From an Interview With
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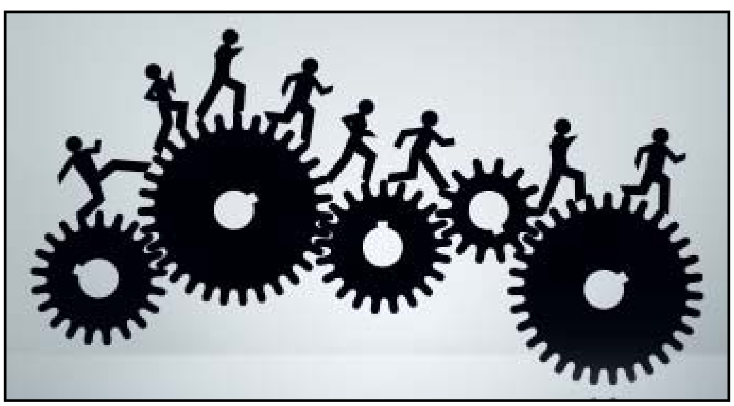
# PRODUCTIVITY SECRETS . . . The Do's and Dont's

The heralded Japanese approach is *not* the right one for increasing productivity in the US. For most US companies, *top-down* management is still the most practical. Certainly it would be foolish not to get input from those affected, and it's a good idea to push the decision-making process down the line as far as possible. But it's equally foolhardy to hold up decisions waiting for a consensus.

**The Irony of Satisfaction**
Newer statistics show that happy workers don't *necessarily* make better workers. Actually, the opposite is true: better workers make happier workers. When working with employees to increase their performance, job satisfaction is usually a byproduct. Employees want to improve their performance.

If there's one common concern running through human resources management today it's that everyone is screaming for feedback. The 1980's and 1990's may have seen weaker unions, but also saw litigious employees. It will be much more difficult to manage and get rid of non-performers without spelling out very specific job performance expectations.

**Making Good Better**
In most companies, good performers aren't given enough attention. Managers spend most of their time seeking out problems—a big mistake in terms of productivity. Example: when 20 department heads were asked to pick the high and low performers in their operation, it was found that the "lows" averaged 65% efficiency while the "highs" averaged 120%; meaning that they made 12 widgets against a standard of 10. The foreman's natural reaction was to get rid of the low-performing workers, leave the high performers alone. Don't tell the high performers how good they are. *The better way*: management had the foremen work with both groups to improve their performance. The "lows" went from an average of 65% performance to 85%, quite a remarkable improvement. But the "high" performers shot from 120% to 180%!



**Using Boss Power**
Leaders have a much bigger influence on employees than they think they have. The trick is to direct that power and make it work for greater productivity. *Key*: setting up situations where bosses can have work-related discussions about their employees' performance. It's nice to pat someone on the back and say, "keep up the good work". But today's employees want to know precisely what they did that was "good".

**The P.R.I.D.E. Model**

• ***Pinpoint*** key measures of performance to which employees can relate. Example: coal mine management might measure tons-per-man-shift, but miners themselves count shuttle cars leaving the mine. There's no such thing as a clean measure, but try to determine the most simple, straightforward measures that workers will understand.

• ***Record*** A picture is worth a thousand words. Plot performance on a graph and tack it up for all to see. There will be daily fluctuations, of course, but the trend will be apparent to everybody.

• ***Inform*** and involve people. Even CEO's today are complaining that they don't get enough feedback from their Boards, and they can't get honest answers from employees. Sometimes the best kind of feedback is like a video camera—*observations*, not evaluations. Example: a restaurant manager tells an especially productive waiter, "I noticed you look our patrons in the eye and give them your personal recommendations on the various menu items. That seems to be very effective." Much better to be specific than to say, "You did a super job today."

• ***Develop*** through recognition. Managers count too much on money as a reward. Studies show that what people really want is appreciation, verbal praise, and recognition. Remember that dollars spent don't equal value received. The best rewards are often intangible. Something with symbolic value may mean more than a trip to Hawaii for someone who spends 90% of his time traveling anyway.

Use "Planned, spontaneous reinforcement". When someone screws up, there are usually specific guidelines for disciplinary action. It's equally important to plan what the company will do when a person does something right. But don't announce it, because then it would become an expectation. Rather, it should always be a surprise.

• ***Evaluate*** Needless to say, useful feedback depends on honest, detailed job performance reviews. Every top manager should also have at least 5 to 10 indicators to watch on an ongoing basis to track important trends in the business. At least annually, each department, and the company over all, should list its strengths, weaknesses, opportunities and threats.