## Chapter Seven: Building a Strong and Ingaged Team

Effective leaders build their success by partnering with people. They take steps to recruit the right people and cultivate them after they are on board. In this chapter, we will explore effective ways to build a great team.

Ingagement is not something that happens only at the top of your organization, or with individual managers at different levels. For ingagement to reach its fullest potential it should become part of your organization's DNA.

Let's take a moment to revisit "Employee Engagement: What's Your Engagement Ratio," a study conducted by the Gallup Organization that I mentioned in Chapter Two. To recap, that research found that an increase of 70% in employee engagement yields a 240% increase in customer engagement. Companies with high levels of engagement achieve earnings per share growth at a rate that is 3.9 times greater than do companies with poor employee engagement.

To quote from that study:

"The world's top-performing organizations understand that employee engagement is a force that drives business outcomes. Research shows that engaged employees are more productive employees. They are more profitable, more customer-focused, safer, and more likely to withstand temptations to leave
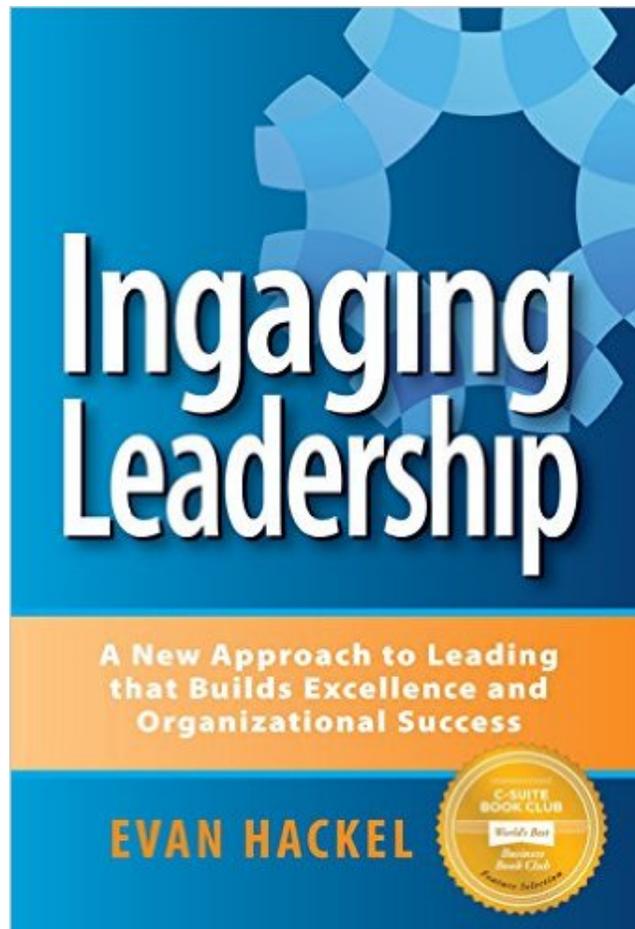
the organization. In the best organizations, employee engagement transcends a human resources initiative – it is the way they do business."

To summarize, ingaged employees are far more effective then non-ingaged employees. They think and act differently. They are more collaborative, more concerned about the success of your company. They also create a very positive work environment.

Simply wanting ingaged employees is not the key. The key is to cultivate ingagement in the people who work in your organization, and also to hire the right people. That's what this chapter is all about.

How Can You Cultivate a High Level of Ingagement?

To run a successful organization, you need to bring together a mix of people with a variety of strengths. Another way of stating it is that you need variety, as embodied in a group of people who possess different strengths.

One reason to cultivate a good mix is that we all have weaknesses. Everyone in any organization has shortcomings in terms of needed skills, and it is important to recruit people who can help compensate for them.

For example, I am a person who doesn't like to get "in the weeds," by which I mean I don't always relish handling the day-to-day, operational side of my business, although I can handle it capably when I absolutely have to. But I bring a negative attitude to such tasks, and I tend to make mistakes. It is hardly a win-win situation. That is why I have balanced my staff by recruiting people who are incredibly detail-oriented. I can share a big idea – most often, one that they have helped me develop in an ingaged way. They then can help turn that idea into a tactical plan and actually make it work.

So the goal is to create a balanced staff that allows everyone to spend the majority of their time doing what they are really good at, and what they enjoy.

The Problem with Hiring People who Are Just Like You

Many company owners, managers and executives make the mistake of hiring people who are just like they are, or putting together teams of similarly minded

people. Software engineers tend to like to work with other software engineers, for example, and people who launched businesses by selling assertively tend to hire assertive sales professionals. As a result, their organizations fail to have the balance that they need for peak performance.

Instead, take a look at what's happening within your organization. As you look at your team, do you see people who are doing only what they are required to do, rather than what they love to do and at which they excel? If that is the case, your company as well as your team could be better served if you recruited a mix of people who together provided all the skills necessary.

Imagine that your business is like a symphony orchestra. Now imagine your orchestra is made up only of musicians who can play strings and tympani. What kind of music will it make? Granted, it might sound okay, but it will not make beautiful music. A full symphony orchestra usually has a group of musicians who play more than 13 different instruments, not just one or two. And chances are that your organization needs people who can perform a dozen or more specific roles.

When considering your business teams, think of yourself as a conductor who, with the right mix of ingaged people and a beautiful score, can achieve brilliant success.

Action Step: Consider the variety of the people in your company. Are there gaps in ability, attitude or experience that are preventing your organization from achieving its greatest potential? If you were starting up today, what kind of staff would allow the business to grow and prosper?

Hire and Support People who Have the Right Attitude

Attitude is the most important trait among your people.

Attitude is a game-changer. If you populate your organization with people who are positive, they will lift others and lead them to excel. On the other side of the equation, negative people can drain the energy out of everyone around them. Negative people in an organization can kill your chances of success.

I am not recommending that you want a staff made up of people who are irrationally positive all the time – artificially upbeat cheerleaders who have no grounding in practical business. I am saying that you want resilient people who

adopt a strongly positive yet realistic point of view when facing business challenges and setbacks. Those will be the same people who will look for ways to make things even better in times when everything seems to be going well.

Negativism kills. You can talk to some very skilled people who will say, "I know that everything seems to be going well right now, but I am waiting for the other shoe to drop . . . here are a few negative things that are bound to happen, and things will then get worse."

Although it is good to look ahead and anticipate future problems, you want people who are going to be positive, who are going to realistically inspire others. And when people are inspired, they will perform better and your enterprise will prosper.

Evaluate and Compare Employee Attitudes

Ron Willingham, the author of *Integrity Selling for the 21st Century* and other excellent books, has devised a very simple way to evaluate the effect of attitude on team members:

- **First,** evaluate the person's expertise – how much he or she knows – on a scale of 1 to 10.
- **Second,** evaluate his or her experience – how long has he or she been doing this kind or work – again on a scale of 1 to 10.
- **Third,** assess his or her attitude on a scale of 1 to 10.
- **Fourth,** add together the numbers from the first two steps, and multiply the result by the number from the third step.

Sample evaluations:

- **Employee A** rates an 8 in expertise, an 8 in experience, and a 2 in attitude. Her overall score is then 16. [(8+8) x 2 = 16]
- **Employee B** rates a 2 in expertise, a 4 in experience, and an 8 in attitude. His overall score is then 48. [(2+4) x 8 = 48]

Willingham's approach reveals that you can hire someone who has skills relevant to your needs and 30 years of experience, but who will still not create value for you if he or she has a negative attitude.

If you hire someone who has a can-do attitude and very little experience, he or she can have the potential to be much more productive than a negative employee with far greater experience and skill.

Make a Commitment to Invest in People

Unless you have highly motivated people who understand your company's vision and are committed to it, it will be difficult for your organization to achieve its fullest potential.

If you don't already think of your people as resources to be cultivated, I urge you to start doing so by applying some or all of the practices that follow.

Create a Plan for Each Employee

The people who work for and with you are always changing, always in a state of flux. Some are improving, others are following a downward path. Some are becoming more committed to your organization, while others are growing dissatisfied. Some are developing new skills and discovering better ways of supporting your company, while others are burning out and looking for jobs elsewhere. Good companies understand that change is part of working and become committed to cultivating employees so they consistently take the higher road and improve.

Employees' performance reviews offer a good setting to cooperatively create plans with them. What specific goals would employees like to reach in the coming year and beyond? What skills and experiences would *you* like them to add? If you put those expectations onto a timeline, you will have taken a good step toward helping your employees grow, become more fulfilled in their work and become more valuable to your organization too.

Action Step: Identify several employees in your organization who would benefit if you created development plans for them. Next, write down some of the steps that you would include in that plan, such as training, spending time in other company locations, and more. After that, try to identify more employees who could benefit if you created a plan for each of them. Finally, make some decisions about whether, when and how you might create those plans.

Invest Wisely in Training

Training creates a company where people have superior skills, yet training can pay even larger benefits. One of the biggest is that if you invest in training, your employees will realize that they have a future with your company. That creates an environment where your best people are much more dedicated, loyal and productive.

A joke that conveys a deeper meaning . . .

A manager asks, "What if I invest a lot of money in training my people and then they leave me?"

Another manager retorts, "What if you don't train them and they stay?"

The reality is, it's critical to have a well-trained staff if you want better performance. Yet many companies unfortunately scrimp on training.

Action Step: Identify some areas in your organization where training could have the potential to improve performance dramatically. Make a plan to provide it.

Perform Regular Reviews

Reviews help ensure that the people in your organization understand your expectations and your opinions about how they are doing. Here are some other reasons why reviews are such effective tools:

- Reviews help keep people and their work aligned with current company priorities and plans, so they are not "working blind."
- Reviews can provide important information you need to know about any current personal problems or issues that could be affecting employees' work.
- Reviews offer a good setting where you and employees can make motivational plans for what they should achieve in the coming six months or year.
- Reviews offer an opportunity to "take employees' temperatures" about how positive they feel, how ingaged they are, and other issues.

How are you doing in this regard? If you are not conducting regular reviews, you could be causing more problems with your team members than you realize. Why? One reason is that, in my opinion, people tend to believe the worst, not the best, if they are kept in the dark about your evaluation of them.

Two effective ways to conduct reviews

- **Self-evaluation prior to review -** The manager and the employee each completes a review form, then meet some days later to compare and discuss their comments. In my experience, when employees evaluate themselves in preparation for a review, they do not hesitate to be critical of themselves. Though they tend to bring up areas that I wanted to raise anyway, they often are harder on themselves than I would be.
- **360° reviews -** Each employee is reviewed by not only him or herself and a supervisor, but by a group of people with whom he or she interacts on the job. My preferred way of conducting these reviews is to have people submit their evaluations of the team member who will be reviewed, then to sort the comments into categories on one master form. That prevents the employee under evaluation from trying to guess the identity of his or her evaluators. And 360° reviews can be very effective. If an employee sees that a number of people are focusing on an area that needs improvement, those comments will be more credible than those that came from one supervisor. On the opposite side of the equation, when an employee sees that people like what he or she is doing, those positive comments are more believable and encouraging.

Some insights from a sample 360° review . . .

A 360 review can communicate a wealth of information. Here are some comments I received about my own strengths and areas for potential improvement during one of my reviews:

- "As a leader, Evan is first rate. He is respectful of people and solicits opinion. He also does a good job of keeping management in the loop on high level strategic thinking and direction."
- "Evan is a strong leader with a vision. He manages different people differently according to their personality and needs. He is very responsive to staff and to members. He is very good about communicating and sharing what's going on with staff and members. He is a very hands-on manager. He is also a very inclusive manager and one who wants to get

both staff and membership more involved (e.g. many councils, monthly staff meetings)."

- "Evan is learning how to ask more questions to let others get to the right answers instead of trying to manipulate issues toward what he feels is the right path."
- "Spend more time communicating up front. This was done very well with the five-year plan, but it could be extended further. Also, I believe Evan is one of the most compassionate leaders that I have met, but this does not always come across with members and some staff members. It would be helpful if he would take the time to explain things with a little more clarity."

While that feedback isn't always pretty, it is always useful. It has been invaluable to my own interpersonal and management development. These reviews can energize your staff members too, and further the process of consistent improvement.

Two strategies to help you and your employees benefit much more from reviews . . .

Let me share two strategies that I have found to improve can dramatically improve the review process:

- **Bring the company's vision into the review discussion.** In reviews, I ask, "In your own words, what is the vision of the company?" I next ask, "How do you help the company achieve that vision?" Those two questions help assure that people understand the company vision, understand that it is important, and understand how they contribute.
- **Give new employees a copy of the review form as soon as you hire them.** This lets them know right away what they will be reviewed on. It also prevents the situation that often crops up in reviews when employees who have just gotten the form say, "I had no idea you were going to be reviewing me on these things!"

Add a plan to take reviews one step further . . .

Reviews are more than scorecards. They provide an opportunity to build a plan with each employee. What are the key areas the employee should focus on in the next year, for example? What is he or she doing well that can be built upon? What areas of improvement can they work on in the next 12 months? Once

you've agreed together on goals, set check-in points and incorporate them in a training and development plan. Regardless of the type of review you choose, it can produce motivating action plans for learning and growth.

Action Step: Assess the way your organization conducts reviews. Consider regularity, approach, methodology, and look for areas ripe for improvements.

Remember that Benefits Matter

Offering excellent benefits to the people in your company is expensive – no question – but it is critical to cultivating and retaining a strong employee base. And as we noted at the start of this chapter, your staff is your greatest asset.

Benefits keep people within your organization. If you are not providing comprehensive healthcare coverage and another company offers a better package, people in your company will look for work at that other company. The same is true in relation to funding a 401(k).

Investing in benefits ultimately means that you will keep good people and reduce your turnover. And remember, turnover is expensive. To find a replacement for an employee who leaves is expensive and time-wasting. You have to spend money and time to recruit each new employee – usually while the job of the employee who left is being handled by other staffers, or being left undone. After you bring your new employee on board, it costs money for the training that gets him or her up to speed. And in some cases, the first person you hire doesn't work out. He or she fails to serve customers well while getting up to speed, for one example, which costs you money and business. And if that new hire doesn't work out, you have to repeat the entire process a second or even a third time.

Those steps are hugely expensive. Yet in many cases, you can prevent them by simply having an excellent benefits plan.

I have been a small businessperson and I have worked for large companies, too. I am fully aware of how time-consuming and expensive it is for small businesses to offer good benefits. But the reality is that doing so is worth it. The money you invest is money well spent.

Action Step: Review your benefits plan by comparing it to those that are being offered by other companies where your employees could be looking for jobs. If your benefits aren't in the ballpark, you could be encouraging your people to leave you.

Look for Value Fit

Even the most skilled and hardworking employees might not be the best people for your organization if their values do not fit with those of your company. If your company's values include a commitment to listening to customers and exceeding their needs, for example, a manager who doesn't like to listen to customers might not be the best person to have on your staff, even if he or she seems to be meeting the requirements of the job.

When an employee is a solid performer and does not fit the corporate values, you face a difficult challenge. Unfortunately, such employees are unlikely to change just because you tell them to "be more collaborative" or, "spend more time being an active listener." You can however, provide educational, training or other opportunities for them to learn to be more collaborative or improve their communication skills.

Some value problems might be insurmountable. Dishonesty and a lack of integrity, for example, are causes for termination.

It might be a controversial idea but in my opinion, when people reach a certain age, maybe age 30, it can be more difficult for them to change the way they think. They have grown up learning a certain set of values, and changing those values is hard for them and for you as an executive.

Strategies for Recruiting and Hiring Ingaged Staff Members

This book is not meant to be a handbook on hiring. There are many excellent books out there that are. However, I would like to offer some suggestions on hiring the right people, from my perspective, that can help you cultivate a more ingaged organization.

To evaluate listening . . .

Chances are that you will not gain too much insight into a job candidate's listening skills by asking, "Are you a good listener?" But you *can* learn a lot by paying attention to how well people listen during interviews. When you ask

open-ended questions, do they listen well enough to respond directly to the questions you ask, as well as to any subtext?

To evaluate openness . . .

As you know, ingagement is the central theme of this book. Yet in interviews, it can be difficult to evaluate a job candidate's desire to communicate in the open and committed way that supports ingagement.

You could say something like, "In our company, we value openness. Do you value openness?" Yet because the person you are interviewing would like to be hired, chances are the he or she will reply, "Oh yes, very much, I value it." (Candidates are unlikely to say, "I know it is a core value of your company, but I don't value it.")

The following questions can help you assess how open the person has been in the past, and on how much value he or she places on openness:

- "Tell me about a time when a colleague or manager couldn't deal with opinions that differed from his or hers? What did you do?"
- "In what areas in our company do you think openness would be helpful? Where would it be ineffective?"
- "What are some examples from your career that would demonstrate that you value openness?"
- "Can you tell me about a work situation when someone's openness and honesty have been beneficial?"

Those are probing and effective questions. I have noticed that it is difficult for candidates to lie on the spot or misrepresent themselves while answering them.

Question to evaluate other key areas . . .

- **To evaluate orientation toward results -** "Tell me about a time when something you got done demonstrated your focus on results."
- **To evaluate honesty -** "Share an example of a time when someone acted dishonestly. What did you do, what were the results, and can you tell me what your take-away lesson was?"

- **To evaluate the desire to collaborate -** "Have you collaborated with other people to solve a problem? What did you learn that you believe could apply to working here?"

When you ask people to reflect on past experiences with questions like those, you elicit deeper information about what they believe and practice. You also have an improved ability to understand how well they will fit in your organization.

Concluding thoughts for this chapter . . .

Many employees will respond to the strategies that I explain in this book and become fully ingaged in your organization. But while I hesitate to end this chapter on a negative note, I would like to observe that there are times when letting the wrong people go sooner rather than later is the wisest decision you can make.

Action Step: I recently attended an excellent presentation by Jeremy McKinley, a very smart man who is a member of the top marketing team at Trek Bicycle. He was discussing his strategies for marketing and brand success. One of his slides said simply, "Fire Someone – You Know Who It Is."

Although his slide caused people to laugh, it became somewhat clear in the discussion that followed that most of the people in the room believed in what it said – and believed that they could benefit from letting certain people go.
If someone does not share company values (or does not care to do so), if he or she has shown dishonesty, if he or she is autocratic and uninterested in ingaging with the other members of your team, letting that person go can be a very wise decision indeed.