

Human Resource Associates

Employment Consultants

The Skills of Top Managers Part II

In Part I of this subject, we reviewed the first seven of what Harvard Business Review identifies as the 13 skills that set top managers apart from others.

Those seven were:

1. **Setting Goals That Inspire Others**
2. **Hiring the Best**
3. **Keeping the Best**
4. **Delegating With Confidence**
5. **Managing Your Time**
6. **Managing Teams**
7. **Appraising and Coaching**

In this, part II, we will review numbers eight and nine on the list.

8. Handling Problem Employees

Problem employees eat up your time. Some can be helped through coaching or training. Others are already capable but are not sufficiently motivated to do the job. Some cannot or will not perform to expected standards despite intervention and must be moved to a more appropriate job or dismissed.

Every organization has a distribution of performers and not every employee is promotable. At the top are the “A” performers whose contributions are exceptional, “B” performers who do very good work and “C” performers whose work is just barely acceptable. A recent

study of two large companies showed that “A” managers contributions grew company profits by 80 percent in one company and 130 percent in the other, while “C” managers in the same companies achieved no profit growth whatever. Although these were dramatic results, the message was clear. “C” performers fill a spot that could or should be filled by an “A” or “B” performer.

So how do we handle “C” performers?

- Identify your “C” performers
- Agree with them on a specific action plan. Provide coaching, training and support
- Hold managers responsible for the improvement or removal of their “C” performers

Motivate “C” performers by removing barriers that hinder their advancement, allowing a measure of freedom and responsibility for them to take action, gradually introducing new and more difficult tasks and clearly identifying their progress with feedback to them

When all else fails dismissal is in order. Never start out dealing with a problem employee with dismissal on your mind. Your intent is to achieve the performance you want from him. You want your

actions and procedures aimed at that target. When it becomes clear that your efforts are being fruitless, then dismiss the employee. He and the company are not a good match and this employee will not likely ever find success here. Be sure that you have documented your reasons for termination and your efforts to achieve the performance you want. Be honest and firm, don't lie to the employee or create fictitious rationale for the dismissal and keep it legal. (See the Personnel Notebook "Terminating Employment on the association's website")

9. Dealing With Crises

What is a crisis? Simply put, a crisis is a change, either suddenly or evolving, that results in an urgent problem that management must address. These may be natural events of catastrophic magnitude such as, earthquakes, tornadoes, floods and fires. They may also be events that the company has or is perceived to have, a direct responsibility to deal with them. Equipment or product tampering that harms someone, A product or service that causes damage or contamination, an environmental accident unknowingly caused by your company, a technology breakdown that results in a huge loss of data if backups are not in place. Hackers may even attack and delete your e-commerce web site. The list could be endless, but here are 6 steps to crisis management.

A. Avoiding the crisis: A manager notices the clients name is misspelled on every page of a major proposal. He has all the copies destroyed and reprinted at an all-night copying service. A financial manager foresees a cash flow shortage and takes steps to collect receivables, puts a hold on discretionary spending and assures a

credit line at the bank. When informed that a key employee is interviewing with other companies, her boss takes steps to identify a replacement.

It may be as simple as creating a good equipment maintenance program or restructuring a more solid safety training plan. But make crisis management part of your normal planning.. Collect ideas widely. Have discussions with all departments asking managers, staff and crews for potential problems. A sales rep may tell you that you're likely to lose you biggest account next year. Do an audit, identify weaknesses.

B. Prepare to manage the crisis: Brainstorming sessions with employees in various positions is one of the most productive approaches to crisis and contingency planning. Ask then to identify or to imagine potential crises or to imagine "What would happen if...?" The form a management crisis team, a pre-appointed team that is now responsible to deal with and/or prevent key crises. This might mean creating an evacuation or shut-down plan in the event of a natural emergency or how to retrieve back up data from an off-site location.

C. Recognizing the crisis: When you have reason to believe that something is not right in your financials, can you check for possible fraud or embezzlement? Will you? Be guided by your instincts when they tell you that "something is wrong here". Have the courage to confront disturbing facts before they confront you. Be guided by your values. What's

important? What's the right thing to do? If a subcontractor is dumping waste illegally or not paying his employees properly, could this come back to haunt you?

D. Containing the crisis: When a crisis does strike you must move quickly to contain or minimize the damage. This means making decisions quickly and being on the scene. You must communicate critical information to key people. Rule number one is 'Be decisive! Emergencies just do not afford the luxury of time and careful deliberation that normally accompany decision making.

A case in point: When a torrential evening storm flooded a section of an office building, the computers, carpeting, paper records and working spaces of ten employees were badly damaged. The manager was on the scene before the workers started arriving in the morning. She was directing clean-up efforts and restoring order. She had operations back to normal in just a few days. But then workers began having breathing problems and complaining of headaches. Though the carpet had been cleaned, everyone suspected that it was infected with mold. Instead of having the carpet cleaned once again and waiting for budget approval, she had all the carpets in the area removed and replaced. She displayed decisiveness and concern.

The decisiveness element will not always be easy for you. In a crisis, factual information is often scarce. And with little time for fact gathering or considering all the alternatives you

will have two guidelines: To refer to the crisis management plan you have already prepared and/or you must combine the facts you have with your sense of the right thing to do.

E. Resolving the crisis: Crisis resolution requires fast, confident decision making. But how do you make good decisions when events are moving quickly? The answer is to focus and identify the real problem and to get the facts that relate to that problem.

Much of the information you get in such situations is likely to be inaccurate, speculative or just plain rumor. It is your task to discover the truth by asking the right people, listening to the most reliable voices and going to the right places. A leader in a crisis responds by facing the crisis, turning fear into positive action and being alert to new developments and information.

Some additional tips on crisis control:

- Avoid blaming others. It's a strong impulse but creating a scapegoat is counterproductive. Focus on handling the crisis and leave recrimination for later.
- Don't promise anything that you can't deliver. It is wiser to underpromise and to deliver more than to overpromise and come up short.
- Don't worry about the rules. Rules, policies and budgets are created to maintain order and provide a productive process in the normal course of business. These rules were not created with a crisis in mind. So do whatever has to be done to defeat the crisis, and don't worry about the "rules".

F. Learning from the crisis: Every crisis has good and bad news. The bad news was that you just had a crisis. The good news is that the experience can help you avoid a future crisis. But you must make the most of this fleeting opportunity.

Engineers use earthquakes and the damage they cause to develop stronger roads, bridges and buildings. You can do something similar by conducting a post-crisis audit to learn and even profit from the earthquake that hit your organization. The following pointers can be a guide:

Conduct a crisis review as soon as possible after the event, while people's minds are still fresh on the matter. Analyze the crisis in detail from beginning to end. Pinpoint actions, assumptions and outside factors that accompanied or provoked the crisis.

Ask yourself:

- Knowing what we knew then, could the crisis have been prevented? How?
- At what point did we realize we were in a crisis? Could we have recognized the signs earlier?
- What warning signs were ignored? Which signals did we pay attention to?
- In our response to the crisis, did we take appropriate action? What could we have done better?

Get input from many people. You need to get everyone's story, but pay particular attention to those with expertise in the area of greatest importance. Once you have clear answers to these questions, build them

into your plans for future crisis avoidance and management.

In our next issue of Personnel Notebook we will continue with Harvard Business Review's 13 skills of top managers.

Bill Cook
Human Resource Associates
E-mail: wcook62@comcast.net