EXECUTIVE GUIDE – *Chapter 7 of 7*

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

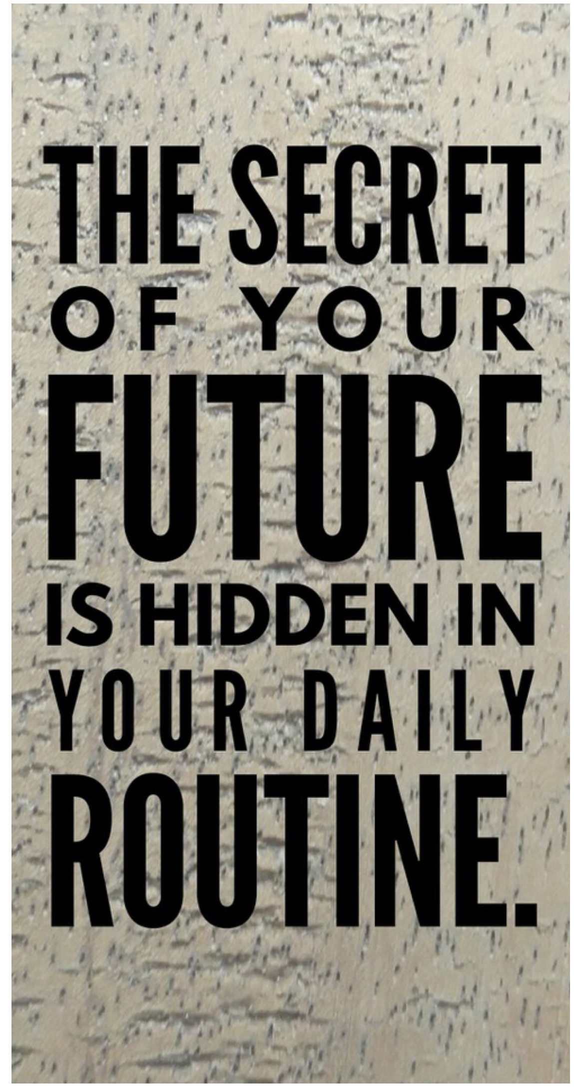
Performance is how well work is performed (quality). Productivity is how much work gets done (quantity).

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**



7 Ineffective, off-putting or damaging relationship management with employees and/or service providers

Extremes on either end of closeness to employees can be dangerous. Being too friendly with employees does not provide objectivity. Too distant does not enable relatedness.

Extremes on either end of closeness to employees can be dangerous. Like the fable Goldilocks and the Three Bears, some porridge is too hot, some too cold, and some is just right.

Being too friendly with employees does not provide objectivity. Too distant does not enable relatedness. Just right is just right, and a few experiences like the following, if you are paying attention to where the responsibility lies (hint: with you) will help re-draw those lines of appropriateness.

> *Barry was quite friendly with his employees. The guys would go have a beer after work on Friday nights and socialize, for example. When corporate convention time came around, although money was tight Barry determined it would be in the friends/managers best interests for them to be at the convention.*
>
> *There was a moment when Barry's two bosses, Barry, and several others were at the exhibit portion of the convention when one of Barry's bosses asked, "Where are your two guys?" Barry covered for them saying, "Oh, they're around here somewhere." Underneath the bravado he was concerned because he was not sure where they were.*
>
> *When Barry learned that they had snuck away from the convention to attend a baseball game, he became angry with himself for having allowed this to happen. Had he kept a more professional relationship, he thought, they would not have*

> *taken advantage of the opportunity and put his credibility at risk. He let some time pass so he could deal with his own upset before re-setting the boundaries with these two gentlemen and making his disappointment known.*
>
> *Barry had the courage to have the difficult conversations, and since that time he has maintained a professional relationship with those who work for him. He recognized that he can like someone, but when it comes to lines of authority, he needs to clearly be the boss and not a friend. Blurring those lines creates an opportunity for taking advantage of a situation and worse.*

Conversely, being too distant can be equally problematic. If employees do not know you, your values, your preferences, and your attitudes they can't relate to you person to person. Allegiance, acceptance, and relatedness come from being authentic. People trust real people who demonstrate that they are trustworthy. Remaining a mystery, or keeping your own counsel insulates you from information they hold that is important to running an effective organization.

Another damaging relationship management problem is to ABDICATE rather than DELEGATE. Unfortunately, this is often an undistinguished problem that arises from lack of clarity in the first place but lands on the unsuspecting direct report like a ton of bricks with no place to get relief. To abdicate is to renounce responsibility, failure to fulfull or undertake the responsibility that is there. I have seen this happen when the abdicator was an alcoholic where, rather than providing the necessary boundaries and limits of delegated responsibility, this man was incapable of setting them for himself, let alone provide them for another. He owned the company. However, it doesn't take alcoholism for abdication to result where delegation should be. Delegation of tasks while keeping responsibility for the results is the acceptable norm.

Unfortunately, often the person receiving the responsibility where a superior has abdicated is in a position to need the job so they do their own work and the work of the abdicator. The work may get done but the relationship will never be a healthy one. When the burdened individual moves on to another position, which if they are healthy themselves shouldn't be long, they will often be FAR more diligent about interviewing future boss potentials for their leadership skills. A victim of abdication will most often seek employment elsewhere to get out from under the burden, costing the organization a productive employee.

A similar balanced approach is valuable with service providers as well. Being one myself, I have seen many dysfunctional service provider relationships, both from speaking with other service providers and from watching my clients' interactions with other service providers.

Recently, for example, a fellow service provider was sharing with me that he was trying to help a CEO recognize that his business had outgrown the professional level of expertise of a particular other service provider (not a competitor). This CEO's loyalty to this particular service provider might be considered admirable in a prior era, perhaps, when the world was simpler.

In today's business environment employees, customers, suppliers and other stakeholders deserve the best counsel in response to the times we are in and the current challenging business conditions. Loyalty as a friend can be transferred to actually being friends, if both individuals are mature and aware, when the business needs a higher level of service and a different service provider.

Equally responsible for this faulty relationship is the service provider, who should be advising his CEO friend to get advanced help for his advanced needs. A good service provider will be interested in your well being as a company and ensuring that you surround yourself with other good service providers. However, at the end of the day it is the executive's company that will pay twice–once for the time of the counselor, and a second time for the impact of bad counsel–when the inappropriate level of service isn't identified and rectified.

Conversely, not staying with a service provider long enough, or not giving a service provider sufficient time to prove his or her worth is also a mistake. Swinging freely between service providers, playing one against another to lower the price is unethical and doesn't serve. It will damage your company's reputation in the market, and good service providers won't be willing to work for your company. You are not saving money to nit-pick on fees. Paying the bigger fee for a more experienced CPA might be smart, for example, because NOT getting the good advice is much more costly than any fee from an expensive CPA.

Cost: For employee relationships, losing good employees. For service providers, looking foolish, paying twice, the opportunity costs of poor choices and the many impacts of those poor choices based on bad counsel.

Actions: Challenge your assumptions, ask employees to comment, do an employee survey or 180° analysis. Watch for cues from your employees and your service providers. Have your executive coach review your other service providers with you. Re-evaluate each and every service provider relationship that has lasted more than five years. Ask for competitive bids, freshen your view of the service providers available to you.

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.

Pamela Stambaugh
Pstambaugh@AccountabilityPays.com | 619-840-6308 | www.accountabilitypays.com