



Enrichmentors Business Review

Developing your people

Insights into how to develop your people so that you can get best out of them

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What is in this Issue From The Editor's Desk

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Dear Reader,

Hope you enjoyed the last issue where I had shared with you how could you find out the right business for you to get into, especially if you are a budding entrepreneur!

In the April 2013 issue we had talked about how to motivate your people so that you can get best out of them. In this issue, I will try and address simple ways of the other key ingredient in getting best out of people- how to develop your people.

The talent development has been and is a major priority for the Top Management for all medium and large size companies. Large companies have generally their own HR function set up well so the basics are addressed adequately. The medium size companies who are still private limited and have aspirations of going to become a public limited company have the most need of the people development as they are in the transition from entrepreneur driven company to a professionally managed company.

I will specifically try and address this people development need of such companies in transition from owner driven to professional driven company. It may sound very easy but the past entrepreneurial culture of these companies make it a tough challenge.

The insights and learning are based on my attempts with talent development in such companies recently and my learnings in Unilever & Johnson & Johnson in earlier years.

Hope you too find ways to develop people for your business who take you from a entrepreneur driven private limited company to a professionally managed public limited company!

Developing your people

Insights into how to develop your people so that you can get best out of them

This people development paper attempts to answer following questions in learning how to develop people in your organization.

- *What are the key essential ingredients for developing people?*
- *How to get each of the ingredients done right?*
- *How to ensure that this becomes a sustained process?*

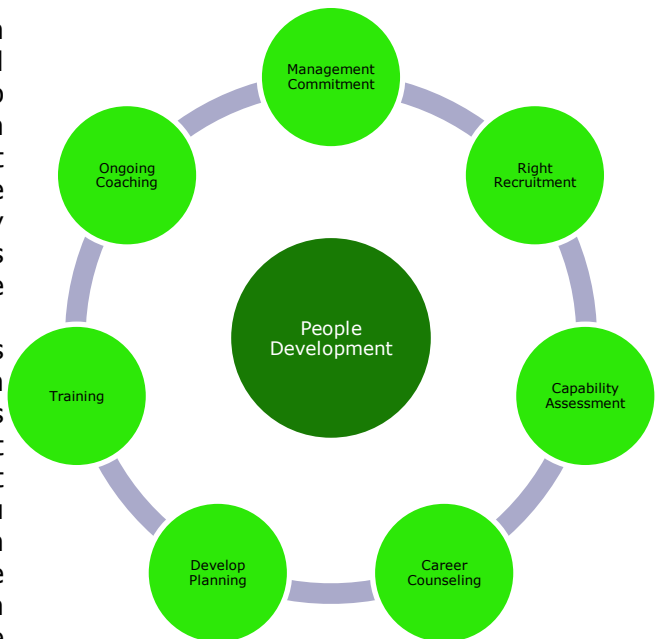
What are the key essential ingredients for developing people?

There are following five ingredients needed to develop people in your organization

- Management commitment
- Getting the right new people
- Assessing the current people
- Development Planning
- Training
- Ongoing coaching

The people development can only begin with the commitment of the total management, not only the top management! Of course, it has to begin with the top management commitment but it then needs to flow down to the last manager in the company. Any pocket of the company that lacks management commitment will have issues with people development!

Many of the people development situations arise from making compromises in getting the right people. Hence, it is essential to put processes in place that ensures that you start getting the right new people from now on unless you want to run a training school within your company as a strategy like Unilever and ICICI does. But even there, they ensure that they get the right people for those schools.



Having done the above two, you can begin the first step of the people development with assessing the capabilities of the current people right across the company. This assessment needs to be a combination of an annual assessment and ongoing assessment. The annual assessment will enable you to make development plan for each of them and the ongoing will judge of the efficacy of the development plan

Armed with the capability assessment, you need to decide the training and coaching needs and then provide these training and coaching

I will now take you through some of the best practices I have seen work in various companies I have worked for and with including Unilever, J&J and Volkswagen.

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Management Commitment



Let us now look at how to get the management commitment to people development, especially in Small and Medium Enterprises.

The best practice I have personally seen was in the Unilever in my early years of working followed by the companies like J&J. Both the company managements demonstrated commitment in variety of ways ranging from personal involvement to providing support.

Both the company managements spent their own time in

- ✓ Interviewing the candidates for final selection and ensuring the right people were selected
- ✓ Assessing their people periodically and providing them feedback on their performance
- ✓ Providing opportunities for their developments by job rotation, training and personal coaching
- ✓ Taking sessions at the company training programs
- ✓ Working with people and coaching them

In addition to their personal contribution they also provided resources required for the people development in the form of

- ✓ Adequate Budgets for training and development programs
- ✓ Time to people for attending Training Programs

What did these top management do to get their managements committed to people development which can be used by you as well

- They made each manager in the company including themselves and their direct reports accountable for training and development of their people. One of the accountabilities for each manager was to train and develop people. The performance against this accountability was reviewed every quarter, feedback given and plans discussed on how to do more or better
- They rewarded and recognized people who developed people by providing them better opportunities. The people developer moved up faster than others because they had developed people to replace them. As it happened, others also saw the benefits of developing people instead of the fear of losing their jobs!
- They put the non developers in cold storage so that they could not affect the rest of the organization much
- They moved out the people who went against the people development. This particularly is needed in SMEs as I have seen some of the family members working openly against people development and professionalization. Such festering wounds need to be knifed.
- They demonstrated their own commitment by walking the talk, personally taking interest in the development of people and making that a first priority as they went round their organization. I have seen the same in many SMEs to my pleasant surprise but the difference has mostly been how long can you keeping walking the talk, especially in bad weather. People are ready to notice the commitment to people development especially when you are under bad weather!

Half your battle is won if you can get your management committed to people development; rest is easy, this is the tough part!

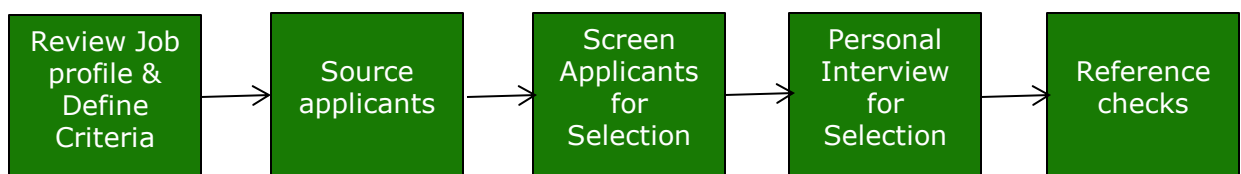
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Right Recruitment

You need to have the basically right people to start with to develop them over period of time. Much has been written by many eminent people on how to get right people for your organization. I will only share here my learnings from working in Unilever, J&J and Dumex about how can you also get the right people as they have managed to do and build businesses. All these companies had very strong processes to ensure that they get the right people and they spent time on it!

The process of recruitment is very straightforward and I will not spend much time on it other than summarizing as follows.



I will spend some time of yours in mentioning the common issues and compromises made by the SMEs and how to overcome them.

- The biggest challenge SMEs face is in the **sourcing of the applicants** as they are not that well known and hence do not attract the talent to begin with. They normally depend on HR Consultants to give them the applicants which works in a limited manner. I would urge them to **try going direct with newspaper advertising** for the applicants where a properly worded advertisement can get them the applicants as well as also start building up their image in the job market. The second avenue is to **get the references from current employees** by offering them incentives for getting right people. Of course this presumes that you ask the capable and motivated people to give you the references. These two approaches have been able to get me adequate number of applicants for the position in the SMEs I have worked
- The next challenge normally has been the **Personal Interview Process**. I have found this step in the whole process most unorganized. The interviewers come with nothing but a CV and then interview candidates over few weeks and then come to a conclusion. The conclusion about who is Mr./Ms. Right depends on who has more weight. The HR managers in such companies needs to step in and **lay down simple formats for personal interview** that have the agreed criteria on the left of a Landscaped page and the each applicants rated on a 1-5 scale in each of the subsequent columns. The second most important suggestion I have is regarding when and how the interviews are conducted. I would suggest that the candidates **must be interviewed for assessment in one interview where all the assessors jointly interview** and discuss at the end of the interview the ratings and arrive at a common one. Of course HR Managers needs to facilitate this.
- The last missing link is about the reference checks which some SMEs do and some don't. I suggest this to become a mandatory process which HR Manager need to follow before making an offer.

As I tried to put my thoughts down here, I realized that this probably deserves to be taken as a topic by itself in one of the monthly issues. There so much more which I can not do justice to in this issue.

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Capability Assessment



The first and most important step in developing the people is to have baseline view of the existing capability of each one of them to know the gaps for improvement.

Most of the companies follow a subjective rating system. The Best Practice I discovered was while working for Volkswagen where they were able to make the assessment very objective and ongoing!

The Best Practice in principle is quite simple but requires years of commitment to make the company become process driven in addition to results. It basically involves defining the Process parameters for each of the results expected from a position and then keep measuring the process parameters regularly- weekly at least for each person. The capability assessment is then finding the individual score on these process parameters. This approach will be suitable for positions where the work is repetitive and process oriented; mostly at the first level of employees- workers or sales staff.

For the higher levels of people right from first level manager to CMD, we have to live with subjective assessment. The best in class companies try and reduce subjectivity as I have seen in J&J and I shall talk about it here very briefly.

- The capability assessment needs to begin with defining the capability requirements for each position for which the people needs to be assessed and then developed. Most of the time these are derived from the Job Description or Job Profiles. The challenge is in ensuring that these profile are right for the position and will reflect in superior performance on the job for people having these capabilities either through development or inbuilt. Practically all SMEs do not have understanding and resources in developing the right profiles. The judgment substitutes for scientific validation of these profiles. How to develop a right job profile is a subject in itself
- These capability requirements then needs to be converted into the expected behaviors on each capability as was done by J&J for the Standards of Leadership. Each leadership standard was defined by 5-6 expected behaviors which could be very easily observed by the superiors, peers and subordinates.
- The stage is now set for the assessment and the most objectives assessment can be done using 360 degree assessment where the each such manager is assessed on a 5 point scale on these expected behaviors by his superior, peers and subordinates in a written questionnaire. The 5 rating is given for exhibiting the assessed behaviors all the time with 1 being never.
- The results are collated by the HR manager and a consolidated view is presented to the assessee and his superior outlining the overall rating on each capability requirements and its expected behaviors.
- With this you now have a capability profile of the individual highlighting his strengths and areas of improvements. The Strengths are those capability requirement on which the score is 4 or more where as the Area for improvements are those with score than 2.5.

With this capability profile, you are now ready to make the development plan for the individual.

Development Planning



You are now ready to make the development plans for your people. Yes, You!
 Development planning for people have to be done by their managers and then executed.
 You can not assign the development of your people to any one else including HR; of course you can take help. But the buck stops with you!

How can you prepare a development plan that you are sure you can implement as well?

- The first step is to select two areas of improvements for each of your subordinates through the capability profiles developed in the previous step. Keeping focused on two areas of improvements makes it more implementable and manageable. The best way to identify these two areas of improvement is to schedule a meeting to prepare the development with your subordinate, discuss his capability profile and jointly discover what these two should be.
- A very useful step, I found was to engage your subordinate in the career counseling. It formed part of a couple of hours discussions annually with each of your subordinates that started with the annual performance review and was followed by the capability assessment results, career counseling and development planning. The career counseling involves discussion about the future the individuals wants make for himself and what can he do within the company. We shall talk about this step in detail in next page. This step allows one to get the commitment of the individual as well for the development plan being prepared as it was now his life that you were planning for!
- So, what does a development plan look like? It would simply consist of 4 development activities that will help develop your subordinate in areas of improvement identified earlier

Personal Development Plan

SN	Improvement Area	Development Activity	Responsibility	Timing
1		1 2		
2		1 2		

- The question you may ask now is how do I determine the right activities that will help develop the person in the area of improvement identified? Here is where HR managers can really play a useful role other than recruiting people, like the J&J Worldwide HR did! They developed Development Activities tool book which listed possible development activities you can choose from.
- If your are lucky to have such a handbook, like I have been, you then need to see which activities would help the development and assign responsibility. The tendency generally is to assign all the activities to the person or HR! I would suggest that you take half and assign the remaining half between HR and your subordinate.
- If you are not lucky to have such a hand book, you then need to apply your mind on what will help the person develop among training programs, on the job coaching, new assignments etc.

So now you have a plan which has your and your subordinate's commitment!

Career Counseling



Career counseling is most often forgotten step in the developing people. Most development planning assumes that people will go where we want them to go as far as their career is involved. Right?

Wrong. You can not determine where your subordinates want to go in their career. You can only help them go there, if you know first where they want to go!

The effectiveness of your people development are as much dependent on you as much on your subordinate. So, it is of utmost importance to get into career counseling.

So how do you go about doing career counseling, especially in Small & Medium Enterprises?

- As mentioned previously and below, it needs to be a part of the Annual Performance Review Session.



- The objective of the Career Counseling here is to understand the career aspirations of your subordinate, advise him his options within the company given his current performance and capability assessment and prepare development plans to realize those options. The career counseling does not guarantee any particular career to any one.
- The process begins with you stating the objective and asking your subordinate to share with you his aspirations in next 5 years by asking him where does he want to go in his career in next 5 years.
- This is followed by a joint discussion on what does s/he need to do or have in terms of knowledge, skills and experience to reach there.
- A quick gap analysis is done to identify the knowledge, skills and experience that needs to be acquired by your subordinate.
- Care needs to be taken to keep the discussion, sincere, honest and realistic, especially for the people who do not have great potential today. It requires you to be pragmatic without closing the future doors for the person.
- You need to avoid statements like "you have no potential for growth" and use " your potential for growth in the company is limited to day because....., If you address these issues, we will need to talk again."
- Since it is counseling session, you need to more ask questions to clarify and listen rather than advise straight away. Try helping your subordinate make conclusions about his realistic career goals, current performance and capabilities, gaps in knowledge, skills and experience
- Remind him that you can only provide options at appropriate times, how far does s/he reach, will entirely depend on him. You can help but he has to work

With this session, you would have opened the doors for a realistic development plans with mutual commitment!



Training

How can I train and whom? And why?

As a part of your review and development planning, you may discover a common need. That provides you a great opportunity to put all of your team together and train them how to go about that need.

Training is also a great tool to get new initiatives implemented well. I have greatly benefited in getting my things done from my people by starting by training them how to do it.

Most people will do what you want, you just need to train them!

So how can you train effectively? Let me share my learnings from teaching at IIPM, Delhi, where keeping the attention and attendance was a huge challenge which made me to change my teaching technique that improved the participation from 25% to over 95%

Training Effectively



- You need to spend adequate time with the participants you are meeting for the first time in the beginning of your training program so that you know what is their expectation from the training program. It is also a very useful practice to ask them to tell you what they would like do in life. Knowing their aspirations allows you to answer the WIIIFM (What is in it for me) question later.
- Having known their expectations, you now need to align the training objectives with their expectations by either modifying your objectives or toning down their expectations.
- One of the key things of training effectively is to answer the WIIIFM question- "What is in it for me". You now need to answer genuinely how will this training program help them do what they would like do in their life. If you can do that, you will have their complete attention during the training program
- Before you begin their training, you need to assess their current level of knowledge through a structured questionnaire about what you are going to teach them. This helps you know how much do they know about subject now and what should you focus on. It also becomes a yardstick to measure how well they have learned when you do the post training assessment using the same questionnaire. More importantly, they also come to know their own level of knowledge and become more receptive to the training inputs.
- You can now begin the training with your presentation. You need to keep the training materials as much interactive as possible. Keeping the presentation in question and answer format allows you to keep the participation level high as well as does not stress you with all the talking. As a rule you should not be taking for more than 5- 10 minutes continuously. You need to take care to ask question and invite opinions as soon as you feel you have talked enough and need a rest for yourself and participation from them.
- Post the training you need to ask the participants to answers the same questionnaire used earlier and determine their level of knowledge know.

Try this next time and see how much more participation can you generate along with the learning as you have the measure for that now!



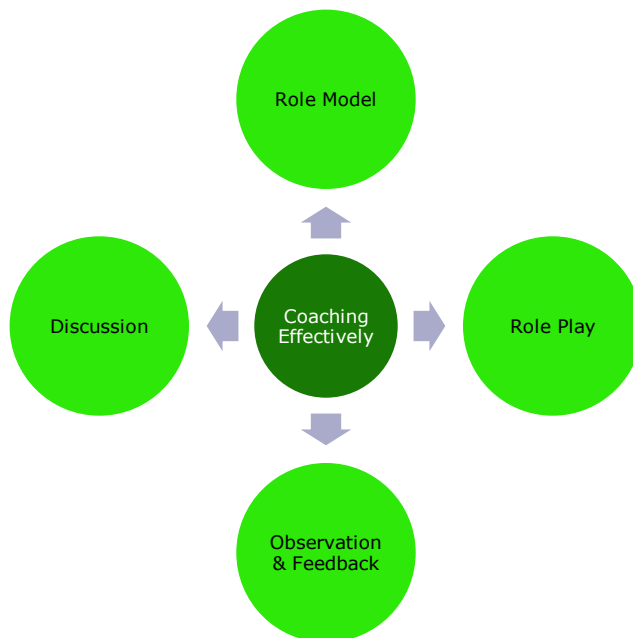
Why coach when you have trained them effectively?

Training only provides the knowledge about a subject matter that will help them improve in the target area. It can not improve their skills in actual working.

You need to coach each of the people for many times before they can effectively get the skills to make lasting improvements in the focused area of improvements. As a thumb rule you need to work with them 6-13 times before you can say the coaching is done!

So how can you coach them effectively? One of the best ways I have seen is with Volkswagen in improving the selling skills of their dealer sales people as well in J&J for the sales team. Here is what you can do to coach effectively. I will list four essential ways you can coach.

Coaching Effectively



- I recommend to begin the coaching with role modeling where you ask the best skilled person in team or an outside expert to demonstrate how to do the task required that will improve the focus area. It can be done as an one time event from an external expert on a specific skill or periodically within your team by picking the internal role models. Internal role modeling also help motivate those role models while becoming the coaching medium
- You need this role modeling to be immediately followed in the same session with role plays where the rest of team tries playing the role as demonstrated earlier and the role model provides his feedback.
- Once the basic skills have been played out in class setting in role modeling and role playing, they need to be taken to the work life by your sub ordinates with you as an observer. You will need to allow the person to work as he should and provide him feedback after the work session
- You can also use office discussions for coaching to understand how your subordinate is working and what should be start, stop and continue doing

It requires a lot of perseverance along with this insights to develop people and they will develop for sure, if you believe in them and work on it! Just staring doing it!!

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