threats to validity. In accordance with those suggestions, these steps were taken to address the threats to the validity of the research:

Rich data. Verbatim transcripts of the interviews were used, not just research notes.

Respondent validation. In order to rule out misinterpreting responses, the researcher solicited feedback about the data and the conclusions drawn from some the interviewees themselves. Also, two other BAE Systems internal OD consultants who have not had the same level of
exposure to the IDS business area or to the company overall reviewed the data.

*Negative cases.* All of the IDS leaders have not equally embraced the principles of SOM and the cultural transformation. The researcher specifically sought out these negative cases and contrary evidence.

*Triangulation.* Combining the subjective interview data with company financials, performance results, and the employee climate survey data encompasses a diverse range of individuals and a variety of methods.

*Comparison.* All the data examine the same setting (the IDS business area) over a period of time (1999 – 2005). Many of the interviewees have a long history with the company and were able to reach back to even earlier times to provide comparison and contrast and hypotheses to explain multiple sources of change.
Chapter 4

RESULTS

Three kinds of data were collected and analyzed in this study: Interview transcripts, work environment surveys, and organizational performance measures. The past and present members of the IDS leadership team were interviewed to provide a historical perspective of the personal and organizational changes they experienced from 1999 to 2005. There were two different sources of information regarding the work environment, the IDS Pulsing Survey and the BAE Systems Employee Opinion Survey. The IDS Pulsing Survey was designed and administered by the Employee Training and Organizational Development department associated with the IEWS group and the IDS business area. Parent company, BAE Systems, plc. engaged the consulting firm of Watson Wyatt Worldwide to design and administer the BAE Systems Employee Opinion Survey. The organizational performance measures used were sales, income, and cost of poor quality.

Interview Themes

The interview themes were initially coded using organizational categories based on the independent variable, SOM Leadership Training, and the five mediators, president Walter P. Havenstein, the 9/11 attack, Pentagon/political factors, and
work environment. Maxwell (2005) suggested using organizational categories, broad areas established prior to interviews, as bins for sorting the data for further analysis. Initially, the researcher believed the September 11, 2001 attack on the World Trade Center and political factors determining funding sources for the Department of Defense would be important to the interviewees, but they were not. Only one interviewee mentioned 9/11, but it was in the context of relating that he was at the Pentagon the day of the attack. He did not make any reference to the event and work at BAE Systems. Another interviewee was the only person to discuss the political factors involved in funding programs. His comments regarding the importance of program performance in a time (late 1990s) of shrinking Department of Defense budgets were made in reference to the harsh work environment in the company at that time. However, he was the only interviewee to make that assertion. Consequently, the initial coding was done using three categories: Walt Havenstein, SOM Leadership Training, and Work Environment. The number of comments in each of the categories was roughly the same.

Walter P. Havenstein

A logical method of organizing the comments about Walt Havenstein was to sort them based on the descriptors of transformational leaders: Idealized
influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass & Avolio, 1994). Most of the anecdotes about Havenstein’s behavior fell in to the first two subcategories of idealized influence and inspirational motivation, roughly three-quarters of the comments. The remaining quarter of the comments described behaviors associated with the intellectual stimulation and individualized consideration sub-categories.

**Idealized Influence**

Transformational leaders motivate their followers through idealized influence when they behave in a way that earns the admiration, trust, and respect of others by demonstrating high standards of ethical and moral conduct (Bass & Avolio, 1994). The most commonly cited behaviors in this category were respect, lack of arrogance, holding others accountable, and demonstrating commitment.

Respect, the most frequently used word in the transcripts, referred to Havenstein’s embodiment of the SOM value to “treat people from a feeling of respect and good will.” He modeled the behavior himself and made it clear that he expected others to do so as well. One incident in particular was referenced by a leader who attended the meeting as well as by two others who heard about it after the fact:
Walt took the respect for individuals that was taught through the state of mind stuff to the nth degree. We were in a [meeting] and [one of the participants] was talking, and he said something about, ”Well, we’re just gonna send this out to the masses. And Walt said, “Time out. Are you referring to the most valuable property that this company has as the masses?”

And it just said, that’s not the way we’re gonna treat our people. And so for those that were in the room, some of them might’ve got it, some of them might not have got it. But those of us that were, I think, sensitive to listening to how he wanted to deal with things, that was one of the first exposures I had to somebody who said, “I’m not just saying this, I’m meaning it.”

There was no emotional outburst associated with this interaction, but the story was told and retold throughout the company as an example of Havenstein’s making a point about the level of respect he had for the employees. He often used the “time out” gesture in meetings as a method of coaching his team members who were not aligned with his organizational rules of engagement. The manner in which Havenstein made these corrections was further proof of his own commitment to treat people with respect. As one
director recounted:

I know he was upset with people at times, but he never demonstrated that by raising his voice to a rage or anything like that. And he always tried to respect people. I mean, he would judge them as to whether they were doing a good job. He would try to tell them what they were doing wrong or what they were doing right, and he would try to educate them, but in doing so, he never did it in a disrespectful way.

As Havenstein shaped the behavior of his direct reports by setting the example himself and enforcing his rules of engagement among his team, there was a cascading effect across the entire enterprise. As observed by a product line director:

I would say the biggest single thing that came during Walt’s – when Walt took over was the R-E-S-P-E-C-T, the respect issue. All throughout the company, from the lowest level to the highest levels, there was a level of respect that had never been there before for people.

Another often-observed behavior, related to respect, was Havenstein’s humility. He demonstrated his lack of arrogance in a very public way during his first few months with the company. He scheduled meetings, commonly referred to as “meet-and-greets,” with all of the secretaries and administrative assistants
in every facility. This behavior was so new to the existing culture that the manager who told the story candidly admits she questioned the logic herself:

[Speaking of the event] I didn’t see the value at the time because I was kind of in the older mindset of the company. But when he came into the company, he pulled all the secretaries together and had meetings with the secretaries. Do you remember that? He specifically went to every site and had all the secretaries pulled together for an hour, and he went in and had a conversation with them and he had only been here a couple of weeks. So, you know, my initial reaction was “Why would the senior leader want to meet with the secretaries?” But ... I happened to get invited to the one that was in Hudson, and he talked about himself a little bit. He told us about where he lived and his wife, Judy, and the secretaries thought it was great. They felt so valued. So it’s a simple thing but the message sent to that population..... I think it sent a very, very specific message that we are one team and there is value at all levels.

Havenstein had an uncanny ability to connect individually with people. Many stories referred to his capacity to remember not only people’s names but key personal details, like interests in a particular hobby or involvement with a particular program. One director described Havenstein speaking to a small
group, “talking to them as a person and not as a company president. He didn’t come across [as though] he was the president and they were the little people.”

Another way Havenstein earned the admiration and respect of his followers was the way in which he demonstrated commitment to his espoused values. It did not go unnoticed that “he wasn’t asking [his direct reports] to do anything he wasn’t going to do.” Participation in the bi-monthly senior leadership team (the Gang of 16), regardless of travel schedules and business commitments, was mandatory. When asked by one of the team members if attendance at these meetings, held on the company’s off-Friday, was required, Havenstein is said to have replied, “It is, for members of the team.” The implication was that if one chose not to attend, he was in effect resigning. As described by a finance director below, Havenstein set the example for commitment to those meetings himself:

Walt had a meeting [in New Hampshire] until 8:00 at night, got on the plane in the morning, flew to L.A., met with us with the customer from 1:00 to 6:00, met with us privately from 6:00 to 9:00, drove back to the airport, and took the redeye back so that he could [attend] the Gang of 16 meeting the next morning.
The final passage referenced in this category was of particular importance because it combined in one paragraph allusions to many of the behaviors that earn the admiration, trust, and respect of others by demonstrating high standards of ethical and moral conduct, and it was made by one of the younger members of the leadership team who viewed Havenstein as a role model.

... he tells the Sergeant Brown story about how he will never embarrass us, and that goes a long way; the demeanor that he brings to his all-hands meetings; the passion that he brings. It’s just, people wanna get up and line up behind him and follow him. There’re not too many people in life that you meet like Walt, and I characterize him as charismatic. I could sit and listen to him for eight hours straight and not get bored. It’s just you can learn so much from him. He’s such a strong presence and a believable presence, and it brings everything to a needlepoint as to why we do what we do.

Inspirational Motivation

Transformational leaders influence their followers through inspirational motivation when they are able to create contagious enthusiasm toward an
envisioned future state (Bass & Avolio, 1994). Havenstein’s charisma, particularly his ability to passionately deliver a simple, concise message or call to action, served him well in this category. He frequently adopted symbols, such as hand signals, visual diagrams, or mascots to make his point. The most prominent examples of this behavior were his use of the story of “meerkat behavior” to describe expectations regarding teamwork, the annual campaign to communicate his strategic vision using “big blue arrows,” and the call to action using the We Protect Those Who Protect Us® slogan.

The manner in which Havenstein used The Meerkat Story (see Appendix D) to describe his mandate for teamwork at the highest level of the organization was a unique use of symbolism that quickly permeated the corporate culture. As he explained in the story, the behaviors he required of his team of direct reports were cooperation, communication, and sharing with an emphasis on what was best for the greater good, for the enterprise as a whole. This challenge represented an important shift in attitude for a company that was used to operating as a number of separate businesses regularly competing for business and fighting over resources.

Havenstein began by referring to his team of 16 direct reports as the Gang of 16 because a group of meerkats is called a gang, and he changed the name of
the segments of the business from “divisions” to “business areas.” He emphasized these expectations and changes every time he had an opportunity to speak to a group of employees. New employees were given a copy of The Meerkat Story at orientation on their first day with the company. A very few senior leaders who earned special recognition for demonstrating these new behaviors were given a small sculpture of a group of meerkats, exactly like the one in Havenstein’s office.

More importantly, within the first six months of his tenure as president, nearly half of his direct reports retired or left the organization. The message to the organization was clear: If you cannot become a team player, you will not be a part of this enterprise. One director expressed his interpretation of the new expectations this way: “We’re supposed to play nice together and work for the betterment of the enterprise and not just your individual area.”

Havenstein’s next challenge was to develop a business strategy to focus his team on a unified vision and to communicate that strategy in a way that fostered teamwork while recognizing the contributions of the various business areas. This centralized approach to strategy and objectives was completely new to the business. In the past, the various vice presidents of the divisions (now
business areas) developed their strategy independently and without a logical process.

When the strategic direction for the enterprise was determined, through a series of working sessions facilitated by an outside consultant, Havenstein used the military metaphor of Big Blue Arrows to illustrate how the different segments of the business would function together to achieve the enterprise objectives. (In the military, this metaphor is used to describe the movement of forces to achieve objectives.)

Havenstein communicated this vision to the organization in person using a series of meetings held in every facility that was known as the President’s Tour. These public sessions were a forum for Havenstein to capitalize on his ability to rally the employees around a simple, inclusive vision. Employees were given a brochure that included the annual top ten objectives and a diagram of the company, so they could see how their part of the business was contributing to the overall success of the enterprise. (See Appendix E for an example of the Big Blue Arrows.) Havenstein insisted that the schedule for these events included ample time for questions from the audience, and his personable, non-threatening style encouraged employees to actually ask questions during this time.
The model of meerkat behavior and the unified strategy shown in the Big Blue Arrow diagram merged the factions of the organization and encouraged a more cooperative work environment, but it was Havenstein’s patriotism that generated the contagious enthusiasm. As a former Marine, he personally believed deeply in the duty to serve one’s country. Now he had a multi-million dollar corporation behind him whose employees had already created the slogan, “We Protect Those Who Protect Us®.”

Three events combined to create the phenomenon that ultimately lead to BAE Systems’ applying for a copyright to the phrase “We Protect Those Who Protect Us®.” The phrase itself was created during a series of casual leadership team breakfasts in one of the business areas. Then, the phrase was used in a magazine advertising campaign. Finally, the posters from the advertising campaign became a fixture in the conference rooms and hallways of facilities reaching all the way to the lobby of the BAE North America headquarters building. (See Appendix F for an example of the posters.)

The words themselves evolved during a discussion at one of the leadership breakfasts held in the Countermeasures business area in the 1998-99 timeframe. These meetings were established by Tom Pucciarello, an internal organization development consultant, to provide a casual forum for
philosophical and academic discussions of various leadership topics. During one meeting, participants were brainstorming ideas for a slogan to reflect the business area’s mission in a way that would inspire employees. None of the participants remembered who said it first or how the phrase We Protect Those Who Protect Us® evolved, but by the end of the discussion the slogan was created. However, this group was not responsible for using the phrase in the advertising campaign or creating the posters.

According to communications vice president Randy Morger, the flyboy posters (as they came to be known) were part of an advertisement his organization created in early 2000 that highlighted Army helicopter pilots as the beneficiaries of the company technology. Morger and a colleague had the photographs and were trying to create the tag line for the ad. As he remembered, “We were honestly saying to one another, ‘Ok, what can we say that will reflect We Protect Those Who Protect Us?’ when it hit us to just use the slogan that had already become a part of the lexicon in the New Hampshire locations.” The advertisement was so compelling that soon framed reproductions appeared in the leadership conference rooms in Nashua. The public response was so positive that the company had to register the phrase to prevent competitors from using it.
After the September 11, 2001 attack on the World Trade Center, a new version of the poster was published in the company newsletter with the addition of “We will not tire, we will not falter, we will not fail, as we protect those who protect us.” To commemorate the anniversary of 9/11 in 2004, a reproduction of the poster was created using the names of the approximately 6000 current IEWS employees. Copies of this poster were sold to employees (who excitedly found their names in the picture) and the proceeds were donated to the USO. This poster won a major international award in advertising.

Although the evolution and use of We Protect Those Who Protect Us® was a striking example of Havenstein’s ability to capitalize on the congruence of his personal values and those of the organization, there were many smaller scale actions that continued to show employees that he believed what they were doing was important. During one of the President’s Tours, he was speaking to a crowd outdoors at one of the facilities, and a helicopter was flying in the area testing equipment. At one point, it came close enough to make it impossible to hear what he was saying. Havenstein paused, looked up smiling, and when the noise dissipated he said something to the effect of “It’s OK, that’s why we’re here. It’s music to my ears.” At every gathering he found a way to include a reference to the company customers as “those guys and gals in the flight suits, flack jackets,
and bell-bottomed trousers,” the war fighter. The quarterly management meetings began with a video montage of images of the company products in action and testimonials from users accompanied by a rousing score that some referred to as the “company fight song.” When Havenstein took the podium, his first action was to lead the group in the pledge of allegiance, and he always closed sessions by asking the participants to remember to thank any servicemen and women they saw in their travels.

There was not a single interview transcript that did not reference Havenstein’s commitment to the ultimate customer, the war fighter. The following passages were typical examples:

You know, when Walt first came in and started talking about the war fighter, that was like the first time anybody ever talked about that. When he said, you know, yeah, you guys are doing interesting work and it’s really complex, but don’t forget that the only thing that matters is the guy that has to use it, the war fighter.

He’s very oriented to supporting the military, so with Walt, you had confidence that if you did what was right for your customer, the military, that 99 times out of 100, Walt would support it.
...we hadn’t had that type of leader before who was able to really crystallize why we do what we do.

*Intellectual Simulation*

Transformational leadership behaviors that encourage new ideas and creative problem solving and risk taking stimulate the intellectual capacity of employees. Havenstein’s actions discussed in the previous sections contributed to creating an environment that empowered employees at all levels to question the status quo, work together to solve problems, and take calculated risks. In the words of one manager:

People felt comfortable bringing issues to Walt’s attention. He had a way of making everybody feel so valued and respected that people think that they are worthy enough to raise, you know, maybe the simplest of issues up.

Typically, Havenstein promoted questioning the status quo with a humorous routine he called “The Goofy Test.” The Goofy Test originated shortly after the company was acquired by BAE Systems in 2000. As with any merger or acquisition, the combined organizations had multiple practices and procedures, and a single set of processes had to be agreed upon as the way forward. One
way Havenstein encouraged employees to thoughtfully consider old and new processes was to suggest that they step back objectively, regardless of the origin of the process, and ask “Does this pass the goofy test?” He was essentially telling employees to honestly look at “the way it’s always been” and speak up if the process didn’t make sense.

As with many of Havenstein’s simple phrases, The Goofy Test was soon part of the lexicon used in meetings throughout the organization. People felt empowered to ask “Hey, does this pass the Goofy Test?” as a way to urge one another to take the common sense view of a situation. Referring to this phenomenon, one interviewee said:

Even the lowest lowly employee can say “well that’s goofy, you know, we ought to get this information out there so we can fix it.” So it was empowering to employees to see that they weren’t waiting for leadership to do unto us anymore; that we were part of the team and had an impact on the enterprise.

Similarly, Havenstein’s expectations regarding working together for the greater good promoted creative problem solving rather than blaming one another. The focus in program reviews was not on explaining what went wrong, but on proposing a way forward to help the war fighter. Havenstein recognized
that the highly specialized technical work the company was known for was a risky business and that there would always be unforeseen difficulties along the way. He wanted an honest assessment of the current situation and a realistic plan for getting back on schedule. Program performance improvement was measured not by how far behind schedule the work was but by how accurately the team could predict when they would be back on track. An interviewee who was relatively new to the organization noticed what he called leadership resilience—when disappointing news was shared in a meeting, Havenstein might “pop up” for a moment, but then he immediately calmed down and shifted the discussion toward solving the problem.

*Individualized Consideration*

Transformational leadership behaviors that show individualized consideration recognize followers’ needs and desires in a supportive environment. Many of the behaviors described in the previous three categories, idealized influence, inspirational motivation, and intellectual stimulation certainly contributed to creating a supportive environment. However, the approach Havenstein used to enforce compliance with the policies concerning sharing of functional resources (engineering, manufacturing, business
management, marketing, and personnel) across multiple locations addressed a difficult situation with his characteristic simplicity and resolve.

The structure to support sharing functional resources had been in place since 1996 when the IEWS business areas embraced centralized engineering. This change meant that all of the various types of engineers (software, electrical, mechanical, and systems) were no longer directly assigned to the program for which they provided services in a particular business area. Instead, the engineers were directly assigned to their engineering function and allocated to work on a program. In other words, the business areas no longer “owned” the engineers working on their programs.

The rationale behind this action was to provide consistent training, development, and supervision for engineers and to simplify hiring and resource allocation. In the past, it was not uncommon for one part of the business to be hiring systems engineers while another was laying them off, due to fluctuations in workloads. However, in order for this system to work, there had to be a high level of trust and cooperation among the different business areas and the engineering function as well as team work towards a shared vision. The company culture in the late 1990s had none of these attributes.
In the years before Havenstein was appointed president, there was constant bickering, complaining, and begrudging compliance to centralized engineering. The program management community saw the change as a loss of power since they no longer had direct control over the engineers. There were power struggles among programs over key technical resources. The individual engineers were confused and frustrated by what they perceived as having two bosses, their functional engineering supervisor and the manager of their program. Engineering management struggled to gain respect in a culture where program management had always been perceived as “king of the hill.”

Once again, Havenstein used military terms combined with a three-fingered hand gesture to simplify requirements and unite the factions (see Appendix G). He called this method of optimizing resources the 3-D Concept of Operations.

The three axes represented the line of business, the functions, and the geographic location or site where the work was performed. Each of the three parts had a leader, the business leader, the functional leader and the site leader, all with clearly delineated responsibilities and authority.

Havenstein was able to stop the bickering and complaining because he explained the 3-D Concept of Operations in a way that emphasized team work
along with the recognition of individuals’ needs and desires and value to the business. He made a point of explaining that no one part of the organization was more important than another, and he demanded mutual respect. However, it was the commitment to the shared value to protect the war fighter that motivated the factions to work together for the greater good.

State of Mind Leadership Training

In the time period of this study, 1999-2005, the senior leaders in Walt Havenstein’s organization were exposed to four forms of SOM training in four very different settings: 1) auditorium style lectures, 2) leadership team offsites, 3) the Intensive Leadership Seminar (ILS), and/or 4) Personal Foundations for Optimal Leadership (PFOL).

The auditorium style lectures held in the late 1990s represented the earliest attempts to introduce the HR/SOM understanding to the organization. One of the senior leaders who became interested in HR/SOM as a result of discussions with Dick Bozoian (Director of Employee Training and Organizational Development), would sponsor one of these events. The program length was usually one day, and it was held in a large meeting space in a nearby hotel. The sponsor paid the fees and expenses for Dr. George Pransky and any co-instructors from Pransky and Associates, and the cost of the meeting space as
well. All of the sponsor’s direct reports were invited to attend, and Bozoian and the sponsor would also invite some of their peers as well. There were usually 50-75 participants in all.

These seminars were markedly different from the kind of leadership training the participants had come to expect. There were no overhead presentations, no visual aids, and no handouts. The primary point of the lecture/discussion format of these programs was to help the participants appreciate the connection between SOM and business success and to become aware of their own state of mind in that context. Bozoian and Dr. Pransky often taught these sessions together because Bozoian added credibility due to his experience with the business. The chart in Appendix H (the only visual aid) was used in these early seminars to show the relationship between SOM and business success.

Although some of the participants balked at the unstructured nature of the seminars, it was difficult for them to dispute the common sense nature of the message – people are more productive and creative when they are in a better mood. Moreover, Dr. Pransky and his associates had very little experience in the business world at this point in time, so they were on a learning curve as well. One of the first modifications to the teaching methodology was to change the
references to the approach from Health Realization or Psychology of Mind to State of Mind.

The second form of SOM leadership training, the leadership team offsite, evolved from the larger auditorium sessions. In other cultures, these meetings would have been called retreats; however, to avoid any possible association with religious activities, they were referred to as “offsites.” These two-three day meetings were held at resort facilities two-three hours’ drive from the Nashua, New Hampshire, area such as The Stageneck Inn in York, Maine. The participants were the vice president of the business area or function and his direct reports, usually 12-15 people.

The first few sessions of this kind were co-taught by Dr. George Pransky and Dick Bozoian. In addition to the venue, there were two other notable differences in this training. First, it was exclusively for the intact leadership team, which included both the program management directors for the different product lines and the functional directors of engineering, human resources, business management, and the other functions. Secondly, the content was both theoretical (SOM) and applied. The applied portion of the meeting consisted of discussions and action planning to address specific team-related issues, which were determined by analyzing the themes of individual intake interviews done
prior to the meeting. Dr. Pransky would conduct these phone interviews, and then discuss the prominent themes with Bozoian and the vice president of the business area to create the applied portion of the meeting.

Although these meetings were expensive and time-consuming, the improved functionality of the leadership teams and the depth of personal insights experienced by the participants, translated into improved efficiency that made business sense. Consequently, the next step for many of the participants was to craft a similar, albeit local and less costly, experience for their own teams of direct reports. In this way, the SOM understanding began to cascade through the organization level by level.

The third form of SOM leadership training was a radically different approach. The Intensive Leadership Seminar (see Appendix I) was a four-day residential one-on-one program designed to help leaders understand and see for themselves: 1) the relationship between their mental well-being and business success and 2) the psychological principles behind their mental life. The seminar was held in LaConner, Washington, at the offices of Pransky and Associates where participants would be assigned a consultant who provided a customized individual learning experience over the four-day period.

Initially this training was offered exclusively to presidents and vice
presidents, starting in 1998. Since that time, more than 150 leaders, managers, and individual contributors have completed the program. Participants had the option to invite their spouse to attend all or some of the training. Many senior leaders returned from this learning experience and immediately made arrangements for their adult children to attend, one of whom was Walt Havenstein.

The last form of SOM leadership training the leaders were able to attend was the executive institute called Personal Foundations for Optimal Leadership (PFOL). Developed in 2003, it was one of a number of week long, residential leadership training classes referred to as the BAE Systems Executive Institutes. All of the executive institutes were populated through a nomination process with presidents, vice presidents, and their direct reports given top priority for a limited number of seats per session and sessions per year, and most were held at The New England Center conference and training facility at the University of New Hampshire in Durham. These classes were populated with a heterogeneous group of peers from different parts of the organization.

PFOL was co-taught by four consultants from Pransky and Associates, including Dr. George Pransky himself in the pilot sessions in 2003. The design of the program required a large number of co-instructors. In addition to short
lectures in the large group format, the program included multiple small group sessions facilitated by one of the co-instructors and a private half-hour meeting with the small group leader.

The “personal foundation” reference in the title of the institute referred directly to the overarching theme of the program – that optimal leadership is 100 percent a function of the leader’s mental life. Through the series of small and large group instructional sessions, the participants learned to see the connection between the leader’s state of mind and employee productivity and organizational success. (See Appendix I for a complete description of PFOL)

From 2003 to 2005 (year end of this study), 204 executives completed PFOL.

State of Mind Values

The three most common topics discussed in the transcript passages related to SOM leadership training were references to the SOM values, increased self-awareness and increased other-awareness. The SOM values were the result of a session Dr. Pransky facilitated with Havenstein’s group of direct reports, the Gang of 16 (GOS). The purpose of the meeting was to discuss how an understanding of the SOM Principles would help to address the problems with programs that were over budget and behind schedule, known as Red Programs. The leadership team knew that a key factor in the problem was the long-standing
cultural practice of failing to disclose problems in a timely manner. The leaders also knew that it was unrealistic to expect that programs would never get into trouble, given the extremely difficult nature of the work. So, they had to find a way to bring problems forward sooner and create more realistic plans to get back on schedule and within budget (referred to as Return to Green plans). This practice was largely a reaction to the previous senior leadership regime that had fostered a fearful atmosphere in program reviews because of their harsh, disrespectful style.

The SOM values were generated as the antidote to this style. They were the guidelines for creating a collaborative, respectful, creative work environment starting from the top-down. The grammar in the values was not perfect; but they were adopted and reproduced so quickly and expansively that it did not make sense to revise them:

- Treat people from a feeling of respect and good will.
- Stay calm, independent of circumstances.
- Have the humility to admit when you don’t know, and be willing to go back to the drawing board through reflection.
- Feel the confidence and faith to do the right thing in the face of discomfort.
The SOM value that promoted treating others with respect became the most frequently quoted, because Walt Havenstein already modeled this behavior. Also, many leaders said that this emphasis on treating each other respectfully was true to their natural way of being. As one director remarked, “The model’s come to me. It’s more in line with my own personal values now and where I wanted it to be for a long time.” Another IDS leader said, “I didn’t have to be in the hostile mode to go out and get work done.”

Initially, some of the leaders thought the direction to “remain calm, independent of circumstances” conflicted with their passion for the work, passion they viewed as a critical factor in their success. However, as one director came to see it: “Once I got past that you can still have all your passion, what it means is that under fire you remain calm and clear-headed. You aren’t reactionary. You pause and reflect and observe – not what’s straight ahead but also what’s in the peripheral.”

Many of the leaders spoke of the connection between adherence to the SOM values and improved performance, particularly the ability to raise issues and work together to solve problems – exactly what the Gang of 16 intended them to do. One product line director said:
I think it’s (SOM) gone a long way to foster honest, open communication, raising issues so that they may be resolved instead of burying them. So from a performance standpoint, it’s brought a lot more honesty and openness. We feel comfortable raising issues, whereas before, when you get beat up for it, the tendency is not to raise any issues.

Another director described the impact of SOM training on performance using a machine metaphor that uniquely captures the nature of the work at BAE Systems.

I guess the question is if you recognize, in the simplest form, that we ask people to implement their intellectual capabilities to create products. Then what’s the highest productivity environment you can give them? It’s not being agitated. It’s not being frenetic. It’s not being worried or distracted. So recognizing that, the equivalent would be having a manufacturing process and throwing dirt into the gears. Effectively that’s the same as adding stress, adding uncertainty, adding tension to the system. So you wouldn’t do that. You would oil the machine and keep it clean. What we’re doing here with people, with their intellectual capabilities, we’re gonna try to get that in them in the best frame of mind.
to get rid of the friction or the negative energy. I think that was a simple recipe.

A more senior product line director who worked for many years under the harsh management style of the previous regime coupled Havenstein’s edict to treat people with respect and the SOM values when he said:

I think one of the things that happened, and I think you can attribute some of this to State of Mind, maybe up to half of it, and the rest of it to Walt and his respect thing. It became, it was really important that when something was going wrong on a project, that people felt free to say, this isn’t going right, and feel like they wouldn’t be kicked in the teeth when they said it..... And I think that the idea of if we’re ever going to grow up, we’ve got to be able to lay problems on the table to each other and respond to them as a team and not point fingers at each other.

*Increased Self-Awareness*

The leaders noticed the changes in team dynamics and interpersonal relationships, but they also noticed changes in themselves and in their ability to understand their colleagues. One director said, “My awareness has increased. I know when I get riled or I’m nervous or uncomfortable I need to pay special attention to prepare myself in order to conduct my self like I really want to.”
Another said, “Understanding SOM helped me balance my need to be successful and to do the right thing. Having a good state of mind also allowed me to fail once in a while and…recover from that.”

Other leaders became more aware of their mental habits of second-guessing and chastising themselves under pressure. Increased resilience was another outcome often noted. The interviewees noticed that they were able to get over disappointments more quickly and catch themselves worrying about organizational changes or other events out of their control. One director compared how he viewed a disappointment in the past, before SOM training, and how he reacted to a recent event.

I realize I’m responsible for my own situation. If I choose to react and dwell on making this a dejected, despondent, shitty situation, then I will. I know I did that once in my career, and it was a mistake. I didn’t realize that I was responsible for my own emotions, when I was in a negative state, and I let it get the best of me. I bid on a job and someone else was chosen, and I was devastated. I really let it get me down and I wallowed in a bad attitude for a long time. Recently, I didn’t get a promotion to VP, and although I was disappointed, I got over it in a lot less time.

*Increased Other-Awareness and Empathy*
As self-awareness increased among the leaders exposed to SOM training, so did their attention to others’ states of mind. When they realized the impact their own states of mind had on their perception and behavior, they saw it was in their best interests to pay more attention to how others were doing psychologically. It was humbling and humorous for the leaders to admit that the ability they had as children to decide when was the best time to ask for an increase in their allowance by scoping out their parents’ moods, could be used in business to get a sense how others were reacting to a situation or to them. It also became easier for people to forgive occasional lapses in SOM value behaviors. People could see when others were not at their best and knew not to take what they said or did too seriously. One vice president said:

You’ve got to recognize that not everybody was perfect, and people kept jumping out of the bag occasionally. But they would come and apologize after the fact, recognizing that they crossed the line. That was good because most people were very forgiving and would give the guy another chance. It wasn’t perfect,…it was a journey, and if people fell off the trail a little bit they’d get help from their peers to get back on track.

The aspect of other-awareness that had the most far-reaching impact in the business was when people realized the value of truly listening to one another
and trying to understand the other person’s point of view. One product line
director said, “As a servant leader, you say okay, what do I do to help resolve
this conflict, this barrier, this problem, motivate, coach, whatever the right thing
is, and SOM gets you to slow down and listen to the environment.” Another
director linked listening to problem solving saying, “I think the biggest thing was
being able to listen. The harder the problems are, the more people need to talk
about them, and if they have to do it in isolation, they may never solve it.”

Becoming better listeners required the leaders to combine their increased
awareness of their own state of mind with an appreciation for where others are
functioning as well. It was curious that as the leaders began to appreciate the
value of listening, they also associated it with Havenstein’s emphasis on respect -
- as though that was something new to listen to others out of respect.

At the end of each interview, the researcher asked each participant to
compare the extent to which the leadership behavior in IDS reflected the SOM
values in the late 1990s and in 2005. The results, shown in Table 2, show a shift
in the extent to which the IDS leadership behaviors were aligned with the SOM
values from the late 1990s to 2005.
Table 2

Alignment of IDS Leadership Behavior with the SOM Values

<table>
<thead>
<tr>
<th>Leadership Behavior</th>
<th>Late 1990s n=28</th>
<th>2005 n=29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>mean</td>
<td>sd</td>
</tr>
<tr>
<td>Treat people from a feeling of respect/good will</td>
<td>2.7</td>
<td>.82</td>
</tr>
<tr>
<td>Stay calm, independent of circumstances</td>
<td>2.2</td>
<td>.54</td>
</tr>
<tr>
<td>Have the humility to admit when you don’t know, and be willing to go back to the drawing board through reflection</td>
<td>2.3</td>
<td>.70</td>
</tr>
<tr>
<td>Have the confidence and faith to do the right thing in the face of discomfort</td>
<td>2.6</td>
<td>.73</td>
</tr>
</tbody>
</table>

Key: 1-Never  2-To a little extent  3-To some extent  4–To a great extent  5-To a very great extent
Work Environment

In this study, work environment was defined as the shared values and behavioral norms that characterize the daily operation of the organization. According to the leaders who were interviewed for the project, the quality of the work environment of the IDS business area noticeable improved between 1999 and 2005. Walt Havenstein set a new standard for leadership behavior that cascaded through the levels of management all the way to the shop floor, and the SOM leadership training helped leaders and managers to model the behaviors portrayed in the SOM values.

These actions influenced changes in the work environment. People felt respected and valued, they were proud of the company mission, and they worked together to solve problems and satisfy the ultimate customer, the war fighter. The behavior that began with Havenstein’s Gang of 16 had become the standard for the workplace.

Contributing factors to people feeling respected and valued were their ability to see where their work contributed to the key objectives of the enterprise, and BAE Systems’ commitment to the Employer of Choice philosophy. (Employer of Choice is a term used in business to reflect an organization’s commitment to treating employees in a manner that makes the company a
When Havenstein conducted his annual President’s Tour across the IEWS group, every employee was invited to attend the meetings. Every employee was given a brochure (see Appendix J for an example) that described the top ten objectives for the year, the key objective for each business area and visual reminders of the concept of operations and meerkat values.

In 2000 when the IEWS group was sold by Lockheed Martin to BAE Systems, the new parent company immediately demonstrated an open, friendly attitude towards employees. On the first day of the acquisition, Mark Ronald, the President of BAE Systems North America toured every facility alongside Walt Havenstein. The week before, every employee was given a blue chambray work shirt with the BAE Systems logo. Mark Ronald endeared himself to the IEWS employees with a little joke about how the head officers were trying to figure out what to call the new company: “BAE Systems Sanders; Sanders, A BAE Systems Company; BAE Systems, A Sanders Company.” This was a reference to the old Lockheed Martin naming convention that allowed a wide variety of naming conventions for the various business segments. People responded to his sense of humor and to the fact that he and Walt Havenstein were side by side, both wearing their BAE Systems work shirts. The employees
trusted Havenstein, and he told them that this was going to be good for IEWS and good for BAE Systems.

Another important change in the work environment contributed to the acceptance of the new parent company. Havenstein had succeeded in instilling a sense of pride in the employees that transcended company names and organization structures. Employees at every level of the organization identified with the We Protect Those Who Protect Us® slogan. The posters in the hallways and on office walls now included the BAE Systems logo, but the flags and the flyboys had not changed. In fact, soon after the acquisition, the lobby of the BAE Systems North America headquarters building showcased a wall-sized reproduction of one of the We Protect Those Who Protect Us® flyboy posters. The North American organization had adopted the IEWS slogan.

The third change in the work environment was the manifestation of working together for the greater good. The petty squabbling and infighting that had characterized some parts of the business were replaced by an increased commitment to team work and building better interpersonal relationships. In the late 1990s, complaints about the centralized functional matrix structure (the sharing of resources across the organization), were the most frequent theme in focus groups, climate surveys, and other informal employee communication
forums. In the years under Havenstein’s leadership, those comments gradually disappeared.

The changes in leadership behavior encouraged by SOM leadership training enabled the shift in solving problems together by creating a safer, less fearful atmosphere on program teams. Program team members were encouraged to ask for help, and when they did, they were treated with respect. Employees were not personally humiliated for making mistakes or not knowing the answer. Furthermore, if someone did step out of line and revert to the old behavioral standard, they were respectfully reminded that it was no longer acceptable to act that way.

*Cluster of Influences*

In many instances, it was difficult for the interviewees to separate the ways in which SOM training, Walt Havenstein’s leadership style, and the sale of the company to BAE Systems influenced individual and team behaviors, the work environment and ultimately organizational performance. The researcher initially believed Havenstein’s style and the work environment had a mediating effect on SOM training and organizational performance.

However, the interactions described in the interview themes represented a multiplier effect as opposed to a mediating effect. Havenstein’s leadership style,
specifically his insistence on respectful behavior and working as a team, embodied the objectives of SOM training, accelerated the assimilation to BAE Systems, and encouraged the change in the work environment. The following interview excerpts show how the leaders saw these influences play out:

Yeah, I’ve seen it change from turf wars, everybody out for themselves, make your own numbers and don’t help anybody to a movement to recognizing that the point, the axis point is Walt and everybody has to support the business. I’ve seen togetherness between the business areas like never before.

We had very combative relationships between groups, between engineering and programs, between various program groups who were competing for the same business.

Over time you saw more interest in the group success, more willingness to share personnel and help out.

We were in a program review and the news was not good. People thought, “My God, they’re going to get killed.” But instead there was this calm, you know, no yelling or screaming, serious discussion of the problem. And they [leadership team] seemed to want to help rather than punish. And people said “What happened to the leadership team?” The
slightest change was amplified and recognized by the people – people who were highly networked – so three days later people are still talking about what happened. Good or bad.

There was this sense that we could not review enough or have enough people out there checking people to uncover what they would hide [in terms of program problems]. It’s not because they do it maliciously; they do it out of self-defense. So we felt we had to enable the information flow by creating the climate of mutual respect and safety when people had issues to bring forward.

I would say we’re really at the point where that’s ingrained in everyone’s behavior; the notion of treating each other with respect. ‘Cause you can see people stop mid-approach and say, “Wait this is just not the way.” So it’s not to say that there’s no emotion, but there is a recognition of when the emotion is getting in the way of the messages.

Where BAE took over at the same time as Walt came along with his respect for people, and BAE took over and had meetings with groups of people and gave everyone a shirt, right, and demonstrated that they were much more oriented to having people be happy here than be satisfied. And I think people responded to that. And I think that’s probably the
major reason the company does better today.

*Different Points of View*

Three of the interviewees had more negative comments overall than the others, although their perspectives of Havenstein’s leadership style and its impact on the organization were aligned with the rest of the group. One difference between these leaders and the other interviewees is that all three of them chose not to participate in any SOM leadership training beyond the mandatory leadership off-sites. Furthermore, two of these men were encouraged by Wes West, the vice president and general manager of IDS who championed SOM in his organization, to find an assignment outside of IDS. Wes West joined the company in 1998 and served as the vice president and general manager of the IDS business area until he retired in 2003. In this role, he was one of Havenstein’s direct reports, the Gang of 16. Like Havenstein, West made it clear to his leadership team that he expected them to behave in alignment with the SOM values, and those who chose not to, were in essence de-selecting themselves from the team. To protect their identities, they are referred to as leaders A, B, and C.

Leader A was the only interviewee who would not allow me to record our session, and he seemed nervous answering the questions. Although he was not
one of the team members encouraged by Wes West to find a new assignment, he strongly disliked West and did not respect him. On one occasion, West lost his temper with Leader A, and he was never able to get over it. Other IDS leadership team members confirmed that occasionally West got upset, but they did not take it personally. As one leader remarked, comparing West to his predecessor in the business area, “Wes, on the other hand was very volatile. And he would explode. He wanted to fire people. In meetings he was very open, very communicative, and very supportive of the staff. When he got behind closed doors, he could wail.” Leader A also believed the IDS business area did not do well strategically with West’s leadership, although in fact, the group surpassed and continues to exceed their financial goals. In every other aspect of the interview, Leader A, was in line with the majority view, but not about West.

Leader B outwardly scoffed at SOM leadership training from the beginning, although his peers said they have seen a change in him, for the better, over the years. He is one of the people West told to find work elsewhere because he would not embrace the SOM values. Leader B believed that the end always justified the means; in other words, the way a leader behaved should not be an issue if he “makes his numbers.” In his words:
You probably don’t hear this a lot, either, from people, but it’s almost like the State of Mind thing created a popularity contest. That it’s not about your performance, it’s about your popularity. Are you a State of Mind guy or aren’t you? Are you a go-along, get-along kind of guy or aren’t you? And if you’re a guy that, you know, is looked on as a, you know, outspoken, abrasive, whatever, you just don’t fit. You’re going to be pushed to the side. Whether you’re good at what you do or not makes no difference. It’s do you follow the rules and whatever.

...Wes was a nice guy and all that, but his leadership style was, in my opinion, very bad for our culture. He was like a bully in a lot of ways. And if you didn’t agree with what he said, it was taken personally. You know, he was like, well, this is the way I say to do it and you’re going to do it or you’re going to go find someplace else to do business.

Although Leader B spoke of his respect and admiration for Havenstein, he seemed to resent how events came together in the company and talked a lot about “myths” as opposed to the reality of what really happened. He had a number of opportunities to take his career to the next level after he left IDS, but was not successful and was removed from senior leader succession plans.

Leader C is the only interviewee who actually left BAE Systems to work
for another company. He was the other person West encouraged to find a place where he would be happier, as he didn’t appear to be having a very good time at BAE Systems. He and Leader B often commiserated about being required to attend SOM leadership training offsites and made derogatory comments in a joking manner. Leader C did not seem to be any more satisfied with his current job than he was with his position at BAE Systems. Some of his peers on the IDS leadership team, believed that Leader C was more focused on salary than other components of the work package, so he left for the promise more money and incentive bonuses that did not materialize. Leader C did not believe the work environment in the company prior to the BAE Systems acquisition was all that bad, and he left the company before many of the changes in leadership and culture took place. Most importantly, however, Leader C was the person who was reprimanded by Havenstein for making the comment about “the masses” when referring to the employees. Generally, his personal value system was not aligned with where the company was headed.

What, if anything, did these three leaders have in common besides their differing opinions of the organizational changes that occurred between 1999 and 2005? Unlike many of their team mates on the IDS leadership team, they were not transformational leaders. Although Leader A remained with the company,
he was a transactional leader. He was able to execute his objectives successfully and manage his functional responsibilities in the business area through contingent reward behavior. He could be labeled as someone who “flies under the radar” meaning that he upholds the status quo and doesn’t draw attention to himself.

Unlike Leader A, Leader B was outspoken and comfortable challenging the status quo. However, he was perceived as a “lone wolf” as opposed to a team player. As an individual contributor, he impressed his superiors with his enthusiasm and excellent presentation skills; however, he alienated his peers with his lack of interpersonal finesse. His obvious drive for personal success and his lack of team building skills fostered distrust among his colleagues. So while he was able to generate enthusiasm for his ideas, he was not able to build a team to support him.

Leader C was strongly entrenched in a contingent reward, management-by-exception leadership style. His elitist attitude was completely out of alignment with Havenstein’s role for leadership behavior. He was oblivious to the impact of a positive work environment for himself and perceived Wes West’s commitment to having fun at work as frivolous and unnecessary. The fact that he was not any more satisfied or successful in his new position outside of BAE
Systems was predictable given his negative attitude.

Work Climate and Employee Opinion Surveys

The work climate surveys in this study were created by the internal training and development department that provided services for the IEWS part of the business specifically for the IDS business area. These short on-line assessments became known as the “pulsing surveys” (as in taking the pulse of the organization). The employee opinion surveys (EOS) were generated by the parent company, BAE Systems plc., and created and administered by an outside consulting firm, Watson Wyatt Worldwide. The EOS was also a web-based survey.

IDS Climate Surveys

In 1999 Wes West, the vice president and general manager of the IDS business area decided to do a thorough assessment of his leadership team and the IDS work environment. Prior to joining IDS in 1998, West was with General Electric for 12 years, and he had taken full advantage of their acclaimed leadership training and development programs. He was a transformational leader who knew where he wanted to take the IDS business area, and he wanted to find out if the team he inherited was up to the task.

The members of the leadership team were assessed using 360° feedback
and individual interviews conducted by outside consultants. A common leadership development tool, the 360° multi-rater feedback assessment was in the form of a report generated from the responses to a survey completed by the participant, the participant’s boss, and a number of anonymous raters who are the participants’ direct reports and peers. The quality of the work environment was measured by the precursor to the on-line pulsing surveys, a lengthy hand-scored instrument called the Climate and Mind Set Survey. Dick Bozoian, the director of the training and development department, created this survey, a subset of which was eventually made into the short on-line pulsing survey.

The results of the assessment of the leadership team showed West that he had, for the most part, a skilled and experienced group of direct reports who believed in his vision for the business and his general philosophy that work should be enjoyable. They did not, however, see their roles in creating a positive work environment. They saw state of mind (theirs and employees’) as a dependent variable as opposed to an independent variable. They were not surprised that the results of the Climate and Mind Set Survey reflected a frantic work environment and low morale given the troubled programs and employee turnover that caused staffing issues.

West heard about SOM leadership training from his engineering director
and decided to implement the training for his team. They held a series of SOM training offsites and cascaded the training down to the next layer of management as well. The snapshot of the business area in the spring of 1999 became the baseline from which to measure progress.

The short pulsing survey was used to measure incremental success in the IDS work environment after the April 1999 assessment. The original intent was to conduct this survey every quarter, but the frequency decreased for a number of reasons. Primarily because it was not feasible to act on suggestions in a visible way with only a few months between surveys; and if employees did not see a response to their suggestions, there would be a negative impact. Also, after a few years, it was difficult to find action items for improvement because the scores were so good, and when the larger parent company began to administer the Employee Opinion Survey (EOS) there was concern about over surveying the population. Table 3 shows the pulsing survey dimensions related to leadership behavior and state of mind from 1999 to 2005.
Table 3

Mean Scores for Selected Dimensions from the IDS Pulsing Survey

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Apr 99</th>
<th>Oct 99</th>
<th>Feb 00</th>
<th>May 00</th>
<th>Dec 00</th>
<th>Dec 01</th>
<th>Aug 02</th>
<th>Dec 03</th>
<th>Nov 05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calmness and Reflection</td>
<td>2.7</td>
<td>2.9</td>
<td>3.1</td>
<td>3.2</td>
<td>3.1</td>
<td>3.3</td>
<td>3.1</td>
<td>3.2</td>
<td>3.3</td>
</tr>
<tr>
<td>Teamwork</td>
<td>3.5</td>
<td>3.4</td>
<td>3.6</td>
<td>3.6</td>
<td>3.7</td>
<td>3.8</td>
<td>3.6</td>
<td>3.7</td>
<td>3.7</td>
</tr>
<tr>
<td>Communication</td>
<td>2.9</td>
<td>3.2</td>
<td>3.5</td>
<td>3.3</td>
<td>3.2</td>
<td>3.3</td>
<td>3.3</td>
<td>3.7</td>
<td>3.6</td>
</tr>
<tr>
<td>Commitment</td>
<td>3.2</td>
<td>3.0</td>
<td>3.3</td>
<td>3.4</td>
<td>3.3</td>
<td>3.4</td>
<td>3.4</td>
<td>3.5</td>
<td>3.6</td>
</tr>
<tr>
<td>Positive Attitude</td>
<td>----</td>
<td>3.4</td>
<td>3.6</td>
<td>3.6</td>
<td>3.7</td>
<td>3.9</td>
<td>3.8</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>sample size</td>
<td>78</td>
<td>261</td>
<td>391</td>
<td>304</td>
<td>240</td>
<td>296</td>
<td>274</td>
<td>318</td>
<td>509</td>
</tr>
</tbody>
</table>

Note. The April 1999 survey was sent to all managers and supervisors and a random sampling of all other IDS employees. There was a 52 percent completion rate. The positive attitude dimension was not part of the 1999 survey.

The survey was intended to be a simple progress check using a 5-point extent scale. The averages for each dimension were tracked for the business area in total and for the individual product lines and functions. There was an opportunity as well for employees to provide written comments about what was going well in the business area and what needed to be improved.

Teamwork, communication, work environment, and morale improved slowly. The themes from the written comments reflected employees’ perceptions
of the culture. There was no limit to the amount of space allocated for written comments, and in the early surveys emotional “rants” more than a page long (single spaced) were not uncommon. Morale was very low, employees felt undervalued and overworked, and they were still suffering from the effects of the harsh leadership style that preceded Havenstein. There was a lot of confusion and resistance to centralized engineering, and there was not a clear vision forward for the company as a whole.

Wes West and Larrie Cable (West’s successor) reviewed the latest survey results at their Quarterly All-Hands Meetings, and soon it became apparent to the employees that senior management was responding to their concerns. For example, in an effort to initiate more fun activities for employees, the FISH team was developed (from the Pike’s Fish Market video on having fun at work). Staffed by volunteers in the business area and funded by the business, the FISH team was responsible for such events as Hawaiian shirt Fridays in the summer (raffle prizes for shirt-wearers), a chili cook-off (fees for tasting go to charity, winner gets a gift certificate), and the most famous, the ice cream truck. Funded by the engineering function, a real ice cream truck came to the facility every month in the spring and summer, and employees filed outside for their free treat.

The tenor of the written comments changed from “rants” to thanks and an
acknowledgement that IDS, and BAE Systems overall, was a “great place to work.” This was a noteworthy change from the first survey in which many of the written comments indicated that the respondents “could not think of one good thing to say.” There were also more written comments, indicating that employees took the extra time to respond beyond the survey questions. In the December 2003 survey, the most common negative written comments were requests for improving physical appearance of the inside of the Hudson facility. When asked what would make it better to work in IDS, employees asked for fresh paint on the walls and new carpet. In November 2005, the positive themes considerably outnumbered the negatives with specific references to SOM training, the SOM values, and the effect that SOM has had on the business and the environment.

**BAE Systems Employer of Choice Survey**

The BAE Systems Employer of Choice Survey was conducted every other year by outside consultants Watson Wyatt Worldwide. It was a general employee satisfaction survey administered to the entire organization, both BAE Systems plc., the British parent company, and all of BAE Systems North America (now called BAE Systems, Inc.), so there was no specific mention of state of mind or the SOM values. It is possible, however, to extract questions that reflect the
influence of state of mind and of Walt Havenstein’s leadership style.

The 2004 Employee Opinion Survey was sent to all BAE Systems employees. There was a 56 percent response rate overall (37,036). The North America response rate was 73 percent (17,957). More than 50 percent of the IEWS (4671) and IDS (497) employees responded, and the results were reported down to the IDS business area level. Table 4 presents the percent of positive responses from the 2004 survey selected to reflect leadership behaviors and state of mind.
Table 4

2004 BAE Systems Employee Opinion Survey: Percent Positive Responses for Selected Questions

<table>
<thead>
<tr>
<th>Selected Questions</th>
<th>BAE Overall</th>
<th>BAE North America</th>
<th>IEWS</th>
<th>IDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. People have a “can do” attitude</td>
<td>76%</td>
<td>82%</td>
<td>87%</td>
<td>90%</td>
</tr>
<tr>
<td>2. I intend to work for BAE Systems in 12 months’ time</td>
<td>78%</td>
<td>85%</td>
<td>92%</td>
<td>95%</td>
</tr>
<tr>
<td>3. I am proud to work for BAE Systems</td>
<td>81%</td>
<td>81%</td>
<td>92%</td>
<td>93%</td>
</tr>
<tr>
<td>4. Overall, I am satisfied with my job</td>
<td>65%</td>
<td>77%</td>
<td>85%</td>
<td>91%</td>
</tr>
<tr>
<td>5. I would recommend BAE Systems to others as a good place to work</td>
<td>58%</td>
<td>75%</td>
<td>88%</td>
<td>90%</td>
</tr>
<tr>
<td>6. A good level of trust, honesty and openness exists in my business area</td>
<td>39%</td>
<td>51%</td>
<td>62%</td>
<td>73%</td>
</tr>
<tr>
<td>7. My immediate manager/team leader consistently treats me with fairness and respect</td>
<td>81%</td>
<td>83%</td>
<td>85%</td>
<td>87%</td>
</tr>
<tr>
<td>8. My immediate manager/team leader considers my personal well being to be important</td>
<td>74%</td>
<td>78%</td>
<td>81%</td>
<td>83%</td>
</tr>
<tr>
<td>9. People in my business unit consistently treat each other with fairness and respect</td>
<td>67%</td>
<td>75%</td>
<td>80%</td>
<td>86%</td>
</tr>
<tr>
<td>10. My business unit leadership team is effective at motivating the workforce to perform at a high level.</td>
<td>35%</td>
<td>48%</td>
<td>59%</td>
<td>64%</td>
</tr>
</tbody>
</table>

Note. The numbers of the questions in this table do not coincide with the numbers in the survey.
Company Performance Data

There are a number of ways to assess the performance of an organization – sales, profit, and the quality of the product it produces. The researcher was not given permission to disclose the actual numbers in this section of the results, but percentage of change and general amounts are provided. Some of the performance data were computed at the company (IEWS) level and not at the lower business unit (IDS) level.

In 1999 the company was challenged by the declining defense budgets and competition with the dot.com companies for talent. Due to poor performance on one major program, IEWS had been blacklisted by a key customer. There was a perception in the industry that IEWS was a company of technical prima-donnas who did not know how to execute a program.

In order for readers not familiar with the nature of the IEWS business to understand one measure of performance that has improved considerably, it is necessary to explain some of the terminology used to describe the progress (or lack thereof) of programs. When a program, as the engineering work is called, gets behind schedule or runs over on costs, it is said to be Red. Although the performance of a subcontractor/vendor is sometimes to blame, most of the time the problem is technical in nature. Due to the level of difficulty of the IEWS and
the IDS business area programs, there is always a chance that a program will encounter technical problems and “go Red” at some point in time. The more important question is, how accurately can the team forecast how long it will take to get back on track and how much more it will cost to complete the work? This is tracked using EAC (Estimate at Completion) Performance. In other words, how much has the scope of the job grown, EAC Growth, and how much has the team been able to recover, EAC Improvement. An increase in EAC is perceived to be the Cost of Poor Quality and it is reported as a percentage of sales as a performance measure. In 2001, when the company began tracking this performance measure, it was almost 9 percent. In 2005, it was less than 1 percent. In a company with sales in excess of $800M, this is a substantial amount of money saved. The desired target for the industry is 3 percent.

Although actual amounts cannot be disclosed, from 1999 to 2005, IEWS as a whole and the IDS business area in particular, increased sales and profit almost every year. In fact, every year, the performance targets for sales were increased and every year they were exceeded. Figures 3 and 4 show the sales and income trends.
Figure 3. Trends in IDS Business Area Sales

![IDS - Sales](image)

Figure 4. Trends in IDS Business Area Income

![IDS - Income](image)

Another indicator of the quality of an organization is attrition, voluntary terminations. Especially in a company like BAE Systems in which intellectual property in the form of brilliant engineers is a key discriminator, attrition is a very important statistic. Figure 5 shows the decrease in attrition from the late 1990s to 2005 for the former IEWS group overall.
Figure 5. IEWS Annualized Voluntary Terminations
Chapter 5

DISCUSSION

The purpose of this chapter is to integrate the results of the study with existing research studies and theory and make recommendations for further research and practical applications. The discussion will begin with a review of the findings as they relate to the original goal of the study and the research questions. The next section will examine the findings in relation to existing research on leadership training and development, transformational leadership, and health realization/state of mind. Any implications of new theoretical propositions will be presented here as well along with limitations that may affect the validity or the prospect of generalizing the results. Finally, recommendations for future research and implications for professional practice and applied settings will be offered.

Findings

The goal of this study was to determine the importance of SOM leadership training with regard to leadership behavior and organizational performance. From an applied perspective, the ultimate goal was to document a set of best practices, supported by the research, which could be used in other parts of the subject organization. Furthermore, the study was the first to examine state of
mind training for leaders in business.

Research Questions

The research questions referred to two groups of BAE Systems leaders: the IDS leadership team, who reported to vice president/general manager Wes West, and the IEWS senior executives, known as the Gang of 16, who reported to president Walt Havenstein. Essentially, the questions asked:

5) Did the leadership behavior in the IDS business area and the larger grouping of business areas called IEWS change during 1999-2005?

6) Did State of Mind leadership training influence these behavioral changes?

7) Were there any other mediating factors that encouraged the changes?

8) Did organizational performance improve from 1999-2005?

The answers to the research questions described a confluence of influences and changes. Based on the interviews of the IDS leadership team and the results of the IDS pulsing survey and the BAE Systems Employee Opinion Surveys, the behavior of the IDS leaders did indeed change, but the leaders attributed those positive changes to a combination of SOM training, Walt Havenstein’s transformational leadership style, and a shift in the cultural norms that changed the work environment. The organizational performance indicators, sales,
income, and cost of poor quality indicated improvements as well.

Changes in Leadership Behaviors

In their interviews, the IDS leaders used the SOM values -- treating people with respect, staying calm, having humility, and doing the right thing-- as the guidelines for desired leadership behavior. In and of itself, this acceptance of a code of leadership behavior is a noteworthy change. Before the introduction of SOM training, leadership behavior was characterized as harsh, arrogant, and frenzied; and those behaviors had become accepted as the norm. When interviewees were asked to contrast the level of adherence to the State of Mind Values between 1999 and 2005, all four values changed appreciably in a positive direction.

Other behavioral changes the leaders noticed in themselves and their colleagues were increased self-awareness and respect for understanding others. These changes contributed to improved interpersonal communications, teamwork, and morale. There was a noticeable decrease in arrogance and an increase in listening. The leaders became aware of their particular habits of negative thinking such as being hard on themselves, getting defensive, or becoming stuck in a cycle of worry. They also became more cognizant of when others were in a low mood and were more patient and understanding. Overall,
the group noted a shift in typical state of mind from more anxious and distracted towards calm and insightful.

The IDS Pulsing Survey was used as a measure of the leadership team’s commitment to changing the work environment. It also encouraged employees by showing incremental progress and leadership team responses to the concerns voiced in the open-ended questions. However, the results were also an indirect indicator of changes in leadership behavior. For example, the change in the communication dimension score from 2.9 to 3.6 (5-point extent scale) was influenced by the improved quality of listening and lack of arrogance in addition to the content and frequency of communication from the leadership team. The increase in the positive attitude dimension from 3.4 to 4.0 (5-point extent scale) was in part the result of more patience, compassion, and respect from the leadership team.

The questions from the 2004 BAE Systems Employee Opinion Survey were also indicators of changes in leadership behavior. Although there was no baseline survey conducted in the late 1990s to use as a comparison measure over time, the high scores for the IDS business area and IEWS group, particularly on questions about trust, honesty, respect, and overall job satisfaction, provide examples of the effects of the changes in leadership behaviors described above.
State of Mind Leadership Training

The behavioral changes the IDS leaders saw in themselves, individually and collectively, were adherence to the SOM values, increased self-awareness, and increased other-awareness. According to the interviewees, SOM training enabled them to see the role of thought in shaping their perception of situations and individuals and in generating negative feelings. This realization helped them to quickly recognize defensive and angry feelings and to pause before reacting. They could see when they were in a spiral of negative thinking and take measures to get themselves back on track in terms of their well-being. More importantly, the leaders learned not to take themselves (and others) seriously when they were in low moods. They stopped being so hard on themselves and were more resilient in the face of disappointments. As the leaders became more aware of their own state of mind, they also noticed when others were functioning in a low state of mind. They were more compassionate and forgiving because they realized that their colleagues were doing the best they could, based on their thinking in that particular moment.

The behavioral changes that had the most positive impact on leadership behavior were improved listening and more humility (less arrogance). Leaders became better listeners because they recognized when they were caught up in
their own thinking and not fully listening to others. They also realized that treating people with respect and good will (the first SOM value) meant listening with the intent to understand the other person’s point of view. State of mind training taught them to recognize when they were not listening because they were pre-occupied with their own thoughts, and how they could let those thoughts go and re-focus on their listening.

Leaders who were better listeners appeared to be less arrogant, but the shift in behavior came from another realization. They became more aware of the insecure thinking and defensive feelings that accompanied their arrogant behavior. Once leaders were able to see the thought-feeling-behavior cycle associated with arrogant behavior, it was easier to break the pattern for themselves and to see it in others.

Another indicator of the influence of SOM training could be found in the Employee Opinion Survey questions that show notably higher positive responses on questions referring to employees feeling valued and treated with respect. Employees frequently referenced the SOM values and the leaders’ commitment to them in the comments in the IDS Pulsing Surveys. The employees noticed the changes in leadership behaviors and attributed them to the SOM training they were hearing about.


Havenstein’s Leadership Style

It was Walt Havenstein’s embodiment of the behaviors espoused in the SOM values, however, that reinforced these changes and encouraged continued participation in SOM training. In addition, Havenstein held his own leadership team accountable for acting in accordance with the SOM values. When the IDS leaders saw Havenstein’s team (the Gang of 16) modeling the behaviors as well, they saw it as a validation.

Walt Havenstein’s leadership style influenced leadership behaviors throughout the organization and served as a catalyst to change the work environment as well. The results of the interviews of the IDS leadership team described the ways in which Havenstein exhibited the Four I’s of transformational leadership: Idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. He modeled behavior that generated trust and respect, and he inspired teamwork for the greater good with his emphasis on meerkat behavior. As the IDS leaders were improving their interpersonal skills they were also motivated to increase their commitment to teamwork. Now they had both the ability and the desire to change their team dynamics. Working together to solve problems replaced the old cultural norm of blaming others. Empowered by the behaviors of their leaders, employees were
encouraged to ask for help and rely on the collective intellectual capacity of their teams.

It was Havenstein’s ability to seize upon the shared organizational value of dedication to the war fighter expressed through the We Protect Those Who Protect Us® slogan that provided the thrust that ultimately changed the work environment and contributed to improved performance. Havenstein inspired leaders and employees to do their best, every day, in support of this moral imperative to protect the war fighter. This message encouraged all of the employees to find ways to transcend their differences and focus on a common goal. The response to the question “I am proud to work for BAE Systems” shows the effect of this collective commitment. Although there is little difference between the IDS and IEWS scores of 93 percent and 92 percent respectively, the BAE North America score of 81 percent is lower. Furthermore, the BAE North America score includes responses from the IDS and IEWS employees. Also, by that point in time, Havenstein’s leadership style was visible across the North American organization, and We Protect Those Who Protect Us® had been adopted as the motto for BAE Systems North America.
Evidence of the changes in the work environment was inherent in the themes from the IDS leadership team interviews and in the responses to the IDS Pulsing Survey and the BAE Systems Employee Opinion Survey. The interview themes reflect a work environment in which employees feel valued, are proud of their company mission, and are committed to working together to solve problems. The written comments in the IDS Pulsing Survey were indicative of the change in work environment. The surveys from 1999 contained lengthy emotional “rants” from employees who felt overworked and underappreciated. There was also a tendency by disgruntled employees to blame other parts of the organization or standardized company processes for their frustration and unhappiness. As time passed, the survey comments changed. Employees recognized the efforts being made on their behalf to create a more positive work environment. Specific references to the SOM values and SOM training were not uncommon. Employees thanked the leadership team for their efforts and labeled the company “a great place to work.”

The more rigorous BAE Employee Opinion Survey provided additional corroborating evidence of an improved work environment. In the 2004 survey, the positive responses to the question “Overall, I am satisfied with my job” for
BAE Overall and BAE North America were 65 percent and 77 percent, respectively compared to 91% for IDS. The difference in the positive scores for the question “I intend to work for BAE Systems in 12 months’ time” was also considerably higher than the other parts of the organization at 95 percent. Yet another indicator of a positive work environment was shown in the positive responses to the question “I would recommend BAE Systems to others as a good place to work.” The positive scores for IDS were 90 percent compared to 58 percent for BAE Overall and 75 percent for BAE North America.

Organizational Performance

The last research question was the most important in terms of validating the effects of SOM training and the other mediators. Success in business is measured by the bottom line. During the time of the study, the IDS sales and profit increased almost every year. Every year the performance targets for sales were increased, and every year they were exceeded. More importantly, the cost of poor quality, which reflected the organization’s efficiency, decreased from a high of nearly 9 percent to less than 1 percent. The desired target for the industry was 3 percent. The sizeable decrease in voluntary terminations also impacted the bottom line because it can cost as much as $60,000 to recruit and re-locate engineers and other professionals such as those employed by IDS.
**Leadership Training and Development**

Although the learning objectives for SOM leadership training did not overtly describe increased emotional intelligence as a desired outcome, the IDS leaders noticed increases in self-awareness and other-awareness they attributed to that learning experience. It should be noted that these changes were not the result of a development plan designed to correct behaviors through any kind of practice or process. Learning about the SOM Principles raised the leaders’ self-awareness as they had insights about their thoughts and the connection between their thoughts, feelings, and behaviors. The frequently described experience of seeing when others are operating in low moods and treating them with patience and compassion is an example of increased empathy.

The IDS leaders also noticed improved listening and a decrease in arrogant behavior. Both the Conference Board study (Barret & Beeson, 2002) and the DDI report (Bernthal & Wellins, 2006) listed interpersonal and organizational communication skills as critical leadership competencies. Accordingly, better listening and more humility fostered improvements in team work. Inability to work in teams was another “de-railer” listed in more than one leadership competency study (Barret & Beeson, 2002; Bernthal & Wellins, 2006; Hay Group, 1999).
A practical result of the changes in IDS leadership behavior was the change in the work environment. Although there were other factors involved, the improved interpersonal and organizational communication skills of the IDS leadership team, contributed to a work environment that was appreciably better than any other part of BAE Systems and that superiority was maintained over time.

*Transformational Leadership*

Hundreds of studies have examined transformational leadership since Burns (1978) used the term to describe the relationship between a leader and his followers. The interview themes in this study provided many examples of idealized influence, inspirational motivation, intellectual stimulation and individualized consideration capturing the transformational leadership style of president Walt Havenstein. Previous studies examined the ability of transformational leaders to find more meaning in their work resulting in increased motivation, job satisfaction, organizational commitment and job performance (Bono & Judge, 2003). The results of the BAE Systems Employee Opinion Surveys showed similar findings for the IDS business area and the IEWS group, both lead by Havenstein. Finally, the IDS business area’s organizational performance in terms of sales and income and the IEWS group’s exceptionally
low cost of poor quality are further examples of the relationship between transformational leadership and company performance (Hancott, 2005).

**Health Realization/State of Mind**

Health Realization may be recognized as a strengths-based practice model (Wartel, 2003; Lewis, 2003) used mental health practitioners, but there has been little formal research in the field. The business application known as State of Mind has been the basis of only one small ethnographic study focused on managerial creativity. Therefore, the findings in this study represent the first investigation of State of Mind in the context of leadership training and development.

Although Walt Havenstein’s leadership style was a key factor in the changes in work environment and organizational performance in this study, the themes from the IDS leadership team interviews showed a relationship between SOM leadership training and changes in leadership behavior. Similarly, the responses in the Employee Opinion Surveys that indicated high scores for healthy, respectful, enjoyable work environments could also be perceived as a result of the increased emotional well-being of the IDS leadership team.
Limitations of the Study

The existence of the mediating factors in this study, Havenstein’s leadership style and the improvements in the work environment, made it impossible to establish a causal relationship between SOM leadership training and organizational performance. Havenstein’s embodiment of the behaviors espoused in SOM leadership training may have influenced the change in leadership behaviors, and the improvements in the work environment may have created a more hospitable environment for the new behaviors.

There is also the possibility that the timing of the introduction of SOM training had an impact on the receptivity to Havenstein’s style and the organizational changes brought about by the purchase by BAE Systems. The earliest SOM training in the form of larger auditorium-based lectures began in 1997 and 1998, before Havenstein joined the company. The IDS leadership team began their SOM training offsites in 1999 prior to Havenstein’s being appointed president in 2000. It is possible that this time lag allowed both individuals and the organization as a whole to begin to internalize the SOM concepts prior to Havenstein’s arrival.

Although the rationalization for interviewing members of the IDS leadership team over time has merit, the demographics of the group cannot be
dismissed. The group is representative of the BAE Systems New Hampshire workforce in that it is predominantly 45-55 year old white males. Levinson’s (1986) concept of male adult development characterizes middle adulthood (46-60) as a life stage of greater stability and relative tranquility due, in part, to fewer pressures to advance and meet personal goals. One could speculate that the members of the leadership team were more open to a kinder gentler way of doing business because they were in this stage of life. However, other parts of BAE Systems with younger leadership teams, one with a president under 40, have also embraced SOM training.

A final factor to consider when assessing the success of SOM training is the Hawthorne effect, the influence that being selected for this training had on the engagement and success of the program. Until very recently, SOM training was only available to senior managers and leaders. The exclusive nature of the sessions may have predisposed the participants to have a more open mind and positive outlook.

Lastly, the small number of leaders on the IDS leadership team prohibited the generalization of the results in different settings, and although measures were taken to increase the validity of the qualitative data in the study by
triangulating with the quantitative employee opinion surveys, the subjective nature of interviews was a factor.

Recommendations for Future Research

The two recommendations for future studies would increase the body of research on SOM leadership training. One study would attempt to eliminate the mediating factor of transformational leadership and the other would investigate a possible causal relationship between SOM leadership training and increased emotional intelligence.

One aspect of Walt Havenstein’s transformational leadership style was his ability to model behavior that generates trust and respect from followers. These behaviors were the embodiment of the SOM values. As a result, many of the leaders in this study became motivated to learn more about SOM. Havenstein endorsed these behaviors and required his own leadership team (the Gang of 16) to embrace the SOM values as well. A study implementing SOM leadership training into an organization without a transformational leader would eliminate that factor. The methodology of this new study would be similar to that used in here.

The second study would use a pre- and post-test methodology to attempt to determine if SOM leadership training increases emotional intelligence as
measured using the Bar-On Emotional Quotient Inventory (EQ-i) (Bar-On, 2000). The Bar-On EQ-i is a multi-rater feedback assessment survey created by Reuven Bar-On, a pioneer in emotional intelligence research. In this study, a random sample of leaders would be selected (no self-selection) to attend the Personal Foundations for Optimal Leadership executive institute. The leaders would be evaluated using the Bar-On EQ-i before attending the program and then re-evaluated 6 months after completion of the class.

Implications for Applied Settings

During the past 9 years, the consultants from Pransky and Associates have been working with members of BAE Systems’ Employee Training and Organizational Development department to develop and refine SOM training programs for leaders as well as individuals in a business setting. To date, the majority of SOM training has taken place in the IEWS group. Recently, other parts of the organization have initiated SOM training efforts because, in part, of IEWS business success measured by performance and by the Employee Opinion Survey scores. The results of this study will be used to promote the training in these other organizations and to provide best practices for others to follow.

At the end of 2006 Walt Havenstein was selected as the new President and CEO of BAE Systems, Inc. (formerly known as BAE Systems North
America). Although he will be less visible at the business area level in his new role, this study reinforces his legacy in IEWS and IDS and serves as a testament to the power of a transformational leader.
### Appendix A

#### Interviewee Demographics

<table>
<thead>
<tr>
<th>Function</th>
<th>Age</th>
<th>Sex</th>
<th>Date of Hire</th>
<th>BAE (years)</th>
<th>IDS (years)</th>
<th>Military Service (years)</th>
<th>SOM Training</th>
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<td>1998</td>
<td>5</td>
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<td>43</td>
<td>F</td>
<td>1981</td>
<td>25</td>
<td>16</td>
<td>--</td>
<td>A, B</td>
</tr>
</tbody>
</table>

Note. * designates retired.

Abbreviations:  PM = program management, BD = business development, MSPA = mission success and product assurance, HR = human resources. SOM training designations:  A = auditorium lecture, B = leadership team offsite (bold indicates multiple sessions), C = Intensive Leadership Seminar, and D = Personal Foundations for Optimal Leadership.
Appendix B

Invitation and Informed Consent

Hello Past and Present Members of the IDS Leadership Team –

As some of you know, I am conducting research on the relationship between State of mind Leadership Training and Organizational Performance to satisfy the requirements for a doctoral degree at Boston University. In particular, I am doing a retrospective case study of the IDS Leadership Team from 1999 to 2005. As part of my research, I will be contacting each of you to request an hour of your time to talk with you about your experience as a member of the IDS Leadership Team during that time.

Mike Heffron is aware of the work I am doing and has signed a consent form, and Randy Morger will be reviewing my final product to make sure I do not disclose proprietary information or any other data that would be harmful to our company or our customers. Carole Barnett from UNH is on my dissertation committee, so I am sure that at some point she will mention this study to Walt Havenstein, although I have not formally spoken with him about it.

I have attached an informed consent form that each of you will be asked to sign prior to our interview along with a list of the interview questions. I do not expect you to prepare answers to the questions prior to the interview, but I thought you might appreciate seeing the questions ahead of time.

Finally, I sincerely hope that you will be able to find the time in your busy schedules to meet with me. I believe the story of BAE Systems legacy IEWS needs to be told – something very special happened in our company over the past 5 or 6 years. We may take it for granted but it is really quite extraordinary. I would also like to contribute to the body of research on State of Mind providing what I believe to be the first study on State of Mind and business performance.

Thanks. Cheryl
INFORMED CONSENT

I understand that the purpose of this research project is to explore the relationship between State of Mind leadership training and organizational performance. I have been asked to participate in this study because I was a member of the Information Dominance Systems (IDS) Leadership Team for some period of time between 1999 and 2005. My participation in this study will consist of an interview of approximately 1 – 1 ½ hours conducted either in person or on the telephone. Following the interview, I may be contacted for a short follow-up session lasting no more than ½ hour.

I understand that I may refuse to participate or withdraw from the study at any time without fear of penalty or loss of benefits. I will be identified in the study as a member of the leadership team, but my responses to the interview questions will be kept confidential, unless I give specific consent to be quoted. I understand that the researcher’s preference is to tape-record our interview and that I have the option to refuse that request.

I understand that I will not directly benefit from this research. However, I realize that this study will contribute to the body of knowledge on leadership training and development and State of Mind (Health Realization).

I understand that the researcher in this project is Cheryl A. Bond, a doctoral candidate in School of Education at Boston University. She is conducting this research study to satisfy the school’s requirements for an Ed.D. in Human Resource Education. The researcher will answer any questions I have at any time about the project or my participation in it. I may contact her at 22 Burns Road, Pelham, NH 03076; 603.635.1853 or contact her dissertation supervisor, Dr. Mary Shann, at Boston University School of Education, 605 Commonwealth Avenue, Boston, MA 02215; 617.353.9366.

I have read this form, understand what it says, and based on this information; I hereby agree to participate in this research project.

Subject’s Signature ___________________________ Date ______________
Appendix C

Interview Questions

Demographic questions: Age, length of service with company, length of service with IDS, served in military, if so what branch, what rank.

1. Did the IEWS senior leadership style change during the period of 1999 to 2005? If yes, how?

2. Did the IDS leadership style change during that period? Describe.

3. Did your individual leadership style change during that period? Describe. If yes, ask: what prompted the change(s)?

4. Were there changes in the IDS and/or IEWS climate during this time?

5. What changes in the IEWS culture occurred during this time?

6. How much did Walt Havenstein’s values have to do with those changes? What were Walt Havenstein’s values during that period of time?

7. Did the events of 9/11 have an effect on performance at the level of the individual, group, organization?

8. What other external forces could help to explain the changes in the IEWS culture and/or performance?

9. Do you believe there is a relationship between SOM training and any of these changes? Describe.

10. Do you think that Walt Havenstein's presidency affected the acceptance of SOM training? How?

11. Did Walt Havenstein encourage a change in leadership style? How?

Check lists for some specific data regarding SOM training and SOM values:
SOM Training – Check off those that apply and then cross reference for validation:

<table>
<thead>
<tr>
<th>Training Event</th>
<th>Duration</th>
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</thead>
<tbody>
<tr>
<td>Personal Foundations for Optimal Leadership</td>
<td>4.5 days</td>
</tr>
<tr>
<td>Leadership Intensive at Pransky and Associates</td>
<td>4 days</td>
</tr>
<tr>
<td>Introduction to State of Mind</td>
<td>8 hours</td>
</tr>
<tr>
<td>State of Mind at offsite meetings (varied # of hours)</td>
<td></td>
</tr>
<tr>
<td>State of Mind Refresher (approximately 4 hours)</td>
<td></td>
</tr>
</tbody>
</table>

Do you think there is a difference among the various forms of SOM training – classroom v. individual, long residential v. shorter more frequent sessions, etc. Does the frequency and depth of training matter in terms of understanding and applying the principles?

State of Mind Values Checklist:

Rate these characteristics prior to the 1990s compared to now on a scale of 1-5:
1- Never
2- To a little extent
3- To some extent
4 – To a great extent
5- To a very great extent

<table>
<thead>
<tr>
<th>Shared value/leadership behavior</th>
<th>1990s</th>
<th>Now</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treat people from a feeling of respect/good will</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stay calm, independent of circumstances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have the humility to admit when you don’t know, and be willing to go back to the drawing board through reflection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have the confidence and faith to do the right thing in the face of discomfort</td>
<td></td>
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</tr>
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</table>
Appendix D

The Meerkat Story

The Meerkat Story
by Walt Havenstein, President
Information and Electronic Warfare Systems (IEWS)

Meerkats, part of the mongoose family, are found almost exclusively in the Kalahari Desert region on the southern tip of Africa. These interesting animals develop elaborate underground communities, with up to 40 Meerkats banding together in “gangs,” and work together for the common good of the entire clan.

In addition to being cute little critters, Meerkats demonstrate a number of interesting social traits. They’re intelligent, industrious, and communicative. They’re also very curious, and enjoy the company of their fellow Meerkats. Each “gang” member works as a member of a close-knit extended family, doing a particular job that contributes to the well-being of the community as a whole. The young are nurtured carefully, and each kitten in a new litter is cared for by a mentor who teaches survival and social skills.

One researcher synthesized these characteristics in a Meerkat Motto:

Respect the Elders. Teach the Young. Cooperate with the Gang. Play when you can. Work when you should. Rest in between. Share with others. Communicate. And Leave your Mark.

I first heard of Meerkats some years ago when a customer told me that the Board of Directors for the company I was with at the time reminded him of “a gang of Meerkats.” The Directors were not at first embarrased with the comparison. But as I learned more about Meerkats, it became apparent to me that their many positive traits closely matched how we sought to interact within that company. Let me suggest that these tenets also apply to objectives of our business enterprise at IEWS.

While each of the characteristics in the above motto could be the subject of a separate essay, three that are closely linked are cooperation, communication, and sharing. I would tell you that I evaluate each of my Direct Reports – the “Gang of 16” – against these traits. It is expected that each team member will do good work, but that’s only the required ante to be in the game. We’re well past the time when a company like ours could have a number of individual businesses operating independently; that’s one of the major reasons we now have “business areas” instead of divisions.

Prosperity today – in addition to that all-important customer focus – demands our willingness to help each other, to share resources across business areas, and continually suggest better team arrangements to meet future challenges.

I’m pleased to observe that a Meerkat mentality seems increasingly in evidence at IEWS – with our people alert to the broader business environment (beyond their immediate program burrow). Individuals who are willing to venture across functional or product lines serve both company and customer objectives.

A “Gang-centric” mindset in the Meerkat world equates to a business-centric attitude at IEWS. I hope this is apparent in a number of major decisions over the last two years: multiple business areas contributing to a major unfilled proposal; establishment of Site Executives to oversee – and share – facility resources; the “virtual businesses” unbounded by geography or physical locations; and adoption of the Engage, Embrace, Drive approach to becoming part of BAE SYSTEMS.

Your Meerkat mindset is important to IEWS. With it, you help us move strategically for the common goal of Protecting Those Who Protect Us.

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Appendix E

Big Blue Arrows

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Appendix F

Flyboy Poster

We Protect Those Who Protect Us®

BAE SYSTEMS

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Appendix G

Concept of Operations

3-Dimensional Concept of Operations

Lines of Business
(Customer-Focused / Capability Driven)

Sites
(People, Management, Community)

Functions
(Technology-Based / Capability Driven)

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## Appendix H

### State of Mind and Business Success

<table>
<thead>
<tr>
<th>Organizational States of Mind</th>
<th>Characteristics</th>
<th>Behaviors</th>
<th>Business Implications</th>
<th>Personal Implications</th>
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</thead>
</table>
| **Inspired and Exhilarated**  | - Thinking outside the box  
                              - Quantum improvements  
                              - See the big picture  
                              - Energy abounds  
                              - Synergy      | - Employer of Choice  
                              - Excellent listening  
                              - Doing things right the first time  
                              - Excellent customer rapport  
                              - Do the right thing the first time | - World class benchmarked company  
                              - Extremely high profit margins  
                              - Doing more with less  
                              - COQ < 3% | People love their work |
| **Calm and Insightful**       | - Work smart  
                              - Proactivity  
                              - Insight & creativity  
                              - Continuous quality improvement  
                              - Appropriate delegation | - Teamwork  
                              - Energy producing  
                              - Trust, respect, appreciation  
                              - Planning and organizing  
                              - Enhanced listening | - High profit margins  
                              - Happy customers  
                              - Meeting all commitments  
                              - Industry leader  
                              - COQ<5% | People enjoy their work |
| **Anxious and Distraught**    | - Urgent over important  
                              - Work hard and long  
                              - Optimization of the parts  
                              - Speeding up and doing less | - No delegation  
                              - No time to plan or organize  
                              - Argumentativeness  
                              - Everything is a priority | - Marginal and sporadic performance  
                              - COQ established at 20-25% | People put up with their work |
| **Frantic Frenetic Frenzied** | - Pointing fingers  
                              - Silos  
                              - Smart people making big mistakes | - Reactivity  
                              - Fighting fires  
                              - Hurry-up and fix it  
                              - No teamwork | - Poor performance across the board  
                              - COQ established at 30-40% | People suffering in their work |
| **Depression and Resignation**| - Psychological termination  
                              - Putting in time  
                              - Malicious compliance | - CYA | - Going out of business in the near future | Work is hell |
Appendix I

SOM Executive Institutes

Personal Foundations for Optimal Leadership

Program Overview

Personal Foundations for Optimal Leadership is designed to help participants realize the power of the human mind and our ability to utilize this potential more fully. It is our belief that optimal leadership is 100% a function of a leader’s mental life. Participants will learn to see the connection between a leader’s state of mind and employee productivity and organizational success. The course reviews current leadership competencies and questions the inability of the billion-dollar leadership development industry to meet the demand for effective leaders. We will demonstrate that the missing link in leadership development is an understanding of the psychological variables acting behind the scenes in every business relationship and transaction. It is our belief that optimal leadership is 100% a function of your mental life.

The program has two parts. The first part is theoretical – developing an understanding of what’s behind mental life through dialogue and reflection. The second part is practical – discussing the application of this understanding to day-to-day leadership responsibilities at BAE Systems. The interactive program format consists of large and small group settings with at least one individual consultation.

Setting

This 4 ½ day residential institute is usually held at the University of New Hampshire in Durham, NH, and is taught by a team of consultants from Pransky and Associates from LaConner, WA, along with Cheryl Bond, one of our internal organizational development consultants at BAE SYSTEMS IEWS.

Learning Objectives

Upon completion of this institute, participants will:

- Gain insight into the significance of State of Mind as it plays out in interpersonal dynamics and its impact on a leader’s ability to develop, motivate and inspire people.
- Develop a more leveraged understanding of the innate psychological resources that can be brought to bear to develop successful leadership.
- Understand the link between daily leadership and management activities and emotional well being.
• Create a work environment that enables the human spirit to flourish with direct impact on the bottom line (profits and growth).
• More regularly access their wisdom, common sense, creativity, and overall healthy orientation to life.

Pre-requisite: None
Intensive Leadership Seminar

Program Overview

The goal of this 4-day residential one-on-one program is to develop leaders who understand and see for themselves: 1) the relationship between their mental well-being and business success and 2) the psychological principles behind their mental life. Working individually with a consultant from Pransky and Associates, participants will learn to approach work and life in a productive and healthy way tapping in to their innate resilience, common sense, and creativity.

Setting

The Intensive Leadership Seminar is held at Pransky and Associates in LaConner, WA, about two hours north of Seattle. The relaxed atmosphere of this small town in the Northwest is the ideal setting for alternating sessions of individual coaching and quiet reflection.

Learning Objectives

Upon completion of this institute, participants will:

- See for themselves the psychological variable at work in their relationships at work and at home.
- Realize the connection between their State of Mind and their ability to develop, motivate and inspire people.
- Have an increased awareness of the root cause of their reactions.
- Understand the difference between being present and involved in situations as opposed to personally invested and affected.
- Gain an appreciation for the innate resources available to them to solve problems and see any situation from a different perspective.
- More regularly access their wisdom, common sense, creativity, and overall healthy orientation to life.

Pre-requisites

None.
Appendix J

President’s Tour Brochure

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REFERENCES


Kausen, R. (2003). *We’ve got to start meeting like this: How to get better results with fewer meetings*. San Francisco: Life Education, Inc.


VITA

Cheryl A. Bond

22 Burns Road, Pelham, NH 03076 ♦ 603.635.1853

EDUCATION

1995  Boston University, Boston, MA
Certificate of Advanced Graduate Studies (CAGS) in Human Resources Education

1984  Boston University, Boston, MA
Master of Education in Business Education

1977  Salem State College, Salem, MA
Bachelor of Science in Business Education, Summa Cum Laude

EXPERIENCE

BAE SYSTEMS (formerly Sanders, A Lockheed Martin Company), Nashua, NH
October 1997- Present
Management/Organizational Development Consultant

Provide management and organizational development consulting support to business areas within this 6500 employee aerospace electronic systems company. Activities and interventions include:

♦ Executive assessments and coaching; creating personal development plans
♦ Program manager assessments based on a customized competency model
♦ Organizational climate assessments and change management
♦ Individual interview series to assess organizational climate
♦ Feedback and action planning to assist groups in reaching their goals and objectives
♦ Team building for program teams, functional groups, and business area senior management teams including planning and facilitation of off-site meetings
♦ New manager assimilation for senior executives
♦ Develop and deliver customized modular leadership training
♦ Training and personal coaching in state-of-mind/healthy functioning
♦ Coordinate and facilitate corporate and external (university based) training programs
Liberty Mutual Group, Boston, MA
July 1995-October 1997
Director of Training and Organizational Development

♦ Responsible for designing and coordinating the technical and professional development training for 300 employees in the Corporate Financial Department. Significant accomplishments included conducting a multi-rater (360°) feedback program for senior managers, implementing a new performance planning and review process including individual development plans; designing and conducting team building workshops; attaining certification to administer the Myers-Briggs Type Indicator.

♦ Managed relationships with outside consultants for insurance-related training activities and professional development interventions such as executive coaching.

♦ Recruited high-potential MBA graduates from top 10 business schools for a high potential rotational development program; coached participants; coordinated rotational assignments; developed marketing materials for program; established mentor program for participants.

♦ Coordinated the external training activities for individuals in the department; provided career counseling to individuals; reviewed and approved degree and certificate programs as well as day- and week-long programs.

Hale and Dorr, Boston, MA
January 1990-July 1995
Training Manager

♦ Responsible for developing and directing the training activities for 500 professional and support staff personnel in accounting, billing and collections, facilities, information services, library services, marketing, legal recruitment, and human resources in this 300-attorney law firm.

♦ Established a comprehensive Training Department from scratch and developed or directed programs in management development for senior staff, business skills training, technical training, systems training, and industry training often using cross-departmental development teams and providing train-the-trainer instruction for internal subject-matter experts.

♦ Introduced team building activities and provided training in coaching and managing change.

♦ Contracted with external specialists for various programs/seminars in basic management skills, process management, writing skills, and negotiation skills.

♦ Directed a performance management task force resulting in major improvements to the performance evaluation process.
Wang Laboratories, Lowell, MA  
1986-1989  
Technical Education Specialist

- Responsible for the design and development of training modules/programs for word-processing and administration and electronic publishing.
- Lead a courseware development team for new hire systems analysts/consultants.

Systems Automation, Inc., Wakefield, MA  
1985-1986  
Support Analyst

- Responsible for on-site and telephone technical support for customers and sales staff. Designed and taught word processing training courses for customers.

Burdett School, Boston, MA  
1982-1985  
Business Education Teacher

CONSULTING/TEACHING

Boston University Medical Center, Boston, MA (1994)

Interviewed senior executive staff to analyze the support staffing needs for the administrative offices consisting of four vice presidents and the hospital administrator.

Massachusetts College of Art, Boston, MA (1993)

Taught group problem solving skills workshop and facilitated Board meetings for the Alumni Association.

Suffolk University, Boston, MA (1992-1993)

As a member of the adjunct faculty, developed and presented a new course titled “Training and Development for Office Systems.”

SPEAKING ENGAGEMENTS

Legal Assistant Managers Association (LAMA)  
Annual Conference 1995 and 1996 – “Influencing Without Authority”
Massachusetts Business Educators Association, Inc.
Annual Conference 1993 – “Working Across the Generations”

Association of Critical Care Nurses
Annual Conference 2000 – “Working Across the Generations”

Massachusetts Association of Critical Care Nurses
Quarterly Meeting 2001 – “Managing Generational Differences”

Nashua Chamber of Commerce – Leadership Program
2005 and 2006 – Leadership Development at BAE Systems

BAE Systems Recruitworld
Annual Conference 2006 – “State of Mind and Business Success”

COMMUNITY ACTIVITIES
Junior Achievement Volunteer at Pelham High School; consultant for New Hampshire School to Work Program; volunteer guest instructor in alternative program at Manchester School of Technology.