

# White Paper

## “5 Ways to Destroy Your Business”

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5 Ways to Destroy Your Business is a tongue in cheek way of pleading with leaders to do the exact opposite in order to create a sustainable, profitable organization. So let's get started!

1. **Hiring:** Having the right employees in the right roles for the right amount of time simply cannot be downplayed. It does seem like a pretty easy concept, right? Then why do so many companies get it wrong?

During the hiring process, one major reason companies inadvertently hire the wrong people is because it is not clear on what skills or attributes they are looking for. Creating basic job descriptions for every role in the company will save time, money and painful experiences for all involved. Another major reason that companies inadvertently hire the wrong person is that there is a lack the time allocated to management to find and screen appropriately qualified candidates as well as a lack of time to conduct effective interviews. Often the manager tasked with filling the position is stressed, carrying a heavy work load and feels rushed to fill the position with any warm body. Any manager put in this position may hire the person who may just be “good enough” and end up with him/her not being able or willing to meet company expectations. In order to avoid hiring the wrong candidate, time must be allotted to hiring managers so that they can take an appropriate amount of time to find the right types of candidates, ask the right questions, get the right people involved in asking those questions and to finally give realistic job previews to the top candidates. Supply and demand drives the availability of qualified candidates therefore every position will take a different amount of time to properly fill. For some positions this may take 12 hours over 2 weeks; for other positions this may take 10 hours a week over 2 months.

1. Hire the wrong people.
2. Do not train employees.
3. Do not pay or reward employees effectively.
4. Do not hold employees accountable.
5. Keep employees employed too long.

2. **Training:** For the sake of this article, let's assume an organization has indeed done their due diligence took the time necessary to find qualified candidates and hired the right person for the job. Now what? Training is a must, especially for less experienced staff such as those in the Millennial Generation. One may ask “Why is there a need to train a new hire? Our management team just took painstaking measures to make sure we hired the right person, shouldn't he/she be able to jump in and do the job they were hired to do? Isn't training a drain on resources: both time and money?” I am certainly not going to argue those points because you are correct, however I am going to provide reasons why training is not optional but a necessary business process, particularly with new hires.
  - a. First managers must be aware that training is not development. Training is preparing a person to do their current job, not preparing (aka: developing) an employee for a future job.
  - b. Every organization has their own processes and procedures and the new hire must be trained on these. If they are left to read a manual or figure it out on their own,

they may not out figure it out at all – at least not to your standards. That is unless mediocre work product is good enough for your company.

- c. Untrained employee's equal unhappy employees which leads to unproductive employees. Employee's want to feel supported while feeling they are providing value to the organization. Employee's whose supervisors spend time investing in their training are more loyal, willing to work harder to achieve company goals and will generally stay at the organization longer than their untrained colleagues.
- d. Counseling, disciplining and/or terminating employees and having the work redone takes more time (and therefore more money) than training them in the first place.
- e. Losing a customer due to an untrained employees mistake is a huge risk to be willing to take on in order to avoid investing in training.

Training of new hires or of current employees on new processes is vital. How is training done? (1) Tell employees how to do it (2) Show employees how to do it and (3) Do it with them! Make sure to record any necessary instructions or step by step processes so that every employee is consistent in their work approach. Investing a few hours of your time with employees during training will give you a much bigger Return on Investment than investing no time at all.

- 3. **Pay & Rewards.** Yes, it is the FLSA law (Fair Labor Standards Act) that employers must compensate employees for their labor efforts towards an organizations business goals and yes, most employers are following the minimum requirements of the law (for example: paying at least minimum wage and overtime where required). With that said, compensation is not most employee's only motivation for staying at a company for long periods of time or going above and beyond their call of duty. Employee's desire to feel valued, learn new skills and be rewarded for their extra efforts. Rewards can be monetary in forms of raises, commission or bonuses however rewards can also be non-monetary tokens of appreciation. Some examples of non-monetary rewards are: the gift of time (extra hours of paid time off), thank you cards or simple appreciation statements, team lunches paid for by the company, gift cards for a job well done and even development opportunities. The note of caution I am adding is to be careful of public recognition as some personalities would prefer private recognition. Also, certain gifts are taxable so be sure to speak to your CPA regarding cash or other gifts.
- 4. **Accountability.** If you made it to this paragraph, it seems you are invested in preparing your company and your employees for success. Your management team hired the right people, trained them and are rewarding them effectively. What's next? Creating an accountability culture is fundamental. Set up employees for success by making sure they have a current list of job duties and expected priorities of those job duties. Being fair and consistent to all staff is extremely important for mutual respect as well as retention of top talent.

Also, be sure to provide feedback often and be sure it is honest and constructive. For example, instead of saying "John you did a great job today", use a statement such as "John, I was very impressed and appreciative of your ability to get the situation on the XYZ project corrected today. You saved the day with your quick thinking to get the customer order delivered on time. Thank you".

Of course managers may also have to have conversations that correct individual's performance or behavior. It is very important to do these quickly and in private. Giving employees the respect of privacy during counsel, even if they are poor performing employees, allows managers and employees to build a relationship of respect and trust. He/she will be or likely to want to please a manager who treats them with respect than to simply succeed for their own benefit. Having difficult conversations means sticking to the facts while professionally outlining mistakes or downfalls AND offering solutions at the same time.

5. **Tough Decisions.** There may come a time that a manager must make a tough decision and let an employee go through an involuntary termination for poor performance or a policy violation. Often when you let an employee go – even those who have been with the company for a while – the team around that person perks up and is relieved to see the company taking action and holding others accountable. Keeping a non performing employee around “too long” is demotivating to their peers and does not encourage others to step up and get involved in challenging work. Why? If employee “A” sees employee “B” performing poorly with no consequences, they may take the stance that it is ok to do the same because no one gets terminated at company XYZ. Often making a termination decision is tough at first but usually turns out to be a bright light at the end of a dark tunnel for everyone involved, including the exiting employee who will usually find a position better suited to their skills and personality. During and after terminations, always be professional and respectful. The termination decision is not up for discussion with other employees. Being respectful of the person who left will bring your remaining employees to respect you even more.

