



## the Inside Track

### Intuit's Leadership Training Process

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The leadership training process at Intuit garners smiles from: Vicki Amon-Higa, director of process excellence; Michael Tretola, process excellence leader; David Belle-Isle, vice president of organizational excellence; John Lionato, director of Intuit's Center of Excellence and process excellence leader for IT; and (seated) Michael Lipps, leadership trainee.

# The Inside Track

## Intuit's Leadership Training Process

BY ELAINE SCHMIDT

Ask Intuit's vice president of organizational excellence about the company's leadership training program, and he will likely begin by correcting you.

"It's really not a program," David Belle-Isle said thoughtfully. "We call it a process."

This process, still in its infancy, is based on organizational and process excellence (O&PE) rotations for leadership training. It is part of an organization-wide effort by Intuit to develop leadership talent internally in order to best fulfill the company's mission – "to create new ways to manage personal finances and small businesses that are so profound and simple, customers cannot imagine going back to the old way."



PHOTOGRAPHS BY FURNALD/GRAY PHOTOGRAPHY

The O&PE training process is designed to pull potential leaders – individuals who have achieved success as functional leaders – out of their positions and place them in rotational leadership training that lasts 12 to 18 months. Michael Lipps and a handful of other colleagues are the inaugural “class” currently going through the training, which began in June 2004.

Lipps pointed out that the hiring specs at Intuit have shifted from a time when finding outsiders with previous Six Sigma background was the goal. “What we want now are high-potential business leaders who can benefit from the rigors of the rotation process. This is the way we move people up – it’s a win/win for the employees and for the company,” he said.

The training combines elements of operational and functional excellence training, and demands that the trainees, in turn, become teachers, passing on what they learn during the process.

“We take them out of their area of expertise,” Belle-Isle said, “and sit them at a table with a senior team in a completely different area.” Trainees are assigned the task of teaching a newly learned methodology as they lead a project with the senior team.

The methodology training includes the basics of Six Sigma’s DMAIC and DFSS. “We spent a fair amount of time on Six Sigma methodology and history,” Lipps said. “We spent a full week on directly applying statistics with someone who has worked with GE for a number of years to develop the statistics part of their program.”



David Belle-Isle: “We believe that adults...learn best when they are taught and then asked to teach what they have learned.”

training process takes the idea of continuous improvement to a new level.

“We have a CEO who spent 23 years at GE and decided he wanted to go to the next level of the game,” said John Lionato, director of Intuit’s Center of Excellence and

## The goal is to create leaders who internalize their training to a point at which it becomes second nature.

In fact, Intuit’s leadership training process has firm roots in Six Sigma, which was deployed at Intuit in 2000, not long after CEO Steve Bennett came onboard. But the

process excellence leader for IT. Belle-Isle added, “We are not going to get there by trying to mimic GE. We are going to get there by standing on their shoulders.”

### Company Profile

**Name of Company:** Intuit Inc. (Nasdaq: INTU)

**Headquarters:** Mountain View, California, USA

**Number of Employees:** Nearly 7,000

**2004 Revenues:** \$1.9 billion

**Primary Products/Services:** Software products to manage personal finances and small businesses, including Quicken, TurboTax and QuickBooks

**Website:** [www.intuit.com](http://www.intuit.com)

### Teaching as They Learn

The O&PE training process is so new that some of the curriculum is still in development. “We are the guinea pigs,” Lipps said.

But the fundamental aspect of the process is clearly in place. The leadership management trainees teach as they learn, taking newly acquired concepts and applying them to a process or function as a project leader.

Even while teaching, the trainee/teacher is in a learning mode, gaining a deeper understanding of a methodology through the process of explaining it. In addition, by delving deeply into an unfamiliar aspect of the business, the trainee is learning by working with some of that area’s experts.

“We believe that adults learn by doing,” said Belle-Isle. “They learn best when they are taught and then asked to



Michael Tretola: “We live in a culture where the expert is paid for expertise. That is antithetical to what we are trying to do.”

teach what they have learned. They learn from teaching others to apply what they have just learned themselves.”

Belle-Isle explained, “The value is in *not* being a content expert. The deeper you are a content expert, the more you are locked into a certain way of thinking about things.” Most leaders, he said, got to where they are because they are content experts.

“Expertise at a certain point gets in the way of broader

thinking,” he said. “It gets in the way of end-to-end understanding. Leaders who are in this rotation have credibility because they are known to have been successful, but they are not able to compete in content knowledge with the others at the table.”

The logic of this type of training has its origin in several ideas. One is the thought that removing competition accelerates learning. With competitiveness out of the mix, the training focuses on *how* others are thinking, as opposed to *what* they are thinking. It’s a corporate play-out of the old adage about not being able to see the forest because the view is obstructed by trees.

**Letting Go of Ego**

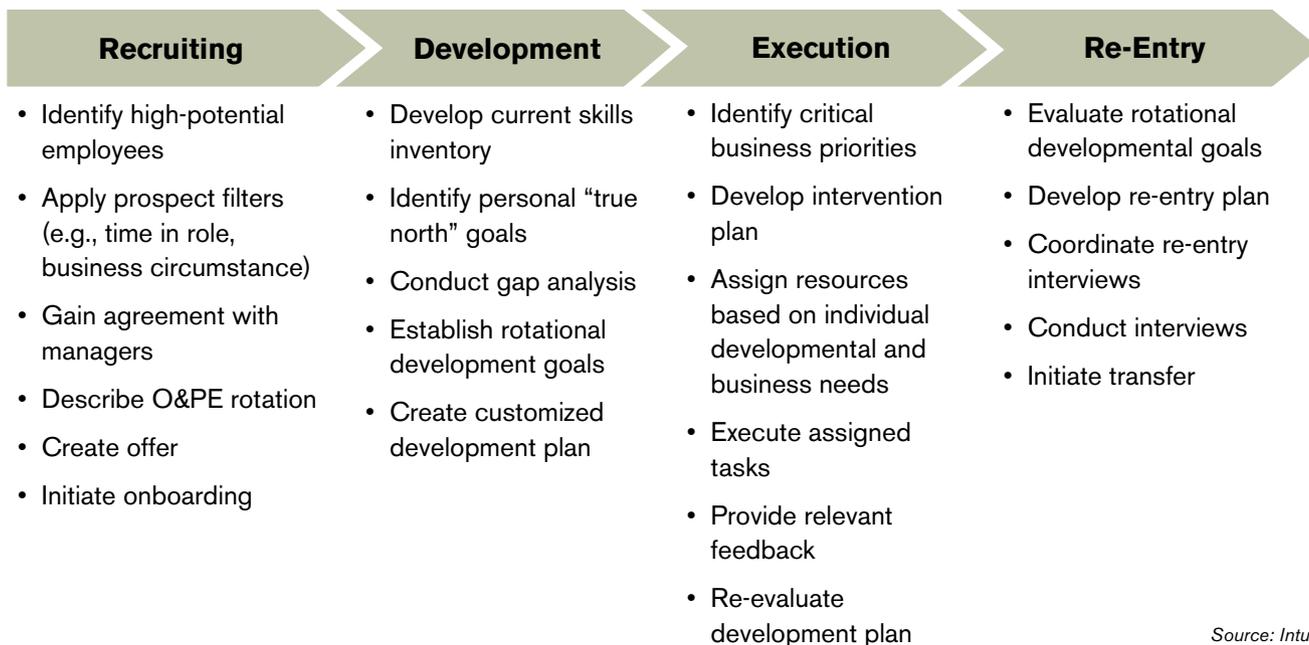
Michael Tretola, process excellence leader, explained further, “We live in a culture where the expert is paid for expertise. That is antithetical to what we are trying to do,” he said. “If your power comes from what you know, you are not going to enjoy this and do as well as those who can keep their ego out of it.”

Keeping one’s ego out of the equation and finding a balance between learning and teaching are the keys to getting the most from the Intuit training model – that and an understanding environment.

“The business, in my case, was absolutely engaged,” Lipps said. “They were all well aware that I was recruited and asked to play the Six Sigma leadership role. I had interacted with these folks before, but they knew I was new in this role and they knew I was learning by doing.”

**Customized Development Through O&PE Rotations**

The O&PE rotational cycle shown below demonstrates how the development process is tailored to individual team members. The design of an individual development plan is based on what skills a person starts with and their desired ending skills.



Source: Intuit

He called it a very safe environment in which to learn.

The trainees are not intended to make solo flights in these rotations. “Each one of us has a technical guru assigned to us,” Lipps said, “someone who has done Six Sigma at other companies where it was formally applied to help us make sure we are using the tools correctly.

“There is no way we will get to expert level this quickly,” he continued. “The level of support [we receive] helps build confidence and allows us to learn in the live environment.”

### Keys to the Training Process

The leadership training process was designed with help from leadership consultant Noel M. Tichy, a professor at the University of Michigan business school and the author of several books, including *The Leadership Engine: How Winning Companies Build Leaders at Every Level*.

“He has been working with us for the past two years,” Belle-Isle said, “and we have taken some of his ways of thinking about leaders and have customized them for our needs.”

One of the keys to Intuit’s leadership training is the content of the learning. “Conceptual learning, if it is not relevant to everyday life, atrophies pretty quickly,” Belle-Isle said. “We are making sure that they [leadership

### Engendering Trust

“It’s frightening to let go of competence and confidence,” Belle-Isle said, explaining that Intuit is asking people to use a process excellence mind-set but not the corresponding “task-set” upon which many potential leaders have built their success.

“We do not get into the tools and tolls,” he said. “We would rather develop a leadership mind-set. But you have to trust that person as they begin to take your game apart.”

Lionato described the process of letting go of the old tools as “letting go of the trapeze and going for the outstretched arms.” A leader’s ability to engender trust is absolutely essential to effectiveness, he said. “I have to build that kind of relationship with the team I am coaching, or I can’t succeed.”

Comparing the relationship between leader and those they are leading to that of a teacher and musician resonated for Belle-Isle. In order for a pianist to take the leap to the next level of technical or musical excellence, they often have to leave behind one of the elements of their playing that got them to their current level. To give up something that is working and bringing success, the student must have absolute trust in the teacher.

The same holds true for an athlete whose coach tells them to change an element of a pitch or swing that has

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trainees] are learning things they can apply immediately and can help others apply immediately.”

The leadership training process combines traditional process excellence skills with a much broader additional palette of leadership skills, the value of which Lionato sees clearly.

“I came in to lead the IT organization with not a lot of experience in IT,” he said. “I work with an individual who is like a horse whisperer of IT knowledge. Well, I can’t speak his language, so how do I help him?”

He said he looked to the traditional Six Sigma skills and really embraced that methodology. “That’s how I had to show up at the table,” he said.

He also pointed out that in coming into a group like IT with what he called a “fair amount of business acumen and seniority,” he had to learn a great deal about IT at a pretty rapid pace. In addition, he had to gain some serious trust from the existing IT leader.

“This leader had built his success on the fact that he had been developing a leadership style over years,” he said. “I came in and asked him to modify the thing that had gotten him where he is. There is a huge need for acceptance.”

been the player’s strong suit, in order to make it better. The player must have absolute trust in the coach.

At Intuit, leadership trainees are asked to give up elements of their own leadership game in order to better it, and then, in teaching, must ask the same of the team.

The process is introspective. Belle-Isle is fond of asking, “Are you aware of why this approach is the right thing to do now?” and, “How did you choose it?”

“If I ask a leader to help me understand why they approached a problem in a specific way, I am not challenging why he or she did it,” he said. “I am asking what path they took to get where they got. I ask them to help me understand why that path is the best path.”

He said it may take five or six “whys?” before he gets to the root cause of the person’s mind-set or thinking process, but eventually the light goes on and the person understands why they did what they did.

Lionato added, “Imagine a team leader who instead of saying, ‘This is the wrong approach,’ backs down to ask, ‘Why?’ There is a different perspective, so even if we don’t come to the same place, maybe we will come to a better place.”



Michael Lipps: “We have morphed our Six Sigma to more of an operation and process excellence role. It’s much more about organizational excellence and leadership than methodology.”

He noted that identifying the reason a person or a team made a decision to go in one direction or another can be both exciting and liberating. The leadership trainees have to ask and answer these questions for themselves before they can do so for a team they are leading.

Belle-Isle said that the concept of questioning why a

### Unconscious State of Learning

So how are the trainees reacting to the process?

Lipps said that when he was initially recruited he was a bit dubious about the length of time the process would require. “I was the first person to ask how long this would last,” Lipps said. “I am used to the responsibilities of driving profits.

“Now I am the guy who says I hope it lasts at least 12 months. I am learning so much every day in this role that I could spend a couple more years at it. I have this constant sense of hoping I can learn enough and hoping I can learn this stuff fast enough so I can apply it and add value to the business.”

He added, “It’s almost as if there’s this unconscious state of learning going on. I don’t even know the sort of things I soak up and learn in the conscious effort of trying to articulate and teach others what I have learned.”

From Belle-Isle’s perspective, that enthusiasm has the ring of success. The goal is to create leaders who internalize their training to a point at which it becomes second nature.

“We [he and CEO Bennett] developed a leadership model and how we want to see leaders use that model in their day-to-day activities,” Belle-Isle said. “We want this to be part of their DNA, not just something they take off the shelf now and again. We want them to make it part of their repertoire, part of how they think.”

The training process is not reserved for business leaders. It is designed to identify the brightest and best – whether they are business leaders or career process excellence and Six Sigma people – and serve as the engine for them to reach their leadership potential.

Noting that Intuit’s Six Sigma deployment is now in its “fourth or fifth phase,” Lipps said, “We have morphed our Six Sigma to more of an operation and process excellence role. It’s much more about organizational excellence and leadership than methodology.”

“It gives us a broader palate to paint with than just

**“Imagine a team leader who instead of saying, ‘This is the wrong approach,’ backs down to ask, ‘Why?’” – John Lionato**

certain thing is being done in a certain way and the idea of abandoning the familiar for something new is key to dealing with Intuit’s customer base as well as with internal departments.

“Our biggest competitor is non-consumption,” he said. “In order to bring people to our different offerings we have to get them to abandon the methods they are comfortable with and take on new methods, just as we ask our trainees to abandon confidence and take on new methodologies.”

using traditional Six Sigma,” Tretola explained.

In Lipps’ eyes, Intuit’s commitment to the leadership training process can be traced back to a telling statement by CEO Bennett: “Process excellence is simply the best way I know how to lead.” ♦

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