

Reclaiming Your “At Risk” Employee

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Presented by

- Karen M. Kehr, M.S.
Hawthorne Services, LLC

Fast Facts

- A recent survey of 170 HR professionals revealed that more than 50% had set up a coaching program in the past 18 months.
Source: The Hay Group, www.haygroup.com.
- Annual spending on executive coaching in the United States is estimated at \$1 billion.

Source: *The Wild West of Executive Coaching* (2004).

The right people can be
the difference between
extinction and survival;
profit and loss...

Seem too big a statement?

**Poor
Producers
'C'**

**Average
Producers
'B'**

**Superior
Producers
'A'**

Bottom 16%

68%

Top 16%



Why does this matter?

Unskilled / Semi-skilled

- 'B' players produce 19% more than 'C' players
- 'A' players produce 19% more than 'B'
- 'A' players produce 38% more than 'C' players

Skilled

- 'B' players produce 32% more than 'C' players
- 'A' players produce 32% more than 'B' players
- 'A' players produce 64% more than 'C' players

Management / Professional

- 'B' players produce 48% more than 'C' players
- 'A' players produce 48% more than 'B' players
- 'A' players produce 96% more than 'C' players

Source: "The validity and utility of selection methods in personnel psychology:
Practical and theoretical implications of 85 years of research findings"
Psychological Bulletin, Sept 1998, Vol. 124, No. 2, pp 262-274.

A small company with...

- 50 Unskilled / Semi-skilled Workers
- 25 Skilled Workers
- 10 Managers

Cost of 'B' vs. 'A' Players

Your cost if
all in this
category 'B'

| | Average Salary? | | Your cost per 'B' player | | # in this category | | Your cost if all in this category 'B' |
|--|-----------------|----------|--------------------------|---|--------------------|---|---------------------------------------|
| Unskilled | \$20,000 | X 0.19 = | \$3,800 | X | 50 | = | \$190,000 (i) |
| Skilled | \$40,000 | X 0.32 = | \$12,800 | X | 25 | = | \$320,000 (ii) |
| Management | \$60,000 | X 0.48 = | \$28,000 | X | 10 | = | \$280,000 (iii) |
| Total Exposure if all 'B' (<i>total i + ii + iii</i>) | | | | | | = | \$790,000 (iv) |
| Percentage of salary investment at risk | | | | | | = | 30% |

Implications

- These figures are not 'worst case': If any or all are below average the loss for that position is doubled – but so is the potential for improvement
- Unless all your people are 'A' players you are losing money unnecessarily
- Regardless how large or small your organization the potential losses are relatively large
- ***Every time*** you move performance in any single job from 'B' to 'A', you have a measurable financial impact

'C'

'B'

'A'

Bottom 16%

68%

Top 16%



**Objective 1:
Move 'C' To 'B'
(or out of organization)**

'B'

68%

'A'

Top 16%



**Objective 2:
Move 'B' to 'A'
(or out of organization)**

'A'

100%

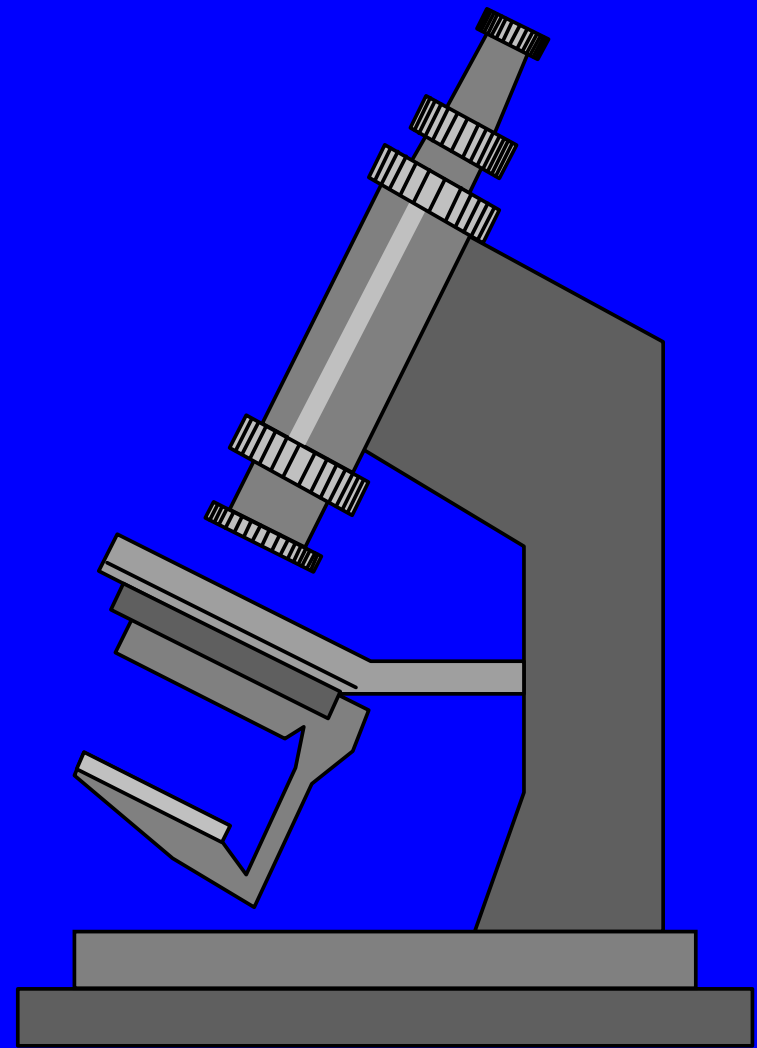
A large crowd of people is shown from a high-angle perspective, filling a stadium. The crowd is dense and diverse in age and appearance. The image is framed by a white outline that forms a bell curve, with the peak of the curve centered over the crowd. The background is a solid blue color with two vertical red lines on either side.

**Objective 3:
Maintain 'A'
in all positions**

“Risky” Behaviors

Identify at least one manager in your organization who is at risk.

- What is s/he doing or not doing that is not working?
- What are the characteristics or behaviors?
- What is the PROBLEM?!?



Causes of Derailment



- Negative interpersonal behaviors
 - Abrasive or uncaring style
 - Acting in isolation
 - Over-reaction (mood swings)
- Dictatorial Style, failure to resolve staff conflicts, poor delegating skills.
- Failure to make strategic transitions.
- Lack of follow-through.
- Strategic differences with management.
 - *Lombardo, M. and McCauley, C. Center for Creative Leadership*

Presenter's Study

- 20 mid level managers coached 2001-2005
- Organizations from 12 to 800 employees
- Average size 80 employees
- Organizations: manufacturing, airport, philanthropic, library, pharmaceutical
- Type of Org: Family owned, non-profit, municipality
- Average age: 41
- Oldest: 60 Youngest: 28
- 8 Male, 12 Female 3 Non-White

PRESENTER'S FINDINGS

Work Related Problems (20 coached managers):

- Low assertiveness, inability to confront (7)
- Self (emotional) management issues (9)
- Aggression problems (7)
- Work performance not meeting expectation (5)
- Inflexible, unable to change (3)
- Unable to gain cooperation from others (8)
- Acts like a victim with superiors (6)
- Cultural issues/ mismatch to organization's culture (4)

4 Reasons For Performance Problems

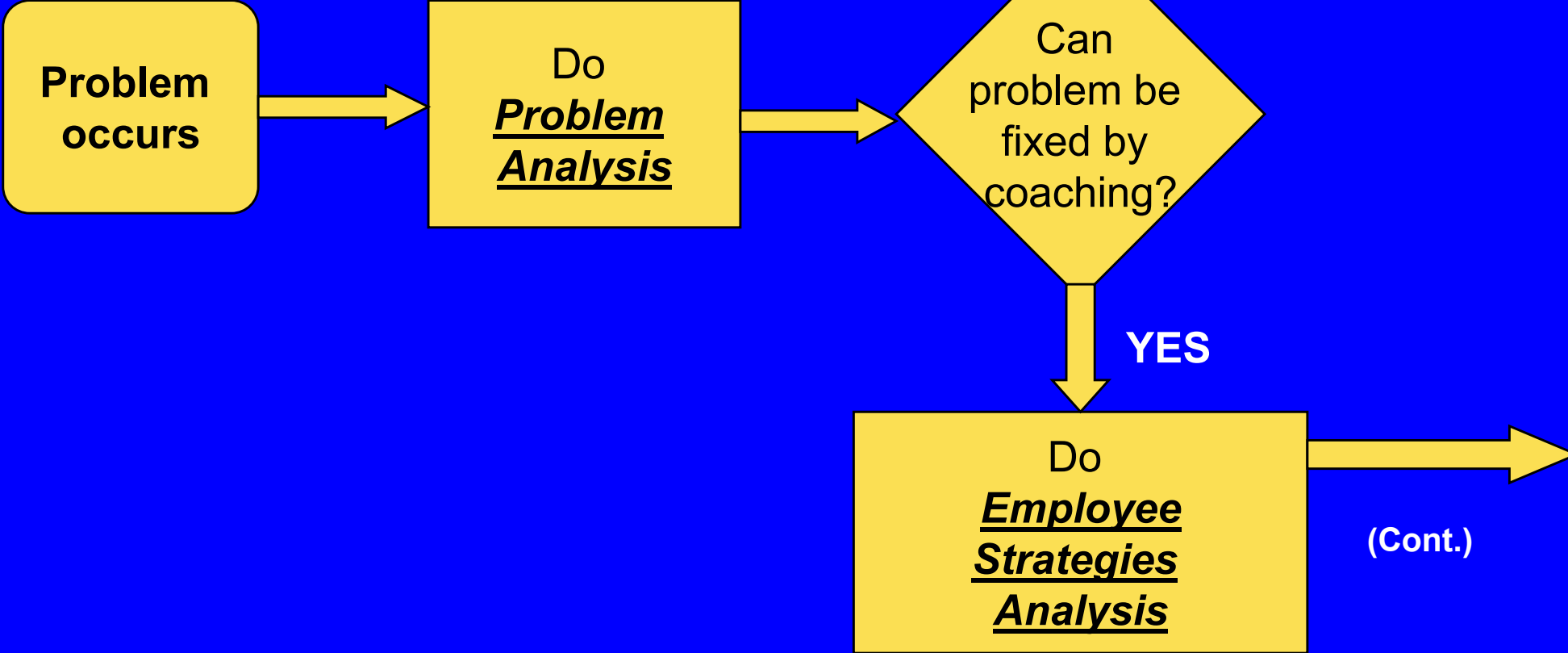
1. They don't know how – Individual (Training) issue

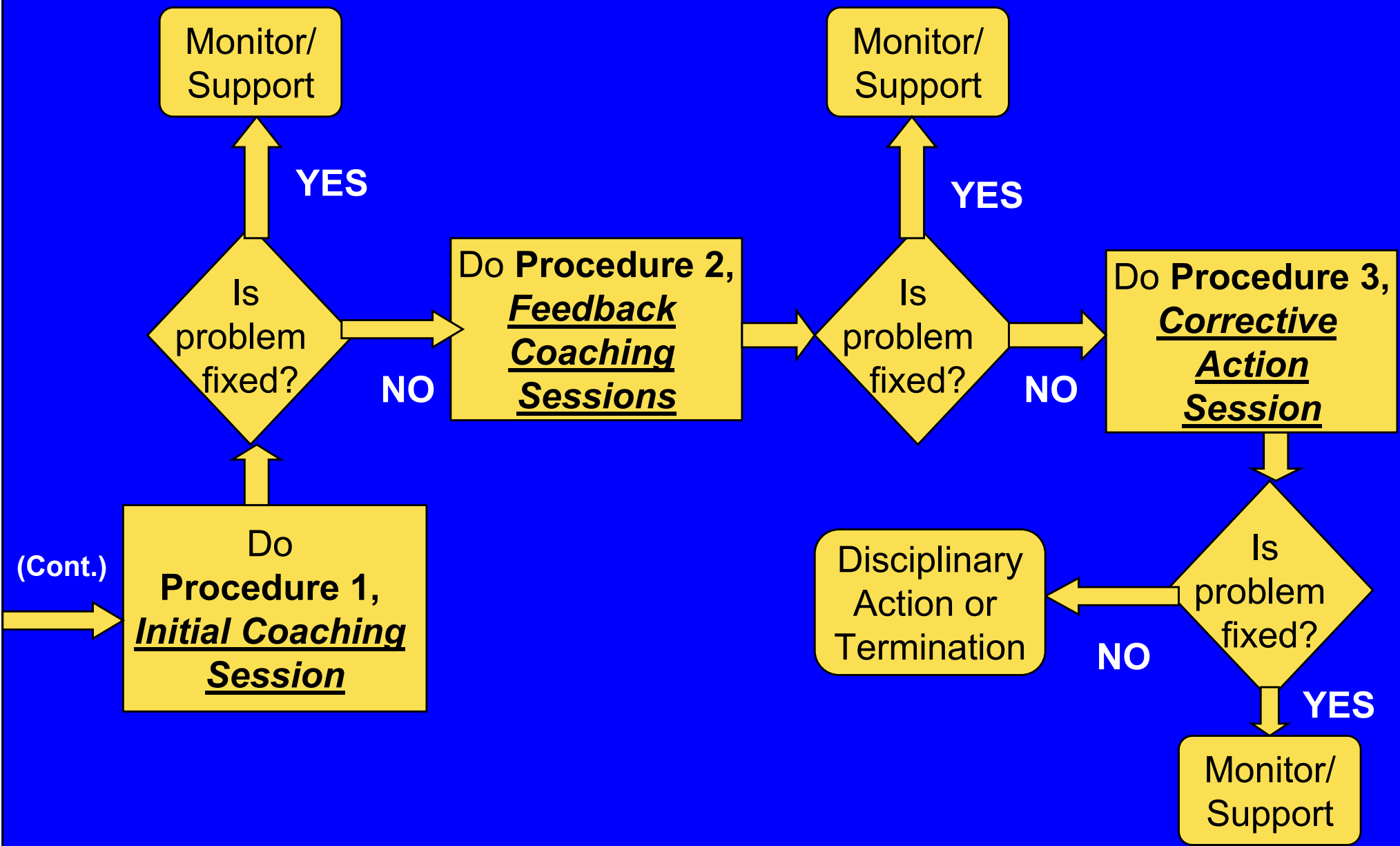
2. Someone or something prevents them - Systems or Interpersonal issue

3. They feel discouraged or defeated – Individual, Interpersonal or Systems issue

4. They don't want to – Individual (Attitude) issue

Coaching Decision Chart





Sample Employee Strategies Chart

| employee name | basic human response | motive - financial need | motive - career | work related problem |
|---------------|-----------------------|-------------------------------|-------------------------------|--|
| A.A. | power/control | doesn't need to work fulltime | wants to work @ XYZ Corp. | inappropriate communication |
| B.B. | Avoid pain & conflict | needs to work fulltime | wants to work 5-10 more years | processes not where they need to be in her div. |
| C.C. | control/ rigidity | needs to work | wants to stay where she's at | uncooperative and undermining when there is change |

Sample Employee Strategies Chart (cont.)

| employee name | limitations | strengths | range of outcomes | strategies |
|---------------|---|--------------------------------------|--|------------------------------|
| A.A. | self-management | good contributor, does a lot of work | change attitude or be terminated; could be moved to another dept. | meeting w/ HR mgr & employee |
| B.B. | can't confront employees; acts like victim with superiors | indepth knowledge of dept. | could be moved, further demotion or termination | coach assertive skills |
| C.C. | inflexible | organized | become more willing to change and support change, be moved or terminated | establish clear expectations |

3 Procedures for Effective Coaching

1. Initial Coaching Session

- Establish Coaching relationship
- Create expectation of performance monitoring
- Gather information re: employee's experience

2. Feedback Coaching Sessions

- Deliver feedback to employee
- Make employee aware of accountability for actions

3. Corrective Action Session

- Guide employee to understand expected conduct
- Guide employee to understand result of failing to attain expected conduct

Goal of Coaching

Help Your At-Risk Manager:

1. Discover that he/she has a problem
2. Agree that there is a problem
3. Be willing to work at change
4. Know the expected changes they are to make
5. Have strategies for dealing with problems that arise as they work at making these changes.

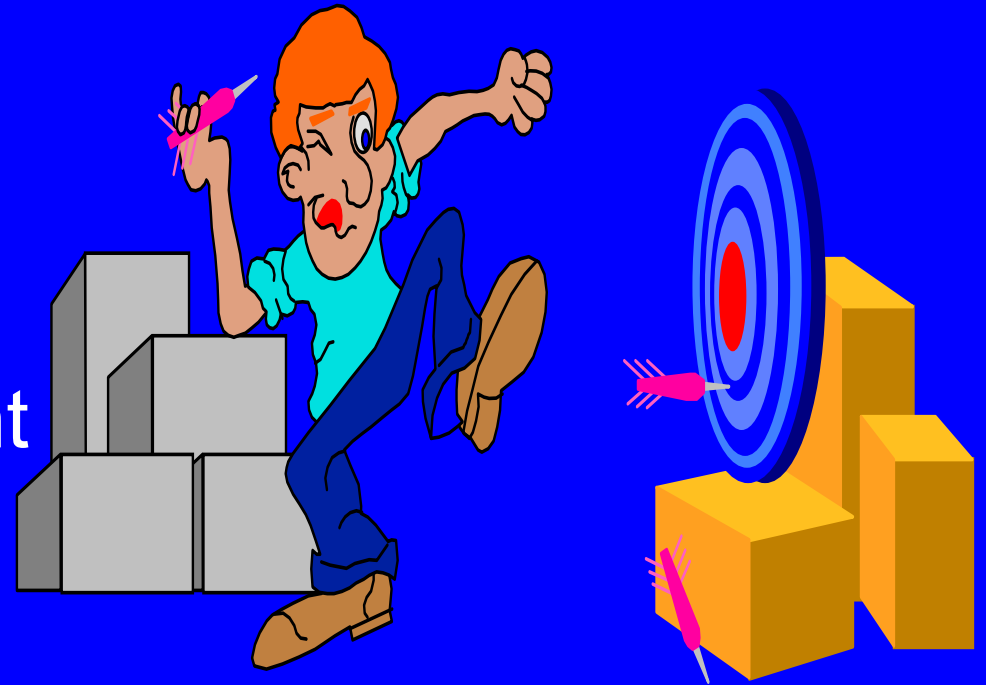
Coaching is an awareness building process, one layer at a time.

Current Practices

- In-house training on “Coaching and Mentoring”
- Feedback Tools
 - Personality profiles, 360° feedback, performance appraisals, team surveys
- External “Executive” or “Management” Coach
 - Identify challenges & clarify objectives.
 - Assess, compile results, provide feedback.
 - Create Individual Development Plan
 - Coach. Train. Complete assignments.
 - Measure progress.

Selecting the Coach

- Emotionally competent
- Mentally sharp
- Action-oriented
- Models mastery
- Facilitates development
- Asks insightful questions
- Confronts, reframes, makes linkages that facilitate learning



Selecting the Coach (continued)

- Grounded in the environment and understand relationships at all levels, and the goals, values and dynamics of the organization.
- Knowledgeable of adult learning, organizational systems, change management, leadership development, business knowledge and expertise.
- Helps the manager establish goals and measures.
- Fosters independence and analytical thinking.
- Maintains confidentiality.
- Ends the coaching relationship when appropriate.

REWARDS & RISKS

REWARDS

- Senior Manager Study: Multi-source feedback + executive coaching improved ratings more.
- Laser-like focus on development needs.
- Individualized approach.
- Action-oriented & goal-based.

RISKS

- Internal: lack of time, objectivity, skill, focus and follow-through.
- External: coaches who lack psychological training can do more harm than good.

PRESENTER'S OUTCOMES

Initial Evaluation:

- “A” managers: 2
- “B” managers: 17
- “C” managers: 1

Number of “B” managers who were upgraded to “A” managers as a result of the coaching: 12

Number of “B” & “C” managers who either left the organization voluntarily (1) or were terminated without litigation or damaging outcomes (4)

Number of “B” managers who remained “B”: 1

Bottom Line: Presenter's Research

- 70% of coached managers either upgraded from “B” to “A” or maintained at “A”
- 90% satisfied with outcomes (either upgraded or removed underperforming manager in a satisfactory manner)
- 30% of managers either did not improve or did not remain with the organization (6)



**Your
Questions**

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Karen M. Kehr, M.S.

Hawthorne Services, LLC

www.hawthorneservices.com

(574) 596-3058 Karenmk@hawthorneservices.com