

PURPOSE DRIVEN LEADERSHIP: WORKING TOGETHER TO CREATE VALUE FOR ALL STAKEHOLDERS

Patrick Finneran

The forecast for our tent camp was minus 40°F with wind chill taking it much lower. I was the Aviation Combat Element (ACE) commander of the 4th Marine Amphibious Brigade. We were deployed to North Norway 250 miles north of the arctic circle. It was the winter of 1986. We were there as part of a North Atlantic Treaty Organization (NATO) exercise conducted annually in the region to deter Soviet

aggression as a part of the Cold War. Our command was split into four locations: Evenes, which is where we had our headquarters, Andøya, Bodø, and Bardufoss. About half the group were in a tent camp in Evenes. These were standard issue Marine Corps tents with nylon parachutes hung inside for some insulation and Korean War vintage kerosene heaters, which had a bad habit of overheating.

This was not just a training exercise.

The Marine Corps is well known for its small unit leadership taking care of their men and women. We knew we were going to be in an extremely dangerous environment. The freezing temperatures, short days, snow and ice that created significant risk for snow blindness, hypothermia, emersion foot because of the vapor barrier boots, unprotected skin freezing to tools or aircraft parts, avalanches, and tent fires. As senior leaders, most of us were Vietnam combat veterans: we had a deep appreciation for the severity of the risks. We also knew the true purpose of our deployment, which was to block a Soviet effort to cross the Finnmark gap, to decapitate Norway.

This was not just a training exercise. The NATO mission was to protect the surveillance capabilities in North Norway. Our mission was to learn how to operate in the arctic environment, be a NATO presence, do that safely and bring 1,200 Marines home. Risk mitigation planning included intensive cold weather training in the U.S prior to going to Norway, detailed processes for how to conduct all operations and the vital need for small unit leaders to take care of their people. No matter how much you plan, it is never enough.

As the winds picked up that night, the sense of responsibility for the lives of our Marines intensified. It would only take one of those old stoves to overheat before the fires watch noticed and 20 Marines would die. I donned my protective gear and went out to inspect the camp. The beautiful tranquility of the arctic night quickly changed when I saw black smoke billowing from the chimney of one of our tents, a sure sign the stove overheated. We immediately secured the heater and avoided disaster, but it was clear that we needed even better procedures going forward.

That incident reinforced the importance of everyone working together. Our Marines knew they were doing something important for our country, they understood the risks, and were well trained. After six months in this unforgiving environment, we all returned back to sunny North Carolina. Only a few months later, we would do it all over again.

Being Present and Visible to the Organization

As leaders, we felt the responsibility for every decision knowing that we could put lives at risk. These were lifelong lessons that, after my long military career, I took with me in senior leadership roles to McDonnell Aircraft and Boeing. I had learned that being present and visible to the organization was an essential part of leadership. Throughout my career in industry, getting out of the office and showing up on the production line to talk with our teams, often on the second and third shift, proved to be very beneficial. It is amazing what you can learn when people see that you care.

The leader of an organization always sets the tone by what they say and do. The leader's behavior creates the culture. Their vision, or lack thereof, tells everyone where the organization is going. Leadership is a lifelong journey. It is not something you learn in a classroom. It is an evolutionary skill, and it is always about serving people. Leaders need to learn how to navigate through the uncharted waters of the external environment, which could include the economy, geopolitics, societal trends, politics, and cultural norms. Having a solid moral and ethical foundation is critical to staying focused on the vision. As Frances Hesselbein, the founder of the Frances Hesselbein Leadership Forum,

The leader's behavior creates the culture.

said, “all the how to’s in the world won’t work until the how to be’s are defined, embraced by the leader and embodied and demonstrated in every action, every communication, every leadership moment.”

People don’t want leaders who sway in the external breeze but as Fr. John Jenkins, former President of the University of Notre Dame, said, “someone who will protect the essential mission and character of the organization.”

Authentic Leadership

Alan Mulally, the former CEO of Boeing Commercial Airplanes and Ford Motor Company, calls this “authentic leadership.” He defines authentic leadership as the alignment of beliefs, values, and behaviors. It is how to “be” the same person in any and all circumstances. It is the integration of fundamental moral beliefs, values, and personal behaviors. It is the foundation of integrity or the wholeness that comes from living in consonance with your values.

Values are intrinsic principles that guide behaviors. The values of an organization, if followed, determine its culture.

In his 1998 book, *Winning Every Day: The Game Plan For Success*, former Notre Dame football coach Lou Holtz writes about three questions he asks his recruits and expects them to ask him. These questions are his values. The first is, “can I trust you?” because trust is essential for any relationship. His second question is, “are you committed to excellence?” If the leader

doesn’t demonstrate a commitment to excellence, no one in the organization will take this seriously. The third, which has an application to every part of your life: “do you care about me and my team or just my money?” This last question is about going outside of yourself. It is about having respect for the dignity of everyone. These questions translate into the values of trust, excellence, and respect. These are the values of “being” that will enable doing the right thing for the right reason all the time.

Recognizing the inherent dignity of every human being, understanding the human needs that needs that motivate them to action and creating an environment that provides the opportunity for each person to meet their needs is fundamental to creating a sustainable high performing organization. It was a privilege working with Alan Mulally at Boeing in the 1990s. He is one of the finest and most successful leaders I’ve known. His proven “working together leadership and management system” started with people. Alan knew that people wanted to be respected and appreciated. He didn’t just talk about building airplanes but the higher purpose of connecting our world. He shared this vision with all the stakeholders, “everyone included.”

Superb leaders understand that people want to feel physically and emotionally safe, they want to be a part of something meaningful, they need to feel respected and appreciated in a way that bolsters their self-esteem and they want a voice. Finally, they want to feel empowered in their job to use their creative force to do important things.

Having an appreciation for what makes people tick underscores the importance of having a compelling vision that aligns and empowers. This combined with meaningful values that drive a culture of unselfish, inclusive team-oriented behavior provides a solid foundation for leading a successful business.

Clear Goals and Detailed Plans

In the wake of the cancellation of the A-12 aircraft program in 1991, the U.S Navy and McDonnell

*Values are intrinsic
principles that guide
behaviors.*

Douglas were both devastated and the Navy was very concerned about the future of Naval Aviation.

They emerged together rallying around a variant of the workhorse F/A 18 Hornet. This was essentially a new airplane that was 25% larger with 40% fewer parts, 80% composite structure, a new engine and significant improvements to survivability. In 1992, the Navy, McDonnell Aircraft, and Northrop Grumman hammered out a compelling vision for the Super Hornet as the future of Naval Aviation and agreed to a contract for development, test, and evaluation with a completion date of 1999, an aggressive seven years.

To achieve the vision, McDonnell Aircraft (later Boeing Integrated Defense Systems) developed a comprehensive strategy with clear goals and detailed plans to achieve those goals. These plans were fully integrated with Northrup Grumman, General Electric, and Raytheon (the Hornet industry team). The strong matrix F/A 18 program organization was aligned with the work breakdown structure of the airplane and integrated product teams at all levels that had clear charters with clear responsibility, accountability, and authority. The program fully embraced the earned value management system (EVMS), a sophisticated project management tool, which proved critical to program success.

Every Monday morning, the F/A 18, Hornet team would review of all aspects of the program. The Navy, Northrup, GE, and Raytheon were always included. Other suppliers would be invited as appropriate. These meetings were generally attended by all the stakeholders. The focus was on cost, schedule, quality, technical performance, customer satisfaction, risk mitigation, and help needed. Our theme was “the airplane is the boss.” Collectively, we kept our focus on doing what it took to insure we exceeded all expectations. The development and test were not without issues, but our team was committed to find a way to succeed. The result was an unprecedented completion of a major U.S. Department of Defense/DOD development contract on cost and schedule.

This was followed by the award of a low-rate initial production for one year. Based on the program’s demonstrated performance, the Navy recommended

and Congress approved an equally unprecedented award of a five-year multiyear contract for full rate production starting in year two. The Boeing-led team was awarded the Collier trophy for the most significant contribution to aeronautics and astronautics for 1999.

These valuable lessons from F/A 18, and Boeing Commercial Airplanes became the basis for the company’s program management handbook and proved instrumental for other divisions. For example, the defense services business was a fledgling entry into the after-sale market that consisted mainly of an annuity of selling Boeing spare parts and a few struggling maintenance, repair, and overhaul (MRO) contracts on legacy Boeing airplanes. It had less than \$3B in revenue, low operating margins, and poor customer satisfaction scores. The initial leaders had done a remarkable job getting to that point in a very difficult market. In 2004, a new President and former F/A 18 program manager was assigned to the business. His first task was to do a thorough assessment of the current situation, including the leadership team.

Fortunately, the services business operated as a business unit, so the leader had operational control of all the resources needed. The first steps were to rebuild the team and then create a vivid description of the desired future state. Working with Bill Belgard and Steve Rayner, trusted consultants, the leadership team engaged in a disciplined process that yielded a realistic and achievable vision that was shared throughout the 16,000 people worldwide. The two-page document was distilled down to five things: take care of the customer; take care of the people; have a great working environment; create shareholder value, and serve the communities where they worked. Those themes became the basis of the long-range business goals.

2004–2009

Double revenue in 4 years

Earn double digit margins

Receive the highest contract scores on the U.S.
DOD performance assessment report (CPAR)

Exceed employee satisfaction goals

Provide leadership in our communities

By leveraging the F/A 18 program best practices including the appropriate use of EVMS, the business exceeded all goals by 2008.

A Compelling Vision For the Future

Lord Corporation in Carey, North Carolina, started by Hugh Lord in 1924, was an innovative leader in chemical adhesion and vibration suppression. After the war they were flourishing, but as Steven Rayner writes, “By mid-2016 Lord Corporation – a privately held diversified manufacturing company that produced adhesive, coatings, motion management devices and sensing technologies for aerospace, automotive, oil, gas and industrial markets – hit a wall. The company was struggling to find its way and was on track for its second consecutive year of declining sales.”

I was one of the five board members of Jura corporation, the holding company that owned the voting shares of Lord Corporation. We were concerned about this trend as were the members of the Lord board, led by retired General Jim Amos. Collectively, we initiated an effort led by one of the board members to work with the CEO to assess the current situation and develop a plan to achieve sustainable profitable growth. Based on their success with Boeing programs, we encouraged the CEO to engage Bill Belgard and Steve Rayner to support him in this effort. The CEO, Ed Auslander, was a talented executive who cared deeply about the company and readily accepted our recommendations.

The plan was named Lord Summits and started with a detailed assessment of the current state to gain clarity about the real issues affecting Lord’s growth. Once they understood the factors hindering performance, the CEO, working with his executive team developed a compelling vision for the future, which was communicated worldwide through the company. Teams were empowered to take responsibility for key performance outcomes. Decision making was placed at the lowest possible level and a reorganization provided clear line of sight to the vision and to the customers.

The results were amazing. Lord went from \$850 million in sales in 2016 to \$1.2 billion in 2018 with a 70% increase in profitability. Having everyone included, united by a compelling vision, with plans and strategies to achieve the vision, a customer-focused mission and disciplined execution positioned Lord for the 2019 sale to Parker Hannifin.

Finding Passion and Purpose

Finding passion and purpose is not a one-time experience. Without continuous nurturing, it will quickly atrophy. In his 1994 book *Built to Last*, Jim Collins identifies 17 companies that enjoyed sustained superior performance for decades or longer. A look at this list today disappointingly shows that many of these companies have fallen away from the passion and purpose that made them great. These companies had been visionary, with a meaningful purpose, focused on more than just shareholder returns and known for reliably meeting customer expectation.

In a relatively short span of time, too many of these brand names became myopically focused on shareholder value. The passion and purpose became financial. The values were inverted. It wasn’t about doing something bigger than themselves or developing long term relationships with their customers. The incentives for the executives shifted from how well did they serve the customers and employees to measures of return on net assets (RONA) or economic profit.

Strategies to achieve the new purpose included stock buybacks instead of investment, divestiture of low performing divisions, reducing or eliminating training and development programs, and other short-term cost cutting initiatives. All this in stark contrast to the vision, values, mission, and goals that had placed them on the “built to last” list.

The Catalyst For Change

There is no too big to fail —no company, government agency, or country. Former Unilever CEO Paul Polman

There is no too big to fail— no company, government agency or country.

and Andrew Winston, in their Winter 2022 *Leader to Leader* article “Being a Courageous, Net Positive Leader,” believe that business leaders have the ability and moral obligation to be the catalyst for change. They write, “the world needs business leaders who are the opposite of the old ‘company man’ who coldly maximizes profits.” They discuss the need for leaders who are essentially good people, who are others-centered and feel a responsibility for the common good beyond the walls of their company. It doesn’t matter if you are in the far-off frozen lands of Norway, building a new airplane, turning around a business or healing a wounded country; the principles are the same.

Successful organizations thrive in the long term by maintaining focus on their core purpose and having a compelling vision for the future. They create a nurturing culture driven by a few powerful values that foster unselfish, inclusive, team-oriented behavior. They have a well-defined mission that articulates not only what the organization does but who they serve. The vision, values, and mission, when widely shared with all stakeholders, serve to align and empower all teammates.

When everyone knows the direction the organization is going, it allows them to more enthusiastically and

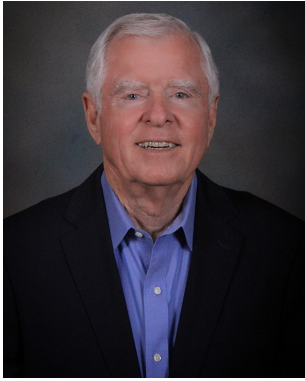
creatively contribute, especially if they believe they are doing something meaningful. For these organizations, profit is a result of delivering value to the customers, ensuring the well-being of employees and treating suppliers as partners. It facilitates everyone working together to achieve the same vision and goals. Not surprisingly, they are also financially successful.

To have enduring success, top-performing organizations realize that they will go through a lifecycle and, as they approach the peak, they must continually reinvent themselves. Perhaps this is adjusting to economic realities and changing customer needs, or rapidly advancing technology. Those are variables. The consistent element is following the time-proven process of redefining the purpose, creating a vivid description of the future state, retaining the intrinsic moral and ethical principles that define their character, and communicating to everybody who they are and what they do to add value. Organizations like the American Red Cross, Unilever, Apple, Nestlé, and Salesforce are among the many examples of companies who have a clear purpose and vision.

Conclusion

While Boeing and Lord are excellent examples of how and why working together with a shared vision, inclusive plan and disciplined processes has been successful in the past, this is timeless and is not limited to any one type of organization. Whether it is a not-for-profit, startup entrepreneur, small business, or a major multinational corporation, this approach has been and will continue to be the reason some organizations are well respected by the public, a great place to work, and are perennially financially successful.

© 2025 University of Pittsburgh



Patrick Finneran is the founder and CEO of Accelerated Performance Solutions, a business coaching and consulting company. He is the former CEO of Sabreliner corporation, President of Boeing's Integrated Logistics Systems division, Vice President/General Manager of F/A 18 and numerous other Boeing aircraft programs and board Director of Jura corporation, the holding company for Lord Corporation. He is a member of the Advisory Council for Graduate Studies and Research at the University of Notre Dame, on the Board of Advisors for the Alliance for Catholic Education, and holds leadership positions in numerous other not-for-profit organizations. He is a retired Marine Corps officer and combat veteran.