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HELPING PEOPLE
WIN^{at}
WORK

A BUSINESS PHILOSOPHY CALLED
“DON’T MARK MY PAPER,
HELP ME GET AN A”

KEN BLANCHARD
AND
GARRY RIDGE

THE LEADING AT A HIGHER LEVEL SERIES

*Helping People
Win at Work*

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*A Business Philosophy Called
“Don’t Mark My Paper,
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Garry Ridge**

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*To Ted and Dorothy Blanchard
who taught Ken that effective leadership
is not about position power
but about earning the trust and respect
of those you lead*

*To Bob and Jean Ridge
who taught Garry about character
and determination*

and

*To the tribe members of WD-40 Company
who have worked hard to put Garry's beliefs
into action*

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Introduction

KEN BLANCHARD

IN WINTER 2007, my colleagues and I from The Ken Blanchard Companies published *Leading at a Higher Level*. It pulled together the best thinking from more than twenty-five years of working together. It truly is *Blanchard on Leadership*. Our hope is that someday, everywhere, everyone will know someone who leads at a higher level.

When you lead at a higher level, the development of the people you're leading is just as important as the performance and results you desire. This is true whether you're leading students in class, youngsters on a team, parishioners at church, family members at home, or direct reports at the office.

In the business realm, the importance of developing people applies to both your employees and your customers. In short, the well-being and personal growth of the people you're leading are as important—if not more so—as the goals you seek to achieve.

As a result, we define leading at a higher level as the process of achieving worthwhile results while acting with respect, care, and fairness for the well-being of all involved.

THE LEADING AT A HIGHER LEVEL SERIES

The feedback on *Leading at a Higher Level* has been tremendous. Now that people know our curriculum, the only additions they have requested are in-depth examples of how leaders and their organizations have taken aspects of *Leading at a Higher Level* and put them into practice while maintaining a dual focus on performance and people. We decided to introduce the *Leading at a Higher Level* series to do just that.

I am thrilled that the first book in this series is with Garry Ridge, president and CEO of WD-40 Company. Conventional wisdom tells us that if it isn't broken, we shouldn't fix it. WD-40 Company wasn't broken when Garry stepped into the role of CEO in 1997. It was a brand leader that had produced consistent profits for more than forty years. WD-40's philosophy and culture were conservative, and that cautious approach had served the company well. Yet that wasn't good enough for Garry because he knew the company's best was yet to come.

Garry bucked tradition and messed with success. Among the many changes that he and his colleagues initiated was a performance review system that has elevated Partnering for Performance—a major aspect of *Leading at a Higher Level*—to whole new heights. This process has helped WD-40 Company to become a darling on Wall Street.

Since becoming CEO and implementing the “Don’t Mark My Paper, Help Me Get an A” performance review system, Garry has seen the company’s annual sales more than triple. They have grown from \$100 million—with only 30 percent coming from domestic sales—to more than \$339 million in 2008—with a more balanced 53 percent coming from sales outside the United States. During that time the company’s capital value has nearly doubled, from \$320 million to \$600 million. And with sales per employee at \$1.1 million, WD-40 Company is an extraordinarily efficient operation.

Remarkably, they have accomplished this financial feat while making WD-40 Company a great place to work. The 2008 WD-40 Company Employee Opinion Survey found an astonishing 94 percent of the company’s people to be fully engaged in their work.

PARTNERING FOR PERFORMANCE

At its best, leadership is a partnership—one that involves mutual trust and respect between two people who work together to achieve common goals. When that occurs, both leader and direct report have an opportunity to influence each other. Both parties play a role in determining how things get done. In other words, it's all about *we*, not *me*.

My thinking on this dates back to my ten-year experience as a college professor, when I was periodically in trouble with the faculty. What drove them crazy more than anything was that at the beginning of every course I often gave my students the final exam. When the faculty found out about that, they asked, “What are you doing?”

I said, “I thought we were supposed to teach these students.”

The faculty said, “We are, but don't give them the final exam ahead of time!”

I said, “Not only will I give them the final exam ahead of time, what do you think I’ll do throughout the semester? I’ll teach them the answers so that when they get to the final exam, they’ll get As. You see, I think life is all about helping people get As—and not force-fitting them into a normal distribution curve.”

Yet many organizations do exactly that. They force their managers to evaluate, judge, and sort out their people according to that wonderful mathematical formula. A woman came up to me recently almost in tears. She said, “I wish I had eight people reporting to me.”

I asked, “Why?”

She said, “Because I have two outstanding people. With seven people I can rate only one of them high, but with eight, I could recognize both.”

Other companies do even worse than the normal distribution curve, and force their managers to rank-order their people. In both cases, the worst-case scenario you can have as a manager is to have a group of high performers working for you. How do you sort them out? What a sad state of affairs.

In most organizations managers are expected to rate only a few people high, a few people low, and the rest as average performers. Even when a company doesn't have a normal distribution curve evaluation system, managers are afraid to rate all their people high, because then the managers would be rated low. They would be accused of being "too easy" or "soft" managers. As a result, the normal distribution curve is alive and well throughout the world.

The absurdity of that reality comes through when I ask managers, "How many of you go out and hire losers so that you can fill the low slots?" Everyone laughs, because they know they hire either winners—people who already have a good track record in what they are being hired to do—or potential winners—people who they think can become winners with the proper supervision and coaching. They don't hire losers. Then why do a certain number of people have to lose—by getting rated low?

I don't think they do. That's why I often handed out the final exam at the beginning of the semester. Was that exam easy? No way. I didn't give true/false or multiple-choice tests. My exams were tough. But the goal I had throughout the semester was to partner with my students by teaching them how to answer those tough questions. I wanted my students to win—and so did they. We were partners in helping them get an A.

After learning about this philosophy, Garry Ridge implemented “Don't Mark My Paper, Help Me Get an A” as a major theme at WD-40 Company. Why? Because it is so consistent with his leadership point of view—his beliefs about leading and motivating people. He is so emphatic about this concept that he would fire a poor performer's manager rather than the poor performer if he found out that the manager had done nothing to help that person get an A.

There aren't enough leaders like Garry Ridge. His story is the ultimate real-world example of what leading at a higher level in the area of Partnering for Performance looks like, and I'm excited about sharing it with you.

GARRY RIDGE

At the age of forty I decided it was time to expand my learning. Although I had long ago earned a diploma from Sydney Technical College and was serving as CEO of WD-40 Company, I wanted to confirm what I thought I knew and learn what I didn't. So I enrolled in the Master of Science in Executive Leadership degree program at the University of San Diego. That's where I met Ken Blanchard and heard him talk about his "give them the final exam at the beginning of the semester" philosophy. That degree program has become the most influential learning experience in my life so far. I was not asked to go to the library to expand on what I had learned in class, but rather to take my learnings back to my company to test their application in the real world. That's when I became excited about implementing Ken's "final exam" philosophy at WD-40 Company.

It's been a joy for me to work with Ken on this book, which shares our WD-40 performance review philosophy. In reading it, our story might be an alarm bell for you and the other leaders in your organization. Why do I say "alarm bell"? Let me tell you a personal story that will answer that question.

In late July 2007 I was near the end of a twenty-six-day, round-the-world business trip. I had gone from San Diego to Sydney and Perth, Australia, and then to Shanghai, and finally to London.

After a ten-hour flight I landed at Heathrow around four o'clock and made my way to my hotel in Mayfair. After a quick freshen-up, I was off for dinner with some members of the European leadership team. It had been a long day by the time I got back to the hotel around eleven that night.

Morning seemed to arrive doubly fast, especially since I had a full day of meetings ahead of me. Later, as I headed back to my hotel around four-thirty, I was looking forward to a relaxing night in London.

I bought a couple of beers at the store across from the hotel, got some takeout for dinner, and went to my room. I was ready to kick back, watch a little British comedy, and chill out for the night.

I got into my shorts and T-shirt and settled in for the night, warm and comfortable.

That was when the fire alarm sounded. Having stayed in lots of hotels, I had heard many alarms. I did what I usually do—ignored it. My life experience up to that point had been that in a matter of minutes the alarm would be turned off, management would apologize over the loudspeaker, and life would go on.

But that night the alarm continued to sound, and I was getting annoyed. This irritating alarm was interfering with my preplanned beer and British comedy!

It was the banging on the door that really got my attention. A security guard was making the rounds to be sure that the hotel was evacuated. At his insistence, I grabbed my cell phone and passport. Wearing just shorts, T-shirt, and those undersized slippers you get in the hotel, I headed down the six flights of stairs to the ground floor.

I had forgotten that it was winter in London. By the time I hit the street, I was reminded that shorts, T-shirt, and slippers were not the best attire at seven-thirty at night in the streets of Mayfair.

Police and sniffer dogs were everywhere. We were directed down the street and instructed to wait in an open park space in Berkley Square. So much for my warm room, beer, and British comedy!

About an hour went by. It started to rain. I was cold and getting wet. I certainly wasn't appropriately dressed. It was nearly nine o'clock when the all clear was given. There had been a bomb scare from someone leaving a backpack in the hotel lobby. Being on high alert, London takes such things seriously. Cold, wet, and unhappy, I returned to my room and headed straight for a hot shower to unfreeze.

Two days later I boarded a flight back to San Diego. As the plane took off, I began to reflect on my trip. My thoughts quickly went to my cold shutout from the bomb scare. It got me thinking how stupid I'd been to ignore the initial alarm. If I'd paid attention to that first alarm, I would have had time to dress more appropriately for the hours I was to spend in the winter rain of London. I could have done a lot better than shorts, T-shirt, and hotel slippers.

I realized that alarm bells have a purpose, especially if we choose to hear them and act on them. *Was there a Learning Moment here?* I wondered.

I started to think about how many alarm bells were going off in my life, personally and professionally, that I was choosing to ignore or that were being drowned out by the music and noise of life.

I took a piece of paper and made two columns: “personal” and “professional.” I started to list all the alarm bells or warning sounds I could think of, and there were many. I’m twenty pounds overweight and don’t get enough exercise. What if that’s ruining my health? I don’t tell my loved ones that I love them often enough. What if I’m losing their affection? I’ve been told I don’t listen enough. What if I’m missing good feedback? WD-40 is an oil-based product—what if oil goes to \$100 a barrel? What if, what if, what if!

By the time I finished, I had a full page. Now I could validate the impact of the alarm bell and make a choice. I could hear it and react to it, or I could ignore it. Would ignoring it put me out in the cold?

The concept of alarm bells has been a real aha for me—a wonderful Learning Moment. I realize now that we often let past experience rule our current behavior. It’s also easy to let the music of life drown out alarm bells. Sometimes good and bad sounds block our awareness, especially when things are going well. The cheering of success sometimes blinds us, and we miss the real opportunities that can come from success.

Since that trip I have shared my alarm bell learnings with many, and the impact has been amazing. It's a simple exercise of forced awareness that helps us focus on what matters so that we can make conscious choices.

Now back to you. Could you be ignoring an alarm bell about your performance review system? A few minutes of brutal honesty could go a long way toward uncovering any buried alarm bells in this area. Ask yourself:

- How do your people respond to your performance review system?
- Do they think it's fair?
- Do they get feedback at the end of the year that they never received throughout the year?
- Does your system build trust and respect between your managers and their people?

I hope reading about our WD-40 Company “Don’t Mark My Paper, Help Me Get an A” philosophy will be an alarm bell for top managers and human resources development people about their performance review system. As I travel around the world, I still see too many performance review systems where some people *have* to lose. If you have that kind of system and think it’s good, I wonder what other alarm bells you might be avoiding.

HOW THIS BOOK IS ORGANIZED

This book is divided into four parts. In Part One, Garry reveals the fundamentals of WD-40 Company’s “Don’t Mark My Paper, Help Me Get an A” performance review system. Parts Two and Three will help you understand that effective change—the kind of change Garry and the folks at WD-40 Company have achieved with their performance review system—is more about managing the journey than announcing the destination.

In Part Two you will read about the cultural changes that had to be made in how things were done at WD-40 Company before the performance review system could be revamped.

In Part Three Garry shares his leadership point of view—what he expects of people and what they can expect of him—and where those beliefs about leading and motivating people came from. If a change effort is not central to the top managers' thinking, it probably won't succeed, since top management's support is so key to the effective implementation of any change.

In Part Four Ken shares the “Simple Truths” that he and his colleagues have learned over the years. They help explain why Partnering for Performance, as practiced at WD-40 Company, works—and how it can work for you.

The big-picture question for you as you read this book is:

**Are you partnering for performance
with your people,
or is your performance review system
an alarm bell?**

Read on!

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