
Leadership In The Workforce Revolution

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Welcome to the Zingle and Associates, Inc. Management Series, offering insights on a number of current topics. Additional information on our services and other subjects can be obtained through our web site. We would be pleased to receive feedback from any of our readers. Feel free to contact us by mail, phone, or e-mail.

What is leadership? It has been defined as "the quality of guiding in advance, especially on a course or in a direction." It is more than management, which deals with handling or controlling, since leaders need to be out in front and focused on the goal. "Leadership in the Workforce Revolution" explores a number of important ideas affecting today's business community. For example: the ethics of short range rewards versus long range value, the importance of employee participation, cultural norms, communication, and what it takes to achieve employee behavior consistent with employer goals.

Included in this topic are the following parts:

- Maximizing the Value of Human Capital
- Quality is an Attitude
- Aligning Participation, Results, and Long Term Focus
- Rewarding Desired Behavior
- Performance Evaluations: "Need Improvement"

MAXIMIZING THE VALUE OF HUMAN CAPITAL

If organizations are going to maximize their human resources in the long run, then leadership is going to have to come from HR Department professionals.

The typical organization's reward and recognition systems are rarely directed at long run management of human resources. Instead, what demands attention is earnings per share this quarter, sales goals this period, or today's production run. While all these are necessary -- even vital -- to organizational success, it takes the human resource element to fulfill these accomplishments. Yet, humans don't operate according to quarters, months, and days. Human beings function over years and decades. They have heads, and they need to be allowed to use them if human capital is to be maximized.

Organization Rewards

Where are the direct organizational rewards supervisors receive while overseeing employees' career development or taking affirmative action? Can you really imagine an upper level manager saying to a first level supervisor, "I know that productivity has dropped this quarter in your area, but you have done such a great job of career counseling for your employees that we are giving you a big raise"? No, line personnel are given rewards and recognition for short range productivity gains. This tends to go on up the management hierarchy to the Board of Directors, where earnings per share this quarter is given the principal emphasis.

HR Leadership

Providing organizational leadership from a Human Resource perspective is extremely difficult. It has been said that the curse of the HR professional is to have responsibility without authority. For example, we have responsibility for affirmative action, but no real authority to carry it out. How many of us have the final authority to hire? Very few, and yet we are responsible for hiring protected classes. How many of us have authority to promote people not in our department? Virtually none of us, and yet we have affirmative action responsibility for upgrading. All that responsibility and no authority!

How then are HR professionals to provide effective leadership in these areas if they have no formal authority? The fact is that true authority comes from the bottom up and not the top down. Organizations can delegate formal authority. They can distribute titles, outline responsibilities, and instruct others to report to us. But the organization cannot force anyone to do what he or she doesn't want to do -- since people can quit. Additionally, they can't make people work up to their capacity -- which must come from the people, themselves.

Leadership Tools

The tools effective leaders use to obtain authority from the group are competency, interpersonal skills, and character / integrity. In fact, these are the same tools of effective HR professionals.

As necessary as these tools are, top management cannot delegate competence, interpersonal skills and character to us. Yet a line manager under pressure to increase today's production is more likely to revert to formal authority in placing pressure on employees to perform, rather than to use more effective long range methods.

Only leadership from HR personnel can counteract the reinforcement line managers receive for using pressure tactics to achieve short term productivity goals.

When long term maximization of the human resource becomes the focal point, the tools of competence, interpersonal skills, and character come into play. It is easiest to understand the concept of competence when we compare activities of a competent leader we have had with the activities of any incompetent former leader. Anyone who has ever worked with an incompetent leader will readily understand this.

People with no formal authority must rely greatly on interpersonal skills to get others to do what they want them to do. On the other hand, many successful managers ignore their formal authority and concentrate on interpersonal abilities. However, most managers and supervisors have not become skilled in their use.

Finally, a person without character and integrity in the organization's dealings will rarely be successful in optimizing productivity.

QUALITY IS AN ATTITUDE

The last part of this series made a case for transforming obstacles into successes. In practice, one such hurdle can be an organization's own culture.

Organization Culture

By culture, I mean certain basic assumption patterns pervasive in any organization. They tend to be taught (either explicitly or implicitly) to new members as the correct way to perceive, think, and feel when it comes to external and internal events. "Political correctness" is an extreme example.

Culture is intertwined with organizational values. Is the customer truly first? Is efficiency truly first? Is the employee truly first? For example, there was a time when your call to add a new telephone line would find that efficiency was truly first. No matter what time of day the call, you would be answered by a recorded message saying all lines were busy. (Imagine this, at the telephone company!) Next, you would be told that your call would be answered in turn. You would wait, and eventually a very efficiently trained representative would handle your call. As another indication of what truly comes first, the amount of time spent with each customer was audited.

Obviously, this action would not make an employee feel much like Number One. It was apparent that someone engineered a very efficient queuing technique to insure that the customer service reps were 100% occupied. However, if the customer were truly first, the queuing technique would have been modified to minimize an average customer's wait.

The same result of being put on hold can happen when I try to order the local newspaper, call a major airline, and deal with other organizations which advertise that the customer is Number One.

Many organizations truly do put the customer first. For years, Caterpillar Corporation's motto was "24 hour parts service anywhere in the world." Frito Lay has driven 50 miles to deliver a case of chips to a grocer who just ran out of them. This is not very efficient in the short run, but it certainly emphasizes customers' needs.

There are not too many organizations that have employee-oriented mottoes like Dana Corporation's "Productivity through People". (Unfortunately, Dana has abandoned that focus in favor of the more process-oriented "People Finding a Better Way".)

Certainly efficiency, customer, and employee are all important, but which one is the most important? The answer to this question gives some strong clues as to an organization's culture.

Employee As #1

It has been asserted¹ that in organizations where the employee is truly Number One, the customer and efficiency will be best served. For example, where a function has been re-engineered to the nth degree, it is difficult to appreciate how human productivity can be maximized in the long run. Another example concerns the folding of Republic Airlines into Northwest Airlines years ago. According to a local news article, in the name of efficiency the toilet stall doors were removed in the men's room to insure employees would not read newspapers during working hours. It is hard to imagine that customer service was Number One in the minds of these employees.

In other cases, employees are well coached in exactly what to say to each customer, and very efficient procedures are put into place. Yet the negative results of doing something wrong can far outweigh the positive recognition of doing the same thing right. For example, news reports indicated that a bank employee refused to validate a parking ticket for a customer, resulting in the withdrawal of his \$1 million account. Undoubtedly, the employee was following the bank's standard operating procedure.

I submit that if employees were Number One, they would be given credit for having a head on their shoulders and be allowed discretionary approval of at least a minimum number of dollars. Then the employee really would be able to make the customer number one, because it is the employee who interacts one-on-one with the customer, not some set of rigid rules.

1. "In Search of Excellence." Thomas J. Peters & Robert H. Waterman, Jr., Harper & Row, US, 1982.

Lip Service

In many institutions, we tell our customer reps they are the most important people in the organization, but then proceed to pay them at the low end of the scale. On the other hand, it is common in these same organizations to tell the customer that he or she is Number One!

The answer is not in giving out large pay raises. For years, we have overpaid people in certain "dead end" jobs relative to what other employees are paid, without resulting in increased productivity. At the same time, I know of many productive nonprofits staffed by underpaid employees who believe in there mission.

Employee involvement programs can result in greatly increased productivity without a penny in savings going to the employees who participate. Why do employees do this for no increase in pay? Because they are given more freedom, equality, and participation.

ALIGNING PARTICIPATION, RESULTS, AND LONG TERM FOCUS

The last part of this series explored what might happen if organizations truly put the employee first. One thing which can hamper this is how we deal with each other's uniqueness.

*Understanding
People's Actions*

Consider one model which helps us understand people's actions:

U.S. Culture:	Reptilian Brain:
Freedom	Dominance
Equality	Territory
Opportunity	Aggression

Americans tend to see freedom as a God-given right. Our constitution clearly states the belief that we are created equal, and people have continually rebelled when they have felt they were not being treated equally. Horatio Alger still lives in most of us who continue to believe in American opportunity. For example, many of us would not take a permanent job if we thought there was no opportunity for growth or advancement. Similarly, we probably would not get the job if we told the interviewer we wanted a good dead-end position.

On the other hand, scientists say that all animals from the snake on up in the hierarchy, including the human animal, are in-born with the "reptilian brain"². Those of us with older siblings discovered at a young age that dominance and aggression were liberally exercised toward us. We are all very territorial, tending to take the same seat if we come to a meeting for the second day with the same group in the same room.

However, when we come to work, the first thing we lose is our freedom. We are told what to do, when to do it, and worst of all, how to do it. We typically resent this loss of freedom, especially when we are told how to do it after we have been trained.

The next thing we lose is our equality. We work under the direction of officers, superiors, and bosses, and opportunity seems to come more slowly than expected -- especially for younger workers.

Moving over to the reptilian brain, it may seem we work for bosses who have an overdose of dominance, territory, and aggression. "Just as you don't succeed in a slow economy by being slow, you don't succeed in the Reptilian Economy by being a snake." (Mpls. Star Tribune 11/2/94) Thus, giving a fellow worker more freedom, equality, and opportunity, while at the same time minimizing our own perceived needs for dominance, territory, and aggression, will tend to be motivational for the other person.

Leadership Styles

Certain managers' leadership styles do not lend themselves to establishing and maintaining this motivational climate. For example, autocratic styles are usually most effective for short term situations (reinforced by earnings per share pressure). On the other hand, the participative style often can be more productive, as long as it is non-manipulative and focused on the long term. This also is known as the employee involvement style.

Participative styles emphasize results rather than activity, while autocratic styles tend to value activities which produce results. Activity, itself, emphasizes the "how to", which to a trained employee restricts freedom to obtain results his or her way. Ask yourself why we hire employees -- to do work or to get work done?

What HR Can Do About It

If we accept the premise that the reward system for most managers and supervisors emphasizes the short term and that human resource maximization is long term, then how can an HR pro narrow this gap?

The answer is to exercise much more forceful leadership than has generally been the case in the past.

- As a first step, we might readily accept responsibility for any successful employee-relationship lawsuit against the employer, as perceived as the breakdown of the HR function. The same is true of successful Equal Opportunity and Affirmative Action

2. The reptilian characteristic ("R-Complex") is the oldest part of the human brain, dating back several hundred million years. At that time, it was a life of easy choices: Can I eat it? Should I ignore it? Should I run away?

litigation. It is only through accepting responsibility that one can obtain authority to prevent those actions and to help create a progressive climate where they are unlikely to reoccur.

- A second step might be to negotiate a bonus for long range human resource-based productivity increases. This will place emphasis on establishing motivational climates where the employee becomes number one. In turn, this increases efficiency and customer service through the efforts of employees. True quality in manufacturing and customer contacts does not come from a computer or machine, but from people.

For these changes to materialize, HR personnel must be ready and able to assume strong leadership roles.

REWARDING DESIRED BEHAVIOR

In the last part of this series, we explored how HR professionals can enhance a progressive work climate by assuming responsibility (along with the authority which naturally follows).

Behavior Is A Choice

One technique which has been popular is to introduce positive discipline programs. These tend to uphold the dignity of the employee, since the emphasis is on changing behavior rather than on handing out punishment. Ineffective oral and written warnings can be replaced by treating employees as adults. There would be oral and written reminders, and suspension would be replaced by a one day paid decision-making leave, where the employee decides whether or not he or she wants to work under the guideline expectations.

Every employee would be allowed career growth opportunities, even if it meant that some of them would leave the organization with a good taste in their mouths because they were truly given a chance.

Each employee could earn education credits based on tenure, to be spent on related education and seminars. Which punch press operator or manager wouldn't benefit from a Human Relations course? Allowing all employees to go to training would demonstrate the value the organization places on them.

Have co-workers volunteer to sponsor each new employee; for one week, they would be accompanied to lunch and breaks and have someone to answer their questions. Serve coffee and cake in his or her honor to a small circle of co-workers on the afternoon of the first day the new person is on the job. These actions become self-fulfilling prophecies, demonstrating to employees that they are truly important in the long range maximization of profits.

Biases, Values, And Attitudes

It won't be easy, because there is a long history of management belief reinforcing the short-term reward system. These beliefs are based on the biases, values, and attitudes we each have developed during our lives.

All of us have biases, meaning the sum total of all learning and experiences to date. For example, a person raised in a small town or rural area might consider a non-city setting the best place to live. Another person who attended a prominent college may feel that it is superior to all others. Related to this is our value system and our attitudes.

None of these three is in-born (biases, values, and attitudes), and each is learned. No one can change them for us, but we can change them for ourselves if we choose. In fact, during the process of growing up, our biases, values, and attitudes are changed many times. As well, some people change religious affiliations and political parties. However, at any one point our biases, values, and attitudes are set in place. No two people have the identical combination of them, something which complicates communication.

Two-Stage Communication

We have only communicated when we have transferred understanding to another. So when one person says, "You have a bad attitude", it is the speaker's value system in use and not that of the listener. The listener might take this as an unwarranted attack and become defensive, minimizing the possibility of future communication because the transfer of understanding did not take place.

A more effective way would be to identify the behaviors which give you the impression that the listener has a bad attitude. For example, you might say something like, "When I asked you to do this, you appeared to screw up your face and heave a sigh. That gave me the impression that you have a bad attitude about it". You have not attacked the person directly, but rather have addressed a specific behavior in a specific instance; your chance of transferring understanding is much improved.

HR's Role

We cannot change line managers' beliefs by simply telling them the old ways are out. We must identify behaviors desired of them and provide a system of rewards once they are performed.

Human beings are social by nature, and we all understand peer pressure. Thus, it would seem that concepts such as teamwork would be natural. However, our bias, values, and attitudes can cause us to pit worker against worker in the typical work system. Worst of all is that almost every one of these systems is characterized by peer pressure on the best producers to slow down -- to the "norm".

It is the role of the HR professional to point out that almost every employee involvement program is made up of teams of people. Reward concepts need to be changed in favor of team bonuses rather than individual bonuses. Also, it is often not productive in the long run to give only supervisors and managers bonuses, because this encourages applying short-term pressures on the workers. In this way, if a manager earns a bonus, there is a good chance the subordinate team members also deserve one.

PERFORMANCE EVALUATIONS: "NEED IMPROVEMENT"

A formal performance review is one chance supervisors have to improve their interpersonal effectiveness with employees. Before we go any farther, it would be helpful to review the purpose for such a meeting:

- to appraise performance against job standards, looking particularly for areas of improvement ("the past"),
- to improve the interpersonal relationship between the supervisor and subordinate ("the present"), and
- to set improvement objectives compared with job description standards ("the future").

The emphasis in an employee's appraisal needs to be on performance and not personality. Your job as supervisor is to measure end results, not to judge the personality that you encounter when you work with your employees. There are four general rules that you should keep in mind in conducting formal appraisal interviews.

DON'T use surprises. If you have not previously mentioned an issue to the employee before the interview, do not bring it up at this point. If something has not been brought up before, then at this point it is likely only to raise hostility and anger on the part of the employee. Instead, set expectations in advance.

DON'T use the "judge and jury" syndrome. By this, I mean to not schedule five interviews in one day -- like setting execution dates. Instead, spread out evaluations. Try to let the appraisal be a mutual discussion. Where we're at and where we're going.

DO use supervisor appraisals. This is the employee's chance to appraise you, the supervisor. The employee can tell you how good a job you are doing and what you can do differently. The use of "negative inquiry" and "negative assertion" skills in this interview is critically important. Make sure to ask questions such as, "What can I do differently that will help you?... How can I help you improve?... What can you tell me that will help me do my job better?"

DO keep the setting informal. Don't talk across a desk at the employee. Try to keep your conversation low key and informal, not rigid. Don't let your appraisal form regulate your conversation. Remember that this is an opportunity for you to improve the interpersonal interaction between you and your employee.

Practice active listening during the normal course of your work. When it comes to the review, you can obtain a lot of information that can help you as a supervisor to do your own job better. In fact, much of the information you need to manage your department effectively often already is being communicated from your employees to you, but you have to listen.

Next, use effective questioning techniques. Try some of these types:

- "Open ended questions" with no right or wrong answer. Example: "Tell me about some of the problems you're having... How do you feel about working with residents in this facility?... What do you think about our new charting system?" These types of questions will encourage the employee to open up and may give you information you're unlikely to receive any other way.
- "Reflective questions" which demonstrate active listening skills. Use this technique to paraphrase or restate what you heard the employee say.
- "Directive questions" which help you get on to a more specific point. These are the how, what, when, where, and why questions. Once the employee begins to think in specific terms, you are more likely to obtain needed information. This in turn can enhance the opportunity for agreement between the two of you.

As well, it's important during the appraisal review to mix the types of questions.

Remember to use the you / we technique. The rule is simple: use "we" to criticize and "you" to compliment. Example: "You did an excellent job of redesigning the division's overtime policy.... It appears we have a problem on this week's scheduling." Too few of us share the credit, and too many of us pass on the blame.

Speaking of communication, develop the habit of passing on second hand compliments. One problem typical in each of our organizations is that our employees do not receive enough positive reinforcement from management -- from us. Sometimes management is viewed as being the vital one whose job is to pass on critical information. Instead, actively seek compliments and pass them on to your employees in the course of work. Second hand compliments from others have much more power than a compliment from you. It shows that you listened and remembered what you heard. Actively try to seek good things through your reporting network.

Finally, don't forget to summarize. During an individual's review, it's important that you summarize what you have been talking about -- the progress you've made toward objectives and where you expect to go from here. Remember -- it sets the stage for next period's review.

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