

# NDIA Leadership Conference

National Defense Industrial Association



# The Future of NDIA



# Part 1: Honor the Past, Envision the Future

## Directions:

1. Build the NDIA timeline by placing post-its along this continuum.
2. Post-its should identify one of four things:
  - Important milestones for NDIA
  - Important milestones for the industry
  - Important milestones for you as a member
  - Important milestones for society
3. Debrief



# Existing Strategic Priorities

- ① Advance Budget Stability
- ① Expand International Security Cooperation and Interoperability
- ① Gain Acquisition Agility and Regulatory Efficiency
- ① Promote Innovation in Technology and Process
- ① Foster Small Business Success
- ① Strengthen the Defense Industrial Base and Workforce

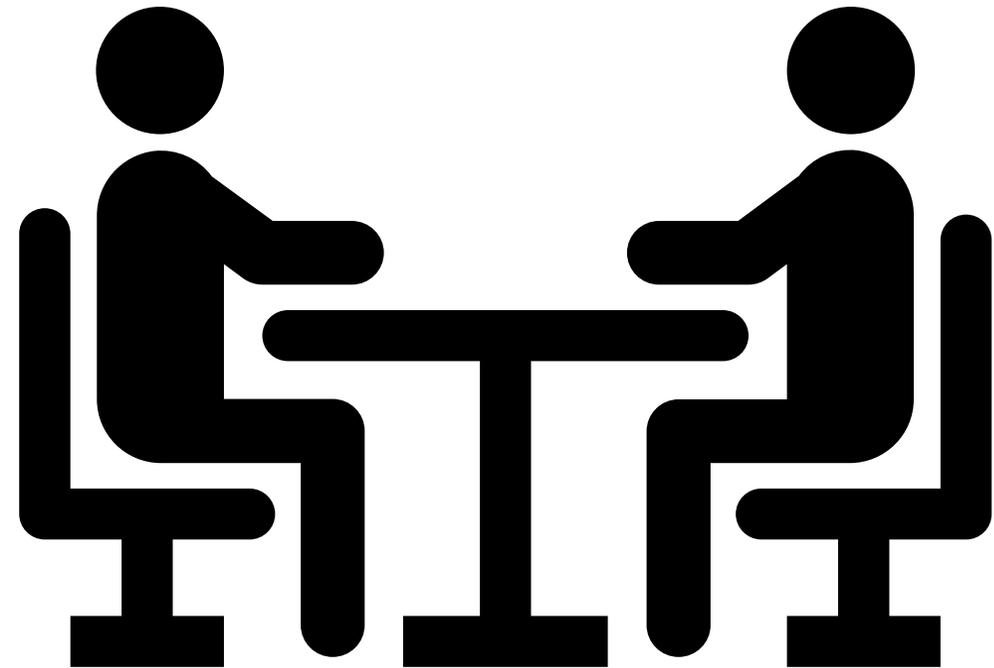


# Exercise Part 2: NDIA 2119

# Part 3: Partner Share

---

**What is one action that will move you  
closer to that vision?**



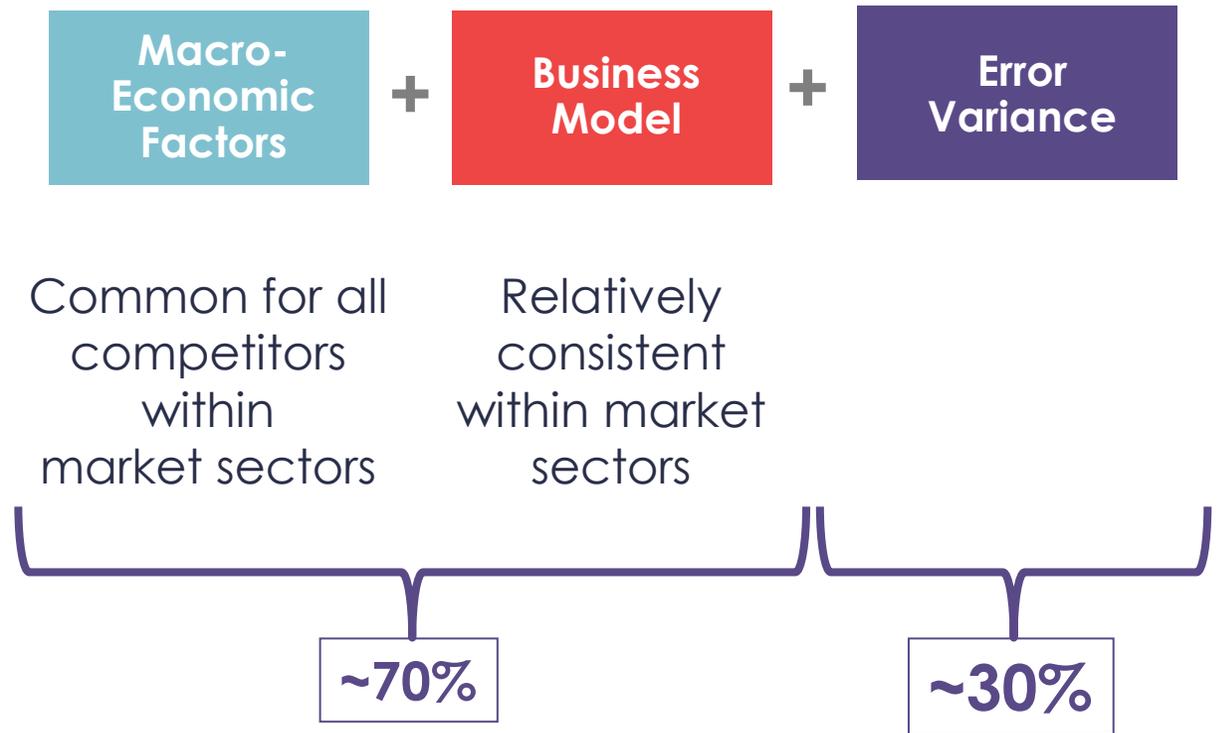
# Leadership Character



# Quick Partner Share

- ① Think of a high-character leader you have known
- ② How would you describe her/him in your own words? What kind of person? What kind of behaviors? What kind of words used? What was the impact he/she had on you personally, the organization, and the business overall?

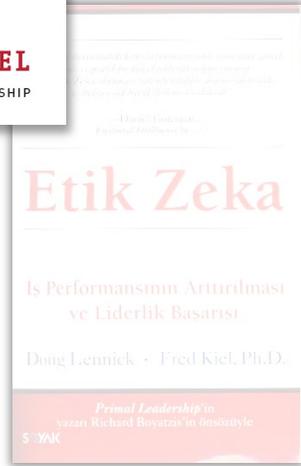
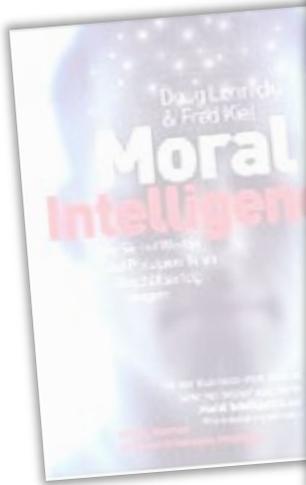
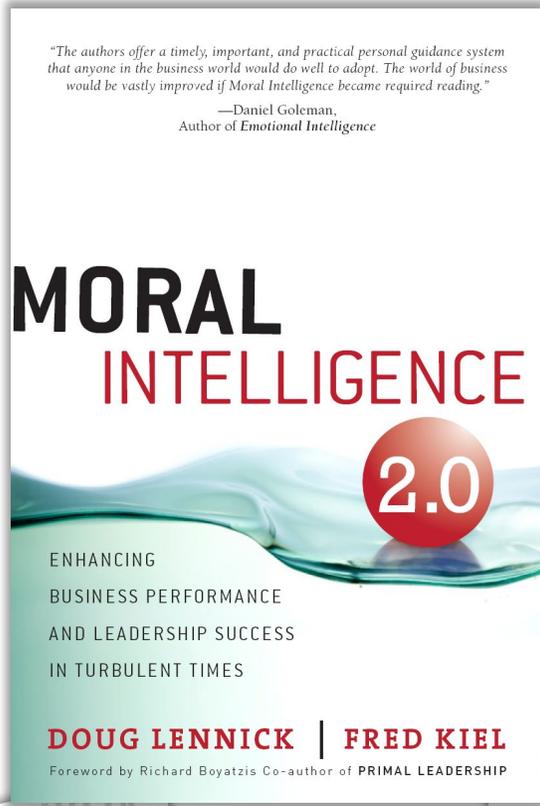
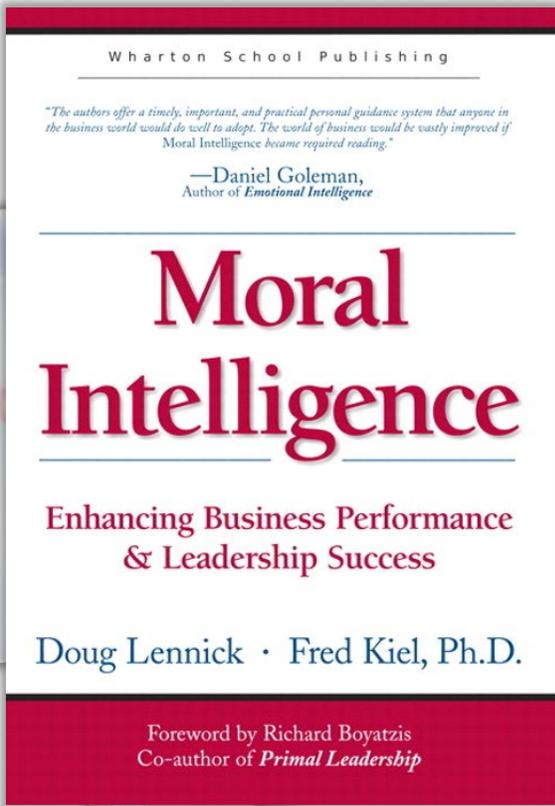
# Where Business Results Come From





**Why do  
executives  
derail?**

Center for Creative Leadership Research



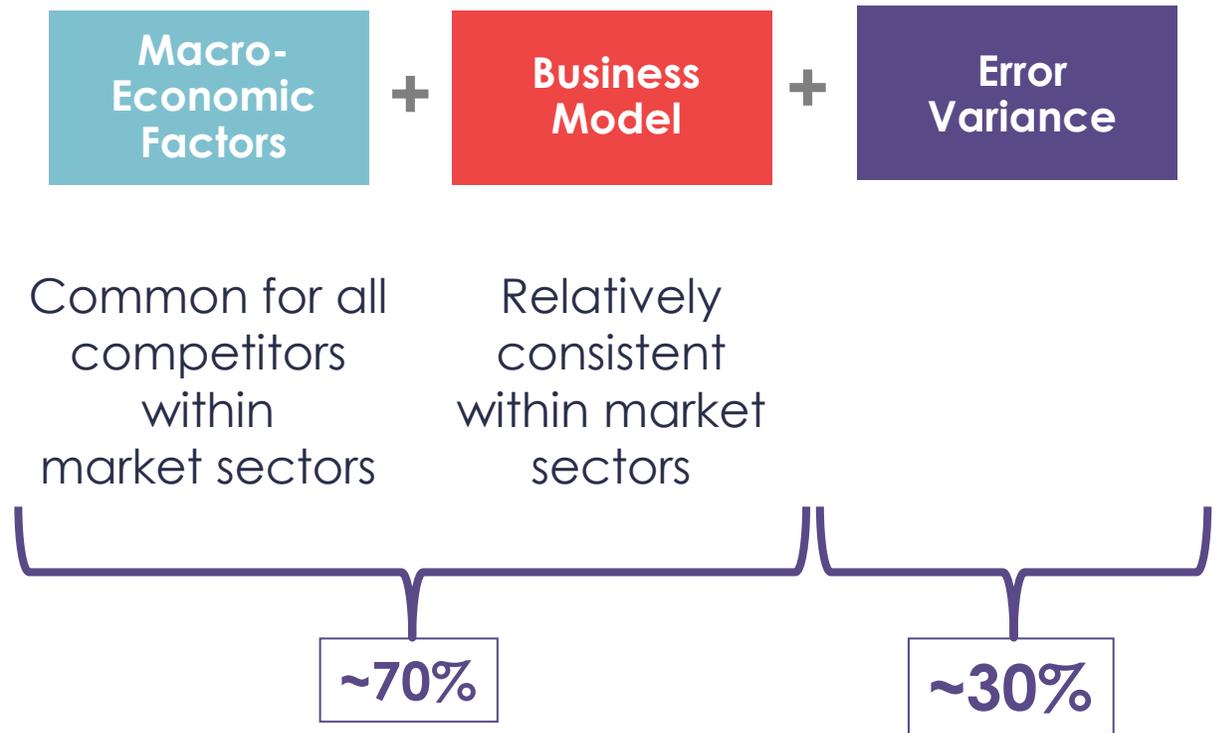


## 7-Year Return on Character (ROC) Research Study

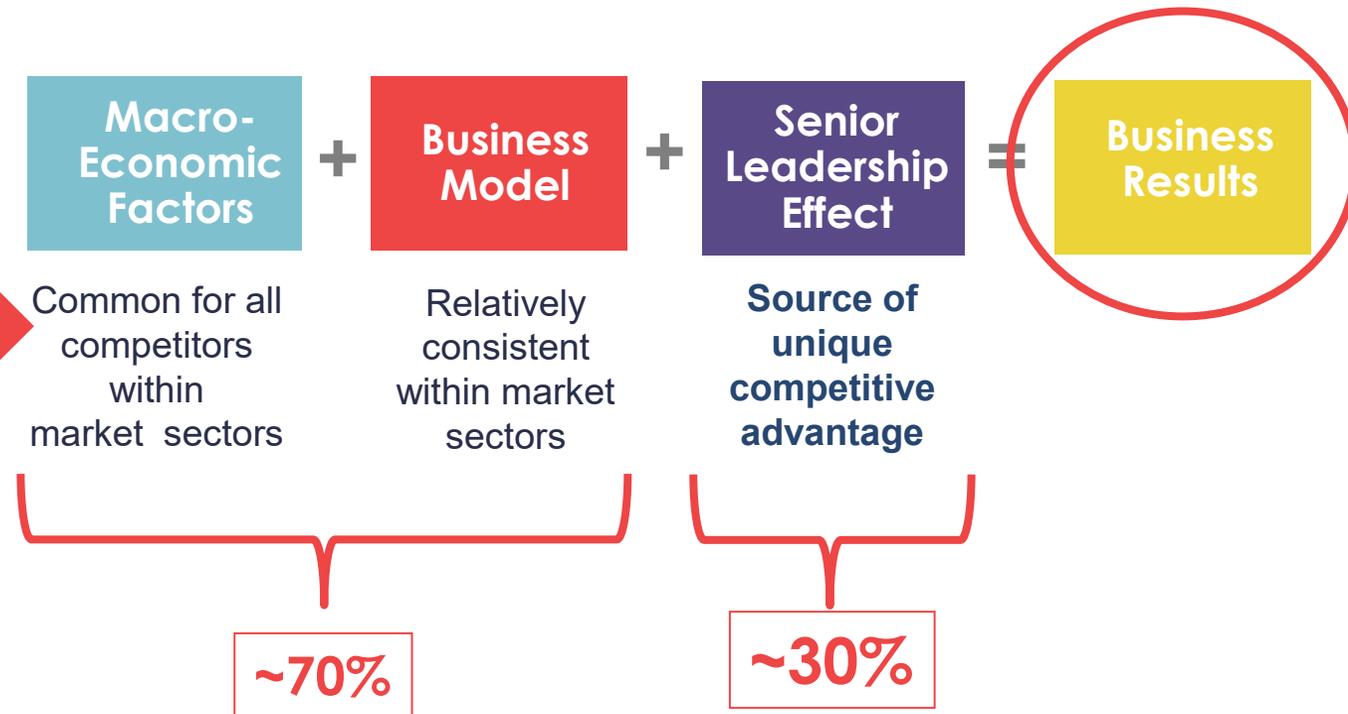
---

- **2006 – 2013**
- 121 enrolled CEOs with 84 CEOs/senior teams, ~8,500+ randomly selected employees, yielding more than **1,000,000 data points**.
- **Duke Fuqua School of Management** Accounting Department independently analyzed and verified results and cross-correlated with their own CEO Integrity study.
- **Harvard Business Review** Press outbid 3 competitors for the rights to publish—cites ROC as the first and only data of its kind.
- The only executive leadership tool **validated** to organization ROA, engagement and risk.

# Where Business Results Come From



# Discovery of the Senior Leadership Effect



# What is the Senior Leadership Effect?

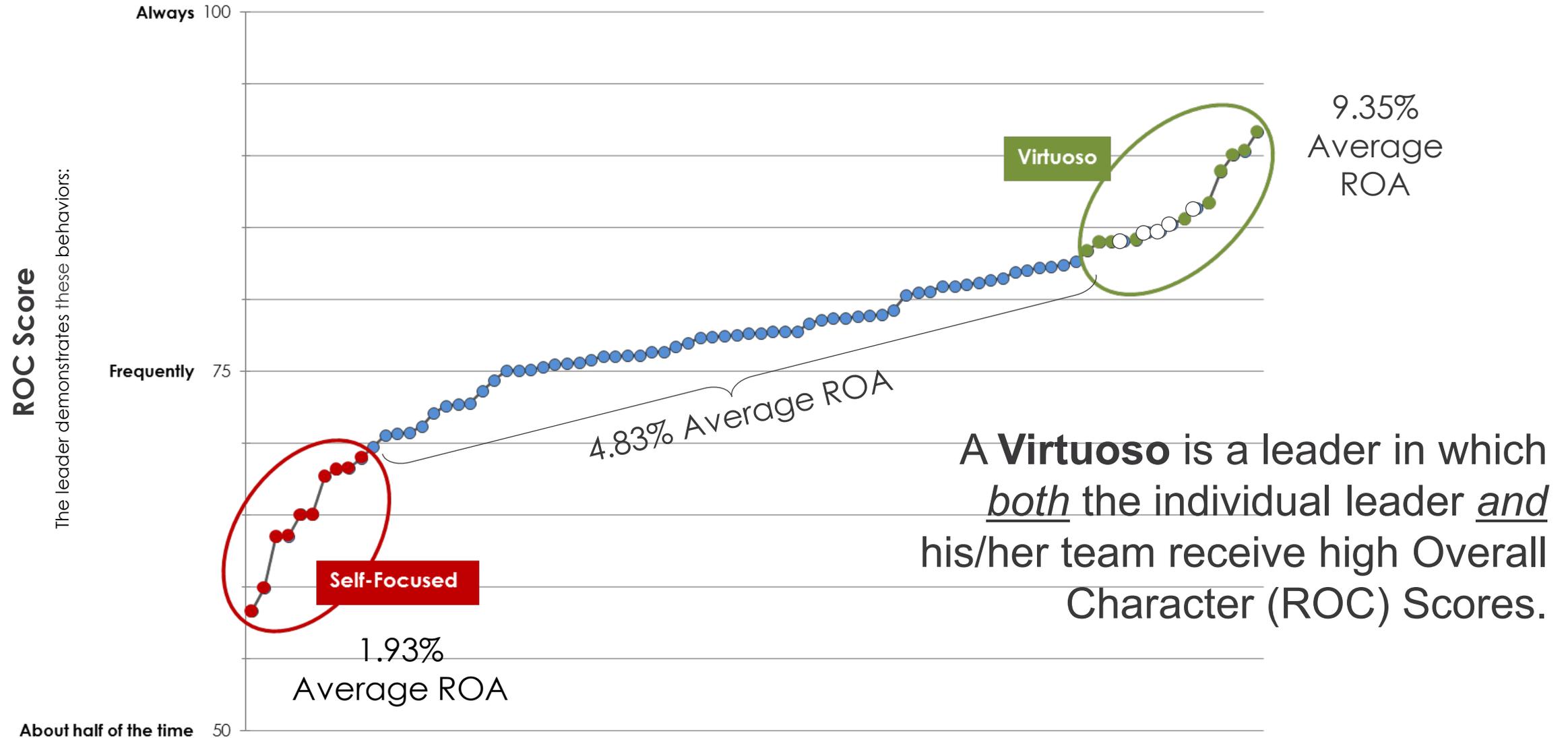


- Personality?
- Birth Order?
- Education?
- Work Experience/Skills?
- Military Experience?
- Network?

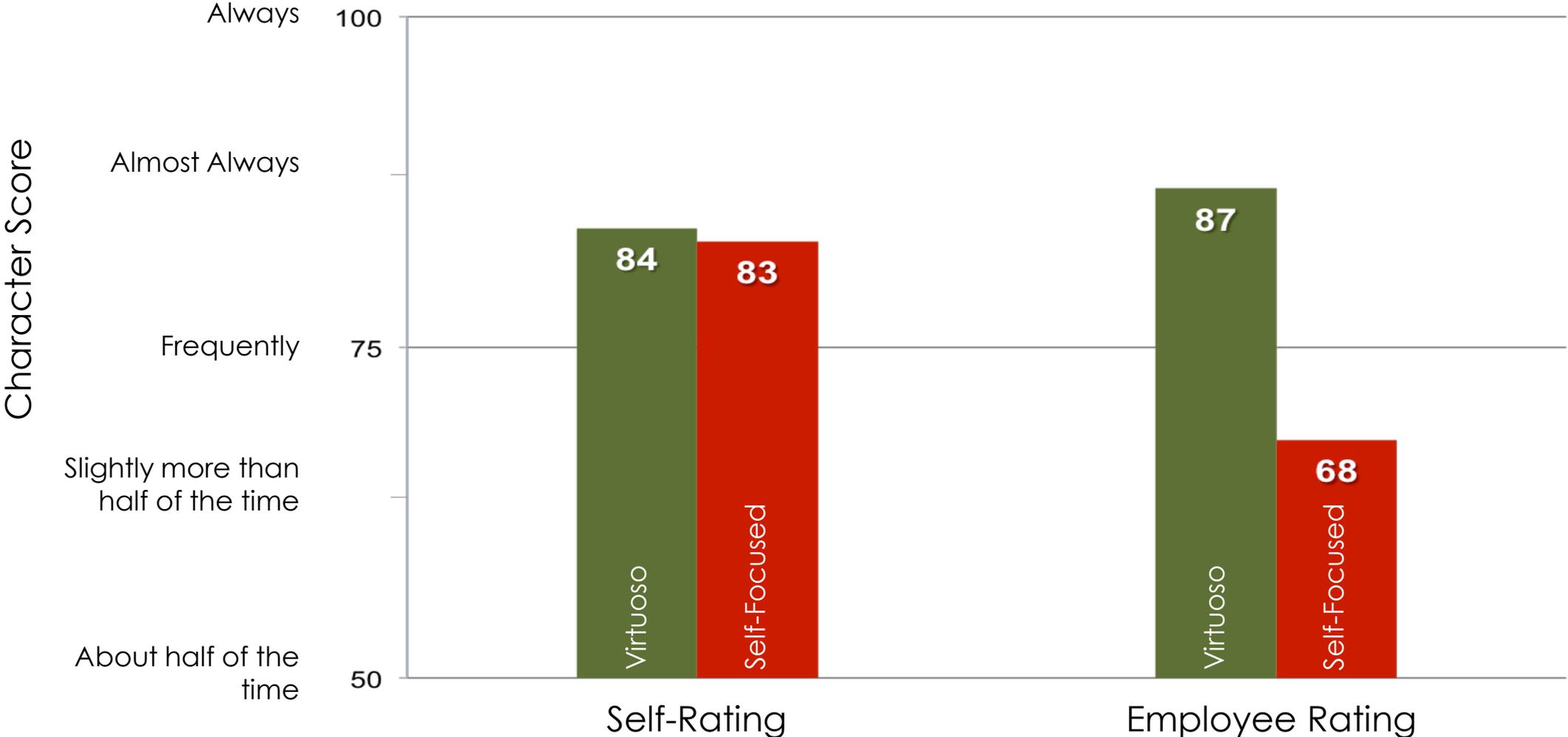
# Which Leadership Factors Affect Results?

Factor	Tied to Increased ROA
Education	X
Tenure	X
Voting Record/Politics	X
Age	X
Career Path	X
Industry	X
Gender	X
Early Family History	X
Beliefs/Religion	X
Character Reputation for:	
Integrity	✓
Responsibility	✓
Forgiveness	✓
Compassion	✓

# Character Curve: CEO vs. Leadership Team



# Intent vs. Reputation



## Character-led organizations

significantly out-performed organizations with self-focused leadership as measured by:

~5x

Greater return on assets

26%

Higher workforce engagement



Lower levels of corporate risk

18%

Stronger perceived business and leadership skills



**Character is an individual's unique combination of values and habits that motivate and shape how he or she relates to others.**





Intent

Reputation



HEAD

Integrity

Responsibility

Character

HEART

Forgiveness

Compassion

# Integrity



Leads to a  
**Culture of Accountability**

- Telling the truth
- Acting consistently with principles, values, and beliefs (walking the talk)
- Standing up for what is right
- Keeping promises

# Responsibility



Leads to  
**Confidence in Management**

- Taking responsibility for personal choices
- Admitting mistakes and failures
- Embracing responsibility for serving others: "leave the world a better place"

# Forgiveness



Leads to  
**Innovation**

- Letting go of one's mistakes
- Letting go of others' mistakes
- Focusing on what's right versus what's wrong

# Compassion



Leads to  
**Collaboration**

- Empathizing with others
- Asking for help
- Empowering others
- Actively caring for others
- Commitment to others' development

# High Character Leadership Defined

**CHARACTER**  
WHO

Consistently demonstrating:



**AND**



**SKILLS**  
WHAT

Virtuoso Senior Team Practicing:

Vision &  
Strategic Focus

Decision  
Making

Accountability



# Moving Up the Character Curve

- ① Start by finding out where you are now → **Reputation**
- ② Decide what you are willing to work on – and when → **Discover**
- ③ Practice, practice, practice → **Elevate**
  - Coaching
  - Skill building
  - Team sessions
  - Staff sessions
  - One on one conversations

Can character be taught?



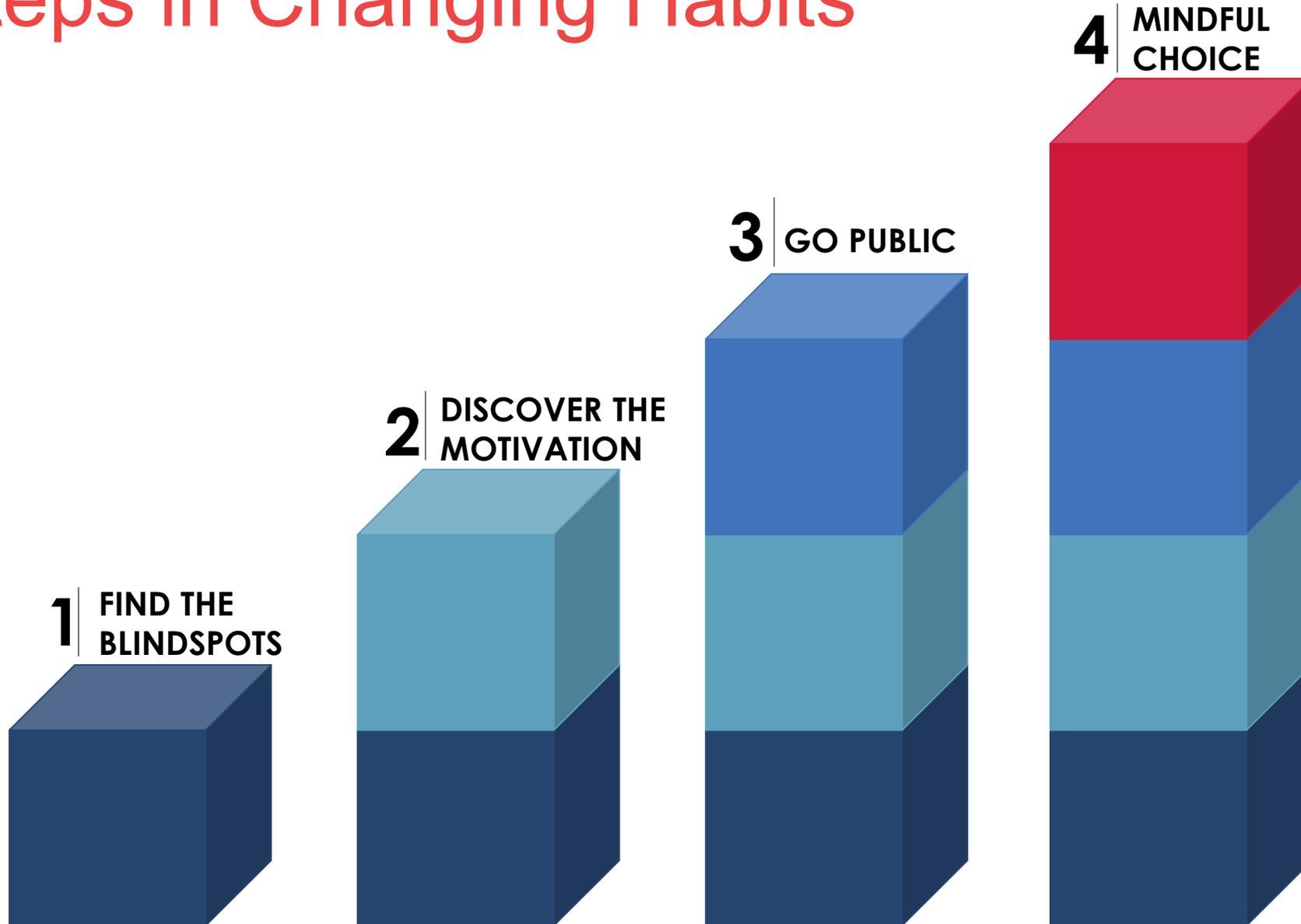
Can you strengthen your character habits?

# Character Habits

1. How you engage or *connect* with others is a matter of habit
2. Habits, by definition, operate below conscious awareness
3. Habits can be strengthened and replaced



# Four Steps in Changing Habits



# Conclusions

- Character magnifies skills
- Character “reputation” is a matter of habit
- Character can be taught—habits can be changed
- The character of the *team* is more important, than the character of just the CEO



# Questions?

 **McKinley**Advisors



# Thank You!

**Alanna Tievsky McKee, MSW, Director, Consultant**  
[atmckee@mckinley-advisors.com](mailto:atmckee@mckinley-advisors.com)

# A Case Study.....

- Non-profit - \$30M annual budget
- ~180 employees
- Strained relationship between CEO and COO
- Donation funded – and they were falling
- 10% reduction in staff
- Worked intensively for a year – coaching, facilitated sessions, one on one conversations.
- 39% increase in their character score – Integrity, forgiveness, compassion, responsibility
- From 18% staff turnover to 2%
- From -.04 ROA to 10.5% ROA
- Not done – 60% of staff comments were positive – up a lot, but not to the 90% of virtuoso teams



# Integrity

Leads to a  
**Culture of  
Accountability**

- Telling the truth
- Acting consistently with principles, values, and beliefs (walking the talk)
- Standing up for what is right
- Keeping promises





# Responsibility

Leads to  
**Confidence in  
Management**

- Taking responsibility for personal choices
- Admitting mistakes and failures
- Embracing responsibility for serving others: “leave the world a better place”



# Forgiveness

## Leads to **Innovation**

- Letting go of one's mistakes
- Letting go of others' mistakes
- Focusing on what's right versus what's wrong



# Compassion

## Leads to **Collaboration**

- Empathizing with others
- Asking for help
- Empowering others
- Actively caring for others
- Commitment to others' development

# Results Equation

