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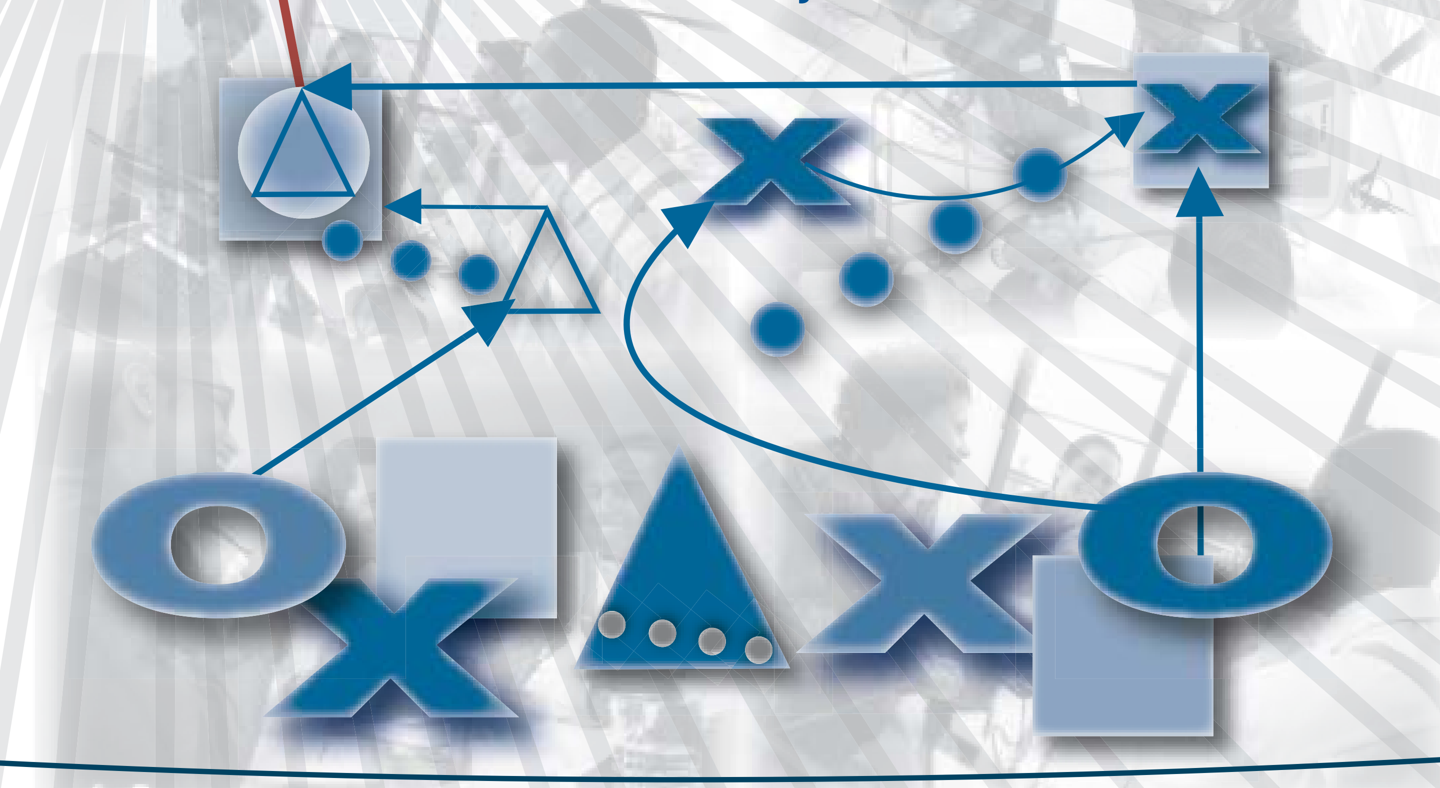
COACHING FOR MAXIMUM PERFORMANCE

By Michael Neill



COACHING FOR MAXIMUM PERFORMANCE

By Michael Neill

Credit Union Executives Society

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The views in this manual are those of the author. They do not necessarily represent CUES's views.

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DEDICATION

To my dad, M. J. Neill
Thank you for everything.

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ABOUT THE AUTHOR

Michael Neill is the president of Michael Neill & Associates, a credit union consulting firm that assists credit unions with sales and service culture development, performance management and marketing. Mike is a former vice president of a credit union and held responsibilities for branch operations, training, business development and marketing. During his tenure, the credit union was ranked second nationally in its peer group by Callahan and Associates with regard to product penetration.

Mike has worked successfully with credit unions of all sizes, assisting them with the development of sales and service cultures. Several of the credit unions have been ranked in Callahan's Top 25 listing of credit unions that have achieved outstanding product penetration. Mike's extensive background in credit unions and singular focus on the credit union industry provide him with the ability to relate to and instruct credit union employees at every level.

Additionally, Mike is one of the most sought-after speakers in the credit union movement and has presented to thousands of credit union professionals for both national and state credit union trade associations.

Mike is a graduate of the University of Tennessee and holds a bachelor's degree in Organizational Development. He lives in Atlanta, Georgia, and may be contacted through his Web site at www.michaelneill.com or by telephone at 888.440.0552.

INTRODUCTION

The title *coach* conjures up all sorts of images for people. Those images are based on our childhood experiences in athletics and music lessons as well as our current duties as parents and maybe even as coaches ourselves. The details of those pictures are filled in by the books we read, the TV shows and movies we watch, and the stories we hear from other people about their coaching experiences. We know coaches can exert a powerful influence over their charges, good and bad. At their finest, coaches are the unsung heroes who teach, encourage, motivate and support people to work toward the highest performance they can muster.

In this text on *Coaching for Maximum Performance*, we focus on effective coaching in a sales and service culture. Chapter 1 defines coaching, examines what effective coaches do and differentiates between coaching and managing. Chapter 2 explores why employees underperform, including our tendency to repeat ineffectual parent/child interactions. The chapter introduces the 10-80-10 theory, which categorizes the distribution of employees who are willing and able to achieve high performance, able but unwilling, or unable and unwilling. We also consider the dilemma of **Effort Equity**, the expectation of some employees that new responsibilities should come with higher pay and that good skills counterbalance poor skills.

Chapter 3 describes three common styles of coaching—directive, country club and winning coaches—to lay the foundation as the text turns to principles and processes of effective coaching. In Chapter 4, we learn how to diagnose performance problems and explore the nine steps of effective confrontation with able but unwilling employees to improve performance.

Chapter 5 offers practical suggestions for integrating effective coaching techniques into your daily interactions with employees. The appendix presents a long-term action plan for turning the theories and strategies presented in this book into the way you do business at your credit union. The three coaching assignments presented in the appendix include worksheets for coaches and employees to assess and fine-tune sales and service coaching skills.

Each chapter concludes with brief exercises to reinforce the information presented in the text. Chapter 4 also includes two brief case studies along with instructions for role playing to give you and your colleagues practice in effective coaching.

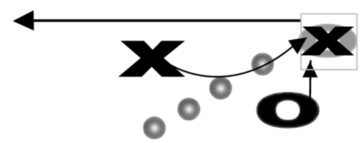
This text is based in large part on my experiences working in and with credit unions and on presentations I have conducted with credit unions throughout the country as part of the ServiStar™ program I offer in conjunction with the Credit Union Executives Society. Its goal is to help credit unions get the most of their sales efforts by teaching managers how to supplement and support sales and service excellence.

Microsoft® Word versions of the Coaching Assignments in the Appendix are provided for your individual use within your credit union. To access them, please go to the following Web site and enter the username and password below.

http://www.cues.org/coachingmanual/
Username: CoachMaxPerf
Password: MNAcoachstars

CHAPTER 1

Defining Coaching



As more and more credit unions move toward a sales culture with an emphasis on member service, they are also seeking new and effective ways to teach, support and motivate their employees. Even in this age of Internet branches and ATMs, a credit unions owes its success to its personnel. Frontline employees personify the credit union, and the support staff forms the backbone that provides smooth and efficient operations to drive a member-centric sales and service culture. Those employees need varying levels of training and managerial support and are motivated in widely different ways to work as a team to help the credit union achieve its goals. That's where coaches come in.

Everyone in the business world is talking about coaching these days, but few people are doing it. Many of us think of coaching as management, but in reality, coaching entails a whole different set of skills and goals than management. In this chapter, we'll focus on the characteristics of an effective coach to work our way toward a definition of coaching. Then we can explore the differences between coaching and management.

I saw a humorous definition of coaching recently. One of the legendary managers in baseball, Casey Stengel, who has an amazing ability to say the right thing the wrong way, gave this definition when asked what makes a great coach: "It's keeping the guys who hate you away from the rest who are undecided."

...let's not limit our discussion to business coaching.

That's a really perceptive description. As any good coach can tell you, when you start challenging people to perform at a higher level, sometimes they don't like you. And sometimes it's important to keep those people separated from the other people who are at least ambivalent, so they won't hate you, too! A good coach is always respected, but not always liked. If you're a person who wants to be liked all the time, coaching is going to be a difficult task. When you're challenging people to achieve a higher level of performance, they're not always going to like you.

What Effective Coaches Do

As we consider the characteristics of an effective coach, let's not limit our discussion to business coaching. I want you to think of yourself as an athlete, as a learner. All of us have either coached or been coached. If you've been in school, you've been coached. If you have or had parents, you've been coached. If you have played any type of athletics or taken music lessons, you've been coached.

Here's a harsh reality: Not all coaches are good. But even from bad or indifferent coaches, we can still learn—even if it's what not to do. And we can learn a great deal from the good coaches we've encountered in our lives. My father gave me an important lesson when I was young. He said, "You can learn something from anybody, so listen and always pay attention." He told me you could learn something from an idiot. The lesson: You can at least learn. Don't be an idiot!

Never look at an experience as being devoid of learning opportunities. The reality is that you can learn something even from being coached poorly. But let's focus on the positive right now and talk about the characteristics of an effective coach. I've listed several here for you. Let's consider them each in turn.

WHAT EFFECTIVE COACHES DO

1. Teach
2. Communicate
3. Set high standards
4. Maximize each person's talent
5. Create a team
6. Motivate

1. Effective coaches teach.

They show somebody how to do it better. Think about a football coach. A great football coach sees so many things. A great football coach can show an average player how to get better simply by the way he positions himself prior to the snap of the ball. A great track coach can show a runner how to become faster by changing her technique.

Wayne Gretsky, the great hockey player whose father was also his coach, learned a great lesson from simply watching hockey on TV with his father. Gretsky's father showed him how to be a better hockey player by teaching him to know where the puck is. While watching the game, his father had Wayne take a blank piece of paper and a pencil and trace the puck's movements back and forth as it traveled across the rink.

Comparing these tracings from about five games showed him how to be a better hockey player by knowing where the puck is on the ice. What he learned was, when in doubt, go to one of those spots where the puck is most likely to come to you. Wayne Gretsky was a hockey player with average speed, average strength and average height, but he was a phenomenal player.

Sports experts, psychologists and physiologists studied Wayne Gretsky. They wanted to find out how this person who was simply not intimidating to look at or intimidating in terms of speed could be the greatest hockey player of all time. They studied and studied and studied, poked and prodded, and found two things. One, he had amazing peripheral vision. He could almost literally see out the side of his head. But the other thing they found had nothing to do with anything other than his father's coaching. Way, way ahead of his time, Gretsky's father showed Wayne where to go on the ice.

That's what coaches do, folks. They teach their players to be better. In business, we teach our players, employees, to be more effective. We have to study them and show how to make employees better performers.

2. Good coaches communicate effectively.

Let me share another famous coaching statement made by General George Stedman, who was a general in the U.S. Army during the Civil War. As he was preparing his troops to charge against tremendous odds, General Stedman paused and then told them, "Men, I want you to fight vigorously and then run! And as I'm a bit lame, I'm going to start running now!"

Have you ever been in a situation like General Stedman where a well-intended message came out all wrong? You know what the general was trying to communicate, right? His message was: "Charge forward! I'm going to lead the battle, so I've got to get out ahead of you." Like General Stedman, many coaches think they are communicating clearly and succinctly and then are amazed when people misunderstand them. They think, "How did that happen?" But when you look at General Stedman's statement, it's easy to see how it could be misinterpreted.

Effective coaches know what to say, when to say it and how to say it. Good coaches listen more than they talk. You know, I believe managers do a great job of talking. They do a great job of one-way communication. But coaches know you've got to make sure players understand the game plan. You've got to make sure your employees understand the purpose, goals and objectives of any effort you're undertaking. That requires a full loop of two-way communication. You can't coach by e-mail and fax. You've got to be with the people you're coaching.

3. Effective coaches establish high standards.

Imagine a football coach walking into the locker room on the first day of practice in the middle of August. Everybody is dreading practicing for four hours in the 100-degree heat, and he greets his charges this way: "Well, men, last year we were 0 and 16. And as I look at the roster, I can see that we're too short, we're too slow, and we're very inexperienced. The way I see it, guys, if we work hard for the next four weeks in practice, four hours at a time, two times a day, and if we give it everything we've got, we have a chance to win a couple games this season. So, who's with me?"

Now, if they did win two games, it would be an improvement over the previous season. But no coach is going to lead a team and keep the players' respect, loyalty and enthusiasm by setting such low standards. If you've ever been coached in athletics, you know that you might not enjoy every minute of playing for a coach with high standards. But you sure do enjoy holding up that championship trophy, looking at yourself in the mirror and saying, "Look what I did."

Oftentimes, coaches don't get the credit they deserve. On a rare occasion, a player may come up to a coach when the season ends and say, "Thanks for making me run those hills, and thanks for making me run those stairs, and thanks for making me practice extra. I really appreciate it. I would not be the player I am without you." Much more often, the player says, "Hey, look what I did. I'm pretty good." Effective coaches get their satisfaction from knowing that they set and held those high standards and that their commitment to excellence allowed players to rise to the next level. The team's success is their success. Tyrone Willingham, the fine coach of the Notre Dame Fighting Irish football team, says it best: "What you will accept becomes your standard."

4. Effective coaches maximize each person's talent.

Keep in mind that people have different talents at varying levels. On your team, for example, you may have someone who works fast, someone who is accurate and someone who is friendly. The challenge is to make the most of those natural gifts and encourage all three employees to develop some new skills in the areas where they are currently lacking.

What I see happening—and this is a real shame—is that we're dumbing ourselves down in relation to what we expect of employees. We see that one employee is a natural salesperson, while another is naturally gifted at balancing cash drawers. We identify what they do best and leave it at that. We say, "Kelly is accurate and her cash drawer always balances, but she'll never be great at cross-selling." In reality, a great employee doesn't have just this skill or that talent. A great employee is accurate, fast, friendly, knowledgeable and willing to give extra effort. In a member-centric culture, employees must be as committed to developing their cross-selling skills as they are to developing functional skills such as balancing. The coach's job is to make sure employees develop all those skills to a satisfactory level or beyond.

An effective coach wouldn't say, "Your cross-selling totals are great, so we don't need to worry that you're not all that accurate at balancing your cash drawer." Good coaching requires that you recognize employees' strengths and their weaknesses and offer support so they can develop their skills across the board.

You're never done coaching. Never. You're always working to develop the player. You may get to a point where, working together, you've maximized a player's talents, but the reality is that happens only rarely and only after an awful lot of effort on everybody's part.

5. Effective coaches create a team.

They create unity and a combined vision. I've played on a lot of teams in my life, and I can tell you that it's rare when all players like everyone else on the team. On the vast majority of teams, we weren't all best friends. We didn't all hang around with each other all the time. When it did happen, just on one or two teams, it was a lot of fun. But even when we weren't all great friends, our coaches taught us how to play as a team. They expected that we would all respect our teammates, recognize their contributions and hold them accountable. And they expected that we would all play hard for each other because the goal was to win.

That's what coaches do. They create a team. They don't necessarily start with a group of people who all know and like each other. Sometimes personalities are divergent, talents differ and communication styles vary widely. But when the game is on, we respect each other and work together toward our common goal of winning.

6. Effective coaches motivate.

When I work with credit union employees, I often pose this question: "Are some people just *unmotivatable*?" You might not find this word in a dictionary, but you know what it means. You've probably worked with someone who seemed to do just the bare minimum to avoid being fired.

My answer is that I believe some people are unmotivatable within the realm of influence coaches and managers can bring to bear. I once heard a speaker suggest, "You ought to give an employee the gun test." The gun test? The speaker went on to explain, "If you put a gun to their head, would they do it?" Well, what kind of test is that? If the speaker put a gun to my head, I'd likely do a lot of stuff I wouldn't normally do. But the reality is that most offices have policies prohibiting firearms, and they'd probably frown on coaches threatening employees with physical harm.

You could put a positive spin on the gun test and make it the million dollar test: “Would they do it for $1 million?” Again, this test would probably yield extraordinary results. But if you don’t have a gun or a million bucks, you’ll need to depend on effective coaching. And even effective coaches can’t motivate some employees.

What effective coaches can do is figure out which employees have the capacity to be motivated—and the answer is, most of them—and identify how to motivate them. As coaches, we need to learn to unlock what’s inside people that motivates them. For some people it’s recognition, for some it’s money, and for some it’s the opportunity to learn something new. Other people just love a challenge—doing something that others say can’t be done. Coaches need to identify those triggers and find a way to switch them on.

In those rare cases of employees who don’t have a trigger, who can’t be motivated, the organization is best served by letting them go. I’ve see too many coaches try to play the Salvation Army for underperforming, unmotivatable employees who do nothing to improve their work habits and skills. At the same time, those coaches are ignoring star performers who deserve recognition and emerging learners eager to take on new challenges. Well-meaning coaches can destroy a team by focusing their efforts on saving one employee who doesn’t want to be saved at the expense of other employees who are willing to make the effort.

In lifeguard training, you learn that when you are attempting to save someone who is drowning, there is a chance you will have to let go of the swimmer if he is pulling you under. It’s the same with coaching. You can motivate and coach the vast majority of employees to become better performers. In those rare cases of an unmotivatable employee, the best solution is to fire him or her and move on. Otherwise, you'll both drown.

Accountability: A Critical Ingredient in Coaching

The previous list offers the main characteristics of an effective coach. You can add several attributes to it. As a matter of fact, I'd like to add one more right here: Effective coaches hold people accountable. Let's take a moment to discuss this, because in my experience developing coaches, this area seems to pose a great challenge.

Effective coaches hold people accountable.

When we think of coaching, we tend to focus on the tasks that go to building strengths for both employees and their coach: motivating, building a team, teaching, communicating, encouraging, being patient. All those things are true and necessary. However, effective coaches also know they've got to hold their players accountable. If you don't hold your players accountable, performance will suffer.

Let's consider the example of a coach of a professional football team where one celebrated, naturally gifted player refuses to practice hard. He performs well but won't accept the discipline needed to become an even better player. He comes and goes as he pleases and doesn't seem to put out much effort. The coach sighs and says, "We're paying him so much money, we've got to play him. Besides, I really like the guy, and I think if we keep playing him, he'll come around and work harder."

The star player doesn't practice and blows assignments occasionally. He misses plays that would be easy if he practiced consistently with the rest of the team. Eventually, the cost of not making this player accountable—insisting that he fulfill his responsibilities to practice with the team—will cost the coach the entire team. Other players look at their teammate's refusal to practice and say, "If that's the level of performance you expect, then he should be no different from me." Less-gifted athletes begin to lower their standards of performance, and soon the whole team begins to slip down.

I've seen coaches get fired for falling in love with the potential of an outstanding athlete, because that potential is never realized. That's all potential is, folks—the talent to be great if you work hard and make the commitment to improve continually. As a coach, you can't make someone perform to his or her potential, but you can encourage that person to do so. In other words, you do what you can do, but ultimately as a coach you must hold each employee accountable for his or her performance. If you don't, the performance of the team will suffer.

Accountability is a hard standard for coaches to enforce. Coaches are people. Like everyone else, coaches want to be liked. They want people to enjoy being around them. But when coaches hold people accountable to perform up to their potential, they are challenging them—sometimes to work harder than they want to work or to do things they don't like doing. That may cost coaches their affection, but it will earn them respect.

Respect doesn't come with the job of coaching. You can be given authority, but not respect. You have to earn respect, and one of the ways you do that is by holding people accountable. You earn the respect of the employees you coach one by one, and eventually you earn the respect of the team—and the top performance they can muster.

A Working Definition of Coaching

Now that we've identified the characteristics of an effective coach, we can begin to put all this together to more clearly define what we mean by coaching. What is a coach? I'm going to give you my working definition, but bear in mind that this is not the Webster dictionary definition. You may come up with one that works just as well for you.

Coaching is about improving people to meet their highest potential to reach the team's goals.

The definition I like to use incorporates everything we've discussed thus far:

> Coaching is about improving people to meet their highest potential to reach the team's goals.

Let's break that definition down and take a closer look at it. Once we do, I think this definition will ring true for your understanding and my understanding of what coaching really is.

First and foremost, it's about improving people. Improving people entails teaching, developing and helping them improve to achieve their highest potential. Because people have varying levels of potential talents and skills, coaches must look beyond where people are now to see what they can become. Finally, coaching must aim to improve people for a common purpose—to achieve the team's goals.

How Coaching Differs from Management

Some people may look at our working definition of coaching and say, "But isn't that what managers do?" Let's consider for a moment how coaching differs from management.

Coaching and management are two important subsets of leadership. Both are equally important to the organization's success. Of the two, management is the skill that has been better developed in many people in management and supervisory positions.

The key difference between the two is that management is about process while coaching is about people.

The key difference between the two is that management is about process while coaching is about people. You manage accounts payable, but you coach the accounts payable clerk. You manage the information technology system, but you coach the people in the IT department. Management is about process, and I believe most of us have that figured out very well—to the point, I would contend, that we overmanage and undercoach.

Many of us have grown up in "The System." The best teller becomes the best member service rep, who then becomes the best loan officer. Then one day the branch manager can't take the pressure anymore and jumps off the roof. The management team looks around and settles on the loan officer. They say, "She's been a teller, a member service rep and a loan officer. We've taught her the rules, regulations, policies and procedures, and she seems to be willing to do anything for another 15 cents an hour. So let's ask her to take the keys."

So the management team calls the loan officer into the CEO's office and tells her, "We'll give you a little bit more money, but you're going to have to be a manager." And she takes a step back and thinks, "Well, gee, it is another 15 cents an hour. How hard can it be?" She takes the keys.

Can you see the problems in this scenario? In "The System," we take people with little or no training in supervisory and management skills and make them managers. They may have the technical skills to do the work of the people they are supervising, but they've never had the opportunity to learn management and coaching skills. Still, we hand them the keys, pat them on the back and say, "Go get 'em, tiger." The new managers walk through the office, reviewing what they know. They know how to lock it up, balance it, find out why a drawer is out of balance, secure it, double-verify it, keep it supplied and dust it off. So that's what they do. It's where their strengths lie, where their experience is, where they can maintain their self-esteem. They say to themselves, "I don't know anything about supervising employees, managing or coaching. But I do know how to answer these people's questions about their work because that's how I got this job."

It's only human to do what's comfortable, to do what builds our self-esteem and to avoid those things that make us feel uncomfortable or question our abilities. It takes a lot of guts to come forward and say, "I don't know how to coach or manage. I need training!"

Some organizations actually use the excuse that they can't train their managers because they're too busy. Too busy doing what? They're swamped in the position of being a glorified teller or member service rep. They can't make the jump to manager, no matter what their job title is, because they don't know how to manage. They tell themselves, "I'm doing a good job as long as I keep my team running smoothly." But things don't change under this system. They just continue to move at the same pace, with the same answers to the same questions. And, folks, that's a far cry from improving people to meet their highest potential to reach the team's goals.

I believe most of you reading this book are good managers, and management is a great foundation for coaching. Management is all about effecting positive change in an organization by identifying process problems, improving those processes and teaching others about the new processes. But we've got to move beyond management to become coaches.

Improving people to meet their highest potential to reach the team's goals—our working definition of coaching—is how we change our credit union into a sales and service culture. It's how we grow people's performance. You cannot manage your way to excellence. You can manage your way into a position of being average, of surviving, of staying the course. Through management alone, you can avoid failure. But not failing is a whole different thing from succeeding. To succeed, to achieve excellence, you've got to have coaches in your organization.

Coaching Challenge

Our discussion about "The System" underlies the challenge credit unions face in integrating coaching into their organizations. Most managers rise through the credit union hierarchy on the strength of their technical expertise: The best teller becomes the best member service rep, who is promoted to loan officer, and so on. The higher people are promoted within the credit union, the less training they receive. The result is managers who understand process, not people.

In the next chapter we will explore the reasons why employees underperform. This discussion will lay the foundation for how coaching can help credit unions improve performance. First, though, take a few minutes to consider these questions, based on our discussion thus far about effective coaching and the differences between management and coaching. Use these questions to assess your current understanding of coaching and to identify what improvements coaching might help your credit union achieve.

- What do I remember about the coaches in my past? What have the coaches in my life done well? What can I learn from their good examples and from their mistakes?

- Does my credit union empower people to be effective coaches, as defined by the six attributes described in this chapter?

- How do we hold employees accountable for their performance?

- Does my credit union employ "The System" to promote frontline employees to management positions? How much training about management and coaching do employees get as they advance through the ranks?

- What challenges do I face to become an effective coach? What coaching experience do I have already, and how can I build on that? Are there obstacles within my personal experience and the organization of my credit union I must overcome to become an effective coach?

In the following table, list the six things effective coaches do, along with examples from your credit union and your own personal experience of effective coaching in action.

What Effective Coaches Do:	Real-Life Examples:
1.	
2.	
3.	

What Effective Coaches Do:	Real-Life Examples:
4. ____________________	____________________
____________________	____________________
____________________	____________________
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5. ____________________	____________________
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CHAPTER 2

Why Employees Underperform

If we could measure it properly, I think we'd find that the United States is suffering from an epidemic of underperformance. For example, one credit union employee survey taken a few years ago revealed that a whopping 73 percent of staff members said they are less motivated than they used to be. That's a disturbing finding, to be sure, but for our purposes, I want you to focus on this fact: Three-quarters of that credit union's employees say their motivation is variable.

We can't determine why their level of motivation has declined—we don't have enough data to explain it—but it is worth noting that their motivation varies. That might be a hard point of view for some people to grasp. If you've chosen voluntarily to read this book about coaching and improve your skills, then you're internally motivated. You have made a personal decision to pursue excellence and to help your credit union be the best it can be. When you decide there's something you need to learn, you go about the business of finding out how to do it.

Unfortunately, you may be an anomaly. In my experience, the credit union survey is accurate in placing the vast majority of American workers into the category of having variable motivation. The way they think about their job and, to some extent, their work performance varies according to how they feel and how they react to external stimuli.

We've all heard the rule of thumb that happy workers are productive workers, but happiness is both fleeting and highly individual. What makes one person happy won't do much for the next person. And what makes one person happy today may not have the same positive effect tomorrow.

I'm one of those internally motivated people. I'm happy right now. I'm doing what I enjoy doing, communicating with you about coaching. I'm looking forward to going home soon to have dinner with my family. But I could get a phone call in just a few minutes that would change everything. And then, I wouldn't be happy anymore—at least for a while. But would I still be motivated? Yes, definitely yes. No matter what bad news that phone call brings, it won't change the fact that I'm internally motivated to do the best I can. So, you and I, we don't see happiness as a requirement to be motivated. We're not among that 73 percent. And that will be an important thing to remember in this chapter when we talk about why coaching is difficult for some people.

The same credit union survey goes on to identify another group of employees: 84 percent of the survey respondents said they could perform significantly better if they wanted to. In other words, they could do a much better job if they just chose to do so. Eight-four percent is a big chunk of that credit union's employees. Down here in the south, we would call that group "all y'all"—not just "y'all," which might be three or four people. This definitely calls for an "all y'all."

Now, I don't think all these people are cognitively choosing to underperform. If you asked these employees on any given day, "Are you working hard?" they'd probably say, "Yeah, of course." But if you ask them to step back and really study how hard they work and how much effort they put into their jobs, most of them would admit that they could do significantly better.

What happens, I believe, is that people underperform as long as they believe that their under-performance is their maximum performance.

Issues Underlying Underperformance

What happens, I believe, is that people underperform as long as they believe that their underperformance is their maximum performance. Half the employees in the same survey said they're doing just enough to keep their job. Can you believe that? I can't even imagine living that way. Imagine the conversation those employees must have with their spouses when they go home in the evening:

> "Hi, honey. Did you have a good day?"
>
> "Yeah, pretty good. I didn't get fired."
>
> "Hurray, let's go to the steakhouse tonight and celebrate! Maybe you'll dodge the bullet tomorrow, too!"

Can you imagine living with such a low level of expectation for yourself? I can't and you can't. But, again, we need to remember this point: We are not these people. And that is one of our coaching challenges.

As strange as these survey results might seem to you, I see them borne out in the work I do with credit unions and other companies. As I get older, I understand a little bit more about human nature just from being around people more and from being a little more introspective and truthful with myself. I believe that underperformance is an epidemic, and I think most of us don't see it because our employees have convinced us that they are working as hard as they can and as well as they can.

Maybe you're still having a hard time accepting that so many people underperform. Just bear with me for a minute. Keep your mind open. Even if we say the survey was unduly pessimistic about the state of the workplace and cut the numbers in half, 42 percent of employees would be saying they could perform significantly better if they wanted; 37 percent would say they are less motivated than they used to be; and one-quarter of all employees would admit that they're just trying to survive the workday. That's still a miserable picture. Right now, you're probably asking, just as I did, "How does this happen? There's got to be an answer!"

I believe there are three basic reasons why employees underperform. Let's consider each of those reasons in turn.

WHY EMPLOYEES UNDERPERFORM

1. **It's Human Nature**
   A body at rest tends to stay at rest.

2. **It's the Organizational Environment**
   Many organizations depend on negative and neutral reinforcement.

3. **It's About the Wrong Kind of Coaching**
   We parent, rather than coach, and we don't understand the people we are coaching.

1. It's Human Nature

This is hard to say, but I believe it's human nature to underperform. I know it may make those of you who are reading this book mad just to think I could say that. But I'm not talking about you, I'm talking about most people. You're reading this book because you want to learn, but a lot of people out there would say, "Read this whole book? Are you kidding? How long's that gonna take?" Why should they read a book when they can spend the time eating Cheetos, perfecting that groove in the recliner and watching *Trading Spaces*?

You might look at the options and decide that reading this book to find out how to be an effective coach is the best use of your time, but for many other people, it's human nature to be comfortable—to expend the least amount of energy required. I don't know if you can directly apply the law of inertia from physics to human nature, but it seems appropriate:

A body at rest tends to stay at rest.

If you exercise regularly (sorry, I'm not among you here. Now you know why the photo accompanying this book is just a headshot!), you know that a routine facilitates you to continue to exercise regularly. You know how hard it can be to get back into a regular exercise routine if you've stopped for a while for some reason. Pretty soon, you find yourself on the couch, thinking, "Jeez, I really need to go get the mail, but I sure am comfortable. Kids! Go get the mail and bring it to me!"

After you've been out of the exercise loop for a while, it actually hurts to be physically active. You try to start doing that three-mile jog again and find you can't even make it a mile. But if you're persistent, you can get back up to three miles and maybe even work your way up to four or five miles. And it feels good to get a regular workout.

The same thing happens in the workplace. Employees who are underperforming tend to continue to underperform. But as in science, where a body in motion tends to remain in motion, the same is true on the job: When employees are performing at a high level, they tend to continue performing at a high level.

2. It's the Organizational Environment

Most organizations use two types of reinforcement models. One is negative: "Stop that!" And the other is neutral: "As long as you're doing it right, I'll leave you alone." Using those two models, employees find out immediately when they're doing something wrong, but they learn the long, hard way when they're doing it right because they get left alone to figure it out on their own.

That's what I call the traffic cop mentality of reinforcement. I don't know how many of you drive faster than the speed limit (good thing this is a book, so you don't have to raise your hand and 'fess up!), but most of us do speed at least occasionally. Those of us who are driving faster than the speed limit are otherwise honest, decent, hard-working, loyal, moral people. We pay our taxes on time. We don't cheat, we don't lie, and we don't steal. Yet everyday we go out and break a state or federal law. And we don't even worry or feel guilty about it. We don't feel the need to unburden our conscience by confessing, "I feel so bad because I'm speeding. I know I should stop, but I can't help myself."

Folks, the reality is we just do it. It's a force of habit, fueled by negative and neutral reinforcement. In fact, negative and neutral reinforcement creates what I call *pathological speeders*. That's what I am. What I do is drive nine miles over the speed limit. Why do I drive nine miles an hour over the speed limit? Because I've found out through experience and through good information that in the state of Georgia the state patrol won't pull you over unless you're going 10 or more miles an hour over the speed limit.

My desire is not to obey the law, but to drive fast enough not to get caught. How did I come to this point? I realized nothing good happens to you when you drive at the speed limit. Think about it. I can guess what some of your arguments will be: "You won't get a speeding ticket if you drive at the speed limit." "You run a lower risk of being in an accident." The problem is that those arguments aren't positives. They're about negatives. And the absence of a negative is not enough to make people do the right thing. The absence of a negative is only enough to make people want to do enough not to get caught.

Here's an example of how the traffic cop develops this mentality. He's parked on the side of the road with a radar gun pointing it at you. Now, let's suppose you're doing the right thing. You're driving at the speed limit, using your turn signals and driving in the middle lane. You're doing everything you need to do, even coming to a complete stop at every stop sign. Out of the blue a policeman roars up behind you with lights flashing and pulls you over.

Your immediate reaction is, "What did I do?" The policemen walks up by the side of the car and signals for you to roll down the window. You probably already have your license and registration—and attitude—prepared for him. And then he says, before you can even yell at him, "I just wanted to say thank you. Thank you for being a great driver. I really appreciate that you drive carefully and attentively, and you're even wearing your seatbelt!"

If that happened to you, you would probably be stunned speechless. Your first thought might be, "This can't be happening. This must be one of those pretend cops." Your expectation about traffic cops is that they only pull people over to give them tickets. That expectation doesn't create a desire to drive within the speed limit. Instead, it makes people want to drive over the speed limit, but not so fast that they get pulled over.

I use this example because it illustrates a common, but usually unintentional, form of reinforcing behavior when we manage employees. When we notice a flaw in the process or in an employee's performance, we say, "Stop that." And when the process and performance runs smoothly, we leave employees alone. To see how widespread this mentality is at your credit union, look at a recent sales report. Does it feature the top sellers and other employees who made their sales goals, or does it emphasize the employees who fell short of their cross-selling goals? If your workplace uses neutral and negative reinforcement, you can bet it's the latter.

The same is true about balancing reports: They tend to emphasize the negative, by listing employees who had problems balancing their cash drawers rather than those who are consistently successful. And then the manager sits down with the people who've been having problems, and they have a conversation that goes something like this:

> **Manager:** You know, you had problems balancing your cash drawer last month.
>
> **Teller:** Yeah.
>
> **Manager:** Well, you really need to focus on your balancing.
>
> **Teller:** Yeah.
>
> **Manager:** You know, you really need to work on that.
>
> **Teller:** Okay.

At the end of that conversation, the teller's probably not aiming to become the most accurate cash balancer in the credit union. All she wants to do is balance well enough not to have a conversation like that again. Say the balancing standard is $100 per quarter. If that same teller is near the end of a quarter and her drawer is $50 over, she's not going to work all that hard to find the problem. She'll be thinking, "Well, it's the last day and I'm not anywhere near my out-of-balance limit. I'll look, but I'm not going to look forever." The bottom line is that when your credit union uses negative and neutral reinforcement, employees don't want to do their jobs correctly, they just want to drive fast enough not to get caught. And that kind of attitude—that reaction to the way you coach employees—is a major contributor to underperformance.

Employees, even underperformers, are smart. They can figure out pretty quickly the minimum they need to do to get by. Why would they want to do the maximum if your credit union isn't going to catch them "doing it right"? In fact, if you think about it, it might actually make more sense in an environment that emphasizes neutral and negative reinforcement not to do more. Work with me on this. Let's say the standard is 50, and you do 75. What reward do you get for doing 75? None. And you might even end up in trouble if you made a mistake on one of those 25 extra. So by exceeding the minimum expectation, you may be opening yourself up to negative reinforcement.

That's why employees tend to figure out quickly the minimum number of phone calls they need to make, transactions they need to complete, cross-selling they need to achieve or balancing limit they need to stay within to avoid attracting attention to themselves. Their goal is simply not to get caught. An emphasis on neutral and negative reinforcement discourages employees from doing more because there is no positive consequence for appropriate behavior.

3. It's About the Wrong Kind of Coaching

Understanding the people you coach

The third common reason for underperformance is that managers and supervisors simply don't understand the people we are coaching. Remember the credit union survey at the beginning of this chapter in which most employees said they weren't performing as well as they could be? Well, most coaches are not those people, and most coaches don't understand what motivates—or fails to motivate—those people.

Most people who are promoted to be coaches and managers are internally motivated, hard-working people. A lead teller, for example, does everything her coworkers do, and on top of that, she has additional responsibilities to coach and train other tellers. And she takes on those added duties for just a few cents an hour, probably—so she's obviously not in it for the money. She might appreciate the additional income, and she might be positioning herself for another promotion. But her primary motivator is internal—the desire to do the job well.

How did you get your job? How did you become a manager and a coach? You came to work, and you did a good job. Why? Probably because you just do a good job at everything you do. You feel better about yourself when you do the best job you can do at whatever task you take on. Some people might call that a *work ethic*. Bosses notice employees with a work ethic and they say, "Gee, you're doing a good job. I think I'll give you more work to do." The next thing you know, you're a member service rep. And then your boss says, "Wow, you're handling your new duties well. Here's a promotion and a little more money." It seems that's what smart business organizations do. They figure out how to get the most work out of their employees for just a little more money.

You figure you can use the money, so you keep taking the promotions. The next thing you know, you're a manager reading this book, and Mike Neill is telling you that everything you've done up to this point isn't enough. Now you need to coach, too. Are you thinking, if I could go back to being a teller and earn the same money I'm making now, I'd do it?

When I conduct workshops for branch managers, I always ask the following question in the first five minutes: "How many of you started as a teller?" If there are 100 managers in the room, about 95 hands go up. Then I ask, "How many of you would prefer to go back to being a teller if you could make the same amount of money?" Again, 95 hands go up.

However, those managers—and you—are not tellers. People have identified your talent and drive and have given you more responsibility. Something inside you makes you strive to succeed. It was there before you started working for the credit union. The credit union didn't necessarily create it in you. Your past and/or current employers may have developed and encouraged it, but you had it when you started working there. And throughout your working years, people have noticed that about you, and that's what keeps you moving up through the system.

That inner something is a very good thing, but it can't help you understand other people whose goal is to do just enough to get by. When you were reading about those survey results, did you start to do a slow burn? Did you think to yourself, "What's with people like that? How can they get up and go to work everyday if all they want to do is the least they can do?" If those survey results made your teeth grind, you're not like those people in the survey. This presents a challenge in becoming a great coach.

The bottom line is this: The coaching approach that would work with you will not be effective with most of the people you will be coaching. Consider this common statement, for example: "I don't expect any more out of you than I do myself." That statement pretty much sums up the differences between self-motivated, hard-working people and other employees. Managers who've earned promotion after promotion through hard work are the ones most likely to say something like that. When employees who are not self-motivated hear that statement, they are likely thinking, "But you expect too much out of yourself in the first place. I don't want to work as hard as you."

Here's the type of coaching self-motivated employees need: They need to be given an assignment and a deadline; then they should be left alone to use their creative abilities, intuition and organizational skills to complete the assignment successfully. It would drive those employees crazy if a coach were hovering over them, asking, "How's it going? How's it going now? How about now? Do you want an idea? I wouldn't do it like that if I were you." Self-motivated employees would stop what they were doing and say in disgust, "Here, you do it then."

The problem is that we can't coach most employees the way self-motivated employees prefer to be coached. We've got to understand what motivates them and the coaching style that will work with them. That's the aim of this book.

Coaching is not parenting

A final common reason for underperformance is that too many managers coach as if they were parenting their employees. A good coach is not a parent. Using the strategies that work for you as a parent does not apply to coaching employees. Still, a lot of managers tend to think of coaching in the same terms as they think about being a parent. Have you ever heard a manager say, "I feel like I'm running a daycare center" or "My kids behave better than this"? A lot of us can relate to that, I'm sure. The question is, why do employees act like children? The answer may be: Because we treat them as if we were their parents.

Consider the following diagram:

COACHING STYLES

With no clear model to follow, what coaching approach do I use? Many managers use parenting as their coaching model!

Tough Parent	Buddy Parent
Adult	Adult
Child	Child

Game player: "Let's see you make me do it!"
Adaptive child: Motivated by guilt and fear

My contention is that when coaches act like parents, employees respond by acting like children. Grab a pencil, and let's complete this diagram together. First draw a line between "Tough Parent" in the first column and "Child" in the second. Then, draw a line between "Child" in the first column to "Buddy Parent" in the second. Finally, connect "Adult" and "Adult" in both columns. Those are the relationships that can develop between coaches and employees. Let's consider those dynamics in a couple examples.

First off, acting like a tough parent relegates employees to the role of children. If you're constantly telling your employees what to do, what will they come to expect? Their reaction will likely be that they shouldn't do anything that you don't tell them to do. I saw a perfect example of this interaction at a client site recently. In a coaching development session with a teller supervisor, we were talking about the lack of cross-selling by her employees. I noted that in October, every one of her employees had more then 100 referrals; in November, cross-selling dropped off to about 10 referrals each; and in December two employees actually had no referrals, and not one had more then 10.

So I said, “Obviously, your employees are capable of cross-selling. Look at how well they did in October. Why were they not wanting to do it in November or December?”

The teller supervisor responded, “Well, it’s my fault. If I remind them every day to do it, they do it. But if I slack off and forget, then they don’t do it. So I really need to stay on top of them more.”

Now that’s a perfect example of someone who is parenting her employees. If that’s the attitude she conveys, the employees will never believe it’s their job to cross-sell. They will believe it’s the teller supervisor’s job to remind them to cross-sell, but if she doesn’t, well, it isn’t their fault. In fact, that’s exactly what they told her, “We would have done it, but you didn’t remind us.”

Those of you who have children can probably relate to this. It reminds me of a story about my wife and son. Becky has always been diligent about putting Jake’s books and schoolwork into his book bag and getting his bag ready for school every day. When he was about 9 years old, Becky was in a hurry one morning and forgot to put one of his books in his bag. A couple hours later the phone rang. It was Jake, who, unfortunately for him, ended up talking with me instead of his mother. The conversation went like this:

> **Jake:** I don’t have one of my books. Can you bring it to me?
>
> **Dad:** Uh, no.
>
> **Jake:** But I need it!

> **Dad:** I'm not going to bring the book. You should have put it in your book bag.
>
> **Jake:** No, mom should have done it. She always does!

He came home from school that day, stomping up the steps and mad at everyone. He said, "I got in trouble today because of you guys." Well, of course, I had to do a little coaching intervention myself. I explained to him that it was his book bag, his books and his responsibility. But I could empathize with him. The poor kid was just living with the expectation his parents had created.

If you take care of your children's every need—fix all their meals, set their clothes out, remind them to brush their teeth—what will happen? They will expect those things to happen every time. They will not think of those tasks as their responsibility. And, of course, those tasks are a parent's responsibility when children are young. But as they grow and become more mature, parents need to start handing those responsibilities over to their children. If parents continue to handle all those tasks and never give their children responsibility to take care of themselves, the children grow up to be dysfunctional adults. They become adults who are afraid to make decisions, can't cope and can hardly dress themselves. Why? Because they've never had to do any of those things on their own.

The transition from childhood to adolescence can be uncomfortable as parents begin to say, "You need to take responsibility for these tasks." The kids may suffer some consequences when they overlook some of their responsibilities. They may end up digging frantically through their drawers for clean clothes if they forgot to do their laundry, or they may be up at midnight working on a paper they should have finished two days ago. But they learn from those mistakes.

In the same way, some managers have a tendency to be concerned about employees not doing something right or forgetting to do something. In other words, they find it difficult to hold employees accountable for fulfilling their responsibilities. They tell their employees what to do, when to do it and how to do it. The result is employees who never make a mistake, never fail and never forget—and a manager who ends up working 60 hours a week.

Employees, by the way, never appreciate this tender, loving care—just as your kids don't appreciate your loving reminders. How many times have you heard a preteen say, "Mom, get off my back!" or "Dad, stop nagging!" Your point of view may be that they'd leave the house without their pants if you didn't remind them. Their point of view is, "I'm not a baby. Leave me alone."

Employees don't appreciate nagging any more than kids do. Employees don't think to themselves, "I am so glad my manager reminds me everyday to cross-sell. This is why I love working here, because everyday when I walk in, my manager tells me everything to do, how to do it and what to think." What they really do think is, "I wish you would get off my back and leave me alone about this cross-selling. You act like I'm an idiot, like I can't remember anything."

This parenting style of coaching and employees' reaction to it creates a deepening cycle. When we treat employees like kids, they begin to adapt into a childlike model, and then we say, "Well, if you're going to act like children, I'm going to treat you like children." And so the cycle goes on and on, ever downward.

Avoiding Parent-Child Behaviors

Two Kinds of Childlike Responses

The parenting approach to coaching creates two types of childlike behaviors.

The parenting approach to coaching creates two types of childlike behaviors. One is what I call the game player, and the favorite game of these employees is "Let's See You Make Me Do It." Here's an example of how this "game" unfolds. Let's say your credit union sets a monthly goal of 50 referrals for each teller. If you don't make at least 50 referrals, your supervisor is supposed to coach you to improve your performance. So the supervisor reminds tellers everyday about the referral goal, but the game player thinks, "I wonder what will happen if I do 45?" The game player makes 45 referrals, and the supervisor, who is busy reminding everyone to make their goals, lets it slide. The game player thinks, "Sweet! I only have to work hard enough to make 45 referrals without getting in trouble!" But the game player can't help himself. His referrals slide to 43 per month, and then 42 and 40. At 40, the supervisor tells him, "You've got to make at least 50 referrals a month." So the game player says to himself, "Okay, I guess the number is 41 for me, because 40 is when they yell at me. At least I don't really have to do 50."

I'm not suggesting that this kind of self-talk happens with every underperforming employee. Some of this behavior may be subconscious. But I think some employees are keeping track of the lowest level of performance the credit union will accept. It's their way of rebelling against authority just a little bit.

Of course, sooner or later in this scenario, the harried supervisor will forget to remind the game player to make referrals. You can guess what happens then, right? The supervisor says, "Hey, I don't have your referrals." And the game player responds, "Oh, you forgot to tell me." The supervisor relents and says, "You're right. I need to stay on top of that." The game player thinks, "This is great. I get to blame you for my failure to perform."

I call the other type of childlike behavior the adaptive child. These employees do exactly what you tell them to do, and nothing more. At home, the relationship between a parent and an adaptive child would go something like this:

> **Parent:** It's time to clean your room.
>
> **Child:** Okay.
>
> An hour later…
>
> **Parent:** Why are you just sitting there?
>
> **Child:** I'm done cleaning my room.
>
> **Parent:** Well, it's time to do your homework.
>
> **Child:** Okay.
>
> An hour after that…
>
> **Parent:** Why are you just sitting there?
>
> **Child:** I don't know what else to do.
>
> **Parent:** Why not?
>
> **Child:** What do you think I should do?
>
> **Parent, increasingly frustrated:** I don't know. What do you want to do?
>
> **Child:** I don't know.

That same scenario happens in the workplace all the time. Consider this example. A branch manager leaves the credit union office for a couple hours to attend a meeting at the main office.

When he returns, he asks, "How's it going?" The employees say, "Okay. Steady." Have you noticed employees never say it's slow? They could have had one person stop by the lobby in the past hour to ask for directions, but they'd never say the pace was slow. They call it "steady." And if four members came by in the past hour, they might elevate their assessment to "busy."

At any rate, the branch manager looks around at the empty lobby and asks: "So were you able to work on the signature card project?"

The employees look at each other. "Uh, did you want us to do that?"

"Well, yes, whenever you have a few minutes. That is one of our objectives for the month."

"But you didn't tell us that before you left."

"I shouldn't have to tell you. You know the end of the month is coming, and we're not done yet. I just thought that you would have taken the initiative."

The employees look at each other blankly, and finally one responds, "Well, if you tell us to next time, we'll do it when it gets slow again."

The branch manager thinks for a minute and says, "Okay, fine. Next time I have to leave the office, I'll leave you a To Do list and you can go through everything on the list one by one."

The employees nod and think to themselves, "Great! As long as we don't have to come up with work to do on our own!"

The next time before the branch manager leaves for a meeting, he draws up a To Do list and leaves it with the lead teller. And the tellers—creative team players that they are—come up with strategies to get the whole list done in 45 minutes so they can spend the rest of the time chatting until the branch manager returns.

The branch manager returns, finds every task on the To Do list completed, and believes he has found the perfect system for productivity—as long as he continues to shoulder the responsibility for identifying and assigning work that needs to be done. And the employees are content just to follow along until the next time the branch manager leaves the office without giving them a To Do list.

Two Kinds of Parenting/Coaching Styles

Just as there are two types of childlike responses—game player and adaptive child—coaches tend to assume two types of parenting behaviors. These ineffective styles contribute to underperformance every bit as much as employee behaviors do.

This first parenting/coaching style is the tough love parent. I grew up with a tough love parent. My dad was a hard-working, disciplined man who rode the bus to his job at the post office every morning, rode the same bus home in the afternoon, read the newspaper, ate dinner, watched *Huntley and Brinkley* and studied his Bible. Everything about his life was structured and disciplined. He was a great provider, a wonderful man and a great example in many ways. But he might have summed up his approach to parenting this way: "Of course, I love you. I let you sleep indoors, right? All you have to do in return is live by my rules. If you can't handle that, we're going to have a problem."

My response to this tough love parenting was to become a game player. If my job was to mow the lawn, I'd leave one little corner uncut to see if my dad would notice. If I was suppose to practice my multiplication tables for 30 minutes, I'd see if I could get away with 29 minutes. Many employees respond the same way to "tough love" from their coaches. They'll either become game players or adapt to do exactly what their coaches specify, and not a bit more.

The other ineffective approach to coaching that mirrors some parents is the buddy parent. The buddy parent says, "I'm not big on rules, but I can give you some guidelines. I hate telling people what to do. After all, everyone wants to do their best. We can be friends, right?" The problem with this type of parenting is that the child never learns necessary parameters. In some cases, children respond to this type of parenting by becoming the parent themselves and assuming a leadership role in the relationship.

Tough love and buddy parenting may seem like polar opposites, but they're equally ineffective. At first glance, the buddy parent might seem like the preferable approach from the child's point of view. The tough love parent is all about "my way or the highway." Imagine sitting through this speech: "You've violated the rules, and now I must punish you. But I want you to know before I punish you that this hurts me as much as it hurts you. Maybe even more. I don't get any pleasure from punishing you, but if I don't do my job as a parent now, the police will do it later and this will contribute to the breakdown of society. …" About that time, you might be thinking, "Let's get this over with so I won't have to listen to any more of this!"

Buddy parenting is no better, because buddy parents are people, too. Sooner or later—whether we're talking about parents or coaches at work who emulate buddy parents—they reach the end of their tether and snap. Those reactions are always unexpected, and sometimes frightening.

Let me share a story from my childhood as an example. My mother was a buddy parent. She always thought I was a wonderful genius who just needed her support to blossom into a successful adult. But every once in a while, when I least expected it, she would blow up. I remember one time in particular when I was about eight. I was tugging on her dress, trying to get her attention by calling, "Mama, mama, mama, mama, mama," as she talked on the phone.

In my experience, men do things well when they do them one task at a time. Women, on the other hand, can do 13 things at once. On this particular day, my mom was watching her favorite soap opera, *Days of Our Lives*, as she washed dishes and talked to her friend on the phone. I guess I figured my mom could handle one more distraction, so I started tugging on her dress and calling her name.

It took a little while for me to discover that my mama could only take a certain number of "mama, mama, mamas" before she snapped. I remember distinctly that my mother calmly told her friend, "Please hold a moment." She didn't hang up the phone, but she threw it across the counter and grabbed the wet dishrag.

Remember, folks, this was in the day when your neighbors didn't call the Department of Family Services if they heard you beating your child. They admired you for it. My mom had never struck me before, but I remember quaking when she grabbed that dishrag. I'd never seen her like that before. Her eyes had this twitchy, crazy look and she extended her arm with a ninja-like quickness so that the dishrag cracked like a whip. I took off running, figuring that an eight-year-old ought to be able to outrun a 50-year-old, five-foot-tall woman, but you can't outrun a crazy mama.

What's the lesson in this story for coaches in the workplace? There's a safe zone of separation from employees between being a tough parent and a buddy parent. On one side of this zone is the overbearing tough parent who accepts only perfection. On the other side is the buddy parent, who doesn't want to tell people what to do or make people unhappy. The buddy parent wants to be "just one of the guys" and "on the same team" with other employees.

What's the problem with the buddy parent approach? Employees take advantage of it. They think, "You know, she won't care, she's cool" or "He won't mind." Well, it's your job to mind, and sooner or later, you start to feel that people are taking advantage of your good nature.

Here's an example. Occasionally, tellers switch lunch-hour duty informally to suit their schedules. The teller supervisor, a buddy parent, doesn't have any problem with this practice—until it starts to get out of hand. One day, there's a miscommunication and the teller supervisor has to step in for someone who thought someone else was covering for her. A couple days later another employee, Mary, comes to her, complaining, "Sally won't switch lunches. I switched lunches with Sally, but she won't switch back with me." The teller supervisor is thinking to herself, "Lord, hold me back." Out loud, she says, "I've had enough. Tell everyone to get to work early tomorrow for a meeting before we open."

At the meeting, the teller supervisor announces that lunch switching is over. Done. Kaput. She mentions the schedule mix-ups and the squabbling, but who do the employees blame? That's right, the teller supervisor. Mary and Sally are now best of friends, and no one can remember anyone ever forgetting they were supposed to be covering for a colleague at lunch. And they can all agree on one thing, finally: No one likes the teller supervisor.

An Adult Approach to Coaching Employees

Let's go back to the chart that lists the various types of coaching styles and employee responses. The one effective coaching approach listed in that chart is coaches treating employees like adults.

When coaches treat employees like adults, they respond like adults. Coaches make the first move in establishing an adult working relationship by giving people direction, resources, training and information. Your next step as a coach is to expect people to perform their job. When they do it well, you acknowledge their good work. When they don't, you hold them accountable. This is coaching in a nutshell—simply stated, but not at all simple. That's why I'm writing a whole book about it.

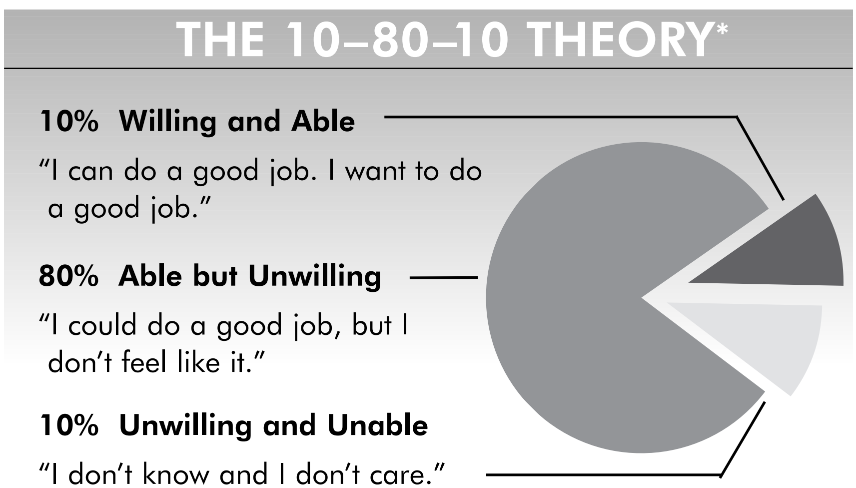
If employees are used to being coached in an ineffective parent/child approach, don't expect instant results. It'll take a while, but over time, you'll find your working relationships evolving into more productive adult-to-adult interactions.

The 10-80-10 Theory of Employee Performance

Let's begin to bring the idea of employee performance together. We've considered the meaning of the survey showing that many employees are unmotivated and underperforming. We've explored three common reasons why employees underperform. Underpinning those ideas is a principle I call the 10-80-10 theory.

The 10-80-10 theory basically describes the three common levels of employee performance. My contention is that roughly 10 percent of all employees in any organization fall into the category of "willing and able." These employees would describe their abilities and work motivation this way: "I can do a good job," and "I want to do a good job." These people are doers. They do their jobs well and volunteer for additional duties on the side. An

Let's begin to bring the idea of employee performance together.



*A small, variable, temporary group is the willing, but unable. These employees quickly become willing and able after they receive necessary training.

example would be a head teller who chairs a PTO fund-raising committee and coaches her kids' soccer team.

The second, and by far the largest, group—about 80 percent of all employees—are the "able but unwilling" employees. If they cared enough to describe their abilities and work motivation, they might say, "I could do a good job, if I wanted to—which I don't." These employees aren't ogres or awful people. They can be personable and easy to get along with. These employees tend to be the ones you always describe with a "but":

> "Our members really seem to like Sam … but he has a hard time balancing his cash drawer."
>
> "Carrie has a smile for every member she serves … but she never even comes close to her cross-selling goals."
>
> "Mary is the most accurate teller on the line … but she's late at least two mornings every week."

The final group falls into the "unwilling and unable" category. They would say, "I don't know and I don't care. If I knew I still wouldn't care, and if I cared, I still probably wouldn't be able to figure it out." I call these employees the black hole of coaching. They are not "fixable." But, interestingly enough, these people have a tendency to survive in their credit union jobs much longer than a lot of other people. We'll get to that in a minute.

Keep in mind that these are rough guidelines. A given organization might have 20 percent willing and able workers, 75 percent unwilling and able, and 5 percent unwilling and unable. In general, this theory suggests a continuum with a large group of employees in the middle who are able to do their jobs, but not willing to put forth enough effort to do them well. At either end of the continuum are a roughly equal number of employees who are willing and able at one end and unwilling and unable at the other. If you drew a representation of this theory in graph form, it would resemble a bell curve.

Can You Beat These Odds?

Of course, every organization wants to prove the 10-80-10 theory wrong by stacking its personnel with doers. This may be possible, but you need to start these efforts with good preemployment screening to identify the doers in your pool of applicants. Then you need to carry through with strong training, support and motivation efforts by well-trained coaches. And, finally, you need to identify what will motivate these employees to stay with your credit union and create a strong retention program to accomplish that goal.

As much time as you spend nurturing your doers, you also need to focus on your unwilling but able employees. These employees can benefit from effective coaching, but with anything less, supervising them can be a frustrating task. You look at their strengths and weaknesses and think, "If I could just get that one area improved, I'd have a great employee." Many a manager has worked with these employees and ended up dumbing down their expectations. Eventually, they say things like,

> "Carrie is never going to be a salesperson."
>
> "Mary just can't seem to make it to work on time."
>
> "Maybe we could get Mary to help Sam balance his drawer every day."

When managers give in like that, you can almost hear the unwilling but able employees having their own internal celebrations: "Hurray! Finally got 'em! They've given up and dumbed down their expectations, and now I have my own little behavior everyone else just has to live with."

Here's a true story. After I finished a presentation in Virginia, a branch manager walked up to me and said, "Mike, I want to talk to you about an employee. She's really good, but she just doesn't like the members."

Now, I was stunned, but he just kept looking at me with this straight-faced, perplexed expression. I finally said, "It sounds like you've got an ATM with a bad attitude." And he responded, "No, really, she's a good employee. She just doesn't like people."

Well, that's exactly what I'm talking about, folks. This branch manager had dumbed down his expectations about as low as they could go. He must have told himself, "Hey, at least she's not as bad as some other people. Maybe this guy can give me a tip on how to get her to not be so grumpy all the time. That would be great, but if not, hey, at least she balances."

Folks, we have got to do better than that. We have got to expect better than that if we want our employees to become better performers. These unwilling but able employees want to live under our radar, but they can do that only if we let them. If we let our expectations slip to the levels they set, the subpar level—well below their abilities—they'd prefer, then we're condoning underperformance. And the credit union suffers. Fixing this problem is a central topic of this book, and we'll get to it soon.

The "Unfixables"

Now let's consider the bottom 10 percent, the unwilling and unable. Earlier, I mentioned that they tend to stick around, even though they're neither willing nor able to perform on par—even after training and coaching support. They're your closet complainers. If your credit union sponsors an employee celebration, they'll be the ones complaining that there are only red balloons and that you're serving pork hotdogs when everyone knows they like the all-beef franks. Nothing the credit union does motivates them to improve their performance. If you offered a $1,000 bonus to frontline staff, they'd complain that managers are probably getting more.

The unwilling and unable employees can literally consume us, if we allow them to do so. They have a long shelf life because they learn the politics, the players, the minimums, the maximums and the accepted standard, as opposed to the "real," stated standard. They know who they can "butter up" and who they can manipulate. They know how to dodge disciplinary action. And when all else fails, they will claim, "I need more training," or "I didn't get the memo."

In many organizations, unwilling and unable employees have the fattest personnel files, but they stay on the payroll because their managers would rather transfer them than fire them. And you know what the weird thing is? Many times they wind up in the same place. In the early days when I started working with credit unions, that place was often the call center:

> "I can't believe it! Selma, the teller who's been with the credit union for 32 years, just, well …. How can I say this? She just shot a member the bird."

> "Oh, well, transfer her to the call center so members won't see her do it."

Now if Selma had pulled a gun on the member instead of just making a rude hand signal, her manager might have been forced to fire her. Otherwise, she gets transferred to the call center, along with the other dysfunctional employees. Then it would be up to the call center manager to "fix" Selma and employees like her, and was it any wonder that we had to find a new manager for the call center every six months?

Have you ever seen the TV Christmas special based on the character Rudolph the Red-Nosed Reindeer? In one scene, Rudolph and his merry friends come across a floating iceberg full of broken toys, like a jack in the box that won't pop up and a toy train with square wheels. The iceberg was called "The Island of Misfit Toys," and that's exactly how we used to refer to our call center!

What we should have been doing with those unable and unwilling employees was establishing standards and holding them accountable to meet those standards. If they didn't meet the standards, their employment should have been terminated. But for whatever reason, we kept saying, "It's probably our fault. Give them another chance." That's the buddy parenting model, and we've already talked about how ineffective it is. When employees live by the unwilling and unable code—"I don't know and I don't care"—there is only one resolution: Terminate their employment.

Willing, but Unable?

Before we move on, I should mention one other possible group of employees, "the willing but unable." They would describe their skills and work motivation this way, "I want to do a good job, I just don't know how." On an ongoing basis, this is a really small subgroup, maybe just 1 percent in any given credit union. But as a temporary group, it would include new employees who haven't completed their training and orientation and other employees learning new skills, like cross-selling or operating a new system. Once they complete their training on these new skills, employees would fall back into their original category—as doers who are willing and, thanks to training and support, now able or as unwilling but able employees.

Credit union employees don't tend to fall into the willing but unable group very often, because, in general, I think we do a good job of orienting new employees and training existing employees in new skills and systems. For example, many credit unions realize today that implementing a sales culture means more than just telling employees, "You've got to start talking to members about our products."

One exception to the generally good job credit unions do in training is in teaching supervisors and managers how to be effective coaches. But you're reading this book, so you've got a head start on correcting that if it's been a problem.

Goal of Employee Retention: Keeping the Top 10 Percent

Let's talk about tipping the 10-80-10 scale in favor of more doers and fewer able but unwilling and unwilling and unable employees. One way to do that is by retaining your best employees.

Why do employees leave their credit union jobs? The top 10 percent often leave because they feel that their good work goes unrecognized. Their managers spend so much time trying to fix problem employees that they never get around to patting their superior employees on the back. They never "catch" good workers doing it right and recognize their achievement. As a result, these high performers come to believe that this organization is not about rewarding excellence as much as it is about placating ineffectiveness. They decide to go somewhere where their efforts will be recognized, where they'll make more money and where they'll have opportunities for true advancement. When you lose these employees, it's a really bad deal because it tips your employee balance more toward the middle 80 and bottom 10 percent of performers.

Let's talk about tipping the 10-80-10 scale in favor of more doers...

When these high performers leave, they're unlikely to tell you the real reasons why. They're not going to spew venom at their exit interview. Most likely, they'll say things like, "I appreciate the opportunities I've had here, and thanks for all your support. It's been a great learning experience. But now I have this new opportunity I can't pass up." So managers write in their reports that the employees left because they were offered a promotion and/or more money. And they say, "Oh, well, there's nothing we could have done to prevent that."

I don't subscribe to that excuse. If you're going to conduct exit interviews, you ought to try to come away with some useful information. Take the next step and ask, "Why were you looking for another job? What is it about our credit union that gave you the impression you couldn't achieve career success here?" These are important questions to ask those top performers when they leave your credit union.

The middle 80 percent leave because they've been offered another 10 cents an hour to become the manager of a Gas 'n' Slurp or to go "find themselves." They see what they do for a living as a job, not a career. Instead of focusing on whether the work is satisfying or challenging or interesting, they say, "Well, at least I'm working indoors." "I get a lot of holidays." "I get every other Wednesday afternoon off." And then if your credit union expands its drive-through hours, and they have to work an extra 30 minutes three days a week, those same employees say, "I've got to find another job. This is crazy. I don't get paid to work this long and this hard." The little things set them off, because they're not really engaged in what they're doing.

Many of you reading this book may have worked for credit unions for many years. You're credit union "lifers," committed to the movement. But most able but unwilling employees aren't lifers. It doesn't take much before they're reading the want ads, and then you're having a conversation like this:

> "So you're going to manage the Gas 'n' Slurp?"
>
> "That's right. Of course, I have to work the midnight to 9 a.m. shift, but I'll be the manager, and I'll be making 10 cents an hour more than I make here."

Is it worth mentioning that for that extra 10 cents an hour, they're going to be dealing with long lines of tired, drunk people lined up on Friday night to buy three quarts of malt liquor and 20 lottery tickets? And that every once in a while, a man in a ski mask will pop in with a sawed-off shotgun and demand all the cash in the register? Probably not.

Maybe, just maybe if we had challenged these employees, they might have found some good reasons to improve their performance and stick around. But many organizations don't effectively challenge their able but unwilling employees. They don't give them the opportunity to become willing and able through coaching. Most of the time, they leave the credit union the same way they joined it. They come in as a good balancer, they leave as a good balancer. They come in as a bad cross seller, they leave as a bad cross seller. The organization doesn't train them effectively and motivate them or hold them accountable for their performance, so they leave with pretty much the same skill set they brought with them. And the credit union looks for their replacements.

The bottom 10 percent, the unwilling and unable, are a different story. They leave only if you fire them. Otherwise, why would they leave? The credit union accepts their low level of performance. They're not making great money, but it's better than they'd make any place else. And they might actually have to work there—at least long enough to learn new policies and procedures and how much they have to do to just barely get by.

These employees are so dug in, you've got to run them off. And when you do finally fire them, they'll be clawing the carpet on the way out the door, screaming, "I'm sorry! I'll change! I didn't think you'd ever do it!"

The question people ask me all the time is, "Well, if you fire the bottom 10 percent, don't you just end up hiring the same type of employees?" I don't believe that's inevitable. Excellent service organizations have problem employees just like everyone else, but they do their best to hire and retain the best. I encourage you all to read Leonard Barry's book *Discovering the Soul of Service*. The 10-80-10 principle doesn't apply at companies like Midwest Express, Nordstrum's, and Chick-fil-A. Those high-quality service organizations get rid of the bottom 10 percent in terms of performance and do a great job of interviewing and preemployment testing. Their selection criteria are so stiff and their training processors are so good that they raise the bar to something like 50-45-5. You can definitely see a higher caliber of performance overall at companies that strive strategically to develop and maintain great service.

Jack Welch, the former CEO of General Electric and widely recognized as one of the most outstanding CEOs in the 20th century, has written several books on leadership and coaching. At GE, they had something similar to the 10-80-10 principle, only they referred to it as 20-70-10. I was not aware of this until I stumbled across it one day while reading the *USA Today*. Now, GE obviously is an organization that values high performance, but even there they consider 20 percent of their staff to be willing and able, 70 percent able but unwilling and 10 percent unwilling and unable. Jack Welch had this to say about that top 20 percent:

> The top 20 percent must be loved, nurtured and rewarded in the soul and wallet because they are the ones who make the magic happen. Losing one of these people must be held up as a leadership sin—a real failing.

Folks, I've got to tell you, whenever your organization loses one of its top 10 percenters, you ought to have a funeral. It's that big of a tragedy because it's so hard to find these people. They just don't drop from the heavens. Consider yourself fortunate when they come your way. There are things you can do to increase the odds that they'll come your way, but when you lose one, it's a sad day. In the following chapters, we'll look at how to retain those high performers.

Demands for Effort Equity

Before we end this discussion on underperformance and the 10-80-10 theory, let's consider one more crucial factor—the connection between pay and performance. Are better-paid employees more productive? Will a new sales and service culture be more widely accepted if employees feel that they are adequately compensated for their sales and service efforts? These questions are commonly addressed at a credit union's executive management and board level, but supervisors and managers at all levels should be attuned to how employees perceive the link between pay and performance.

...let's consider one more crucial factor—the connection between pay and performance.

In the years I've been working with credit unions, I've come across a concept I call **Effort Equity**. This concept describes two beliefs many employees hold:

1. Every time my job changes, I deserve more money.
2. The skills I perform well offset those I lack.

New Duties = More Compensation

Many employees believe the effort they put into their job should be in *direct* proportion at every moment to their level of compensation. If the credit union expands employees' job descriptions by adding cross-selling to their duties, employees who hold with the Effort Equity philosophy believe they should be paid more. And I'm not talking about incentive pay necessarily, or bonuses based on the number of referrals or products sold, though incentive pay is a great motivator for many employees. I'm talking about employees' expectations that their base pay would increase to reflect their new sales responsibilities—especially since their managers are constantly harping on how important sales are to the credit union and to members.

I actually ran across a situation where a client was asking its employees to take a product knowledge assessment before attending sales training so managers and trainers could ascertain that employees know the products well enough to benefit from sales training. Some employees responded by asking, "Are you going to pay us to do that?" I was shocked. It seemed to me that the credit union was making a concerted effort to help employees do their jobs better and that it should be a *fait accompli* that employees should understand the products well enough to explain their benefits to members. The credit union had done the right thing by producing a product knowledge manual and by giving employees product knowledge training and assessment.

At first, I could hardly make sense of employees' arguments that they wanted more money for taking the test and training. But then I started thinking in terms of Effort Equity. The credit union's position was, "As frontline employees, tellers and member service reps deal with members firsthand more than any other employees. We need you to build relationships with them by cross-selling our products." The employees' position was, "The job I have is worth what you're paying me. If you want me to do more, I need to make more."

A new sales and service culture is typically unveiled with great fanfare to convey the message: "This is a major shift in the way we do business. It will entail a new focus and more effort on all our parts." Some employees are likely to respond, "Well, if it's such a big deal, we should be making more money to do these things. If you want me to cross-sell, I need to make more money." Not all employees feel this way, mind you. Some accept that their positions will change as the organization changes, and they have no expectation that a pay hike will accompany every organizational change. But if a significant some or many employees believe new responsibilities should come with higher pay, your job as an effective coach is to make sure that top executives are aware of those employee expectations.

Make no mistake, the issue here is not sales culture implementation. These folks are the same people who expect to make more money if you shift their hours or assign them to a different branch. They simply believe that what you are paying them for now is for what you are attempting to extract from them now. They expect that any change in their work position should be accompanied by more money.

Counterbalancing Skills

The second aspect of Effort Equity is the belief among able but unwilling employees that their talents and/or abilities in one area should counterbalance talent and ability deficits in other areas. An employee who balances well may say, "I am just not a cross-seller!" What she is really saying is, "I balance really well and I have no intention of even attempting to cross-sell." This employee believes her value is in balancing and the "sales stuff" is for someone else.

What behaviors characterize a good employee? You and I could name several right off the top of our heads, such as positive attitude, reliable attendance, accuracy, adequate speed, team orientation, member focus and attention to detail. The employees who believe in Effort Equity feel that if they are consistent balancers and really like the members, they should have the right to slide on developing other talents and skills.

I worked with one employee who really personified Effort Equity; in fact, I developed this theory after working with her. Let's call her Tammy (since that's her name!). Tammy was one of the brightest, fastest, most accurate and most charming employees I have ever had. However, Tammy did not come to work on a consistent basis. She was someone that you would say has great potential. She was also a great example of why potential is only talent that has not been put to use. I had coached and counseled with Tammy many times regarding her poor attendance with little positive result. In one particular meeting, Tammy actually said, "I know you won't fire me over this. This is not that big of a deal."

Well, Tammy was wrong. I did let her go. During the termination Tammy stood up with an angry look on her face and slammed her fist down on my desk and said, "You have a lot of nerve firing me! I'm the best employee you have *when I'm here*." Tammy's words hit me like a lead pipe. She actually believed that her talents and abilities in one area gave her the right to operate ineffectively in others. That's Effort Equity in a nutshell!

Look around your office. You probably see employees who would describe themselves as a great balancer, a people person, a speed demon and so on. Some of these people—maybe most employees who emphasize their best work traits and downplay the skills they lack—believe that our asking them to become a total employee is beyond the realm of reason. As coaches, on the other hand, we must believe that an effective employee is one who at least meets the standards in all areas. We understand that everyone, including ourselves, is a work in progress. The culmination of that work is to meet the standard for every necessary professional skill.

Remember the story I shared earlier about the manager who asked for advice about a "good" employee who did not like interacting with members? This is an example of the worst-case scenario of Effort Equity. I call it Management Effort Equity Sympathy Syndrome, or MEESS. This syndrome sets in when managers sympathize with underperformers who convince us they have limited capacity. As you can imagine, it causes a real MEESS when managers react sympathetically to an able but unwilling employee's attitudes about work. Even worse, some managers actually begin to buy into the lie! It seems that I have witnessed more and more of this thinking over the past few years as the market for "good" employees has diminished.

Coaching Responses to Effort Equity

When a coach buys into the Effort Equity theory as reality, the result is overmanaging and undercoaching. Here is an example. A manager looks out at her staff and sees employees with various natural strengths and weaknesses. Rather than praising employees for their strengths and challenging them to improve in their deficit areas, the manager thinks, "Sally is really fast, but she is not much of a people person. I'll put her at the drive-through window. At least when she gets nasty with a member, she has the bulletproof glass to protect her. Jim is my talker, but the members love him. I'll put him down at the end so he'll be out of the way. Jill is steady but not fast. She can handle the vault."

You see where I am going here? This is not coaching. This is management. Put the square peg in the square hole and the round peg in the round hole. Don't get me wrong. It is important to identify the strengths of your staff and put them in the best position to win. But that is different from giving up on employees' weaknesses and attempting to accommodate the Effort Equity view of reality. People are capable of so much more. If we will challenge them and coach them, we will see them develop. The manager who suffers from MEESS looks out at his group of employees and says, "When I put them all together, I've got one good employee." Don't settle for that. Focus on what the employees' strengths are and catch them doing those things right. At the same time, though, challenge them to step out of their comfort zone and become well-rounded employees.

If we don't, we end up dumbing down our expectations of what a good employee looks like. Some coaches tell me, "I'm afraid to coach these employees. What if they get mad and leave?" I can empathize with that concern. No one wants to work short-handed. However, remember what coach Tyrone Willingham said, "What you will accept becomes your standard." Don't expect excellence when you attempt to manage mediocrity.

To avoid MEESS and its root virus, Effort Equity, you must create and communicate high standards. Coach employees to develop their areas of weakness and value their competencies. Then you will not be managing by trying to plug the right employee in the right hole. You'll be coaching by improving people to their highest potential to achieve the team goals.

Coaching Challenge

The discussions in this chapter about employee underperformance, the 10-80-10 theory and Effort Equity, lay the foundation for the principles and processes of effective coaching that will be presented in the following chapters. Let's review these discussions briefly before we move on.

A. List three reasons why employees underperform:

____

____

____

B. Match the terms in the first column with the descriptions in the second column.

______1. Game player	a. Able but unwilling employees
______2. Adaptive child	b. Childlike response to parental modes of coaching: "Let's see you make me do it!"
______3. Top 10 percent	c. Able and willing employees
______4. Middle 80 percent	d. Unable and unwilling employees
______5. Bottom 10 percent	e. Childlike response to parental modes of coaching, motivated by guilt and fear

C. Define Effort Equity. Based on your observations about how employees in your branch or department feel about the connection between pay and performance, do you see Effort Equity as an issue in the degree to which employees accept a new sales and service culture?

Answers to these Coaching Challenges are listed on page 151.

CHAPTER 3

Common Coaching Styles

Let's turn our attention to the three most common styles of coaching in the workplace today. We'll build this discussion on the three behavioral styles we discussed in Chapter 2: the buddy parent, the tough parent, and the adult model. The three common styles of coaching directly correlate to these three behavioral styles.

THREE COMMON STYLES OF COACHING

1. **The Directive Coach**
   "I know the stuff better than you do! Just do what I say."

2. **The Country Club Coach**
   "I want you to feel good about me."

3. **The Winning Coach**
   "You're an adult, and I'll treat you like one."

You've probably run into this kind of coach or at least seen one on TV...

Meet the Directive Coach

The first coaching style is represented by the directive coach. You've probably run into this kind of coach or at least seen one on TV or read about one in a book. Here's a directive coach describing this approach to coaching employees:

> I know this stuff better then you do. Just do what I tell you to do. I've been here a long time. I've been through the two system conversions. I've got all the manuals. They're filed by date and topic and who sent them. I can find an out-of-balance in my sleep on a cell phone from 20 miles away. Don't suggest anything. If I want to know what you think, I'll tell you what you think.

This directive coaching model ties directly back to the tough parent behavioral style. Remember, tough parents say, "I'll catch you doing it wrong. When you do it right, I'll leave you alone." Their focus is the negative and neutral reinforcement model.

Directive coaches overvalue productivity and undervalue people. "Overvaluing productivity" might seem like an odd concept. You might be asking, is it possible to overvalue productivity? It is when you undervalue the people who are to be productive. The directive coaching model is rooted in the tradition of bosses who bark, "I don't care if you enjoy your work! Just do your job!"

The directive coach is likely to produce childlike behaviors among employees. Some employees respond in the mode of "Let's see you make me do it," and others adopt the adaptive child response, as in "You tell me what to do, I'll do it. You don't tell me what to do, I won't do anything."

Let's say a directive coach tells an employee, Ned, that he needs to be at work by 8 a.m. Ned tests that order by showing up at 8:01 a.m., and his coach taps on her watch and gives him a stern look. So the next day Ned pulls into the parking lot at 7:50 a.m., smokes two cigarettes while listening to the radio, and comes through the door at precisely 8 a.m. Then he heads for the break room, drinks two cups of coffee and arrives at his station at 8:15 a.m.

> The directive coach barks, "Where have you been?"
>
> "I was here," Ned responds defensively.
>
> "Why weren't you here, working?"
>
> "Oh, okay. I didn't know I was supposed to…. You just told me to be here at 8. I didn't know I was supposed to work, too."

Meet the Country Club Coach

The country club coach relates directly to the buddy parent mode. The country club coach is overly concerned about being liked. At the end of the day, this coach wants to know, "How do we all feel about it? Are we a team? Do we like each other? Do we have a good time? Do we still want to go hang out with each other?" A country club coach wants to manage feelings: "My, you look nice today. Is that a new haircut?" Or "You look a little down today. Do you need a pick-me-up? Let me take you to lunch." Or even "Does somebody need a hug?"

At the end of the day, this coach wants to know, "How do we all feel about it?"

This type of coaching is pretty much the polar opposite of directive coaching in that it overvalues people and undervalues productivity. Again, the question arises: Is it possible to overvalue people? Yes, it is—when you value people to the exclusion of their contribution to the team.

This country club coaching style also supports childlike behaviors among employees, who learn to manipulate their coaches. If my boss is going to pamper me when I'm down, why would I ever appear to have a good day? If all my boss wants is to be liked, I'll like him just fine—until he expects me to work. Those types of responses build until the country club coach finally snaps: "After all I've done for you this is how you repay me? I let you switch lunches, but I just need somebody to come in five minutes early to help me. No! I can't get anybody to do that! Well, that's just swell. But you can say goodbye to me being flexible if you're not going to be flexible as well."

It's easy to see how a directive coach might generate ill will and poor morale. The country club coach is all about good morale, but ultimately this style produces a poor working environment as well. Employees spend so little time working, they have a lot of time to look over each other's shoulders, aggravate each other and accuse each other of being pampered and favored. Their goal becomes not who can be the most productive, but who can get away with the most. And the country club coach is caught in the middle, too busy mediating squabbles to see that any work gets done.

Of these two models, which one do you think is more common in credit unions? The directive coach or the country club coach? I'm willing to bet that most of you said the country club coach, because we do have lots of nice people in credit unions. We don't put up with bullies, but we do have a lot of nice people who are afraid to coach. In other words, we have a lot of country club coaches running around.

A winning coach says, "You're an adult, and I'm going to treat you like one."

The Winning Coach: The Key to Effective Performance Management

What credit unions need are a lot fewer country club and directive coaches and a lot more winning coaches. That's what I call the effective coaching model—the *winning coach*. A winning coach says, "You're an adult, and I'm going to treat you like one. **There are consequences for your behavior, both positive and negative. You are accountable for poor performance and rewarded for effective performance."**

Winning coaches have a balanced regard for people and productivity. They care about employees as people, but not to the exclusion of their performance. They are concerned about performance, but they also care that people find their work rewarding and have opportunities for advancement. In exploring the different modes of behavior and coaching, we have been working up to this winning model and its role in performance management.

Coaching is all about performance management. The strategies we're going to present for performance management will work for all sorts of workplace challenges. Is an employee coming in late? Having problems balancing? Balking at cross-selling? All of these problems can be resolved through effective performance management.

It's time to put directive coaching and country club coaching behind us. We've looked at those styles of interaction, and we can see why they don't work. Let's focus now on what does work. In Chapter 4, we'll examine how winning coaches develop high performance.

Coaching Challenge

List the coaching style that best fits each quotation:

A. “I know the stuff better than you do! Just do what I say.”

____

B. “I want you to feel good about me.”

____

C. “You’re an adult, and I’ll treat you like one.”

____

Answers are listed on page 151.

CHAPTER 4

How Winning Coaches Foster High Performance

If you follow the principles of performance management described in this text, you'll discover an astounding ability to improve people's performance. We've worked through these principles with dozens of clients all around the country with great results. If you apply these principles, you'll achieve great results, too.

The first challenge we must all overcome is to break longstanding patterns we've developed. You might have read the previous chapter and said to yourself, "Yep, that's me. I'm a directive coach." Or, "I'm a country club coach through and through." I have a secret for you: Your employees already know that, and they've taken comfort in having figured out you and all your hot buttons. When you've finished this book and begin applying principles of performance management, it's going to take them by surprise. I can already hear them muttering, "What's going on? Every time she reads that book, she starts acting weird. We'd better burn those books!"

The more comfortable you get with performance management, the more uncomfortable your employees will be—at least at first. Most people don't like change. They figure out how things are at work and get comfortable. When you start to change your behavior, your employees will notice—and most of them will want things to go back the way they were. Even if the old way of doing business wasn't getting much business done, your employees knew what to expect—and what was expected of them. They'll want you to go back to the old you. They think, "He may not be great, but at least I've got him figured out."

Let's look to families for a minute for an example that's close to home. I think every family has some degree of dysfunction. In my family it was arguing. We were all arguers. Everything was up for debate, which was often fun to watch because everyone was so passionate. I come from a very Irish family, and everyone seemed to have strong opinions about everything. The dinner conversation would be amazing.

> "Can you pass the salt?"
>
> "That's right, go ahead. I'll pass the salt, and I might as well pass you a stroke. Go ahead, keep pouring that salt on there. You're going to stroke out at age 12."
>
> "Can you give me a break, and just pass the salt?"
>
> "That's fine. Go ahead and kill yourself."

Those conversations happened every night at our dinner table, so it was quite a shock the first time I was invited for a meal at a friend's house. It was a quiet, pleasant dinner. Then someone asked, "Please pass the salt." I thought, "Uh-oh. Here it comes!" Instead, someone else responded, "Oh, certainly. Would you like the pepper, too?"

Now I could have thought, "Oh, so this is what normal is like!" Instead, I found myself thinking, "Boy, those people are weird." In reality, my friend's family wasn't weird—and neither was mine. They were just different, and my friend and I had each adapted to the patterns of our family's behavior.

As you begin to implement the principles of performance management, you had better be prepared for rising levels of discomfort among your employees. The nature of change is that it produces discomfort. You had better be prepared for that, and you ought also to expect questions and negative feedback from employees and from your managers as well. You should be prepared to explain that you are working to improve performance management. It might be a little rocky at first, but the goal is higher productivity and a boost in morale.

Setting the Stage for High Performance: The Performance Management Response Grid

How do winning coaches handle performance problems? Head on. They don't try to sidestep or ignore them, as a country club coach might. They don't just bark orders and humiliate employees, as a directive coach might. Winning coaches identify a problem, figure out what's causing it and work to develop a solution. Let's consider each of those steps in turn.

Winning coaches identify a problem, figure out what's causing it and work to develop a solution.

Identify the Cause of a Performance Problem

This first step is essential to the whole process of performance management: A winning coach analyzes a problem to determine its causes. The accuracy of that analysis is absolutely critical, because *how you define the problem will determine the resolution you pursue*.

Let's say Ned is often late for work. What's the problem? "Ned's problem is that he doesn't come to work on time." Sally hasn't met her cross-selling goals for the past two months. What's the problem? "Sally has problems cross-selling."

Wrong on both counts.

These statements represent misdiagnoses because they don't go far enough. Ned's *problem* is that he is able but unwilling to get to work on time. Sally's *problem* is that she is either unable to cross-sell or unconcerned about meeting her cross-selling goals. *All performance problems are a function of willingness and ability, and you can't establish an effective response without out* *identifying correctly the root cause of the problem.* Consider the following grid based on employee types.

PERFORMANCE MANAGEMENT RESPONSE GRID

Employee is ▶ ▼	**Able**	**Unable**
Willing	*Response:* Delegate/Recognize	*Response:* Train
Unwilling	*Response:* Coach/Incent	*Response:* Fire

I contend that all performance problems result from a lack of willingness and/or ability. The sooner you can identify what is behind a specific performance problem, the sooner you can address it through one of the actions described in the grid.

I don't want to convey the impression that identifying the cause of a performance problem is easy. In reality it often requires dedication and persistence. It may even lead to confrontation, and nobody likes confrontation. Well, a few people seem to embrace confrontation, including directive coaches, but we've already established that directive coaching is an ineffective approach to performance management. Let's agree that most people avoid confrontation and thus may avoid dealing with a performance problem until it has gotten out of hand. And then, in an attempt to keep conflict to a minimum, they avoid the analysis necessary to establish the cause of a performance problem. That avoidance results in conversations that start like this:

"I've noticed you coming into work late a lot lately."

"Uh huh."

"Can you tell what me what's going on?"

A question that leads nowhere

Let's take a little side trip here to explore why I recommend that you should never ask an employee, "Can you tell me what's going on?" What kind of response are you expecting when you ask that question? The most honest responses from the habitually tardy employee would likely be something like:

"I get stuck in traffic."

"The bus is always late."

"I have a hard time getting the kids off in the morning."

"I get all wrapped up in those fascinating interviews on the *Today* show."

"I just like sleeping late."

"Oh, you know, I really tie one on some nights."

"I have no discipline."

"I guess I'm not a morning person."

It would be more effective just to ask, "Can you give me your list of excuses?" And after you've heard the excuses, what can you do about them? Is it your job to stop by in the morning and rouse the kids? Clear a lane of traffic? Set the alarm clock? No? So you're left with one response—"Oh. Well, you need to do something about that."—which isn't a resolution at all.

As a coach, it's your job to determine the causes of a performance problem. It's your job to make the diagnosis. That's a good word to use because a medical analogy can help illustrate what's wrong with asking employees what they think is wrong with their performance. Would you rather go to a doctor who offers you a cheaper rate for a self-diagnosis or a doctor who gives you a thorough exam when you're sick and listens to your lungs even when you say it's all in your nose? Consider this exchange:

> "Doc, I think I've got strep throat."
>
> "Sounds right to me. Here's some penicillin."
>
> "Do you want to do a throat culture?"
>
> "No, you're probably right."

Would you rather visit this doctor or someone who knows more about health care than you do? Along the same lines, employees want and need a coach who knows more about diagnosing performance problems than they do. The question is not "Can you tell me what's going on?" but "What do I need to know to figure out what's causing this problem?"

The common exchange that results when a coach asks "Can you tell me what's going on?" produces a frustrating spiral. Now aware that you've noticed his late arrivals, Ned rouses himself and gets to work on time—for a couple weeks. Then he starts to slide back into tardiness, and you have to track him down for another heart-to-heart talk that will ultimately be just as unproductive as the last one.

The illusion is that this intervention solves the problem. It does not. If you tell a typical employee you have noticed he is coming to work late, he immediately responds with appropriate behavior because he has been "caught." You feel as if you have resolved the problem because the behavioral issue stops. But this is only temporary. The employee will most likely revert to misperformance once the sting of the confrontation has subsided. You then confront the issue in the same way, which causes another temporary improvement. This occurs over and over until the country club coach finally "snaps."

When you ask an unwilling employee what's going on, you're begging for an excuse and you'll get one! What must a coach do to achieve lasting change? Stop asking for excuses and start looking for causes. Let's find out how to do that.

All for the cause

This first step in performance management requires that you look at problems in a fundamentally different way. The problem is not that Ned comes to work late. The problem is that he is able but unwilling to arrive on time. Tardiness is a simple problem to identify because everyone ought to be able to get to work on time. If they get stuck in traffic once, they find a different route or start out earlier. If they have a hard time getting the kids up and out the door, they send them to bed earlier and reset the alarm clocks. Or they just need to develop the discipline to turn off the TV and start the commute. You get the picture. For your purposes, all you really need to know as a coach and manager is that they are able but unwilling to do what it takes to get to work on time.

Accurate identification of the root causes of a performance problem completely changes the context of your interactions with employees. You have to analyze to determine the cause of the problem. How you define the problem will determine the resolution you choose. *If you define the symptom as the problem,* *you misdiagnose and begin handling symptoms rather than problems.*

In fact, misdiagnosis or dealing with the symptoms rather than the problem can kill performance—just as patients with misdiagnosed medical problems suffer. Let's say a patient goes to her doctor complaining of a headache, sore throat, runny nose and low-grade fever. She could have a sinus infection, seasonal allergy, the flu or a more serious, even life-threatening, medical condition. If she takes cold medicine to clear up her runny nose and ibuprofen for her headache, she'll likely feel better. But if she has a serious undiagnosed ailment, she will only get sicker even if the medications relieve her symptoms temporarily. That's why over-the-counter preparations include the warning, "If symptoms persist, consult your physician." Along the same lines, if performance problems persist in the workplace even after training and coaching, you need to reconsider your diagnosis.

Match the Solution with the Problem

Let's consider a credit union example—of Sally falling short of her cross-selling goals—to illustrate the ineffectiveness of focusing on symptoms rather than the performance problem. In Sally's case, she is unwilling and/or unable to cross-sell. Your first inclination might be that she needs more training, because she missed a sales skills workshop last month when she was on vacation. You send Sally to a sales skills seminar, but she still falls short of her cross-selling goal the following month.

Your next approach is to train Sally on the job. She seems to respond to that one-on-one attention but continues to fall short of her cross-selling goals. At this point, you begin to believe that Sally is able but unwilling to cross-sell—that she falls in that big

80 percent category of employees. Why? Because training should resolve performance problems of willing but unable employees, but not those of the able but unwilling.

You hold a coaching meeting with Sally and explain that you're concerned because her goal is cross-selling 50 products a month, but in each of the last two months, she's only sold 40 products. You note that she's been through a workshop and some on-the-job training, so she ought to be able to make her goal, and you tell her she'll need to cross-sell 60 products during the coming month to get closer to her quarterly goal.

Sally's response? Because she's a classic employee, she says simply, "I'll try."

That's a response country club coaches love to hear. Sally will try. That's all you can ask of anyone, right? But another month comes and goes, and Sally still falls short of her goals. You hold another meeting, and Sally vows, "I'll try harder." You let it go at that for another month, but her poor performance continues.

Recognizing "willing and able" employees

If you look back to the Performance Management Response Grid we introduced earlier in this chapter, you can see that it corresponds directly to the 10-80-10 principle we discussed in Chapter 2. About 10 percent of employees fall into the willing and able category. Your job as a coach is to delegate work to these employees and recognize when they succeed. Willing and able employees love their work. Like thoroughbreds, they run just because they love to run. Give them meaningful work, and they'll do it.

They'll do it so well, you can recognize them as peer mentors and give them an assignment helping to train new employees.

When you recognize their superior performance with those additional responsibilities and occasional rewards through your incentives program—or even just a couple movie tickets—it reaffirms in their minds that you're smart enough to know a good worker when you see one. They'll think of your credit union as a pretty good place to work.

Training "willing but unable" employees

The next category in the first line of the grid are willing but unable employees. As we noted in Chapter 2, that's a small group of employees who are temporarily unable to perform well until they receive training. So, you train those employees, and then they move to the first category of willing and able staff.

Straight talk for "able but unwilling" employees

Remember that the largest group of employees are those who are able but unwilling. One of the most common ineffective approaches to performance problems I've seen at credit unions is training and retraining employees in this group. If Sally doesn't meet her cross-selling goals after a sales skills workshop and one-on-one training, she must need more training, right? Unfortunately not. If you send Sally to another training workshop, she won't learn another thing and her sour face and attitude will just make other participants uncomfortable.

Training fixes one problem—lack of knowledge. It does not motivate able but unwilling employees. Motivation is a whole different approach. I'm hoping that this book motivates you. My goal has been to make it useful, interesting, even entertaining, so you'll stick with it to the end and then be motivated to apply the principles described here at your credit union. My goal is that you'll read it and then go to work. But when this book is over, you've still got a big challenge ahead of you. Implementing these coaching approaches won't be easy. By reading this book, you have improved your knowledge base about coaching, but you'll still have to find the motivation to implement the techniques described here with employees who will resist your effort to change the status quo.

Because training corrects knowledge gaps, it's only effective with willing but unable employees. But that won't stop able but unwilling employees from asking for more training when you confront them about performance problems. Why? Because it's an easy excuse. When Sally doesn't meet her sales goals for the third month running and you ask her why, the easy way out is for Sally to insist that she'd do better with more training. She doesn't need the training, she doesn't want the training, but it'll be easier to sit through another training than to work hard enough to meet her sales goals. When Sally ultimately fails, she'll blame it on ineffective training.

What Sally needs is a coach who will tell her, "You don't need more training, because your problems in meeting your cross-selling goals aren't about a lack of knowledge. You know what to do. You're just choosing not to do it."

Oh, my goodness, can you say that? Sure you can—if it's the truth. The employee needs to know that you know. What does the credit union gain by sending Sally to more training? She'll have to wait two more weeks until the next training, and that's two more weeks during which her lack of performance will be excused. Then she goes to training and spends two days off the job. Then she returns—still unmotivated and unwilling—and spends another month not meeting her cross-selling goals. You schedule yet another meeting and ask why the training didn't improve her performance.

"I don't know," Sally responds with a shrug. "Maybe I need to read a book, too."

And so it goes. This cycle will only end when we accept our responsibility as coaches and confront able but unwilling employees about the need to improve performance.

Facing the facts about "unwilling and unable" employees

The final category of employees is the unwilling and unable. Remember them? "I don't know, and I don't care." Where do you go with these employees? Nowhere. You've trained them, and their performance remains subpar. You've coached them, and they remain unmotivated to try to change. This conversation is the next step: "I give you this yellow slip of paper, and you give me your keys. Stop by the HR office on your way out to talk about continuing your insurance coverage. Good luck in your next career."

I bet some of you are already penciling in the names of some employees next to that square in the grid. You may even be thinking, "This is going to be my first task when I start implementing these coaching skills. These employees are out the door." Let me inject a little caution here. I would suggest that your first step be to start by coaching these employees. You can't really make the unwilling and unable diagnosis unless those employees have been effectively coached.

By using these effective coaching methods, you can determine whether these employees are truly unwilling and unable or are able but unwilling. If their performance improves with more effective coaching, you have narrowed down your diagnosis to identify these employees as able but unwilling. They will benefit from continued coaching.

If their performance doesn't improve, you have further support for your diagnosis that these employees are unwilling and unable. At this point, further coaching isn't going to do any good. One definition of insanity is to keep doing the same thing over and over again and expect a different result. If you coach and coach again without any positive results, your best course is to terminate their employment.

Applying this approach consistently with unwilling and unable employees will likely have a positive impact on the able but unwilling. Many of these employees have been coasting on the belief that if you are willing to put up with unwilling and unable employees—the bottom 10 percent in the performance barrel—there's no way you'll bother them. Their attitude is: "I'm not doing much, but I'm doing more than those people. If they go looking for someone to fire, they'll start with them, not me."

But if you do what you have to do with the bottom 10 percent of your employees, the middle 80 percent now becomes the lowest common denominator. The standard of performance rises, and their performance will rise, too.

In short, effective coaching helps you tell the difference between the unwilling and unable and the able but unwilling. Without coaching these employees individually, you may not be able to tell the difference between the bottom 10 percent and the middle 80 percent. But the employees know the difference, I guarantee, and that knowledge allows the able but unwilling employees to set their standards as low as possible. By terminating the bottom 10 percent, you raise the bar for the middle 80 percent and vastly improve the odds of succeeding in moving some of these employees into the top tier of willing and able employees.

That dynamic should help you narrow your coaching focus. The top 10 percent of employees don't need coaching; all they need are challenging assignments and rewards and recognition for doing their jobs well. The bottom 10 percent won't improve no matter how hard you coach them, but once you get rid of them, you'll definitely have the attention of the middle 80 percent who can benefit from effective coaching. Their performance will improve if they are motivated, if they have firm performance standards and if they are held accountable for performing up to those standards. Let's move on to the challenge of coaching that middle 80 percent.

Diagnosing Performance Deficiencies

Your first step in coaching able but unwilling employees is to identify them. The accompanying Performance Deficiency Diagnosis Checklist offers key questions to consider in determining whether an employee can do the job but chooses not to do so. You may come up with other questions to add to this checklist, but the questions now included represent the core issues you need to assess in separating the able but unwilling from the unable and unwilling employees.

Your first step in coaching able but unwilling employees is to identify them.

PERFORMANCE DEFICIENCY DIAGNOSIS LIST

Yes	No	
☐	☐	Does the employee know how to do what s/he is expected to do?
☐	☐	Does the employee know that s/he is expected to do it?
☐	☐	Has s/he ever done it correctly?
☐	☐	Would s/he want to do it correctly, if s/he could?
☐	☐	Has someone told the employee s/he is not doing it right?

A crucial question is, "Does the employee know that s/he is expected to do it?" If employees know they're supposed to do a task and they're not doing it, that's a prime indicator that they are able but unwilling. But don't just focus on that question. It's important to answer all of these questions and consider the big picture in identifying whether employees can benefit from coaching.

Some of these questions can be answered objectively, such as "Has s/he ever done it correctly?" and "Has someone told the employee s/he is not doing it right?" However, one is a subjective question, "In your opinion, would s/he want to do it correctly, if s/he could?" To answer this question, consider all you have done as a coach to help the employee gain the skills needed to accomplish the task. Has the employee undergone training, and did the employee complete the training successfully? How has the employee taken to accepting new responsibilities in the past? Have the employee's performance evaluations been generally positive in the past? Those kinds of assessment can help you determine whether an employee is willing but unable, able but unwilling, or unable and unwilling.

Once you have identified those employees most likely to benefit from coaching—the able but unwilling—it's time to tackle the performance problem head on with a process I call *effective confrontation*. Let's examine the steps in this process next.

Effective Confrontation

Effective confrontation can be a significant coaching tool in working with employees who are able but unwilling to do their jobs. It's not for the willing and able. Why? Because they're busy doing their jobs. It's not for the willing but unable, because all they need is training to do their jobs. And it's not for the unable and unwilling, because you've been down this road with them already—probably several times. You've determined that nothing will work with these employees, and they're now at home reading the want ads and watching *Jerry Springer*. Effective confrontation works with only one group of employees, the able but unwilling. That's why diagnosis is so crucial.

Effective confrontation can be a significant coaching tool in working with employees who are able but unwilling to do their jobs.

Effective confrontation is one of those processes that you can best learn by doing. We'll present the model here and then follow up at the end of the chapter with a case study to offer you some practice in putting this process to work in your coaching. We recommend that you set up a role play with a colleague who's read this book so you can both practice the effective confrontation model.

The best setting in which to employ effective confrontation is a one-on-one meeting. Find a private, quiet office or meeting room where you won't be distracted. The accompanying box presents the steps of effective confrontation.

EFFECTIVE CONFRONTATION

1. Remember, people are good.
2. Tell the employee what behavior is appropriate.
3. Attempt to express some positive attribute of the employee's work performance.
4. Tell the employee the impact of his/her current behavior.
5. Ask the employee to provide you with a solution.
6. Agree on a solution.
7. Monitor the employee's behavior.
8. Let the employee know you have noticed the improvement.
9. If the behavior does not change, reevaluate.

Step 1. Remember, people are good.

This first step—to remember that people are good—is essential in establishing a positive mind-set for meeting with employees. Their behavior may be problematic, but they are good people. Sally, who is not meeting her cross-selling goals, goes home every afternoon to a family who loves her, a dog that jumps into her lap, and neighbors who know they can count on her in a pinch. They may be frustrating employees, but they are not bad people. If you start demonizing employees, that attitude will work against you and hinder your efforts to improve performance.

You need to intervene with able but unwilling people before you lose your temper. Anger is neither an appropriate response nor a motivating factor. You may think you're within your rights to be angry about an employee's poor performance, but in reality, an angry response distracts attention from the central issue and puts the employee on the defensive. You may think, "Well, that meeting went well. I feel better now, and I think Sally really can see how important it is to meet her cross-selling goals." Sally walks out of the meeting thinking, "Wow, my boss was really crazy." That's all she's likely to take out of the meeting. Before you begin, take a deep breath. And take care during the meeting to keep your tone of voice, delivery and body language from conveying anger.

Never meet with an employee when you're angry. Unless it's an emergency situation, let some time pass between an incidence of poor performance and your meeting. Of course, outrageous conduct, such as being rude to a member, requires an immediate response. But for ongoing performance problems like tardiness, failure to meet cross-selling goals, or unbalanced cash drawers, schedule a meeting in a day or two.

Step 2. Tell the employee what behavior is inappropriate.

Skip the small talk. Don't start the meeting with conversational gambits like "How are you kids enjoying summer vacation?" or "How about those Cubs?" Instead, get to the point: "Sally, I want to talk to you about the fact that you're not meeting the cross-selling goals we established when the sales culture was introduced last fall."

Step 3. Attempt to express some positive attribute of the employee's work performance.

This step will help the meeting stay on a positive course and remind both of you of the employee's strengths on which you may be able to build. This approach emphasizes the good things the employee already brings to the credit union and his or her value to the organization. It demonstrates that you see the good as well as the problematic in his or her job performance.

For example, when you're meeting with Sally, you might say, "Your daily work is accurate, members like interacting with you, and you're always on time."

Step 4. Tell the employee the impact of his or her behavior.

Address the impact of the employee's performance problem at several levels. Be specific about how it affects the team, the credit union, and the employee. Able but unwilling employees often view their poor performance as no big deal. They either ignore the effect of their performance shortfalls on other people, or they just don't see their behavior as a problem. They might think to themselves, "So I don't get to work on time every morning. So what? It's not like we have members lined up out the door first thing in the morning." Or, "Cross-selling is just not my thing. What's the big deal? If members really wanted these products, they'd ask for them." Through effective confrontation, you can help employees see what the "big deal" is. Remember Effort Equity.

With Sally, for example, you might say, “When you don’t meet your sales goals, you’re not improving our members’ financial well-being by helping them save money or protect their investments. That’s the mission of our team and our credit union. If our members aren’t reminded that we offer these services, they may look elsewhere for them. Also, when you don’t meet your cross-selling goals, the team has a harder time meeting its quarterly goals. And it prevents you from being a completely effective employee.”

Step 5. Ask the employee to provide you with a solution.

This is a critical step, but that doesn’t mean it will be easy. Most people are comfortable with doing things one way—even if it’s the wrong way. Remember our earlier discussion about asking employees, “Can you tell me what’s wrong?” Let’s not do that. Instead, ask employees to provide you with a solution to the problem.

Why is this so critical? By definition, these employees are unwilling to perform. If you tell them what to do to solve the performance problem, it does not make them more willing to implement your idea. For example, consider this dialogue between an employee and her coach:

> **Coach:** This is the third time you’ve been late this week.
>
> **Employee:** Well, I’ve got a problem with my baby-sitter, who comes to our house. If she’s late, I’m late.
>
> **Coach:** Sounds like you’d better try to find a new baby-sitter.
>
> **Employee:** Alright, but it will be hard.

Coach: I know but that's what you need to do.

Two weeks later….

Coach: I notice you're still coming in late a couple days each week.

Employee: Well, I tried to find a baby-sitter, but we can't find one that my husband and I agree on.

Coach: Why don't you ask around the office and see if anyone can recommend a good sitter?

Employee: That's a good idea. I'll try that.

Another two weeks pass, and…

Coach: Any luck finding a new baby-sitter?

Employee: Well, I asked around, but everyone else's sitter is booked up.

Somewhere along the line, you may get the impression that the employee is looking at you as if to say, "What's your next idea that won't work?" Remember, you're trying to solve a problem for an employee who's *unwilling* to solve the problem. And, just as important, *it's not your problem to solve*. Are you coming in late? No, you come in to work early most days. Are you meeting your sales goals? Sure. If fact, most months you exceed them.

Managers are problem solvers. It's one of the things you do well. But you must resist the temptation to solve the performance problems of unwilling employees. Any long-term solution must come from the employees themselves. They must decide what works for them and commit to implementing the solution.

Now at this point, the employee may say, "I don't know. What do you think I should do?" Employees are smart people. They'll turn it back around on you if they can, especially if they are accustomed to that mode of passing the buck.

Stay firm and respond, "Ultimately, you're going to have to decide what you can do because this is your performance issue."

A likely response is, "I need time to think about it."

That's understandable. Give the employee a day or two to mull over options and decide which solution will work best. Schedule a follow-up meeting, but don't be surprised if the employee comes back with a response that seems like a dodge. For example, in your follow-up discussion with Sally on how she will attempt to meet her sales goals, she may start off the session with a comment like, "I don't even know why we have to have sales goals."

At this point, many managers lose it. They either respond in anger, or they feel that they have to defend the credit union's policies. Don't let employees dodge the issue. Stay on track by repeating the question, "What are you going to do to solve this problem, Sally?"

If Sally repeats her assertion that the credit union shouldn't set sales goals, respond firmly, "I'm sorry you feel that way, but we do have goals, and they're important. What are you going to do to solve this problem?" Sally is likely to continue her objections in a conversation that goes something like this:

> **Sally:** The members don't want us to do this job.
>
> **Coach:** I disagree with that. What are you going to do to solve this problem?
>
> **Sally:** My sales goal is too high.

Coach: Obviously, it's not. All the other members on our team meet their goals almost every month. What are you going to do to solve this problem?

Sally: Why am I being singled out?

Coach: You're not being singled out. Whenever employees have a performance problem, we meet with them to come up with a plan to improve their performance. What are you going to do to solve this problem?

Whether consciously or not, many employees who are challenged about performance problems will work harder than they've ever worked on the job to avoid the issue. It's your job to keep the conversation on track. It's not your job to justify the credit union's policies. Don't let yourself be put in a defensive position, and don't let a 20-minute meeting run to two hours as the employee leads you into tangents and dead-end discussions.

It's easy to go off-track, get frustrated, or call off the meeting before the employee has committed to a solution. The employee walks out of the meeting like Muhammad Ali, with fists raised in the air in victory, while we're on the canvas fighting to catch our breath. The only way to succeed in effective confrontation is to stay on task.

I have a saying that helps me a lot:

> Don't let distractions cause you to lose traction to that which you are attracted.

Let's consider those words for a moment. Distractions cause you to lose focus. You end up thinking about the smokescreens employees are creating instead of the real issue. Employees refuse to address the performance problem by bringing up arguments that are ultimately of little consequence. You have no obligation to deal with those distractions. Your task is to keep the employee focused on the crucial issue, "What are you going to do to solve this problem?"

Employees won't give up easy. They'll throw all sorts of arguments your way: These goals aren't fair. They're too hard to achieve. This isn't right for members. This used to be a great place to work. You used to be a good boss.

Don't take the bait. Deal briefly with their excuses and arguments and get back to the main point, "What are you going to do to solve this problem?"

Step 6. Agree on a solution.

Getting the employee to commit to a solution may take one meeting. It may take two meetings. But don't let the performance problem go unresolved for long, and never let the employee's solution be, "I'll try."

"I'll try" is not a resolution. If the employee were trying, you wouldn't need to have this meeting. If the employee says, "I'll try," come back with this response, "That's great. What will be the results of your efforts?" Don't be a country club coach and settle for, "I'll try." That's not all you need to hear.

Dig deeper. Say, "Okay, you're going to try. That's great. I'm glad to hear it. I think, ultimately, that is your challenge. You haven't been trying. What are going to be the results of that effort?" Your objective is to get employees to commit to a real solution.

Step 7. Monitor the behavior.

Once employees commit to change, it's your job to monitor their performance. Don't just expect employees to change because they've said they will. It helps to have established concrete, objective goals you can monitor.

Step 8. Let the employee know you have noticed improvements.

Look for improvement and recognize it. As coaches and managers, we need to look for signs that employees are getting better incrementally. Don't hold out for perfection. Recognizing steps in the right direction will help build momentum to real, lasting improvements in performance.

If the employee was cross-selling 20 products a month with a goal of 50 and increased her sales to 40 the following month, most managers would ignore the increase or meet with the employee again to say, "Hey, that's still not good enough. What's going on here?"

Instead, why not stun the employee with a completely different response: "Your sales are up 100 percent! What a great improvement over last month. *Keep it up, and you'll be where you need to be.*"

It's important to take care in how you phrase praise for improvement toward a goal. Don't call it a "good job," because it's not a good job—yet. Instead, emphasize their improvement and urge them to keep working toward their goal. And keep looking for opportunities to praise people for doing it right. If an employee boosts her cross-selling from 20 to 40 in one month and no one notices, she's likely to drift back down to 30 sales the next month and 20 the following month.

In other words, catch people doing it right. I can't stress that enough. When we look at strategies to making effective coaching an everyday practice (Chapter 5), we'll really focus on catching people doing it right.

Step 9. If the behavior does not change, reevaluate.

If employees are able but unwilling and you coach them using effective confrontation, their performance should improve. If the performance problem persists, you may want to repeat this process. But if two attempts fail, you may need to revisit your diagnosis. By the time you reach this stage, you have ensured that employees have received adequate training. You have identified a specific problem and met with the employees to emphasize performance expectations and ask them to come up with a solution. Employees with continuing problems may be unable and unwilling to perform up to the credit union's standards.

The next step is to increase accountability. You may need to move to disciplinary action. If that action does not help resolve the performance problem, you may need to move further toward more accountability.

Are meeting cross-selling goals and requiring that employees consistently get to work on time really significant performance issues? Only if your credit union wants to be known as an employer that sets performance standards and stands by them. I've fired employees for not coming into work on time on a habitual basis. It's a performance problem, pure and simple. At the end of the day, it's a core competency to be on time. In addition, the reality is that most employees who are chronically late have some other performance problems as well.

This is not to say that you fire an employee who's late once, or even once a month. But if you identify a performance problem and diagnose an employee as able but unwilling, you coach them to an establish standard, work with them to come up with a solution and monitor their progress. Once you set a standard, you stick to it. If you don't, the performance problems are here to stay—and they may even get worse. If you can't coach one employee to get to work on time, you lose the moral authority to ask anybody to be punctual. Ultimately, your credit union is destined to drift toward lower and lower levels of performance.

Coaching Challenge

Case Studies in Diagnosis and Confrontation

This diagnosis and confrontation process is effective in correcting performance problems. Let's apply what you've learned about diagnosing performance problems and effective confrontation to a couple scenarios. First, consider how you would diagnose the performance problems of the two employees in these case studies and what coaching approach you would apply.

Next, role-play the effective confrontation process with a colleague who is also reading this book, if possible; take turns playing the roles of coach and employee. If you are reading this book in a study group, all the better. Two coaches can role-play the case study while the others watch; then you can all discuss the coaching that unfolded in the role play.

Even if you're reading this on your own, you can ask a colleague to join you in a role play as the employee who needs coaching. In this situation, your partner in the role play wouldn't have preconceived notions about how to act based on this text.

The most likely diagnoses and resulting coaching processes for these case studies are listed in the Answers section at the end of this book.

Case Study #1

Helen the teller has been with your credit union for 18 months. Before joining your credit union, she worked as a teller with a big bank. Helen handles the traffic in the branch well, keeping pace on even the busiest days. She is accurate and friendly while completing transactions with members. Her performance in balancing is average. She arrives at work on time. Helen's one performance problem is that she does not meet her cross-selling goals.

Helen has completed two separate sales training sessions, and she scored well on a product knowledge assessment. You have worked with Helen one-on-one, demonstrating how to perform cross-selling effectively on the teller line. The goal for tellers at this branch is to cross-sell or refer members for 50 new products per month. Helen has not met this goal for the past four months; one month she cross-sold 40 products, but her average is around 30. Most employees at this branch meet their cross-selling goals, but Helen does not have the lowest average. Two other employees only cross-sell an average 10 products per month.

Your task in this case study is to diagnosis Helen's performance level. Is she a willing but unable employee? Able but unwilling? Unable and unwilling? Use the Performance Deficiency Diagnosis Checklist included in this chapter to guide your diagnosis.

Based on your diagnosis, how would you proceed to coach Helen? Remember, you have three options. If you determine that Helen is willing but unable, she needs more training on how to cross-sell effectively. If she is unwilling and unable, termination is the proper response. If she is able but unwilling, your response is to coach Helen using effective confrontation.

Case Study #2

Mark is the newest teller at your branch. He's been on the job about 90 days. This is his first job working for a financial institution, so he's had a lot to learn. He is enthusiastic and friendly with members, and he works hard to be accurate in member transactions and in balancing his cash drawer. He had a full week of training when he joined your credit union and additional training in one- and two-day workshops since then, including a two-day session on cross-selling skills. Mark also works regularly with a peer mentor, Sara. It is Sara's job to work one-on-one with Mark a couple times a week on basic teller skills, including demonstrating how to cross-sell; Mark also turns to Sara whenever he has a question.

Mark was expected to meet sales goals of 50 products beginning his second month on the job. During that month, Mark cross-sold 5 products. In the following, and most recent, month, Mark cross-sold 15 products.

You are scheduled to meet with Mark for his first quarterly evaluation next week. In all other aspects of his work, Mark performs well for a new employee, and he passed his product knowledge assessment (just barely, but he passed!). You are concerned about his cross-selling totals. How would you diagnosis his cross-selling performance, and what coaching approach would you follow? Again, consult the Performance Deficiency Diagnosis Checklist.

Discussions of these Case Studies are on page 152.

Role Plays

Once you have completed your diagnosis and compared your answers with those at the end of the book, role-play how these scenarios would proceed through the initial coaching or effective confrontation meeting. If you are working in a group, assign a coach and an employee to role-play the scenarios, and the rest of you should observe and be ready to discuss the interaction when the role play is done.

The observers should be watching especially for key points discussed in this chapter. For example, does the coach ever ask the employee "Can you tell me what's going on?" Does the coach ever allow the employee to get away with the response, "I'll try"? Does the effective confrontation veer off course as the coach pursues distractions offered by the employee?

Before the role play begins, establish some ground rules. Should the observers interrupt if they feel the confrontation is going off-track? Should they be encouraged to point out if the coach asks "Can you tell me what's going on?" or allows the employee to slip by with an "I'll try"? Should the coach feel free to ask observers for advice during the role play? Some "coaches" and "employees" may feel more comfortable completing the role play without interruptions, while other groups may find the interplay of "performers" and "audience" to be a great way to stimulate discussion.

If you have the time, repeat the role plays so that everyone in the study group has an opportunity to participate as coach and/or employees. It's educational to see how many different forms the confrontation process can take as different personalities interact.

Even if you are reading this book on your own, it will be helpful if you line up several peers to participate in and observe the role play. The resulting discussion will likely offer helpful insights for you and introduce the principles and processes presented in this book for those who have not read it.

When you've completed these role plays, you can make up some scenarios on your own and continue to role-play if you find this exercise useful. This is an especially effective approach to learning if you are working with a study group. Some clichés really are true, and one of those is: Practice makes perfect.

CHAPTER 5

Becoming a One-Minute Sales and Service Coach

So far, we've explored why employees underperform and how to identify employees who can benefit from coaching. We've examined a model for effective confrontation that demonstrates our commitment to coach employees to become high performers in sales and service. In short, we've progressed from theory to practice. In this final chapter, we continue that progression by considering everyday strategies credit union managers can use to develop employees and help them improve their cross-selling knowledge and skills.

This chapter does not address intensive, long-term coaching techniques. Instead it offers suggestions on strategies that take just a few minutes each day to implement. For a small time investment, these one-minute sales and service coaching tips offer big dividends. If employed regularly, they help head off the need to undertake effective confrontation and address underperformance.

IDENTIFYING RESISTANCE TO CROSS-SELLING

Our first step to becoming a one-minute sales and service coach is to understand the five common reasons why credit union employees resist selling.

1. Lack of product knowledge
2. Fear of rejection
3. Power of inertia (need for a positive start)
4. Few positive role models
5. Pushy salesperson stereotypes

Let's consider each of those obstacles and some strategies to overcome them.

Lack of Product Knowledge

This is the most significant reason that people don't sell. Many of our employees don't understand our products, and if they don't understand them, they can't sell them. People won't sell what they don't know. People who sell cars are more successful when they love the cars they sell, when they've driven them enough to appreciate the way they handle and to discover firsthand all their special features. Computer salespeople succeed when they know what sets their computers apart from others in the market and what components appeal to certain users. Real estate agents sell more houses when they take the time to learn what individual buyers want and need and help them find homes that fit that wish list. In the same way, tellers and member service reps are more likely to succeed in cross-selling when they understand which products and services fit the financial needs of the member they are currently serving.

One way to resolve this resistance is to make sure employees use your products. If they actively use your checking account and Visa check card, for example, they can speak with firsthand knowledge about how it saves them money and time. Enthusiasm for Internet account access grows when employees use it themselves to make their lives easier.

Another way to resolve this resistance is by building a product knowledge manual. This shouldn't be a dry, technical list, but an overview of product features and benefits that specifies which products are most likely to appeal to which members. The manual should answer these types of questions:

> What are the basic features of this product?
>
> How will this product help members make money? Or save them money and/or time?
>
> Which types of members are most likely to find this product useful?
>
> What are the advantages of our product compared to similar products offered by competitors?
>
> What questions are members likely to have about this product, and how can I best respond to those questions?
>
> What is the most important information to tell members about this product?

> What other credit union products does this product complement?

In terms of product knowledge, employees need to understand how one or more of these five key benefits apply to the product they are cross-selling: 1) saves time, 2) saves money, 3) makes money, 4) offers piece of mind, and 5) delivers convenience. Within these five benefits, you'll find the scope of what almost all members are looking to achieve.

The reality is that no one wants another product. They want a better one. If I already have a checking account, why would I be interested in yours? To answer that basic question, we need to coach employees to use benefit terminology. What happens when a teller hands a member a brochure and says, "Here's some information on our checking account." The member is likely thinking, "Why are you giving that to me? I already have a checking account. Why would I bother to read this?" But if the teller says, "Here's some information that will save you money," she automatically gives the member a reason to take a look. Everyone wants to save money, and most members, if handed an opportunity to do so, will at least take a look at it. Consider the different ways a member service rep could offer a checking account to a new member:

> "Are you interested information about our checking accounts?"
>
> "Would you like a checking account with a Visa check card?"
>
> "I want to tell you quickly about how our checking account can save you money. It's totally free, and there's no minimum balance, so you can have access to all your money. And this account is also convenient. With our Internet branch, 24/7 phone teller and Visa check card, you can access your checking account any time any where."

The first two approaches don't work if the goal is to get members interested. Credit union employees need to tell members why they should be interested. If tellers and member service reps know your products and understand the benefits, they can better use benefits terminology to cross-sell successfully.

Fear of Rejection

According to psychologists, human beings are born with only one fear, the fear of falling. Every other fear is learned. One fear that many, many people learn through their interactions with other people is the fear of rejection. It's a common reason behind resistance to cross-selling. Frontline employees are reluctant to make offers they expect members to reject.

The good news is that fears can be unlearned (though maybe not as quickly as they are learned!). People overcome their fears every day. I used to be afraid of flying. Now I'm in the air on probably 120 different planes each year. I've worked to overcome my fear of flying. How? By getting on the plane and flying repeatedly. Over time, I've developed the natural faith that comes from having repeated what seemed at first to be a dangerous activity so many times that it now seems mundane.

There's something called supernatural faith, which is a belief in something you've never experienced or seen. In the areas of personal growth and business success, most of us deal in the realm of natural faith. Getting through something that seems hard or that other people have described as scary or difficult requires natural faith. It's like going to the dentist. You've heard other people describe it in horrific terms, and some of the sounds that come from that back room are pretty frightening. But people do seem to go into that room and emerge alive. You tell yourself you'll get through it and be better for it—and in the vast majority of cases, that's exactly what happens.

Coaching employees past the fear of rejection requires helping them develop natural faith. To help someone develop natural faith, you need to create a work environment full of examples of successful cross-selling. When employees work next to people who are cross-selling and regularly hear stories about cross-selling successes, they are more likely to put the fear of rejection behind them.

I hear resistance to cross-selling all the time from credit union employees who say things like "Members get that expression on their face when I try to cross-sell" or "I'm afraid members will get mad at me." These employees are basing their fears largely on what other people have told them and on the common perception about how people react to sales pitches. These perceptions grow into a fear of rejection that fuels resistance to cross-selling. But when new tellers work next to experienced employees who consistently lead their branch in sales, they see that members don't react negatively to cross-selling. They can see the axiom in action that selling credit union products that save members time and money is the highest form of member service. When they get regular e-mails sharing stories about cross-selling successes, they receive reinforcement about how sales efforts benefit members and the credit union. This environment fosters natural faith in their ability to cross-sell.

That's why mentor programs are so valuable. I think it's great to have new employees complete sales training and then work for a day with a peer mentor who's successful at cross-selling. The new employees can pick up on benefits terminology and see how members react positively to cross-selling when they hear how the offer can save them time and/or money. They say seeing is believing, and seeing cross-selling succeed is one way to overcome that fear of rejection.

The Power of Inertia

We talked in Chapter 2 about inertia and how it contributes to underperformance. It's a common form of resistance to selling credit union products. Employees who've never considered selling part of their job won't just take to it enthusiastically. Many people are naturally resistant to change—especially if they perceive it will entail more effort on their part.

Inertia is one reason why country club managers fail. An employee says, "I'm just not comfortable with selling. I have this fear of rejection." The country club manager responds, "Well, you need to think about beginning to get comfortable with selling. Start trying to think about getting comfortable with feeling good about getting ready to start trying to think about wanting to feel good about doing it." Give me a break, please! This approach just gives employees permission to sidestep their sales responsibilities.

The reality is that employees begin to get comfortable with cross-selling by making sales. When employees say, "I don't really see myself as a salesperson," the most effective response is, "You will—when you start selling. Let's get started today! Let's see if you can make four referrals this morning."

Some people might advise proceeding with caution, respecting people's fears and the effects of inertia. That approach is not in the job description of a successful sales and service coach. A successful coach helps employees push back their fears and overcome inertia to become high performers.

Few Positive Role Models

Partly because a sales culture is a relatively new concept for credit unions, we have precious few positive role models to set a successful sales example for reluctant and uncertain employees. If they look to the right and don't see anyone cross-selling and then look to the left and see the same thing, employees begin to think, "Well, why should I do it?"

That's why a sales development culture that emphasizes sharing success stories and pairing new employees with cross-selling mentors is essential. It's very important to give employees something—or, in this case, someone—they can look to with respect and as a guide.

Pushy Saleperson Stereotypes

Most employees say they don't want to come across as pushy. I respect that. But even though they say they don't want to come across as pushy, many times that's exactly what happens. The problem is that they focus on the product and not on how the product can help members. Which approach seems more pushy to you?

> "Mr. Neill, can I tell you about our checking account?"
>
> or
>
> "Mr. Neill, would you like me to tell you how you can save some money?"

The less employees focus on the product and the more they focus on product benefits and follow up with features, the less likely they are to come across as pushy. Recently, I was talking with Bob Solomon, who heads a company that administers preemployment testing. Our conversation went something like this:

Bob: I don't know how you get anyone in a credit union to cross-sell, to be quite honest, Mike.

Mike (sarcastically): Well, thanks for the confidence, Bob. Can you explain that statement?

Bob: We've been working with several hundred credit union clients. I have to tell you, Mike, that we've never seen such high levels of passive attributes as we see in credit union employees.

Mike: Really?

Bob: Yes, indeed. I have never worked at a credit union, and I've never had an account at a credit union. But based on the results of the preemployment test we administer, I think I could describe what a credit union employee would look like.

Mike: Go ahead.

Bob: They're very nice people. Members adore them. And they're all what you would call "nice" people. They generally have smiles on their faces. If asked to describe them, people might choose words like courteous and compliant. The problem is that they view service as doing what the member asks them to do. They believe initiating any type of service would really be too forward. If a member said, 'I want to deposit this check,' credit union employees would do it quickly, accurately and with a smile. But it would be quite a challenge to get them to say, "While you're here, Ms. Member, let me give you some information that will improve your financial life." Cross-selling is just outside their view of what service is.

I was stunned that Bob could so closely define what I see on a daily basis as I work with credit union employees. A few days later, I got an e-mail that supported Bob's point of view. It went something like this:

> Dear Mr. Neill,
>
> I know how you keep telling us to never sell something to the member that they don't need, and I understand what you're saying. But I disagree with you, Mr. Neill. Who are we even to be able to think we know what a member needs? It would be arrogant of us to think we could ever understand what another person needs.

That note adds another dimension to the pushy stereotype. Salespeople are not just pushy, but arrogant, too! Folks, I'll tell you, if we can't identify what a member needs and suggest it, then who will or who should? If we don't say, "Our auto loans can save you money," the finance manager at the auto dealership will. If we don't say, "Our Internet branch is convenient because it makes managing your financial accounts quick and easy," the bank down the street will. If we don't tell them how to protect their investments, the insurance company will. But of those other companies, we're the only ones truly looking out for members' best interests. Suggesting products that can benefit members isn't being pushy, it's providing a valuable service that goes the proverbial extra mile.

As a quick aside here, I'm a big believer in preemployment testing to identify employees who would fit in a sales culture. A credit union using preemployment testing would not have hired the person who sent me that e-mail. It would have kept looking for a more assertive individual.

Now that we've reviewed the common reasons that employees resist cross-selling, let's explore some everyday strategies for coaching employees to become high performers in sales and service.

ONE-MINUTE SALES AND SERVICE COACHING STRATEGIES

1. Become a sales and service role model.
2. Hire employees who have sales and service ability.
3. Catch employees doing things right.
4. Talk about sales and service every day.
5. Show employees the possibilities of their talents.
6. Begin to value service and sales equally with balancing and accuracy.
7. Don't coach to the numbers, coach to the improvement.
8. Schedule regular coaching meetings.
9. Overcome resistance to selling with a positive response.

Become a Sales and Service Role Model

Let's move on to the second way to be an effective sales and service coach day in and day out. That is to model sales and service skills yourself. The bottom line is simple: The employees who report to you will never care more about sales and service than you do. In fact, most of them will probably care less.

The employees who report to you will never care more about sales and service than you do.

I recommend that you sit down with each of your employees as you begin your sales and service culture journey and explain to them what a sales and service culture is. Talk about how it will benefit members and the credit union and why it's such an important venture for the credit union. Be as concrete as possible as you describe how the credit union will measure its success in this endeavor and what each employee must do to support it. Let employees know you need their support and their feedback. Be enthusiastic. They've got to hear that you mean it. And then show that you mean it by modeling effective sales and service skills whenever you interact with members.

A cardinal rule of being a role model is, never joke about members. I know some of you may view sharing a private joke with employees at a member's expense as a harmless way to build camaraderie and demonstrate your sense of humor. But I believe you cannot provide good service to people you disrespect. I see this happen all the time. A member uses the English language poorly or stops by after a hard day of manual labor smelling not as fresh as a daisy. After the member leaves, the teller leans over to a colleague and cracks a joke at the member's expense.

I remember a training session where a branch manager said in front of all her employees, "Mike, this information on sales and service may work at other places but it will never work here because, well—there's no nice way to say it—our members are stupid." And, of course, that got a big laugh. When we started doing our research on this credit union's service, guess which branch had the lowest possible service scores? Right. The branch where they laughed at the members because they're stupid.

You do not give good service to people you disrespect. This manager facilitated that feeling by modeling and encouraging disrespect. I have found over and over again in my experience that whatever level of disrespect you allow, the employees will take it to a level beneath that. If a branch manager jokes about members, employees will make fun of members. If the manager makes fun of members, employees will openly skulk at them. You can reverse this tendency by not joking about members. And when you hear employees in the workroom balancing at the end of the day and talking about how stupid members are, ask them this question: "What was the best encounter with a member you had today?" Or "What was the best service situation you had today?" Or "What did you do to make somebody's financial life better today?" By asking questions like these, you can change the context of the conversation. The first few times you do this, employees are going to look at you as if you have three heads. But eventually they'll learn that when you're around, they need to knock it off. That's what leaders do—create an expectation. You can't monitor what is being said when you're not around, but you can create the expectation of respecting members by demanding it of employees and modeling it yourself.

Whenever you have an opportunity to do so, meet and greet members in the lobby. I think it's so important when you're walking through the lobby on your way from one meeting to the next or to the elevator to stop and say hello to people. Introduce yourself from time to time. Ask them how they've enjoyed being a member of the credit union. Thank them for their business. Not only will you shock the member pleasantly, you'll also surprise employees. It's going to be hard for an employee to claim, "I can't call a member by their name," when they see you being so overtly gracious to members. If you want employees to call members by their names, make sure you go out of your way to establish that type of environment in your credit union or branch.

A basic premise of this approach to sales and service is that employees look at each member as a person, not a process. For the most part, credit unions do a good job when a new member comes in. We say with pride, "You're not just a customer. You're a member." The message, of course, is, "You're not an account number to us. You're a human being." All I'm saying is that we need to adopt this attitude to member service on a daily basis, not just when we welcome new members. If we stick to that approach, the question for tellers is not, "How many transactions did you run today?" but "How many members did you serve today?" In the call center, the question is not, "How many calls are in the queue?" but "How many members are in the call queue?"

When employees look out the drive-up window, do they see cars or members? When they look at a stack of papers, do they see a loan closing or members buying their first home? This is not just nuance. It is fundamental to the way we serve members. It is the difference between a process orientation and a member-centric orientation. This approach goes well beyond semantics, but semantics is a good place to start. Take care with the words you use when discussing daily work and processes with employees.

Hire Employees Who Have Sales and Service Ability

The vast majority of employees can learn to be high performers in sales and service, but some people are "naturals." If you adapt your hiring practices with an eye toward recruiting people with talents and experience in and enthusiasm for sales and service, you'll end up ahead of the game.

The vast majority of employees can learn to be high performers in sales and service, but some people are "naturals."

One way to identify job candidates with a propensity for sales is to use preemployment testing. I highly recommend it. There are many great products out there. My personal preference is the product Customer Service Perspective from the company Personnel Insights (www.personnelinsights.com).

In addition to preemployment testing, you can focus on sales skills as you interview. One way to do this is to ask a potential employee for a sales position to do a little skills demonstration. Hand the candidate something on the table—a magic marker, for example—and say, "What I'd like you to do is show how you can interest me in something that would be a benefit to me. Let's pretend you're a magic marker salesperson, and I'm a third-grade teacher. Take a minute to think about your presentation, and then tell me how this marker will make me a better teacher."

Candidates with sales ability ought to be able to come up with a description something like, "This marker is so dark that even the kids in the back row will be able to see what you write. It's permanent, so it won't rub off. And it's a lot better than chalk, because there's no dust." Pay attention to the way candidates interact with you as well as what they say. Their tone should be engaging and conversational, and their cadence should be spontaneous, not forced or sounding rehearsed. If you'd buy the magic marker when they're done, that's a mark in their favor.

Credit union managers tend to focus on skills like cash handling and balancing and credit union experience when they hire frontline employees. That's fine if you're looking for cash processors. But aren't you really looking for member sales and service specialists? I trained tellers in Georgia for a long time, and I know what some people think about us Southerners. But even in Georgia, we can teach people to count. How difficult do you think it is to teach someone to have a genial conversation with a member or how to develop interpersonal confidence? I've never been able to do it.

When they're not doing it right, effective coaches respond by redirecting the inappropriate behavior.

Catch Employees Doing Things Right

One book I highly recommend that would help you to become an effective coach is *Whale Done: The Power of Positive Relationships*, by Ken Blanchard, who also wrote *The One Minute Manager*. It's an incredible book that focuses on the differences between management, which is really about controlling the process and stopping and correcting the flaw in a process, and coaching, which is about catching people doing it right. When they're not doing it right, effective coaches respond by redirecting the inappropriate behavior.

In discussing effective coaching, Blanchard uses the term seagull coaching. If you've ever been to the beach, you know what seagulls do for a living. Nothing of much benefit that you can see anyway. What they do, especially when you're eating a snack, is swoop down, hover over you, make lots of noise, dump on you, and fly off. Unfortunately, that's how a lot of people perceive their managers. As many employees see it, managers swoop down on them when something's wrong, make a lot of noise, dump on them, and fly off. Through this negative reinforcement process, managers foster the attitude among employees that "I want to do just enough not to get caught."

To eliminate this attitude, we've got to learn to catch people doing it right. This practice is essential. If you can't catch somebody in your office doing it right every day, you're either not looking hard enough or you've got some real problems in your staff. Everybody does something right at least once during the workday. Your task as coach is to be more observant and catch them doing it right. When you call attention to positive actions, you reinforce good behaviors rather than fostering an environment in which employees see their job as just avoiding egregiously negative behaviors.

Employees learn what their managers value most based on what managers say and ask.

Talk About Sales and Service Every Day

Employees learn what their managers value most based on what managers say and ask. How many transactions did you run today? Were you in balance? How many loans did you get today? How many calls did you take? How many were abandoned? What was the average talk time? These are management questions because they focus on process. They're not bad questions. They do need to be asked. But if those are the only questions you ask, you are telling employees you care more about process than members.

To balance the equation, add questions like these to the mix: What problems did you solve for members today? What did you do to save members time and/or money? What's the best member service encounter you had this week? My personal favorite is, what did you do to make a member's life better today? Pay attention as employees respond to these questions. They may hem and haw at first, but eventually they learn to focus on member-centric thinking—because that's at the top of their manager's priorities.

Show Employees the Possibilities of Their Talent

Effective coaching entails encouraging people to work toward their full potential rather than focusing on their existing faults as a permanent obstacle.

Effective coaching entails encouraging people to work toward their full potential rather than focusing on their existing faults as a permanent obstacle. So many managers look at employees and see what they're not rather than what they could be. That's why so many fast, accurate tellers who are not particularly personable end up working the drive-up window. The branch manager thinks, "Well, Mary is quick and accurate, and it won't matter if she's a sourpuss if she works the drive-up." Instead, the manager could have been saying to Mary, "You're already the quickest, most accurate teller we have. If you work on your cross-selling skills and developing relationships with members, you could be our top seller, too!"

There's an old saying that there's no such thing as a stupid question, but if you're working to become an effective sales and service coach, I have one that comes close. Here's an example: "Why didn't you say something to that member about a home equity loan?" Why is that the wrong question? It forces employees to defend themselves and come up with an excuse.

Say I ask my son, "Why didn't you clean your room?" Does he respond, "Because I failed you, father," or "Because I had no desire to do so, Dad"? No, he goes through a litany of excuses: "I'm not the only one who messed it up." "I didn't hear you." "I had too much homework."

What is the appropriate question? The right question points employees toward the full potential of their sales and service talents. In this example, the right question might be:

> **Coach:** If you're going to say something to that member about a product that would improve their financial life, what would it be?
>
> **Employee:** I would say something about a home equity loan, I think.
>
> **Coach**, reacting to the perfect response: How would you have said it?
>
> **Employee:** I would have said, our home equity account may be able to save you some money if you choose to consolidate some of your higher interest rate credit cards. And the interest on our home equity loans is tax deductible.
>
> **Coach:** What's the worst thing that could've happened? What's the best thing that could've happened?

These are questions that help employees tap into understanding what they could be doing rather than critiquing what they're not doing. Don't ask questions that begin with, "Why didn't you…" Begin questions with, "What could you have done…" That focus allows employees to explore the possibilities of what could be rather than defending a position of why something didn't.

Begin to Value Sales and Service Equally with Balancing and Accuracy

When credit unions introduce sales culture, many frontline employees offer a common lament, "I'm just not a salesperson."

When credit unions introduce sales culture, many frontline employees offer a common lament, "I'm just not a salesperson." That's not a shocking statement, and some managers might even empathize. But if an employee said, "The members really get on my nerves," that would be a different story, wouldn't it? You might feel the need to respond, "Well, the members are your paycheck. The members are the most valuable people that you will ever deal with. The members are the reason we exist." You certainly would not let that statement stand.

Likewise, let's say an employee confided, "You know, I'm just not a balancer. I'm not into that whole accuracy thing. That's just not who I am." There's another statement you just can't let stand. Your response would most likely be, "Well, then you ought to start looking for another job!" That response is understandable, but consider this: As long as we view balancing as the one essential skill for a frontline employee, we will never achieve a true sales and service culture. When we value process more than building the member relationships, we will never close that gap. If sales and service is our goal, then the No. 1 most valuable skill for a frontline employee should be a commitment to improve members' financial lives. Consider this exchange between a teller and her branch manager.

> **Teller:** I don't think we should be doing this stuff.
>
> **Branch Manager:** What stuff?
>
> **Teller:** This selling stuff.
>
> **Branch Manager:** Well, the selling "stuff" is really not about sales. If you'd ever worked in a sales environment, you'd know that this is not like that. What we're doing is talking to

members about how to improve their financial lives. How do you see that as selling?

Teller: I don't know. It just feels weird.

Do you see the transition that happened there? By emphasizing the true goals of member-centric sales and service culture, the manager moves the teller away from disparaging cross-selling to expressing her discomfort. Being uncomfortable with something new is understandable. But don't let a comment like "I can't sell" or "This isn't right" stand. Address it. Don't react angrily because if you do, all you'll ensure is that they don't say things like that around you. Yelling won't change their perspective—it'll only send them underground.

Once underground, these employees will seek to undermine the culture on the sly, but in their minds, they're in the right. And they feel they have no alternative because they feel powerless. In the credit union environment, we fuel that feeling of powerlessness by not allowing employees to express their concerns, fears, or frustrations. So, let employees speak their minds about the sales culture, and then address their concerns professionally and logically.

When employees say, "We shouldn't have to do this stuff," the best way to create an underground protest is to say, "It doesn't matter what you think. It's our job to do it, and you had better do your job." Instead, give them something to think about: "This 'stuff' is sales, and not about acting like those pushy stereotypes of sales. At our credit union, sales is an extension of service, the best way to help our members improve their financial well-being."

Don't Coach to the Numbers, Coach to the Improvement

The stage of developing an employee's sales and service skills should be an exciting time. We should be as excited for the employee who goes from 10 to 20 referrals as for the more experienced sales leader who goes from 100 to 200. The way most people get to 200 is to start and 10 and work their way up to 20 and then 30 and so on. When managers focus on the end goal rather than those intermediate steps of improvement, they create an environment where employees are more likely to give up trying. If I'm at 10 referrals, and recognition and rewards start kicking in at 100, my response would be, "I'll never get there. I quit!"

The stage of developing an employee's sales and service skills should be an exciting time.

The same thing happens in athletics all the time. You try a new sport and are, not surprisingly, far from professional draft quality on your first attempt. You might get embarrassed and never try again. But you'd be more likely to stick with it if a friend tells you, "That wasn't bad for your first time out. You'll feel more comfortable next time, and if you work on your back swing/fielding/free throws/toe-side turns, you might even start to enjoy it!"

When employees developing their sales skills move from 10 to 20 referrals per month or from 20 to 30—even if their goal is 60—make sure they know you've noticed. Encourage them by saying, "I've noticed your improvement. I can tell you're making an effort. Keep it up and you'll get where you need to be." It may not be time for a major celebration; save that for when they meet their goal. But you've noted their improvement. In short, you've caught them doing it right.

Schedule Regular Coaching Meetings

Another recommendation on building your one minute sales and service coaching skills is to hold regular monthly or quarterly one-on-one coaching sessions with employees. Regular meetings allow you to give employees ongoing feedback about their progress toward their goals and to ask for their input and suggestions. It gives you a nonthreatening format to offer praise and constructive criticism.

Regular meetings allow you to give employees ongoing feedback about their progress toward their goals and to ask for their input and suggestions.

Remember when you were in grade school, how getting called over the loudspeaker to the principal's office would send a chill up your spine? You knew you were in trouble, and you knew everyone else knew, too. No one ever got called to the principal's office for doing something right. It might surprise you to hear that school administrators, just like effective business coaches, are going out of their way these days to catch kids doing things right. These days, when schoolchildren hear their names over the loudspeaker, it's more likely to be a reward than a punishment.

In the same vein, scheduling regular coaching sessions takes the terror out of being called to the boss's office. Employees come to expect that they will hear positive reinforcement for their gains in performance as well as suggestions for continued improvement. They come to expect to be challenged to improve. And they appreciate the opportunity to contribute ideas.

You might introduce these sessions like this: "I want you all to know I'm trying to do a better job as a coach. To that end I'm going to be meeting with you one-on-one regularly to review your work in the areas of sales and service, balancing, accuracy, on-time performance, and all the other things we use as measurables for employee performance. I'm also going to get your opinions and ask what resources and knowledge you need from me to be more effective. Then, together we can set performance goals for you for the next quarter."

During these regular meetings, it's much easier to address ineffective aspects of employees' performance than in special meetings called just for that purpose. To keep the meeting positive and productive, begin by emphasizing what the employee does right and then move to areas in need of improvement. For example,

> Mike, when it comes to your accuracy and the speed of your work, you do a great job. The only thing keeping you from being a completely effective employee is that you are not achieving your cross-selling goals.

Traditional sales training techniques often emphasize overcoming customers' resistance to buying.

Using this ongoing positive approach reduces the likelihood that employees will react defensively by saying, "Why are you beating me up over this? Why am I being picked on? This must be a very big deal because we're having a special meeting about it." Regular reviews and keeping employees' performance setbacks in perspective with their strengths is the most effective approach to coaching.

Overcome Resistance to Selling with Positive Responses

Traditional sales training techniques often emphasize overcoming customers' resistance to buying. In this section, we're going to put you in the seller's position. What you're selling is enthusiasm for your credit union's sales and service culture. At least some employees are likely to make statements regularly disparaging their cross-selling responsibilities, and it's your job as a coach to overcome their resistance.

Start off right by meeting individually with employees after the sales and service culture is formally introduced. Share your commitment to this new culture. Make it clear that you support the sales and service culture totally and see your job as coaching employees to be high performers in the new culture. Some employees, especially those who tend to resist change, will be looking for signals from managers of lukewarm acceptance or signs that the new approach may not be sustained. You may hear questions like, “What do you think about all these changes?” Make sure your response is enthusiastic and supportive. If you respond in any way that suggests less than total support, those change-averse employees will come to you with every problem, every possible flaw, in the sales program, and they’ll lobby you to take their complaints—in your name—to the top management.

Sorry to say, this approach to sabotage the sales and service culture can be effective. At one credit union where we were beginning a coaching review, a branch manager began talking about problems before I could get a word out. She complained that the members didn’t like cross-selling, that employees were suddenly having problems balancing, that they were stressed out and talking about finding a new job. She ended by sighing that, because of the new sales and service culture, the branch just wasn’t a fun place to work anymore.

I listened silently until she was done, and I looked the branch manager in the eye and said, “That’s the best job of coaching I’ve ever seen.” She looked confused. This certainly wasn’t the response she was expecting. And then I added, “I’m not talking about your coaching skills. I’m talking about how effectively your employees have coached you into being a detractor of your member-centric service culture. They’ve convinced you that yours is the only branch where the culture will not succeed. Now you're even trying to recruit me to convince your bosses that your branch is so unique it will not work here."

If you want to avoid these sabotage campaigns and negative commentaries, you need to be a continual supporter of the sales and service culture. That's not to say you should shut down employees' concerns from the very beginning. Give them an opportunity to ask questions and share concerns, and let them know that you're committed to ensuring that the program promotes sales as a form of member service, not as a hard-sell approach. Your obligation as a coach is to make sure employees know you will do whatever is in the best interests of members and the credit union—including coaching employees to become high performers in the sales and service culture. Employees will follow committed leadership. They won't follow a fatalistic fellow victim of change.

Let's move on to consider some of the typical resistance statements you may hear from employees about the sales and service culture. This section will present the most common resistance statements and follow up with effective coaching responses.

"Members don't want to hear about our products."

Variations on this resistance statement include:

> "Members look at me mean when I tell them about our products."
>
> "Members get angry when we try to cross-sell."
>
> "Everybody says no when I ask them if they want this product."

The common denominator in this form of resistance is that members don't want to hear about credit union products.

Effective coaching response
"You're right about that. No one wants to hear about another product. What members do want to hear about are ways to make money, save money and/or save time. We're in business to help improve our members' financial lives, and our products can do that. Maybe you're focusing too much on the product and not enough on how it can help members. Remember in our sales training how we talked about the difference in saying, 'Mr. Smith, did you know we offer checking accounts?' and 'Mr. Smith, did you know our checking account can save you money?'"

This is a common resistance statement because early in the introduction of a sales and service culture, when employees are still learning sales skills, they frequently forget to focus on benefits. Notice how this suggested response begins by agreeing with the employee instead of setting up an instantly adversarial response.

This issue is so important that I'll restate it here: Promoting the benefits of credit union products is an essential sales skill, and coaches will need to remind employees frequently by repeating benefits language and even suggesting word-for-word statements to members. And remind employees that surveys show that an overwhelming percentage of members say they would react favorably if credit union employees told them about products and services that would improve their financial lives.

"I'm too busy to cross-sell."

Effective coaching response
"Maybe you're taking too much of the members' time presenting

information about the product. Remember members are as busy as you are, so keep it brief. It may only take a few seconds to change a member's financial life."

Remind employees of their training that addresses how to make a sales referral when you're in a time crunch. A crucial part of successful sales is reading and responding to members' verbal and nonverbal cues. If they're in a hurry, of course, they will respond negatively to a series of questions that don't involve their immediate request for service. When members appear to be in a hurry or when other members are lining up behind them for service, the most effective cross-selling technique is quickly mentioning the product benefits and handing the member the related marketing materials.

"We see the same members over and over again."

Effective coaching response

"That's great. The more often you see members, the more opportunities you have to get to know them and to build a relationship that will give you clues about the types of products that will benefit them personally. As the relationship develops, they will certainly trust you more as they get to know you. And the more they trust you, the more willing they will be to listen to your suggestions for products that can improve their financial lives."

The implication of this statement is that members get sick of hearing the same sales pitch over and over again. The message is, "Cross-selling bugs members." In reality, if members are coming back again and again—especially today when they have other options for completing routine transactions—they must like coming to the credit union, and tellers and member service reps should find ways to further cement those relationships.

I'll share a true story here. At 1st Advantage Credit Union in Newport News, Virginia, which is one of our most successful clients, the members actually began to rat out the employees who don't try to improve their financial lives. I received a call from the assistant vice president of sales, who said, "I want to tell you something really weird that's going on."

And I said, "What is it?"

"Well, we have a new employee who has not had the opportunity to go through sales training yet. Over the past few weeks, three or four different members have gone to the branch manager and said, 'I just want to let you know that that new young lady didn't try to find a way to improve my financial life. So I'm just letting you know. I'm not trying to get her in trouble but I know she's not doing what she needs to be doing.'"

Wow! That's a great story, because it validates what credit unions are trying to do with their sales and service culture. It really validated 1st Advantage Credit Union's member-centric approach. So when employees tell you that members are sick of hearing about opportunities to save them time and/or money, you can counter that nothing could be farther from the truth. Members want to know about ways they can improve their financial lives, and when we offer recommendations consistently, they come to expect them.

"I shouldn't have to do this stuff."

The implication of this resistance statement is that "this stuff" has nothing to do with the real jobs of frontline employees.

Effective coaching response
"This stuff is who we are. Our job is to educate our members and improve their financial lives, and that's what we're doing."

This is a short and straightforward response. Employees often try to minimize the importance of cross-selling in comparison to their other job responsibilities, like balancing, quick service, and arrival at work on time. Effective coaches need to jump on this one quickly with a direct, simple response.

You can continue by saying, "As credit union employees, we may balance, but that's not who we are. We may need to run a speedy transaction, that's not who we are. We are an integral part of an organization dedicated to improving members' financial lives and providing them with education about their personal finances. The one thing that we're not going to stop doing is 'this stuff.'"

"The member asks me too many questions when I cross-sell."

This is actually a pretty rare occurrence. If an employee is complaining about a member asking too many questions, it's a good thing!

Effective coaching response
"That's great! Obviously, they're interested in our products. If you don't have time to discuss the product with them at that moment, tell them the answers to their questions are in the brochure you give them and then refer them to a member service rep."

We need to teach tellers the art of referral. There's only so much information they can discuss at the teller line before other members start to stack up in a line at their station. And some members may be reluctant to discuss personal information while standing in the teller line. Referring interested members to a member service rep is in everyone's best interest. To make the referral, the teller should either give the member clear directions to the member service rep's area or even walk the member over to an MSR and make a quick introduction.

"I'm afraid we're going to turn into a bank."

This is one of my all-time favorite resistance statements. You may hear this from a former bank employee who left the for-profit financial institution because it was all about the numbers and products and not about the customer. Or you might hear it from an employee just trying to think up a reason not to cross-sell. You can expect statements like this when you're trying to make big changes. Some employees may really layer on the emotionally loaded statements: "This used to be a great place to work when it was all about the member. But now it's all, 'Sell this' and 'You're not making enough referrals.'"

If you hear those kinds of comments frequently from different employees, you may want to step back and consider, "Are we still all about the member? Will the products we're cross-selling really help to improve members' financial lives?" If the answer to both questions is affirmative, then you're on the right track.

Effective coaching response
Review this dialogue.

Teller: I'm afraid we're going to turn into a bank.

Coach: Well, what does a bank do?

Teller: Well, you know, shoving things down people's throats, selling something all the time, pressure, pressure, pressure.

Coach: How do you see what we're doing as similar to that?

Teller: Well, we're not really doing that now, but I'm afraid this is where we're going.

Coach: What have you seen or heard that makes you feel that way?

Teller: Well, now we're expected to cross-sell and we have goals and stuff. And I'm just afraid it's going to get out of control and cost somebody their job.

Coach: We track our results because we measure everything that's important. We track balancing, transaction volume and calls answered. We track a bunch of things. But all the things we track are important to us. We're tracking sales and cross-selling and referrals because it tells us if we're doing a good job of improving the members' financial lives. If we ever do something to take the focus away from the member or helping the member, I will be the first one to say something to our leadership team and to make sure we make some changes. You don't have to worry about that because I'm as committed to the member as much or more so than anybody in this credit union.

Just as your credit union's sales training encourages employees to practice their cross-selling and rehearse short introductions to cross-selling opportunities, you should give some thought to how you will respond to resistance statements from employees. Sometimes when employees say something out of the blue, it may be hard to come up with a direct and effective response. But by reviewing these questions and giving some thought to your response, you can help keep the employees you coach on track with the sales and service culture.

A Logical Conclusion: Be the Best Coach You Can Be

Effective sales and service coaches are the unsung heroes of the credit union industry. Their job is to support employees to become high performers in sales and service, and if they do their job right, the bottom line is satisfied members with a full line of products that maximize their finances and suit their lifestyles.

Let's go back to the definition of coaching we presented in Chapter 1:

> **Coaching is about improving people to meet their highest potential to reach the team's goal.**

And let's review once more what effective coaches do:

1. **Teach**
2. **Communicate**
3. **Set high standards**
4. **Maximize each person's talent**
5. **Create a team**
6. **Motivate**

Effective sales and service coaches are the unsung heroes of the credit union industry.

The best coaches do not always win employees' affections every minute of the day—holding people accountable is not always a comfortable task—but they do earn their respect. Coaching is an ongoing process of ensuring that employees have the skills and knowledge they need to do their jobs and then expecting them to accomplish the task. Coaches need not hound their employees like a nagging parent, reminding employees of their sales and service goals and responsibilities—in fact, that approach is often counterproductive. But coaches must be watchful and occasionally catch employees doing things right to reinforce their positive behaviors. Coaching is not an exact science, but with practice, you will find that effective coaching can tip the scales of that 10-80-10 mix of employees much more in your organization's favor.

Coaching Challenge

A. List five common reasons why frontline employees resist cross-selling.

1. ______________________________
2. ______________________________
3. ______________________________
4. ______________________________
5. ______________________________

B. List nine effective coaching techniques to integrate regularly into your work routine.

1. ______________________________
2. ______________________________
3. ______________________________
4. ______________________________
5. ______________________________
6. ______________________________
7. ______________________________
8. ______________________________
9. ______________________________

C. If your credit union has already introduced a sales and service culture, keep a running tally of how many times over the next week you hear some version of these resistance statements from employees. Then develop a response in your own words to those statements. (If your credit union has not yet implemented a sales and service culture, develop your version of an effective response to these statements so you can head them off early.)

RESISTANCE STATEMENT	HOW MANY TIMES PER WEEK FROM HOW MANY EMPLOYEES?	YOUR COACHING RESPONSE
"Members don't want to hear about our products."		
"I'm too busy to cross-sell."		
"We see the same members over and over again."		
"I shouldn't have to do this stuff."		
"The member asks me too many questions when I cross-sell."		
"I'm afraid we're going to turn into a bank."		

Coaching Challenge: Answers

Chapter 2

A. Employees underperform because of:
- Human nature
- Organizational environment
- Wrong kind of coaching

B. Matching:
b
e
c
a
d

C. Effort equity is the belief of some employees that additional job responsibilities should be accompanied by higher pay and that their skills in one area should offset their skill deficiencies in another. (Answers to the second part of this question will vary.)

Chapter 3

A. Directive coach
B. Country club coach
C. Winning coach

Chapter 4

Case Studies

#1 Diagnosis: Helen is an able but unwilling employee when it comes to achieving her cross-selling goals.

Rationale: Helen has received adequate sales training, and she has demonstrated knowledge of the credit union's product line. The sales goals are achievable—most employees at Helen's branch meet the same goals month in and month out. The fact that Helen has cross-sold 40 products in one month indicates that she has the ability to sell. Of course, as a coach, you must take action with the two other employees only cross-selling 10 products a month, but Helen's performance problem should not be allowed to slide.

Some of you might have diagnosed Helen as willing but unable. After all, she is a good employee in other aspects of her work. Coaching isn't an exact science, but I would respectfully disagree with your diagnosis. She has attended two training sessions and has received one-on-one coaching. If she were new to the job or inexperienced in frontline financial services, I might opt for more training, but this is not the case with Helen. Her cross-selling performance will most likely not improve with more training.

Response: The proper coaching response is effective confrontation.

#2 Diagnosis: As a new employee with only limited sales training and experience, Mark is willing but unable.

Rationale: Mark has had a lot to learn in his first three months on the job. He seems to be catching on to his many responsibilities. He remains enthusiastic about his job. It seems likely that his cross-selling performance will improve as he gets more comfortable on the job and receives additional sales training.

Some might argue that because Mark's been through sales training and has been coached by Sara on how to cross-sell, he should be diagnosed as an able but unwilling employee. But I would advise caution with employees like Mark. They're inexperienced, but they have demonstrated their enthusiasm for the job and willingness to learn. You can crush an employee's spirit and end up creating an able but unwilling employee with a hasty, incorrect diagnosis. Let's give Mark the benefit of the doubt at this early stage in his career with your credit union.

Response: Mark needs additional formal sales training and continued one-on-one coaching on cross-selling on the teller line.

Chapter 5

A

1. Lack of product knowledge
2. Fear of rejection
3. Power of inertia
4. Few positive role models
5. Pushy salesperson stereotypes

B

1. Become a sales and service role model.
2. Hire employees who have sales and service ability.
3. Catch employees doing things right.
4. Talk about sales and service every day.
5. Show employees the possibilities of their talents.

6. Begin to value service and sales equally with balancing and accuracy.
7. Don't coach to the numbers, coach to the improvement.
8. Schedule regular coaching meetings.
9. Overcome resistance to selling with a positive response.

APPENDIX

Coaching Assignments

We use these exercises and worksheets in the ServiStar Sales and Service Training that Mike Neill & Associates present to credit unions. I've adapted the exercises to reinforce the principles and processes presented in this text. These coaching assignments are designed to help you transfer the principles of effective coaching in a sales and service culture into the workplace.

Take your time with these exercises. It should take several months to complete all three assignments the first time around, and some of the worksheets are designed for regular use throughout the year. This appendix concludes with a To Do list and a checklist to remind you of effective coaching strategies.

NOTE: These exercises are intended for use in credit unions that are adopting sales and service cultures. They may not be effective when used with employees who have not received sales training.

Microsoft® Word versions of the Coaching Assignments in the Appendix are provided for your individual use within your credit union. To access them, please go to the following Web site and enter the username and password below.

http://www.cues.org/coachingmanual/
Username: CoachMaxPerf
Password: MNAcoachstars

Coaching Assignment #1

WHEN TO BEGIN

As soon as you're done reading this book

HOW LONG IT SHOULD TAKE

20 minutes per week over six weeks

PURPOSE

To help establish your role as a sales and service coach of employees in your branch or department

INSTRUCTIONS

Find opportunities to use these coaching strategies every day with employees. After six weeks of using these coaching strategies, you should notice a difference in the way employees approach their sales and service responsibilities.

1. **Catch employees doing things right.**
   Catch one employee each day doing "it" right with regard to sales and/or service. Compliment the employee immediately. Encourage employees to catch each other doing "it" right and have them share their "catches" with you.

2. **Talk about sales and service.**
   A. Meet with each of your employees individually and explain what a sales and service culture is. Discuss the changes they will be seeing over the next several months. Tell them about your support and commitment to the program.

   B. Ask one employee every day, "What did you do to make a member's life better today?"

3. Show employees the possibilities of their talents by coaching them one-on-one using transactional coaching.

A. The teller method

Coach: Let's take a look at the member inquiry screen for your last transaction.

Coach: What is the opportunity we have to improve that member's financial well-being with one of our products or services?

Coach: What could you have said to the member to get him or her interested in the product/service you recommended?

B. Loan officer/MSR method

Coach: Let's take a look at the credit report for one of your member's loan requests.

Coach: What is the opportunity we have to improve that member's financial well-being with one of our products or services?

Coach: What could you have said to the member to get him or her interested in the product/service you recommended?

C. The wrong question

The wrong question: Why didn't you say something to that member about a home equity loan?

Why is this the wrong question? ______________________

____

____

Coaching Assignment #2

Shopping the Competition & Steps of the Sales Skill Evaluation

Coaching Instructions

WHEN TO BEGIN

Immediately after completing Coaching Assignment #1

TIME TO COMPLETION

About 90 days

PURPOSE

To encourage employees to "shop" for examples of excellent sales and service and incorporate those examples in their encounters with members

INSTRUCTIONS

At a regular staff meeting, distribute the following form "Shopping the Competition: What Does the Member See?" to all employees and explain this exercise. Then send one employee out each week, perhaps during an extended lunch hour or on a slow morning to shop the competition.

At your next staff meeting, ask the employee to share the results of his or her shopping expedition and discuss as a group new ideas for improving sales and service. As you facilitate the group discussions, here are some questions to ask participants:

- What do you think about the quality of service you received?

- Would you want to do business with the financial institution you shopped? Why/Why not?

- What is one thing you learned, based on what you experienced, that will help you be even more effective in serving members?

- If the participant received bad service and rated the employee critically:

  - What if the employee was just having a bad day? Why can't you give them a break?
  - If it was busy, don't you think the employee was probably just tired?

When all employees have completed the shopping the competition exercise, proceed with the Steps of the Sale Skills evaluation on a person-by-person basis.

Shopping the Competition: What Does the Member See?

Employee Instructions

Now it is time for you to see what consumers of financial services experience when they go shopping for a product or ask for service. What you will notice is that some employees of our competition are very good, some are average and some are inexcusably bad. Remember the one person that potential customers or members see is the one speaking with them. They base their entire perception of the institution on that one person. For our credit union, you are that person. Be the best you can be. Now that you have completed our sales training, you know how the employee you are shopping should perform.

INSTRUCTIONS

To perform competitive shopping you will need to do the following:

- Pick a competitor financial institution. Walk into the lobby and proceed to the new account area. When acknowledged, simply state, “I want to talk to someone about a checking account.” Allow the Customer/Member Service Representative to work with you.

- If you are a call center employee, shop the institution by phone.

- When you return to your car, immediately fill out the attached “Shopping the Competition Worksheet.” This allows you to evaluate the interaction while the experience is fresh.

- Be prepared to report to the group your evaluation and impressions.

Shopping the Competition Worksheet

LOCATION ____

DATE _________________________ **TIME** ____________________

	YES	NO
1. Were you acknowledged in a timely fashion?	______	_____
2. Did the representative stand to greet you?	______	_____
3. Were you greeted with a smile?	______	_____
4. Did the representative introduce himself or herself?	______	_____
5. Did the representative call you by your name?	______	_____
6. Maintain good eye contact with you?	______	_____
7. Engage in anything you would consider small talk?	______	_____
8. Did the representative ask questions to identify your needs?	______	_____
9. Did he or she listen effectively?	______	_____
10. Did the representative sell the product using benefits?	______	_____
11. Did he or she ask to open the account for you?	______	_____

Provide an overall rating of the experience based on performance of the above skills: ____

SCALE

1 Perfect; yes on all eleven skills.

2 Very Good; almost all steps were performed. We should try to hire this person.

3 Average; tried hard, nice person, but did not achieve many of the above steps related to selling.

4 Poor; did not achieve many of the above steps and did not seem to care much that I was there.

5 Dreadful; I could have done better taking a brochure home.

COMMENTS

Steps of the Sales and Goal-Setting Worksheet

All employees should complete a Steps of the Sale Skills Evaluation if they have completed sales training.

Sales Coach Instruction

Meet with employees individually following completion of their sales training and the Shopping the Competition exercise to give them the Steps of the Sale Skill Evaluation Worksheet. Ask employees to take time before the meeting to evaluate how well they perform in each of the areas to be evaluated. Have employees give the completed Skill Evaluation Worksheet to you and review the worksheet with them. Please emphasize the following issues:

A. Praise employees for their strengths. If you have noticed improvements in areas that were once challenges, be sure to let employees know. If possible, use specific situations you have observed to validate your opinion.

B. Note the sales skills for which employees have circled "1" on the Skill Evaluation. These are skills employees feel they are not performing at a satisfactory capacity. Ask employees what they plan to do to improve in these areas. Also, ask employees how you may be able to assist.

C. Before the meeting ends, use the skill improvement suggestions you and the employee have made to complete the Goal-Setting Worksheet. Worksheet instructions follow.

Please complete each section of the Goal-Setting Worksheet. Each section is important in providing insight to you regarding the employee's sales development.

When completing the section "I commit to improve in the following," ensure that the improvement goal is relatively specific. For example, a general goal may be, "Improve my ability to cross-sell Visa." A follow-up question to the employee is, "How do you think you will be able to do that?" These follow-ups will help make goals more specific.

Attempt to define each employee's goal in action statements, such as:

I <u>will call</u> each member by his or her name.

I <u>will give</u> each member one piece of information about our products.

This will make it much easier for both you and the employee to know if the learning goal is met. Avoid effort statements, such as

I will <u>try</u> to focus on the member's needs.

I will <u>attempt</u> to identify cross-selling opportunities.

The section that begins "I will assist you" is one of the most critical areas of the worksheet. Please ensure that the employee involves you as the coach into the process. Make your commitment as to how you will assist the employee and make sure you do it. If you do not, the employee will certainly use you as the reason for failing to improve.

You should meet briefly each week with each employee to summarize his or her level of performance improvement. During this meeting compliment the employee on his or her effort and commitment. Provide the employee with specific performance examples you have noticed. Encourage the employee to share opinions about his or her performance and your evaluation.

Steps of the Sale Skills Evaluation Worksheet

Now that you have completed sales training, it is time to evaluate your progress in each of the following areas. Hopefully, you have been working to develop the skills you learned in the workshops. To assess the stage of development you are at with regard to each skill, please complete the following self-evaluation. Be honest with yourself.

All Employees Complete:

1. I have overcome my fear of rejection. Yes ____ No ____

2. I understand that identifying members' needs and suggesting a solution is service. Yes ____ No ____

3. I have passed the product knowledge assessment and feel confident in my knowledge of products. Yes ____ No ____

Circle the number of the answer to the statement that most closely reflects your feelings at this time.

3= I consistently use this skill whenever I have the opportunity.

2= I sometimes try this skill when I have the opportunity.

1= I need further work on this skill before I become confident enough to use it with a member.

For Tellers

1. I greet each member with a smile.	1	2	3
2. I call each member by name.	1	2	3
3. I small-talk briefly with each member.	1	2	3
4. I thank each member for his or her business.	1	2	3
5. I attempt to find a need with each transaction.	1	2	3
6. When I identify a need, I can use benefit statements to explain the product to the member.	1	2	3
7. I am taking advantage of opportunities to cross-sell.	1	2	3

For Member Service Reps and Other Frontline Member Service Employees

1. I greet each member with a smile and/or good tone of voice.	1	2	3
2. I call each member by name.	1	2	3
3. I small-talk briefly with each member.	1	2	3
4. I thank each member for his or her business.	1	2	3
5. I attempt to find selling opportunities.	1	2	3
6. When a sales opportunity exists, I can get the member interested by using benefit statements.	1	2	3
7. When the member objects, I try to overcome the objection.	1	2	3
8. I know when to ask open and closed questions.	1	2	3
9. I use active listening skills.	1	2	3
10. I avoid reacting defensively when the member objects.	1	2	3
11. When I sense the member is interested, I ask for the business.	1	2	3
12. I use compatible products as a tool to know what to cross-sell to members.	1	2	3

Goal-Setting Worksheet

____
EMPLOYEE NAME

____
COACH'S NAME

I commit to improve in the following sales/service skills in the next 30 days:

____

____

____

____
EMPLOYEE SIGNATURE

____
DATE

I commit to assist you in improving in the above listed area by doing the following:

____

____

____

____
SALES COACH'S SIGNATURE

Coaching Assignment #3: Sales and Service Assessment

WHEN TO BEGIN

About 4½ months after you begin the first coaching assignment

HOW LONG IT SHOULD TAKE

About four weeks

PURPOSE

To collect information about the willingness and ability of employees to provide high-quality sales and service

INSTRUCTIONS

Complete the following form to perform a self-assessment of your department or branch and the employees you coach. If you identify employees who are not performing up to par, use the form that follows the assessment to determine whether those employees are willing and able to do the job. If they are willing but unable, develop a training plan. If they are able but unwilling, develop a coaching plan.

____

NAME

____

DEPARTMENT/BRANCH

1. The level of sales and service provided by my branch/department is:

   HIGH **GOOD** **AVERAGE** **NEEDS IMPROVEMENT**

2. In the last three months the level of sales and service has:

   IMPROVED **REMAINED THE SAME** **DECREASED**

3. If the sales and service level has decreased or remained the same, please explain why:

   ____

   ____

   ____

   ____

4. With regard to service:(CHECK ONE)

   _____ All employees are performing as I expect.
   _____ Most employees are performing as I expect.
   _____ Few employees are performing as I expect.

(Copy and complete the Performance Problem Diagnosis Worksheet, which follows this worksheet, for each employee who is not providing service up to your expectations.)

5. The level of cross-selling provided by my branch/department is:

HIGH **GOOD** **AVERAGE** **NEEDS IMPROVEMENT**

6. In the last three months the level of cross-selling has:

IMPROVED **REMAINED THE SAME** **DECREASED**

7. If the cross-selling level has decreased or remained the same, please explain why:

____

____

____

____

8. With regard to cross-selling:(CHECK ONE)

_____ All employees are performing as I expect.
_____ Most employees are performing as I expect.
_____ Few employees are performing as I expect.

(Copy and complete the Performance Problem Diagnosis Worksheet, which follows this worksheet, for each employee who is not cross-selling up to your expectations.)

9. If your employees have performance problems, choose one:

_____ I have confronted the employee.
_____ I have not confronted the employee.

10. Describe your greatest coaching success during the previous three months:

____

____

____

____

____

____

11. What has been the greatest coaching challenge you have faced in the previous three months?

____

____

____

____

____

____

Performance Problem Diagnosis Worksheet

____
EMPLOYEE NAME

The employee is not performing as I expect because he or she is:

______ Unwilling/Able

______ Unwilling/Unable

______ Willing/Unable

Please provide details to support this diagnosis:

____

____

____

____

____

____

____

Addendum to Coaching Assignments: Becoming a Sales and Service Coach To-Do List

For managers of employees who have attended sales and/or service training workshops

As a leader at your credit union, you play a vital role in the development of its sales and service culture. As you may have noticed, a great deal of attention is focused on coaching development, and we have placed a significant challenge before you to work with your employees in an intentional and consistent fashion. As we have noted, the sales culture will live and die on your efforts. Below we have provided a checklist that will facilitate your coaching efforts. This list should not limit your efforts. There are lots of things you can do to enhance development of a sales and service culture; this list describes just a few.

TO DO	DONE
• Ask each employee to share with you something that they have done this week to improve a member's financial well-being. Timing: Weekly	________
• Spend five minutes with each employee reviewing member accounts (for tellers) or a new account or loan (for MSRs and loan officers) to help the employee identify a referral/cross-selling opportunities. Rehearse with employees what they would say to get members interested. Timing: Weekly	________

- Schedule time for employees to participate in the Shopping the Competition exercise.

  Timing: Start scheduling the week after training ends. ________

- Ask employees to complete the Steps of the Sale Skill Worksheets.

  Timing: The week after training ends ________

- Meet with employees to review the Steps of the Sale Skill Worksheet and complete the Goal-Setting Worksheet together. Ensure that the improvement goals set by the employee are specific. Complete your coaching commitment in the section provided.

  Timing: Two weeks after training ends ________

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