

The Competitive Advantage

P Squared Management Consulting

Maximizing the Synergy of People and Process Improvement



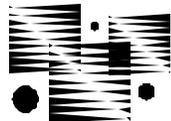
Message from our president and the editor ...

In this quarterly newsletter, we have decided to start with a light subject matter in ***Tips to Simplify Your Life***. We decided not to give you tips but rather give you a walk down memory lane. We hope it puts a smile on your face and generates warmth in your heart.

Remember when...

Close your eyes... and go back in time. Before the Internet or the MAC. Before semi-automatics and crack... before SEGA or Super Nintendo... way back.

I'm talking about hide and seek at dusk.
The Good Humor man. Red light-green light.
The corner store.
Hopscotch, butterscotch, doubledutch, jacks, kickball,
and dodgeball.
Mother May I. Hula hoops.
Running through the sprinkler.
The smell of the sun and licking salty lips.
Penny candy, nickel candy bars, wax lips and
moustaches.
An ice cream cone on a warm summer night.
A cherry coke from the fountain at the corner drug store.



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Wait...

Watching Saturday morning cartoons... short commercials, Fat Albert, Road Runner, He-Man, The Three Stooges, and Bugs.

Or staying up for Gunsmoke or Bonanza.

Or back further, listening to Superman on the radio.

When around the corner seemed far away, and going downtown seemed like going somewhere.

Cops and Robbers, Cowboys and Indians, Zorro.

Climbing trees, building igloos out of snow banks.

Walking to school, no matter what the weather.

Running 'til you were out of breath.

Laughing so hard that your stomach hurt.

Spinning around, getting dizzy, and falling down was cause for giggles. Being tired from playing... remember that?

The worst embarrassment was getting picked last for a team. War was a card game.

Water balloons were the ultimate weapons.

Baseball cards in the spokes transformed any bike into a motorcycle.

I'm not finished just yet...

Eating Kool-Aid powder.

Remember when... there were two types of sneakers for girls and boys (Keds and PF Flyers).

And the only time you wore them at school was for "gym".

When nobody owned a purebred dog.

When a quarter was a decent allowance and another quarter a miracle. When milk went up one cent and everyone talked about it for weeks.

When you'd reach into a muddy gutter for a penny.

When you got your windshield cleaned, oil checked, and gas pumped, without asking, for free, every time.

And, you didn't pay for air.

And, you got trading stamps to boot!

When laundry detergent had free glasses, dishes or towels hidden inside the box.

When nearly everyone's Mom was at home when kids got there.

When it took five minutes for the TV to warm up, if you even had one.

When your Mom wore nylons that came in two pieces.

It was magic when Dad would "remove" his thumb.

When it was considered a great privilege to be taken out to dinner at a real restaurant with your parents.

When girls neither dated nor kissed until late high school, if then.
 When all of your male teachers wore neckties and female teachers had their hair done.
 When they threatened to keep kids back a grade if they failed... and did!
 When being sent to the principal's office was nothing compared to the fate that awaited a misbehaving student at home.
 Basically, we were in fear for our lives but it wasn't because of drive-by shootings, drugs, gangs, etc.
 Our parents and grandparents were a much bigger threat!

Remember when...

Mistakes were corrected by simply exclaiming, "do over!"
 "Race issue" meant arguing about who ran the fastest.
 Money issues were handled by whoever was the banker in Monopoly.
 The worst thing you could catch from the opposite sex was cooties.
 Having a weapon in school meant being caught with a slingshot.
 Scrapes and bruises were kissed and made better.
 Taking drugs meant orange flavored chewable aspirin.
 Getting a foot of snow was a dream come true.
 Abilities were discovered because of a "double-dog-dare".
 Older siblings were the worst tormentors, but also the fiercest protectors.

Didn't that feel good just to go back and say, "Yeah, I remember that!"
 If you can remember most or all of these then you have LIVED!

Remember when...



"Nobody collected money?"

Source: *The Saturday Evening Post* 1950



A Case Study Is training the right answer for a problem employee? It depends.....

by Scott Playfair, President, P Squared

Recently, I was invited to a local client's place of business to discuss the types of training offered by P Squared Consulting. The client had a problem employee whose behavior was noted as autocratic, unsympathetic, demonstrative - sometimes bordering on sexual harassment. The client was interested in 1-2 days of training and development to make this employee more sensitive. The client wanted to know if P Squared had a training course that would correct this employee's behavior.

Intrigued, I put on my Columbo rumpled raincoat and began to ask many questions. And in true Columbo style, I asked, "If you put a gun to this guy's head and told him to fix all this stuff, could he fix it?" The answer was, "Yes he could, but he chooses not to."

It was then evident that this was not a training problem. Training problems are issues such as people not having the knowledge or ability to perform a task. So in translation, if you put a gun to their head, they could not do what was asked.

Through further questioning, I learned that this employee's boss had "kind of" spoken with him but, to the outside world, the common attitude was "Well, he makes the numbers, who cares how he does it!" This was clearly their number one problem. This employee would never change his behavior as long as he was being rewarded without changing it. In fact, I personally question if he was counseled at all. Yes, he got the numbers - but at what cost? What hidden damage has been done in terms of employee demotivation, dissatisfaction and possible turnover? Furthermore, what improvements in the numbers could be generated if these problematic issues were resolved?

So, was training the answer?

Training actually had nothing to do with the answer. Because this person, if properly motivated could have fixed his own problem. In fact, he needed to be provided with an environment that motivated him to fix the problem. Typically, this would be initiated by the supervisor and would have consisted of clear problem identification and a jointly developed, concise action plan.

One good wish changes nothing. One good decision changes everything.

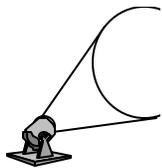
A Case Study, cont'd

Depending on the employee-supervisor relationship, the supervisor may sometimes choose to bring in an impartial third party to mentor/coach the employee once proper expectations have been set. I mentioned that coaching and mentoring is one of the areas of expertise provided by P Squared.

After describing this to the potential client, he said, "Your process and logic make all the sense in the world and I agree with it. However, I've spoken to the VP, HR and we are just going to send him to a 2 day training class and hope it works". The client might as well have taken the money and burned it because, as I just explained, training was not the issue at all.

This is an example of avoidance behavior by a corporation. They want to do something/anything that seems to be politically correct - showing activity but not ruffling any feathers, when, in fact, no progress will be made at addressing the core issue. Actually, the situation will probably be made worse because people will see the problem employee being sent off to training with no change in behavior upon his return. This will result in "charm school" jokes and a further decline in morale.

So, training and development of your employees, done properly, can be an excellent source of productivity improvement and employee motivation... but it is not always the answer for a problem employee. The problem must be properly diagnosed and then the proper strategy and tools can be applied.



Spotlight Article *Motivate Your Employees and Increase Your Productivity*

This article is the final excerpt of a published paper written by Scott Playfair, President, P Squared Consulting.

In the last issue of *The Competitive Advantage*, we spotlighted the third of a four article series dealing with employee motivation and its impact on productivity. In this final article of the series, we will first summarize the article - especially for those of you who missed prior issues and then examine the enlightening, supporting research on which this paper was based. Our conclusion will provide you some valuable recommendations for how you can use these facts in your work place to drastically increase the productivity of your employees.

Article Summary:

One of the greatest challenges in today's rapidly changing and intensely competitive business environment is that of balancing the three critical factors essential for business survival and success.

- People
- Processes
- Technology

The people element is often the most neglected of the three critical success factors. However, *people* represent a company's only true competitive advantage.

A key question that must be answered in order for a business to prosper is:

How does a business motivate, empower, and engage the human element (their human capital) to generate and sustain significant competitive advantage?

Seven key human needs must be fulfilled in order for a business to leverage its human capital.

1. Basic Survival
2. Empowerment / Freedom to Act
3. Variety
4. Feedback and Positive Reinforcement
5. Wholeness and Meaning
6. A Team-Based Environment
7. Room to Grow and Succeed

Basic survival is a "satisfier". It is a need that must be fulfilled before all others. It consists of fair and adequate pay, job security, benefits, and a healthy and safe environment. Satisfiers are factors external to the job that do not motivate but their absence can demotivate. In general, most people employed by an organization have their basic survival needs met.

One human being cannot motivate another. They can only provide an environment for motivation.

The remaining six needs represent needs that are called "motivators". Once the "satisfiers" are fulfilled, people look to fulfill higher level needs that motivate them. Fulfillment of motivational needs is critical to organizational success. There are two types of motivators - optimal and maximal.

Empowerment, variety and feedback represent "optimal" motivators. These are needs that must be optimally met because too much can be as bad as too little. Wholeness and meaning, a team-based environment and room to grow and succeed represent "maximal" motivators. Employees cannot get too much of these (the more the better).

Spotlight Article, cont'd

One human being cannot motivate another. They can only provide an environment for motivation. The role of management is to provide this environment.

Recommendations:

Business owners and managers who desire to create an environment that addresses the motivational needs of their workforce must do three critical things:

1. Assess the environment that currently exists in their organization as it relates to the seven needs.
2. Determine their organization's strengths and weaknesses as they relate to the needs of their workforce.
3. Develop a strategy and implement a comprehensive plan to enhance the current motivational environment in their organization.

This activity requires clear and focused leadership throughout the management ranks of an organization, starting at the top. When these steps are properly completed the return on the investment of time and effort is immense.

It should now be evident how critical the fulfillment of the seven needs is to the success of any organization. Further, it is certainly possible to drastically increase workforce productivity in 3 – 6 months by focusing on these needs! The result... a better bottom line and a better quality of work life for everyone involved.

Supporting Research:

This information is not theoretical. It is grounded in solid research performed in the real world of business.

A recent study conducted in a wide cross-section of business and industry has confirmed both the significance and accuracy of the information presented in this article. The objective of this research was to determine the factors that had the most positive influence on job satisfaction and productivity.

What do people want from their jobs?

You might have assumed without an understanding of the seven basic needs, that factors such as pay, fringe benefits, working conditions, and seniority rights would be the most effective in motivating on the job performance. However, these factors were found to play a "maintenance" function and little else. If they were not present, then dissatisfaction would rapidly rise. However, their presence served only to avoid dissatisfaction and did relatively little to stimulate high achievement.

Another set of factors, however, was found to be closely tied to job motivation and productivity. These factors included a sense of achievement, recognition of work done, growth, participation, variety, delegation, goal setting, and meaningful performance appraisal.

A second study, done by the Labor Relations Institute, Inc. focused on the question: "What do people want to get from their jobs?" To answer that question, the Institute surveyed ten thousand workers in a cross-section of industries. The workers were asked to rank, in order of importance, ten different job factors. Below is the list of factors appearing in the rank-order of the workers' responses:

1. Full appreciation of work being done
2. Feeling like they really make a difference
3. Sympathetic help with personal problems
4. Job security
5. Good wages
6. Interesting work
7. Promotion and growth in the company
8. Personal loyalty to employees
9. Good working conditions
10. Tactful discipline

This study not only confirms ideas that have been previously presented, it offers an additional insight. At the same time the ten thousand workers were surveyed, the supervisors of these workers were also asked to rank the same ten factors as they thought their employees would rank them. The supervisors ranked as the top three:

1. Good wages
2. Job security
3. Promotion and growth in the company

These are not even close to the top three factors as ranked by the employees. Even more surprising, the factors ranked as top three by the employees were ranked last by their supervisors! In other words, the things that employees wanted most were considered by their supervisors to be the things they wanted least!

The implications of this are apparent and represent a huge potential pitfall for the leadership of any organization. Organizational leadership must insure the "satisfiers" are in place, but, more importantly, they must focus on the "motivators" if the organization is going to survive and excel in today's fiercely competitive and ever changing business climate.

Conclusion:

This article was written to explain substantiated motivational concepts in the context of today's business environment. It gives straightforward advice on how to implement these concepts in order to

Spotlight Article, cont'd

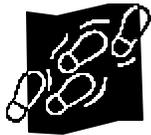
improve workforce productivity. The article shows that motivating and leveraging a company's human capital can create sustained competitive advantage in a relatively short period of time.

The one clear and consistent message throughout this article has been the following simple premise for business success:

People do not make a difference

They ARE the difference.

For a copy of the complete article, "Seven Proven Ways to Drastically Increase Workforce Productivity in 3 to 6 Months", please contact P Squared Consulting.



The Path to Leadership.... Five Steps to Training Success

In a recent issue of the *HR.com Newsletter*, the following article appeared, written by Don Phin, the President of the Employer Advisors Network, Inc. This article parallels the training philosophy and delivery methodology used by P Squared to provide you the best return for your training dollars and we thought you would enjoy it.

In today's knowledge economy, you need well-trained workers to leverage your bottom line. Training can be either *technical* or *emotional*. Although it's relatively easy to provide technical instruction through written or computer-based resources, emotional training requires people to directly communicate with each other.

For example, manuals and online resources might be effective in teaching Excel spreadsheet applications. But they can't deal with the emotional issues involved in sexual harassment training, leadership development training — only dialogue can do that.

To develop and maintain effective training programs, follow these guidelines:

1. **Create a structure.** Commit to training as a process, rather than a project. Set clear standards for your hard and soft skill-set needs. Create a strategic plan, budget, and schedule.
2. **Provide the right tools.** Not all training resources are created equal. For example, some online technical training applications are better than others. To test which programs work best, have different groups of employees

try different programs. Then compare changes in their productivity and adopt the one that works best.

3. **Follow up.** If one-time training worked, you could ride a bike after reading a single book on bicycling. Provide a continuing process to help employees incorporate what they learned during the training experience.

4. **Offer incentives.** Give your employees rewards or payoffs for their participation in training programs. These incentives can be either financial or non-monetary perks (dinners, entertainment tickets, and so forth). Reward and reinforce the learning experience so the employee wants to repeat it.

5. **Leverage training.** Whenever an employee gains a valuable insight during a training session, encourage them to share this information with co-workers who might be affected by it. Multiply the impact of training by having workers immediately use what they've learned to help the company run more effectively.

These steps are a valuable outline to create a foundation that will provide you a successful experience and guarantee you the best return on your training dollars. Contact P Squared for more information about our Leadership Development Programs that can take your people to new levels of excellence.



Insightful Ideas... A Word About Attitude

We've all encountered the negative attitude and we know what impression it makes on us. We don't want to deal with negative people. We avoid them. It may be contagious!

We sometimes should think a bit about our own attitude. How good is it? How is it perceived by others? Is it as positive as it might be, or have some of the pressures and concerns of our businesses made us a little negative, too? "That's ridiculous. Not me. I'm never negative!"

Have you thought about your attitude recently?

Attitude may be the single most important key to our success, the one ingredient that initiates opportunities and invites interest. Positive attitudes attract other positive people.

Who are the achievers in America and what do they have in common? Among other things, positive

Insightful Ideas, cont'd

attitudes. Good attitudes. Optimistic attitudes. Who do you know that models a positive attitude?

They are the people who view each challenge as a learning and growing opportunity. They are the Givers, not the Takers. The "Movers and Shakers". They are the can-do's, not the can't do's.

They are the "Good Morning" people.

... by George L. Schmutz



Web Site of the Quarter....

Do you make purchases online? Are you interested in finding the most reliable, most cost effective site to buy your child a Spider Man? Finding the best deal on a DVD player? Sending roses to your significant other? Planning a romantic vacation? Even refinancing your home mortgage?... Try doing a little research on **BizRate.com** before you buy. This site not only gives you product specifications, but also allows previous purchasers to rate the product, rate the supplier, and does your online research for best prices. Their motto - *Right Product. Right Price. Right Store.* Really makes your life a little easier!



Synergy Snapshots....

I have found the best way to give advice to your children is to find out what they want and then advise them to do it...
Harry S. Truman, 33rd U.S. President

Start by doing what's necessary, then what's possible, and suddenly you are doing the impossible... **St. Francis of Assisi, Founder of Franciscan Order of Priests**

It's never too late to be who you might have been...
George Eliot, Writer

I believe that the details of our lives will be forgotten by most, but the emotion, the spirit, will linger with those who shared it, and be part of them forever... **Liv Ullmann, Actress**

Learning does not take place in the space between the four walls of a classroom, but rather in the space between one's ears.

...Scott Playfair, President, P Squared

If you don't like something, change it. If you can't change it, change your attitude. Don't complain...
Maya Angelou, Writer

If you run into a wall, don't turn around and give up. Figure out how to climb it, go through it, or work your way around it... **Michael Jordan, Basketball player**

Be different--if you don't have the facts and knowledge required, simply listen. When word gets around that you can listen when others tend to talk, you will be treated as a sage... **Ed Koch, U.S. politician**



P Squared Consulting.... Scope of Expertise

P Squared (P²) is focused on working with companies to maximize their human capital through the facilitation of positive change. We accomplish this by the use of our expertise in the following core areas:

- Team Building at All Levels
- Training and Development
- Team-based Process Improvement
- Cutting edge HR Practices

P² is a nationally known management consulting and human resource development firm based in Houston, Texas. We have helped small, medium, and Fortune 100 companies with equal effectiveness. P² has a staff of seasoned professionals, highly experienced in its areas of expertise.

At P² Consulting, we believe that people are your most valuable resource. Our focus is getting people to do more and feel great about it. We help them develop an insatiable desire for continued personal and professional growth and improvement - which is a win for everyone.

Our specialty is helping clients develop cultures where continuous improvement, higher levels of achievement, measurable standards of excellence, and exceeding customer expectation prevail. And to assist clients in sustaining true**Competitive Advantage!**

Offices in Texas and South Carolina.
Contact us by phone at (936) 271-0712,
or email at p2mc@wt.net
Visit our web site at www.p2mc.com

We look forward to hearing from you soon!

....Scott Playfair, President

....Jan Barnett, Director, Sales & Marketing