

Managing People For Fun, Profit, and RESULTS

By Richard L. Russakoff

My goal is to share with you and encourage you to implement an approach to management that will, over time, make managing people one of your favorite and most rewarding challenges and skills as a business owner.

In his book, *The Official Guide to Success*, Tom Hopkins states that unless you are willing to delegate, you can't create much. The most successful business owners I have worked with over the years have mastered the art of both delegating and managing people.

By learning how to successfully delegate large amounts of authority and responsibilities, they have gained invaluable time to focus on their own most productive and highest return talents.

Many business owners tell me that they would love to let go and delegate, but whenever they do, they are disappointed by the performance of their personnel, as well as by a lack of follow through and intelligent decision making on the part of the people they leave in charge.

I believe there are two Great Management Principles to success. They are:

1. You get more of the behaviors you reward; and
2. What gets measured, gets done.

My goal is to share with you and encourage you to implement an approach to management that will, over time, make managing people one of your favorite and most rewarding challenges and skills as a business owner.

In addition, it will increase the level of performance you can expect from the people who are fortunate enough to be part of your organization. And, yes, you will be able to delegate and sleep soundly.

Establish a "Can Do" Culture

The primary purpose of a business is to achieve results. Our focus as managers must be to reward the results we want. Ichak Adizes writes in *Corporate Lifecycles*, "Management theory is preoccupied with management *by* results, *by* objectives. My focus is on management *for* results, *for* objectives and *by* process." If you follow the approach I am recommending, you will get the results that meet your objectives by following and ultimately embracing the process.

Many managers and/or business owners fall into the trap of playing a "cop" as "the best way" to eliminate nonproductive or even counterproductive behavior.

I have found that it is much more effective to be a "coach" to your employees. The best way to accomplish this is to identify and reward the behaviors that you *do* want, while encouraging your staff to aspire to even higher levels of performance. As a coach, you want to "catch 'em doing something good" and let them know how much you appreciate their good work.

Psychologists have found that *positive reinforcement* is by far the strongest method of achieving and maintaining positive behavior change. Punishment tends to breed paranoia and bad morale in the workplace, while negative reinforcement and lack of attention--to either good or bad performance--tell employees that the manager places a very low value on them and their performance.

This principal of positive reinforcement is what makes coaching work, and it is the reason that you **get more of the behaviors you reward**.

Good behavior is too precious to be taken for granted. As coaches, we want our employees to be positively clear on the results we want and the behaviors that produce them.

Establishing clear, measurable goals helps people see and appreciate their success. What gets measured not only gets done, but measurement also lets us see results in "black and white," and, more importantly, how successful our results really are.

The first step is to identify the very best (or ideal) characteristics of employees in a given position. I have put together two charts that list all of the characteristics identified. These charts can serve as a means of establishing clear criteria on which to measure the current performance standard of each employee.

In order to ensure they are clear, it is important that we define or "benchmark" each one of these characteristics.

For example, we identified "creativity" as an important characteristic of a front room employee. Measuring creativity can be extremely subjective, and coaching it is an even greater challenge. The good news is once you define what you mean by creativity, over time it can be identified, taught, and encouraged.

A front room staff member can improve his or her creativity by experience, not just native ability. I asked a frame shop owner to describe the behaviors he's seen in his most creative people, and he shared the following:

- * First, they have the communication skills to understand what a client is trying to achieve, and then add to that their own ideas, which have been learned from past experience (ideas that would apply to the situation at hand). This effort results in something even more exciting than what the client could ever have imagined on his or her own.
- * They show a willingness to try new ideas and expand on them.
- * He recommends that you give each front room person an assignment to be creative and let them "go to town on it. Give someone a chance to show their skills and show their stuff."

Go through the many characteristics on each sheet and do two things:

1. As there are too many characteristics on the initial lists to really focus on all of them, determine the key characteristics that **you** would use to measure and reward your staff.
2. Determine a list of the characteristics you feel are most important, with your description of each, for a specific job in your business.

Now let's talk about how to use the forms and become a coach.

1. Explain to each employee, on an individual basis, your definition of each characteristic.
2. Then ask them to measure their opinion of their performance level in each category on a scale of 1-10, with ten being the highest. Their measurements should reflect how they compare with the consistently "best" performers. If they think they are the best in a category, they should give themselves a "10."
3. Ask them to be as honest as possible.
4. You should rate them as well.
5. Ask other key employees/peers who work with them to also rate them using the same criteria. (Use your discretion to weed out any peer ratings with obvious bias.)
6. The purpose of you and your staff's evaluations is to give a total perspective of the various perceptions of their performance, skills, and attitude levels at the time of the review.
7. In most cases, you will find that people will be far more critical of themselves in their reviews than you or their peers will be. If not, the other reviews will serve as a reality check.
8. If their self-reviews are realistic, then our focus should be on the role of coach, asking them how we can help them improve in each of these areas.
9. Offer to provide them whatever resources you can to assist in their improvement in each category.
10. Praise them for what they are doing well and ask them to make a commitment to improve in areas where they are weak.
11. Your goal should be to inspire, encourage, and create opportunities for your staff to grow. Make sure they understand that you are committed to helping them stretch and grow as people.

I believe these reviews should occur at least once a month initially. The problem with annual reviews is that a year is far too long to wait to tell someone where they stand. We all want to know where we stand every day.

This approach enables you to establish a completely different type of relationship with employees. It requires you to think of yourself as a mentor and to reward continuous improvement with encouragement and strokes. That, along with knowing where employees stand, is what is known as "psychic income." Studies have shown that psychic income is far more valuable and motivating to employees than cash.

Your additional reward programs should be based on their continuous improvement and the results of their actions.

Being a coach also involves providing the right rewards for your employees and taking a sincere interest in them, both on and off the job. A coach recognizes that "life happens" outside the work environment and is there for his or her people when they have problems.

For example, a CEO in South Dakota has a fund put aside to help employees who develop financial difficulties caused by illness or other tragedies. This genuine show of concern touches and motivates all of their employees. The employees know they are seen as being much more than just a part of the bottom line.

A genuine personal interest in people builds the bonds of trust necessary for good teamwork. This is the one key characteristic of every successful manager I've worked with.

In his book, *The Greatest Management Principle*, Michael LeBoeuf, Ph.D., recommends the following:

- * Your own behavior is the best way to teach people what you expect from them. You must walk your talk and lead by example in order to engender respect and loyalty in your staff. As Henry Gibson said, "A thousand words will not leave as deep an impression as one deed."
- * Don't overlook complimenting the quiet, dependable people in your organization who demonstrate their commitment to your business by:

- * Being rarely, if ever, absent.
 - * Working well under pressure.
 - * Being willing to give a second effort whenever the team needs it.
 - * Being able to be trusted to work just as hard in your (or in others') absence.
 - * Consistently turning out high quality work on time.
 - * Helping others to do their jobs better.
 - * Producing more answers than problems.
 - * Regularly striving to improve their work.
 - * Fostering cooperation.
 - * Building morale.
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- * Good coaches expect their people to do what is required of them, and they hold them accountable for their behavior. Chronic complainers without legitimate grounds should be ignored (not reinforced). Don't waste your time with game players.

 - * Focus your behavior on expecting and rewarding the behavior you want from others.

Conclusion

Coaching is an ongoing process, and with a little practice and patience, the techniques outlined above will become an easy, valuable part of your employee management process.

The Talmud says that believers never question and cynics never believe anything. Give this approach a chance, and you will become a believer.

Begin the process by creating time to let your employees know what they are doing well and to encourage them to do even better.

Pointing out errors that need correction is an essential part of management, but give criticism by praising the **worker** and criticizing the **work**. You can begin criticism by praising some of the person's good points to avoid putting the person on the defensive from the start. After your praise, shift the focus to what needs to go right or to preventing things from going wrong in the future. (In order for this style to be most

effective, however, praise must not always be followed by criticism or your staff will always be waiting for the other shoe to drop!)

Recently, a client I work with called her office while she was on vacation and was told second hand that a project she had asked to be completed on the Monday she left was not actually finished until Friday. She was furious and ready to leave her vacation a day early in order to confront the situation. When she called me and asked for my advice, I told her four things:

1. Finish her vacation and enjoy her time off.
2. Find out all the facts of the situation before she criticized the person in question.
3. Identify 10 things this person did **right** while she was away.
4. Remember that she is a coach, not a cop. Rather than punishing the person, it turned out to be far more positive--and effective--for my client to take advantage of what she discovered to be a simple mistake in judgement. She turned it into a learning experience so that the employee could learn and grow, while not being afraid to make future decisions while the owner is away. This is how the delegation process works best.

An important caveat is to clearly **define** the behaviors you want, preferably in terms that can be measured. This will be the subject of a subsequent article.

Good luck, and good coaching!

Ideal Front Room Employee

Employee: _____ Reviewer: _____ Date of Review: _____

Characteristic	S lf	R v	P er	A g	Comment
Creative					
Innovative					
Artistic					
Honest					
Smart					
Loyal					
Sense of humor					
Energetic					
Confident					
Tactful/Diplomatic					
Enthusiastic					
Willing to grow/explore new ideas					
Multi-task oriented					
Consistent w. customers					
People skills (respectful/communicates well)					
Able to read people					
Listens well					
Situational awareness					
Telephone skills					
Math aptitude, accuracy					

Goodwill in and out of store					
Product knowledge					
Not afraid to sell up					
Sells profitable products					

Ratings are on a scale of 1 - 10 (1 = Totally unacceptable; 10 = Excellent)

Ideal Back Room Employee

Employee: _____ Reviewer: _____ Date of Review: _____

Characteristic	S lf	R v	P er	A g	Comment
Good with hands					
Efficient					
Neat/well organized					
Time management skills					
Multi-task oriented					
Good at problem solving					
Takes and gives criticism well					
Good math skills, accuracy					
Attends to details					
Safety conscious					
Self-starter					
Prioritizes well					
Prioritizes jobs					
Follows policies and procedures					
Team attitude with fellow employees					
Responsive to fellow employees					
Product knowledge					
Inventory control					
Economical about stock					
Keeps current on industry info.					
Machinery maintenance					
Contacts customers re: project					

status					
Flexible on hours to meet needs					
Works well under pressure					

Ratings are on a scale of 1 - 10 (1 = Totally unacceptable; 10 = Excellent)

Things to be Measured

Average ticket sale					
Year to year sales					
Total sales					
Chart sales vs. Goal					
Sales/hour and sales/employee					
Sales from inventory					
Number of and \$\$ in print sales					
Number of and \$\$ in gallery sales					
Number of and \$\$ in custom frame orders					
Number of add-on items					
Payroll hours					
Number of customers (traffic)					
Repeat customers vs. new					
DIY and mat only customers					
How customers came to us					
Top sales person and cutter					
Number of days without redo-return					
Staff with least mistakes					
Percentage invoices with errors					
Productivity					
Labor rate correlated to sales					
COG monthly					