



ISSUE NO. 302

INSPIRE LEADERSHIP:

Don't be held hostage by your best employees

Are you being held hostage by top-performing employees who ignore duties or regulations? Learn how to eliminate this debilitating condition that can threaten your relationship with other employees.

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Are you being held hostage by a top-performing employee? Is a successful employee ignoring duties or regulations you expect to be honored? In the worst-case scenario, requests to change behavior are ignored, and frictions with other employees arise. This tension can be felt by customers, hurting both sales and your brand. Here are questions to determine if you have a hostage-taker in your midst.

Appraising the Situation

- Do you excuse or explain away to others certain behaviors of a high-performing employee?
- Do you worry about what would happen to your business if one of your best employees left?
- Does it sometimes feel as if your authority is being undermined by the actions of a top performer?
- Do you allow people to ignore certain policies because a high performer isn't following them?
- Do you dread conducting performance appraisals with a high-performing employee?
- Do you reward only sales results, not the way in which they're achieved?

Best Practices

Here are steps to improve the situation without losing your top employee:

Don't underestimate the true cost of a hostage situation.

When faced with a big revenue number from a high-performing salesperson, it's easy to overlook the cost to the organization in other areas. Behavior that's at odds with policies and expectations eats up management time, undermines authority, distracts other employees, and encourages them to ignore necessary tasks. It can undermine an organization's cultural values, the most important element of long-term success. If you're being held hostage, you need to extricate yourself quickly.

Consider whether they might be right. Perhaps the high performer could maximize his talents and gain more business if he had a job description that relieved him from certain tasks. If so, create a new position and delegate specific tasks to others—and expect greater results from the high performer. Let others know they also can be elevated, if they deliver similar results.

Look for a win-win solution while setting behavioral limits. If you don't elevate the position, you need to reestablish clear behavioral limits. Identify the behaviors causing the greatest

damage and focus on these. As you talk with the employee, avoid being overly critical. Express your appreciation for what she's contributing, but explain exactly how the behaviors in question are harming the organization and why they can't be tolerated. Ask the employee for ideas on how to mitigate the problem while allowing her to be successful. Remember, high involvement will produce the highest levels of commitment to a solution, so elicit her assistance; don't deliver mandates. When you've devised a solution, obtain written agreement to avoid subsequent ambiguity.

Reward the “how,” not just results. It's important to focus rewards on sales results, but results are not enough. Even in a commission environment, some discretionary pay should be associated with how results are obtained. Otherwise, important company values such as healthy peer relationships and cooperation in serving clients can begin to degrade. Adherence to cultural values and successfully executing key policies or sales procedures needs to be recognized and rewarded.

Move early to head off hostage situations. Most start slowly with small incidents of noncompliance and grow until an employee is following an alternate job description rather than the one assigned. Be alert and address such situations early, again by explaining the needs of the organization and looking for a win-win solution.

Some of the most productive employees take a non-conventional approach to their jobs. Find ways they can work for your organization without undermining cultural values and management authority. Set clear limits today to avoid being held hostage tomorrow.

About Shanker Inc.

Martin Shanker is the founder and president of Shanker Inc., a Manhattan-based international management consulting firm for such companies as Burberry, Cartier, The Estee Lauder Companies, Ralph Lauren and Van Cleef & Arpels. Described as a 'behaviorist' by The New York Times, Martin specializes in helping global brands accelerate sales and profit by growing their companies from within. By addressing the tough issues of sales and management teams, and the behavioral dimension of retail relationships, Shanker Inc. offers a unique, multi-dimensional way for companies to achieve success through their own people.

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