THE FUEL FOR BUSINESS

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PREVIOUS LIVES

Before starting SMEs owners may have had careers in the corporate world where human resources (HR), organisational development (OD) and learning functions are well developed and taken for granted.

They may have had only limited input to corporate vision, values and expected behaviours in their corporate careers.

Beyond their own teams their influence on overall company culture may have been small or negligible.

Many of the leadership skills developed and lessons learned in corporates are transferable to SMEs but owners can be unprepared for the breadth of business and staff demands that they must now personally address.

NEW CHALLENGES

Owners can start businesses with sound technical expertise and a passion to do things better but with little formal training or exposure to people and culture. Their own business is their first experience of leading and managing people.

As the business grows they start to encounter the challenges of building a cohesive and engaged workforce. Although instinctively shaping their business based on their personal vision and values, it gets to a point where smart operators realise that they need to do something to address the people issues that have arisen and/or take their business to the next level.

All business leaders are looking for ways to lift staff performance and improve results.



Leaders who focus on people and culture have the opportunity to gain an advantage over their competitors and challenge much larger players.

LEADERSHIP CONVERSATIONS

Effective communication is key to developing people and culture and a catalyst to peak performance. Face-to-face conversations leaders have with their team members are the best opportunity to influence and inspire.

There are three types of conversation, that if mastered, will have a significant impact on business results: first those that build relationships, secondly those that address performance and thirdly those that stimulate development. Leaders tend to be good at one or maybe two of these

conversations but it's rare to be good at all three.

There are ideas and practical tools that can help business leaders become more comfortable, confident and competent in conducting these important conversations.

CONVERSATIONS THAT BUILD RELATIONSHIPS

Relationship conversations are about connecting more effectively with others, building trust, rapport, respect and understanding in order to work more successfully together. These often informal conversations are second nature to those who are naturally good with people but for others it is a struggle which can negatively impact staff engagement and team morale.

The quickest way to build better relationships is to develop the habit of asking excellent open questions which start with "what?" and "how?" and to listen to the responses carefully and empathetically.

In smaller businesses people tend to work more closely together and get to know each other well but there can be an unhealthy "us and them" attitude that develops between the staff and management which affects performance.

Everyone gets busy and social interactions can appear to be wasting time but leaders who take the time to join in or instigate chats 'around the water cooler' or in the lunch room can reap the rewards of a happier work environment.

Using behavioural profiles such as DiSC, Myers Briggs, Tetramap and others is a useful and objective way to gain an understanding of how people think, feel and act in different situations. Profiling can result in real lightbulb moments that challenge old perceptions and heighten people's acceptance of and respect for others.

In business it is important to recognise and play to the strengths each style brings. Being aware of the different styles and being able to adapt one's own style to communicate more effectively can dramatically improve relationships.

Strong relationships are the basis of a peak performing workplace.

CONVERSATIONS THAT ADDRESS PERFORMANCE

For many managers, dealing with unacceptable behaviour and providing feedback on poor performance is the most challenging and stressful part of people management, so they avoid it.

However, turning a blind eye doesn't fix the problem and it doesn't help the individual concerned, those around them, or the business. Proactively addressing the small things can save them from becoming big things. The difficulty is that facing up to the issues and saying what needs to be said takes courage.

The best way to build the necessary courage for these difficult conversations is to carefully consider all the consequences of doing nothing compared with the payback of doing something.

Then prepare well for the discussion by gathering all the facts including the impact of the unacceptable behaviour, outline the resolution or outcomes required and future expectations. Plan how to raise the issue, what to say, how they might respond and what will happen if they are unwilling to take this feedback on board and act upon it.

When well prepared, leading the conversation becomes less emotional and stressful than anticipated. If left unchecked for some time the person may be genuinely unaware of how their behaviour has negatively affected others and the business.

"Many a job or career has been saved by a courageous conversation at the right time."

FEEDBACK

People need and usually want to know how they are going, what they are doing well and how they can improve their performance. Along with positive feedback, providing corrective feedback delivered with the right intent, preparation and support has the power to strengthen relationships as well as lift performance and improve results.

There are a number of commonly used tools or frameworks to guide leaders through the process of giving feedback. The Example, Effect, Change/Continue or "EEC" model developed by TakeON! is easy to remember and can be used to help guide conversations about inadequate as well as outstanding performance.

THE EEC MODEL

EXAMPLE: Specifically, what did you observe?

EFFECT: What happened as a result of the behaviour you observed?

CHANGE OR CONTINUE: What should be continued and potentially shared with others or what needs to change and be done differently next time?

Using a tool like EEC removes much of the judgment and emotion from the feedback process, it is quick to use and can be acted upon and monitored.

The ideal ratio of feedback is 4:1 i.e. four positive feedback conversations to one negative.

It takes effort to form the feedback habit but when applied constructively feedback is a powerful way to recognise and encourage better performance.

CONVERSATIONS THAT STIMULATE DEVELOPMENT

Smaller organisations lag behind their corporate counterparts when it comes to coaching and are missing out on an opportunity to develop individual and organisational capability.

Sir John Whitmore, an internationally renowned pioneer of coaching and leadership development defines coaching as "unlocking a person's potential to maximise their own performance."

Coaching is a structured conversation focused on improving an individual's performance and enhancing their skills. It is aimed at specific areas or issues, is action oriented and can be applied to almost any topic. Because coaching is about asking, not telling, it's not necessary for a coach to be an industry expert and have all the answers. In fact that can be a disadvantage.

A common misconception is that coaching needs to be a formal hour long exercise. It certainly can be that and more but it is surprising how quick a meaningful coaching conversation can be. There are a number of frameworks to guide the discussion, the most well-known being GROW (Goal, Reality, Options, Wrap-up). A good first step for business leaders is to engage their own external coach, then instigate the process internally.



COACH OR MENTOR

The role of a coach and mentor are frequently confused. A mentor is often someone internal, they're usually older with significant relevant experience and they're happy to provide guidance and share their knowledge, advice, and networks. Business owners tend to be more comfortable in a mentoring role than they are coaching. They are different but complementary roles that can stimulate the development of team members.

Culture has been described as the sum of the conversations in an organisation. Improving the quality of relationship, performance and development conversations will help to build a peak performance culture that delivers better business results.

ABOUT THE AUTHOR

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