Seven Costly Mistakes Executives Make that Cause Productivity, Performance and Profits to Suffer...

...and People Suffer TOO!

This Executive Guide features practical solutions that effective leaders can use to re-establish strong accountability in winning organizations.

ACCOUNTABILITYPAYS

One Conversation at a Time

Introduction

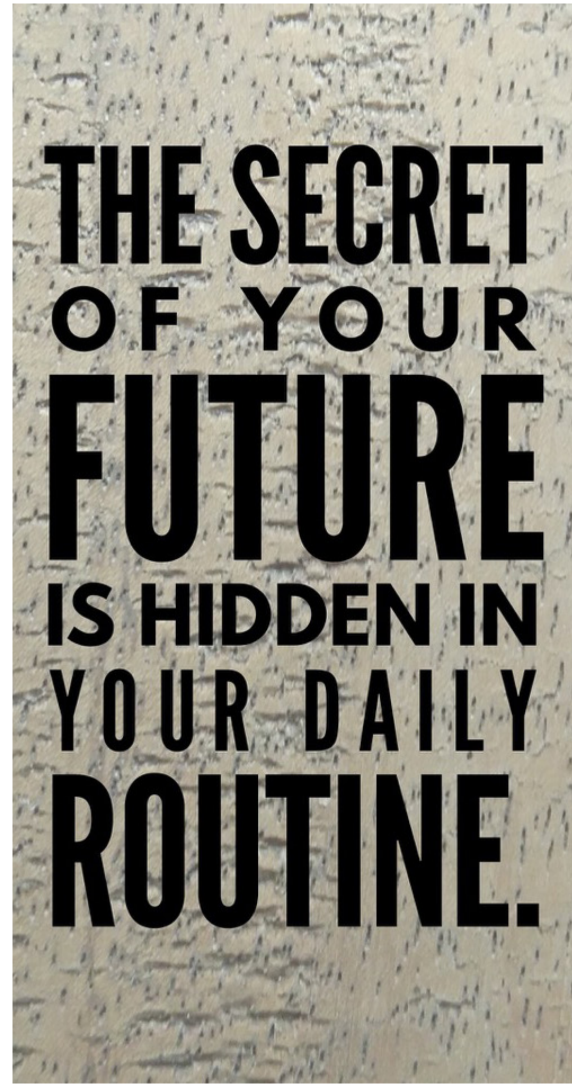
Performance is how well work is performed (quality). Productivity is how much work gets done (quantity).

People – the human spirits – are the source of the work that gets measured. My guess is that if you hold an executive position in an organization, you will find yourself in this report at least once. All personal stories are true accounts of real situations and real costs. Names changed to protect the innocent.

Every one of these seven costly mistakes finds its source in either faulty thinking or faulty communication or both.

Seven costly mistakes executives make that cause performance, productivity and profits to suffer.

1. **Poor communication, in particular:**
   a. Being unwilling to have difficult conversations
   b. Not communicating expectations
   c. Making statements when questions are in order
   d. Not Listening
2. **Acting as if your assumptions are the truth**
3. **Lack of focus and a plan**
4. **Lack of clear thinking that leads to poor decisions**
5. **Using the wrong measures of performance**
6. **Using poor systems (or environments) and expecting people to overcome them to produce superior results**
7. **Ineffective, off-putting or damaging relationship management with employees and/or service providers**



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Using the wrong measures of performance

This costly mistake can be applied to the organization's goals and how they measure achieving those goals. For instance, a service company that trains executives could measure the number of people who come for training, which impacts revenues, but neglect to account for the quality of training that those who came, received. Both are important, and the trainer who is measured only on numbers of attendees without notice of the quality of performance could be discouraged. Attitude kills aptitude. Further, deeper analysis would attach the training to results produced!

Using this same illustration, having the wrong trainer for the attendees would damage the experience of the customers as well as the trainer. A wrong hire sets the hired person up for failure, yours and theirs. A new hire taking a job that does not align with his or her preferences is an expensive mistake for the company as well, because eventually that individual will sabotage his or her own performance and the company will suffer the consequences.

> *Leo was enthusiastic, willing to work long hours and wanted to please his boss. He graduated at the top of his class in college and landed a job as a staff person at a very large professional services company. Leo soon understood that the way to get ahead at the firm was to complete his assignments under budget, on time and get along with the client. One of his early jobs he got caught by his boss short- cutting work to make budget, which exposed the firm to the risk of a poor work product.*
>
> *When this happened a second time, Leo was fired. A couple of years later his prior boss and Leo bumped into one another. Leo thanked his former boss for firing him and getting into a career path that better suited his skills and one in which he could flourish. Leo explained how happy he was with his new career in sales. He*

acknowledged that at the professional services firm he was in the wrong job for him and he didn't know it.

One significant impact on measures of performance is the company's values. If, when hiring or when creating projects, or when planning for the future, the values reality check is superficial or non-existent; there will be an impact on productivity. Why? Because values drive human behavior, whether those values are distinguished or undistinguished.

For four years I coached the senior executive team of a very large company with three offices in three different states. The company did not have any explicit company values expressed anywhere. I continually encouraged the CEO to allow me to introduce a values analysis. His response was, "Show me the ROI on values and I'll support this initiative." I am still seeking any quantitative data on the impact of values in an organization. It is difficult to find because it's like distinguishing the air we breathe, or fish distinguishing the water in which they swim.

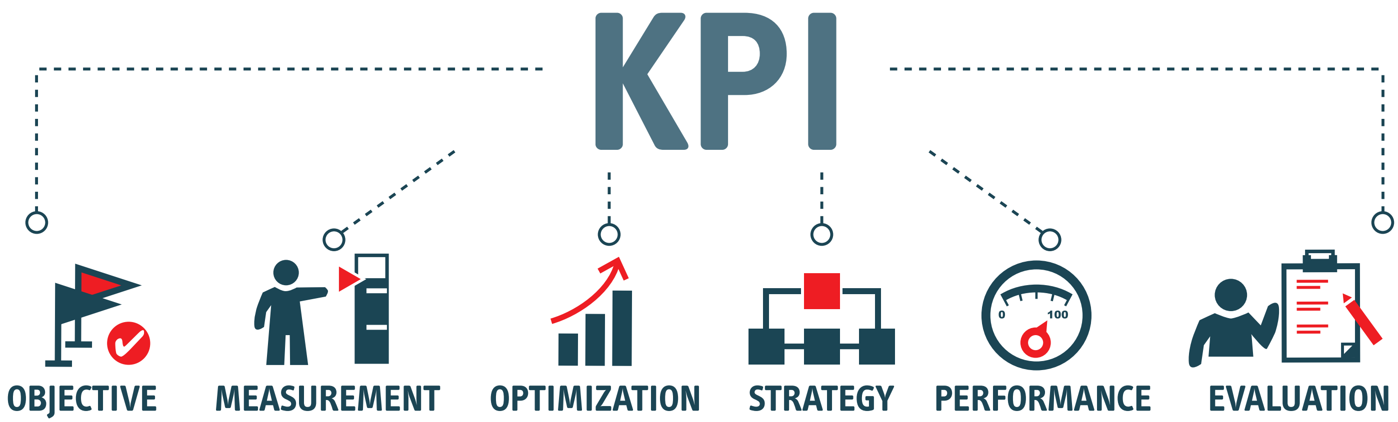
Since I couldn't quantify the impact on ROI, I was not successful in getting a company-wide values initiative. I was successful in introducing and gaining agreement on values in some departments of the organization, but not company-wide. Nor could I get the executive team together for continuous strategic planning events to follow the initial two-day strategic planning event. Two years after I left, the company had gone from being one of the top companies in its field to bankruptcy. If you hire a coach, it is a good idea to be coachable. Shooting the messenger does not improve the company's performance.

I also coached a client who had hired a manager for a distant branch without having checked to see if their values matched. They did not. After hours of counseling and considerable angst on the part of each of these individuals, I introduced the Harrison Assessment, which is a predictor of job success, in part because it distinguishes what people like and don't like and also how they manage paradoxical choices. (Simplistically explained, an example of a paradoxical choice: in communication, a preference toward being frank or being diplomatic.)

The Harrison Assessment revealed, among many other things, that the hired distant branch manager placed a very high value on making independent decisions. Additionally, she placed a high importance on alignment with her superior. Yet in the interview this had not surfaced. Over time, their very different priorities and values surfaced. After investing countless hours working to reconcile their differences, the distant branch manager quit.

Putting existing employees into new wrong jobs, or hiring the wrong person into a job in the first place is very expensive. The cost of turnover for one person can easily exceed one year's salary.

Calculating and adding all the replacement and related costs, a $50,000 person can easily reach $75,000 to replace them. Bliss said, "As you can see, the costs and impact associated with an employee who leaves the company can be quite significant. This is not to say that all turnover should be eliminated. However, given the high cost and impact on running a business, a well-thought-out program designed to retain employees may easily pay for itself in a very short period of time."



Costs: Turnover. Producing unintended results. Rewarding the wrong behavior. Misalignment between intended results and actual results.

Action: Use Harrison Assessment for recruitment, so that all three legs of the decision stool provide a solid foundation for making a new hire–eligibility, suitability and the behavioral interview, all generated from this software as a service (SAAS). https://accountabilitypays.harrisonassessments.com to learn more.

Use the available feedback as the basis of performance improvements. Once new employees are in their positions, the Harrison Assessment provides the basis for team building, executive development and succession planning. It also provides organizational analytics for determining who needs what training.

Have current employees take the Harrison Assessment. I have profiled over 500 senior executives using the Harrison Assessment as the baseline for my coaching relationships, particularly for identifying blind spots and developing compensating strategies.

Make sure the executive team discusses values and how to put values into action. Constantly challenge your assumptions about what you measure and whether it is matched with your desired results. Ask those being measured whether those measures are motivating or de-motivating. Study your high performers to determine their processes, then duplicate what they do. Encourage internal mentoring programs. Celebrate successes. Ask a lot of questions. Watch morale – if it is poor, there could be some wrong measures in place.

These are seven mistakes, and the truth is, we are all human beings, which means we're fallible. Human beings make mistakes. We have blind spots.

I offer an assessment that provides feedback on behavioral preferences and tendencies, including leadership paradoxes. **To learn more, go to https://accountabilitypays.harrisonassessments.com.** There, you can book a demo of the assessment with me. Or, you can go ahead and schedule a :30 discovery conversation right here.

Here's my online booking calendar - https://pamela-stambaugh.youcanbook.me

About the Author:

Accountability Pays President and Founder Pamela Stambaugh, has practiced as a Behavioral Change Master for over 25 years. Her focus is growing leaders inside growing companies, coaching and training in leadership mastery.

Client outcomes have included improving operating results, upgrading team performance, and creating a culture of trust and open, authentic communication. She has worked with global, small and mid-sized companies across many industries.

Her clients have included Kodak worldwide, SKF worldwide, Coca Cola in Greece, Efes Pilsen in Turkey, The Old Globe Theater, The Ken Blanchard Companies, GE Healthcare, CBIZ, and the University of San Diego, to name a few.

Pamela has spoken and trained around the world on topics related to accountability and developing high performance teams and is co-author of two business books. She is an ICF Certified Executive Coach, and a Certified Woman Owned Business. In 2023, she is Chair of the San Diego WBEC-West Forum, and is a member of the Board of Governors of the University Club atop Symphony Towers.

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