Creating Magic

It’s not the magic that makes it work; it’s the way we work that makes it magic.

Leadership Comes First.

The secret to Disney’s success boils down to human resources. Disney hires the best people, trains them better than anyone else, and supports them fully while they make their own decisions.

The Disney company had been successful for decades, but in the 1990s their old, top-down leadership style was outdated. In an effort to re-make the leadership culture in Disney, Judson Green (president of Disney’s theme parks and resorts division) and Al Weiss (executive vice president) hired Lee Cockerell to help them create the best leadership culture possible.

Their leadership theory was put to the test through research into customer feedback. They found that the highest guest satisfaction always resulted from positive guest-Cast Member interactions. When they probed the data they found that the most successful Cast Members had leaders who received high ratings from their staff in areas such as listening, coaching, and letting people make their own decisions. “In short, great leadership leads to employee excellence which leads to customer satisfaction and strong business results. In other words, the customer doesn’t come first; leadership comes first.” (Cockerell, 2008, loc 181)

The leadership changes were embraced by most managers, but some had difficulty changing from the “old style” of top-down leadership. Leaders who were unable to embrace the new philosophy either moved on or were replaced.

Strategy#10: Develop Character

A leader has a strong sense of right and wrong – a moral compass – that guides their actions. If you have a clear set of values, you don’t need to spend a lot of time debating difficult moral issues; you already know the answer.

1. Anticipate ethical dilemmas.
2. Live your values.
3. Train for character, not just skill.
4. Teach your values.

It’s a good idea to think about and predict potential ethical dilemmas so that when they do arrive, you can react quickly. A great leader will understand their values, practice them every day, and pass these values onto employees at every opportunity. These values can be taught to employees formally as well.

Conclusion

Creating Magic is an engaging and easy-to-read book that provides practical advice to any leader. While Cockerell uses examples and anecdotes from the Disney company and his personal history, the advice and strategies can easily be applied to any organization whether it is a traditional business organization or a non-profit organization such as an educational institution.

Disney leadership is highly respected throughout the world and much of it is based on the principles described in Creating Magic. While practicing these leadership strategies, Disney has become the world’s largest entertainment company. This suggests that these principles must have significant validity and value.

Finally, the leadership strategies described in Creating Magic have been adopted by the world-renowned Disney Institute and they now form the core of their leadership curriculum.
However, two years later, Cockerell was not satisfied with how quickly the new philosophy was being adopted. In order to increase the rate of leadership renewal, Lee Cockerell wrote the Disney Great Leadership Strategies (GLS). These became the basis of Disney’s leadership training in the late 1990s and also formed the basis of this book.

Cockerell went over the GLS with his direct reports and they did the same with the people they supervise. Every employee was given copies of the strategies and they were discussed at all levels of the organization.

As the new leadership philosophy became part of Disney culture there was a corresponding increase in returning guest percentage and leadership evaluation scores. Employee turnover dropped to the lowest in the entire hospitality industry (one third of the industry average). Cockerell argued that the GLS can be used in any organization, in any industry, from small to large. He has lectured on the GLS to companies all around the world, including traditional businesses to non-profit organizations.

In time, the Disney Institute adopted the GLS and used them to modify their programs. The Disney Institute instructs over 100,000 leaders every year. Now the GLS forms the basis of the Disney Institute’s curriculum, so they continue to spread throughout the world.

Cockerell argued that leadership is not something people are born with. It is something that can be learned by anyone.

"Leadership is more than a role; it’s a responsibility. A big one. Being a leader means doing something that can be learned by anyone. Leadership is not something people are born with. It is something that can be learned by anyone."

(Cockerell, 2008, loc 277)

Inclusion isn’t just about ignoring ethnic, religious, and sexual orientation. It’s about making every employee feel important. When employees know they matter, they want to come to work. They are more loyal and productive. Turnover and absenteeism decreases. The Disney acronym for this is RAVE: Respect, Appreciate, and Value Everyone.

1. Make sure everyone matters… and that everyone knows it.
2. Know your team.
3. Let your team get to know you.
4. Greet People sincerely.
5. Reach out to everyone on your team.
6. Make yourself available
7. Listen to understand.
8. Communicate clearly, directly, and honestly.
9. Stand up for the excluded.
10. Forget about the chain of command.
11. Don’t micromanage.
12. Design your culture.

Every leader has a chance to improve their business through every single interaction they have with staff. These opportunities can come at any moment, at any time of the day, and in any situation.

Cockerell drew a comparison between leadership and parenting, suggesting that leaders need to pay attention to the lives of their employees. Because every position in an organization is important, good leaders will treat every employee with kindness and respect from the person who buys the fries and oil to the person who fries the fries to the person who sells the fries. If you disrupt any part of this chain, the entire system collapses.

And, if every position is important, then that means that leaders need to let those people do their work without interference (micromanaging). Leaders need to get to know their employees and should not be afraid to let those employees get to know them in turn.

Bottom line: treat your staff with real respect at all times and truly care for them.
Strategy#2: Break The Mold

- Be clear about who's responsible for what.
- Remember that responsibility and authority go hand in hand.
- Make every position count.
- Get as flat as you can.
- Eliminate overwork.
- Rethink the meeting structure.
- Anyone can take responsibility for change.
- Be prepared to take risks.
- Expect resistance.
- Don't try to win every battle.
- You're never really done.

If an employee has responsibilities then they need to have the authority necessary to make sure they can do the job. Anything else will assure their frustration and failure.

Leaders should examine their corporate structure and make sure that every position is necessary. At the same time, leaders should eliminate as many organizational levels as they possibly can because less levels between the leader and the front-line staff translates into less opportunity for miscommunication.

Conversely, if employees are feeling over-worked, then a good leader will look at the organizational structure to see if a layer needs to be added in order to reduce responsibility. Meetings can be tremendous time wasters if they are not managed properly. Leaders should examine meeting structures and only have meetings when absolutely necessary.

Successful organizations avoid complacency and are willing to take risks on new ideas. These new ideas do not have to come from management; they can come from any employee. However, any changes will bring resistance, so leaders need to be prepared for that resistance. Finally, good leaders never stop looking for ways to improve the business.

Strategy#3: Make Your People Your Brand

Your organization is only as good as the people working in it. You can have the best products and services, but if your people are not great, your company will not be great either.

1. Define the perfect candidate.
2. Don’t settle for a clone.
3. Look for people in unlikely places.
4. Involve the team in the selection process.
5. Select by talent, not resume.
6. Find a good fit.
7. Hire people who are smarter and more talented than you.
8. Describe the job completely.
9. Check out candidates personally.
10. Ask revealing questions.
11. Use structured interviews when possible.
12. Find out what really matters to your applicants.
13. If possible, have candidates demonstrate their expertise.
14. Select the best candidate, not the best available.
15. Look for people to nurture and promote.
17. Recognize when the job doesn’t fit the talent.
18. Terminate quickly and kindly.
19. Don’t lose touch with those you lose.

The most important part of any business is the people and that means hiring (and firing) is critical for success. Leaders need to interview thoroughly and trust nothing in the interview process. Sometimes making sure you get the best person for the position will involve actually testing those skills required for the job. Good leaders do not take resumes for granted.

Healthy organizations look internally when they need talent because once you have a great culture, it is always easier to move people familiar with that culture than hire from outside the company.
Strategy#4: Create Magic Through Training

Having the right people in place isn’t enough; you need to make sure you give them everything they need to do a great job. If leaders spend time developing their staff, less will leave and they’ll be more effective.

1. Give people a purpose, not just jobs.
2. Take your role as leader seriously.
3. Become a COACH (Care, Observe, Act, Communicate, Help).
4. Teach by example.
5. Teach the principles of great service.
6. Train people for Magical Moments and Take 5s.
7. Teach them how and where to spend their time.
8. Communicate constantly.
9. Give feedback immediately and effectively.
10. Prepare them for the unexpected.

The most productive employees are those who feel their jobs have true value, that they are doing something worthwhile. Organizations need to communicate mission and vision to their employees so they can internalize company values.

Training is one of the most important aspects of any successful company. Through training you can make your company what you want it to be. Training can take place daily when experts share their skill with others (COACH), by employees (including leaders) acting as examples for others, or it can be structured. Either way, a leader cannot hold employees accountable for not doing a great job if those employees have not been properly trained.

Skills are not the only thing that needs to be trained; principles need to be communicated through training as well.

Part of training is providing timely and constructive feedback. Employees cannot improve if they are never told what it is they need to improve and what skills are needed for improvement.

Strategy#5: Eliminate Hassles

Whenever you have a problem in your organization, examine processes (procedures, rules, policies) to see if the problem is caused by a process that can be modified.

1. Ask what rather than who.
2. Listen to your customers.
3. Learn firsthand what’s working and what’s not.
4. Constantly query employees.
5. Harvest process solutions from employees.
6. Try an audit exchange plan.
7. Stay technically up-to-date.
8. Think ahead.
9. Look at your personal processes.
10. Expect resistance.
11. Periodically evaluate the changes you make.

The first step to eliminating hassles is to ask about the problem instead of blaming the person (ask what rather than who). This puts the focus on the process instead of the person and ultimately, it is the process that needs to be fixed.

Customers and employees can help you pinpoint process errors so good leaders ask for feedback from everyone and use that feedback to improve their business.

Technology can often provide solutions to process problems but only those leaders who stay up-to-date with technology can access those solutions effectively.

A good leader does not forget about their own processes. They examine them from time to time and make adjustments in order to maximize their own efficiency.

Any change will cause some resistance from staff but a good leader will expect this resistance and then check back on the change after time to determine if the change was really successful.

“Ruling out process snags first is a more efficient way to respond, and it makes a huge difference in morale. Discipline is necessary only when someone intentionally ignores procedures, but if the procedures themselves are flawed, blaming can be destructive. So when complaint patterns emerge, make it your default position to backtrack through the system to find out the cause—not the who but the what. More often than you might suspect the glitch will turn out to be procedural.” (Cockerell, 2008, loc 2046)
Strategy#6: Learn The Truth

A good leader is always learning and seeking new information. Sometimes employees won’t give up the truth willingly, so you need to probe, dig, and encourage honesty. If you don’t know the truth, you can’t fix problems. Saying you had no idea what was going on is never an excuse a good leader can use. Leaders are always responsible for knowing what’s going on; that’s their job.

1. Get out and about routinely.
2. Get a ground-level view.
3. Meet regularly with direct reports.
4. Assemble small groups.
5. Make them feel safe.
6. Probe for the whole story.
7. Answer the tough questions.
8. Get formal feedback for yourself.
9. Constantly evaluate your spending.

One of the best ways for leaders to learn the truth about their organization is to be present in all facets of the business. This means a good leader will ignore no area of the company and will not squirrel themselves away in their office. The best way to know what it feels like to be a customer in your business is to go out and actually be a customer every once in a while.

Leaders need to meet regularly one-on-one with employees, particularly direct reports, and dig for the truth. Small groups can be useful as well but the information employees share in small groups will be different than the information they are willing to share in a one-on-one session.

Employees will only be open and honest if they feel safe to do so. Good leaders will ensure the climate is such that honesty is always appreciated and rewarded.

Finally, it is critical that leaders learn accurate financial information so they can respond correctly and avoid massive problems.

Strategy#7: Burn The Free Fuel

The free fuel is ARE (like ore): appreciation, respect, encouragement. This supply is inexhaustible. In fact, the more you burn it, the more you get. We don’t use enough ARE, and should burn it all the time, with everyone.

1. Spend meaningful time with employees.
2. Recognize employees by name.
3. Catch them doing something right.
4. Make it public.
5. Include their families.
6. Recognize and encourage good ideas.
7. Give extra ARE to frontline employees.
8. Make ARE a natural part of your routine.
9. Watch your language.

Appreciation, respect, and encouragement form a powerful fuel that can improve all aspects of your organization. This strategy is intimately tied to strategy #2 (Make Your People Your Brand) because it is all about creating a positive climate in your organization by valuing employees in a daily, positive way. If an organization can develop a culture of ARE it dramatically improves employee satisfaction and morale. According to Cockerell, you can never use too much ARE.

ARE can be used whenever employees are being successful and acting the way leaders intend. By recognizing employees publically, it can send the same message to many others. By including families in ARE, a leader will greatly increase loyalty.

The workers on the front line, meaning those who work directly with customers need more ARE than others because they are the ones that make the impression for your company.

Leaders need to choose vocabulary carefully because words really do have an impact on any message.

And finally, pirates love ARE!
Strategy #8: Stay Ahead Of The Pack

Every leader must stay up-to-date with anything that might affect their business. Whether it’s technological or social, new trends must be recognized, adapted to, and exploited when possible.

1. Be a knowledge sponge.
2. Fill in your gaps.
4. Learn from the best.
5. Learn from your competitors.
6. Keep up with your colleagues.
7. Study your customer base.
8. Follow the compass.
9. Expand your horizons.
10. Keep the people you lead ahead of the pack.

Employees are always watching and learning from what leaders say and do. No matter the time of the day, what you’re doing, or when you’re doing it, you have an opportunity to be a role model – either positively or negatively.

1. Demonstrate a passionate commitment to your role.
2. Do what it takes to get the job done.
3. Set high standards.
4. Have a positive attitude.
5. Look and carry yourself like a professional.
6. Be a full-time professional – even when the curtain is down.
7. Model personal ownership.
8. Don’t lose your sense of humor.
9. Be a great partner.
10. Stay humble.

Strategy #9: Be Careful What You Do And Say

“At the end of the day, there are no untold stories. If you’re a leader, the stories that are told about you matter a great deal because they determine your reputation, and, as my mother used to say, “You have to protect your reputation because it’s the only one you have.” When your reputation is tarnished, you lose your credibility, and when your credibility goes, you lose the one thing leaders need most: the trust of the people you lead.”

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“Professionals take their work very seriously, but they don’t take themselves too seriously” (Cockerell, loc 3305). Humor can make the workplace fun and it can reduce stress. Employees who have fun on the job are employees who are loyal to the company.