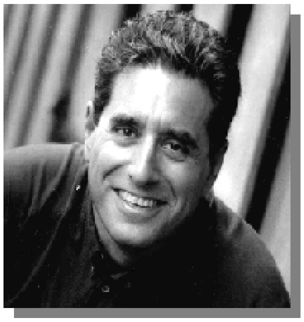


Viruses, deadwood, keepers and stars

BY DAVID COHEN
For Workplace News

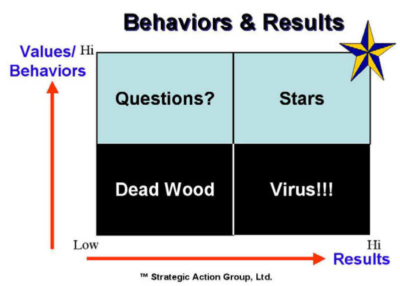
Respect? Trust? Teamwork? Accountability? What's wrong with the core values of corporations these days? Now that some of the CEO heroes of yesterday are pleading the Fifth Amendment on Capitol Hill in the U.S., many employees, shareholders and customers are openly questioning the integrity of business leadership.

Before the American Securities and Exchange Commission drops by your office, perhaps you should learn to identify which of your top performers are aligned with your organization's core values and which are eroding those values from within. This article provides a tool for making performance and value-adherence a black and white issue.

The Value Grid (above) categorizes people according to their benefit or harm to the organization. It measures employees using two factors: values/behaviours and results.

It's easy to appreciate your stars — they're the people who demonstrate the right behaviours while achieving superior results.

But what do you do with top performers who exemplify what you don't want your organization to stand for? It may be tempting to put off termination decisions for those who help your bottom line, however, you should recognize such people are "viruses." By overlooking, condoning or supporting the bad behaviours of your best performers you completely discredit your leadership integrity.



Gary, for example, was the top earner in the regional office of a major brokerage firm. Each year his net sales placed him in the "President's Club" despite his abusiveness to support staff, especially women.

Because of his star status, Gary was allowed to get away with nonsense for years until a new vice president of HR decided it had to stop. After a fresh incident, the VP went to the president to describe Gary's behaviour, the history of ineffective reprimands against him, and the impact it was having on others (turnover and copycats). The president called Gary to tell him his job was on the line if he didn't shape up.

Gary figured the message, as usual, was all for show. A month later he threatened an order taker's job for failing to do what he asked. The president called Gary to let him know security would be escorting him from the building immediately.

Does that seem like a tough decision, particularly in bad economic times? Not really. After Gray left, Steve was given Gary's accounts. Steve had high potential and fit the values of the company but had yet to prove himself. Within six months, Steve increased the book of business by 12 per cent.

How did he do it? It turned out that many of Gary's clients were wealthy household investors who happened to be women. Although they liked the returns Gary earned and didn't want to leave him altogether, they didn't reinvest those profits in the organization. Then Steve came along — someone they liked and trusted more. By beating Gary's numbers while exhibiting key organizational values, Steve proved himself a real star.

"Deadwood" are those employees who don't get results and don't exhibit the right behaviour. The decision to get rid of those individuals should be a no brainer, right? Unfortunately, organizations find it easy to let their deadwood continue to float down the river — though they pay a steep price for doing so.

A national union representative told me that deadwood are a big headache for their colleagues because they don't do their jobs well and are a frequent source of friction among their ranks. Yet management appraises them better than they should in order to avoid the hassle of a potential grievance.

A triple whammy thus occurs: productivity gets reduced, deadwood stay in place, and quality decays as other employees are demotivated by the passing appraisals they receive.

But isn't it your mission as a union to protect jobs even when it comes to the deadwood, I asked? "We'd go through the grievance process," she said, "but wouldn't put up a big fight. We just wish that management would have the courage to step up to the plate and lead on this issue."

In many focus groups and conversations I have facilitated, management's failure to respond quickly and consistently to value conflicts ranks as one of the most significant problems in employee's eyes. So what should management do with those employees who live the values but fail to produce key results?

For me, this is the only tough question. "Keepers" are often the beating heart of an organization's culture. They know the stories, provide a social network and organize the bowling tournaments. Yet they often surface as problems somewhere down the line.

Maybe it's because they get over-promoted beyond their capabilities; or maybe we fail to provide them enough support along the way because development opportunities are always forced on the extremes. They might simply need to be reassigned to a role that matches their skills and knowledge capabilities.

In hard times, looking at productivity numbers, keepers can be easy to let go — but be careful what that does to your culture and morale. After terminating the employment of a 20-year keeper, one executive expressed his remorse over the loss in organizational credibility: "Firing him was like firing Bambi."

In the end analysis, what was the cost and benefit? Skills and knowledge can be developed; but it's always difficult to find individuals with the right values. ●

David S. Cohen is President of Strategic Action Group, Ltd and author of *The Talent Edge: A Behavioral Approach to Hiring, Developing, and Keeping Top Performers*. His e-mail is david@sagltd.com

