2

Getting started

We start this chapter by asking six questions:

1. Do you have workplace performance standards and a code of conduct in place and operating at your workplace?

2. Do you know what these standards and code are?

3. Do people comply with them?

4. Do the team members themselves advise their teammates about any underperformance?

5. If you don't have either performance standards or a code of conduct, do you know how to go about developing them, and what is required for them to be accepted and practised in your workplace?

6. Are managers in your organization strictly focused on the product/service? Do they only see the 'people' factor as deserving attention when something goes wrong?

It matters little at this stage how you answered any of these questions, because they are simply aimed at getting you thinking about the current state of your workplace. This chapter will allow you to review your current workplace practices and, where necessary, adjust your current approach. What we

would say, however, is that unless you are prepared to go to the effort of documenting performance standards (or at least the critical ones), and a code of conduct with input from those people who will live with them, the system we propose can't work.

ESTABLISHING CLEAR EXPECTATIONS

We see expectations as the driving force in establishing the minimum acceptable performance standards for the key result areas of your particular organization. What is essential to the success of people management systems is that there is a clear, visible link between the strategic objectives of the organization and the expectations of performance we have of everyone in the organization. Key result areas are not selected at the work team level: they are derived from the strategic objectives and flow down.

If an organization is, for example, pursuing strategic objectives related to market growth, this will be reflected in the key result areas of the senior managers. In turn, the specific managers responsible for market growth will also have this key result area broken down into a set of actions to be undertaken so that the market growth objectives can be achieved.

These will be accompanied by appropriate key performance indicators (which allow the success of the actions to be measured on a timely basis). The next linkage is the most critical and the most often overlooked: for all of those people whose performance impacts on the success or failure of the market growth strategy, their performance should be linked to the process through the development of performance criteria against which they can be measured.

Key result areas will almost always include customer service, quality, occupational health and safety, plus areas of performance specific to the organization. Levels of sales (retail), security (banks), hygiene (food or health) and environment (manufacturing/processing) are some examples of those key result areas on which people will have a considerable impact and which will need to be incorporated into the system. Some examples of performance standards are listed further on in this chapter.

These additional key result areas have not always been seen traditionally as worthy or necessary of measurement and control in an organization. We observe that there is a much greater interest now in broader aspects of performance through the 'Balanced Score Card' approach, or similar, with many different aspects of performance now being measured rather than just profitability.[1]

However, we believe that an organization in the 21st century will not perform at the optimal level (and sustain that performance) without also dealing effectively with workplace conduct/behaviour. This is not simply

about minimizing unfair dismissals or protecting the organization against harassment or bullying claims – it goes much further. It is about providing a happy and harassment-free workplace. It is about providing an environment where the 'them and us' mentality is eliminated (or at least diminished) because all levels of the organization are committed to the same set of rules – a code of conduct which sets the standard for conduct/behaviour within groups and between groups.

The conduct/behaviour we seek is about delivering real teamwork – where people genuinely look after each other's interests and accept that all of us have both rights and obligations. It is about determining these rights and obligations and complying with them because they work, rather than being driven by a cloud of threats. It is about professionalism in the art of managing people – respect, dignity and principles of natural justice.

Evidence that a coaching-based approach provides a solution comes from a variety of sources. Our own experience, from a range of organizations and companies with which we have worked, is that clarity of expectations, early intervention and regular feedback (both positive and negative) remove uncertainty and have provided significant improvements in workplace behaviour for many organizations.

Our anecdotal evidence is also supported by others. Writing in the *Gallup Management Journal*,[2] John Thackray quoted Professors Angelo S DeNisi and Graham N Kluger in the February 2000 issue of the *Academy of Management Executive*: 'the positive effect of feedback on performance has become one of the most widely accepted principles in psychology'.

Thackray's article, 'Feedback for real' states that 'a series of simple workplace questions can spark employee-management action with measurable results. The effects are local and team-based but they can be repeated across the entire company for bottom-line gains'. 'Feedback for real' pursues the Gallup organization's desire 'to create a better feedback process'.

The feedback process is based on 12 questions posed in surveys (worker interviews) in a range of organizations. These questions translate into key employee expectations that ultimately form the foundation of strong feelings of engagement. Thackray goes on to note 'the process yields actionable input from staff and managers for changes in attitude, conduct, policies and processes'. The tool developed by Gallup has repeatedly been used in 87,000 divisions or work units with 1.5 million employees.

Of the 12 questions posed by Gallup in the survey, 10 are key foci in our book. We have modified them into familiar language, but acclaim their importance in managing people through clear expectations and regular feedback.

THE 10 KEY QUESTIONS

1. What is expected of me at work?

2. Do I have the opportunity to do what I do best each day?

3. Have I received recognition or praise for good work in the last seven days?

4. Does someone at work care about me as a person?

5. Is someone encouraging my development?

6. In the last six months, has someone at work talked with me about my progress?

7. Do my opinions count?

8. Does the mission statement of my company make me feel my job is important?

9. Are my fellow employees committed to doing quality work?

10. In the last year, have I had opportunities to learn and grow at work?

How do we do this?

First, you need to decide if you want to do it. You then need to plan the best way of getting your people 'on board' and be sufficiently supportive to go through the ongoing exercise of developing these expectations and committing to them.

How much consultation?

As much as your organization can sensibly afford in financial and risk management terms.

In relatively 'closed' institutional organizations or work groups, the answer is not much. For example, it is unlikely we will consult with prisoners about our expectations of them (but it might work!) The emergency services have a dilemma here because when they are 'on active service' it is typically in command mode and little consultation can or will occur. When they are not fighting fires, rescuing people or arresting suspects, however, they, like most people, would like that happy, safe and supportive workplace we spoke

of earlier. In this domain, a code of conduct is becoming commonplace because such organizations would be dysfunctional without them.

Our experience has been that organizations/industries have been particularly slow or unwilling to pursue a code of conduct and make people comply with them. As discussed earlier, much of this has been related to conflict avoidance.

In a factory, shop, university, school, office or coal mine, the only limitation to the amount of consultation is time (because time is money). However, the process requires:

1. A communication plan, to enlist support from both line managers and team members.

2. Setting up a small representative steering group or groups.

3. Development of draft standards and a draft code of conduct, or codes, for example enterprise-wide and group-specific.

4. Circulation to all affected persons of the draft documents and discussion/refinement.

5. Completion of performance standards/code of conduct.

6. Training of all those affected with a clear understanding of how management and team members should deal with non-compliance.

7. Development of line managers as workplace coaches.

8. Implementation of workplace coaching throughout the organization.

There will also be a need for ongoing evaluation and review from the moment the system is put in place. This will involve providing feedback to the coaches themselves.

Whilst the approach described above is simple and straightforward, in practice there will inevitably be some problems in the successful (and timely) delivery of these steps. If the organization is relatively small, it is usually quite easy to work through the eight steps. As you might imagine, a small workshop or retail establishment should not have too much difficulty in completing the process fairly quickly and without any major upsets. With larger and more complex organizations, whilst this approach is designed to be simple, our experience suggests each step requires considerable thought before implementation. (We suggest a formal project management approach for larger organizations.)

1. Communicating the approach

Senior management need to sit down and design a communication plan. Some companies have referred to this as a 'marketing plan', but this could send the wrong message. While there is some 'selling' required in the communication, we would defy anyone, having heard how the workplace coaching is to operate and what it is designed to achieve, to say, 'We don't need it'! Nonetheless, a careful explanation is required of what we want to do and why, and to allow some two-way feedback about how it might best work for the particular organization. (This is often more successful where it is facilitated by an outside person who is free of 'baggage' from within the organization.)

2. Setting up the consultative process

This step is simply deciding how many groups of what size we need to develop the standards and codes (expectations). The real risk here is people going overboard, either in wanting to have so many performance standards as to frighten everyone off or to have them written in an absurd amount of detail. This has to be managed very carefully as it has been known to bring a system down before it begins – it is all about balance. We still have to run a business!

3. Development of drafts

The developmental processes are discussed in more detail later on in this chapter.

4. Circulation

The circulation of the drafts and the revision of the draft standards again have to be carefully managed. At the end of the day, we are seeking agreed standards – but not agreement at the cost of lowering standards to a level unacceptable to management. If in doubt, trial them. If they are not achieving the results required, amend them. They should never be set in stone, but once they are working they should not be changed too often – again, it is about balance. Managers of organizations who are required to operate under a safety case regime, for example in hazardous industries, will tell you that standards need to be living – they need to change according to the circumstances where necessary.

5. Completion

As stated, they will never be final, but they do need to be signed off by the relevant people in the organization prior to setting up training.

6. Training

One of the most common mistakes made by organizations that are introducing people management systems, is to train the providers of the feedback/coaching – but not the receivers. In this approach, that training starts with the communication plan, continues through the developmental period and culminates in formal training for all participants.

7. Development of line managers as workplace coaches

This is the subject matter of the next chapter.

8. Implementation

This is what Chapters 3, 4, 5 and 6 are about – making it happen, monitoring and review, and continuous improvement in the standard of workplace coaching, as well as overall performance and conduct.

What if the workplace is out of control?

While consultation with strong input and involvement from employees is the preferred way forward to introduce workplace coaching, we have encountered situations where the consultative approach is not going to work in the short term. By 'out of control' we mean:

▮ people ignore most of the rules (safety, dress, housekeeping);

▮ absenteeism is high;

▮ bullying/sexual harassment is a regular occurrence;

▮ the quality of work is poor;

▮ good communication is lacking;

▮ there are high levels of conflict (management-team member; team member-team member; manager-manager);

▮ there is a lack of interest in problem solving or continuous improvement.

Under these circumstances, the expectations may have to be imposed. From a risk management position you have no alternative, and you might be surprised at the level of support you get from your better employees – few people actually want to work in a poor environment.

Whilst we would say that there should still be some consultation, it would be in response to the management-designed performance standards and code of conduct. Risk management principles don't allow the organization

the luxury of lengthy consultation in circumstances of extremely poor performance. We have an obligation to treat the risk as soon as it is identified. Remember, a serious breach of workplace standards (or legislation) could seriously damage the organization.

We have been involved in introducing people management systems in large companies which had to face this problem and bitter employee resistance to any performance feedback system at all. While the imposition of standards of performance and code of conduct was not the ideal way of doing things – it did produce the results required in most instances. (See the case study in Appendix 2.)

THE DEVELOPMENT PROCESS – CODE OF CONDUCT

In terms of the code of conduct, we would expect that it would usually be expressed as 'dos or don'ts', or as a commitment to behave in a certain way. You can set them out any way you wish so long as you test or pilot them to ensure that everyone understands what they mean in practice.

If we are going to say that we will not use inappropriate language in the workplace, people need to understand what that means. Do we mean:

❚ no swearing in the workplace;

❚ some swearing in the workplace;

❚ swear as much as you like but not at any other team member;

❚ swear as much as you like until someone tells you they think it's inappropriate?

Obviously the answer lies in the individual workplace. At the end of the exercise, all aspects of conduct that are likely to unsettle the workplace or offend individual team members should have been worked through and agreement reached.

It needs to be made clear that management in the end must accept or reject the standards. Team members need to understand this. We have often worked with managers before the development process begins to ensure that they, as a group, have an agreement about what needs to be included.

We would suggest you do not, however, table the manager's views in the discussions, but rather use it as a checklist to make sure nothing has been missed. If the employees can come up with the code by themselves, all the better. Our experience is that the employees will come up with the bulk

of the matters to be included and management will just need to fine tune the content.

In some businesses the code may include requirements on dress and general appearance. If this is a change from what people were told when they were appointed, be careful! Changes to conditions of employment cannot simply be imposed – they need to be agreed. In such instances a negotiated outcome will be required.

Some examples of the areas to be included and matters that would generally be addressed in a code of conduct are:

❚ time management (punctuality, return from breaks);

❚ attendance (time off, notice, communication);

❚ team relationships (respectful towards each other, language);

❚ procedure for leaving the work station/work area.

You will of course include whatever you believe needs to be included. There may be some issues with smoking, inter-racial relationships, or whatever else impacts on delivering a happy, safe and productive workplace.

To conclude, we have listed some extracts from a code of conduct, developed and supported by both managers and employees, on how they will work with each other and treat customers.

EXTRACTS FROM A CODE OF CONDUCT

❚ Be at (or return to) our workplace meeting/training venue ready to commence at the agreed time.

❚ Notify any absence to the appropriate person as early as possible.

❚ Respond to all customers and all employees with respect and in a friendly and timely manner.

❚ Respect the value and contribution of every employee regardless of what they do.

❚ Respect the privacy/confidentiality of all customers/employees – mind your own business.

In other codes of conduct we see such things as 'zero tolerance on touching, manhandling and horseplay', or 'helping out your colleague when they need you'. In the end, it has to be developed with the employees in the workplace to reflect that workplace's needs and preferably in a way that will give ownership to the employees. The establishment of clear expectations in these behaviours is essential to minimize the difficulties that arise when complaints are made by one person against another person regarding his or her conduct/behaviour, and to protect the organization in the event that an employee is mistreated, bullied or harassed.

Here are a few examples of the potential cost of not having a code of conduct and clear expectations, derived from actual incidents:

▌ Employees sacked for having lunch at a strip show (in uniform) – all reinstated as there was no code of conduct or rules to govern where employees should not go in uniform.

▌ Employee terminated for being under the influence of alcohol was reinstated. Able to prove senior managers often had long lunches and returned to the workplace – lack of consistency. There was no drink/alcohol policy and no code of conduct.

▌ An Asian woman who did not drink or smoke attended after-work drinks. She was offended by sexual discussions, had smoke blown in her face, her drink was spiked (as a joke) and she was subjected to racial taunts and strong sexual language. Significant financial payout for pain and suffering due to sexual harassment and racial discrimination. No code, no rules, no guidelines regarding drinking at the workplace and no policy on sexual or racial discrimination.

▌ Pilfering – starts with biros and ends up with the family being supplied with all their school stationery and computer needs.

▌ Access to the internet – a multitude of cases regarding access to pornographic sites – some won, some lost. A number of otherwise good employees lost through a lack of clear expectations being set out in a code of conduct and being monitored.

Management must ensure that the code is revisited and discussed with employees on a regular basis. It is inevitable that some employees will try to find the loophole or test the boundaries of the code from time to time. A revisit now and again will help remove this tension and give people an opportunity to discuss what is meant by the code.

THE DEVELOPMENT PROCESS – PERFORMANCE STANDARDS

It is difficult to provide generic examples of the development process or the actual performance standards. This is because both the process and the outcomes of the process need to reflect the particular circumstances of the organization. We have, however, provided some examples of performance standards later in this section to give you a feel for what they might look like in practice.

The degree of difficulty involved in the development of performance standards will also vary considerably from organization to organization. At one end of the spectrum are those organizations that already measure carefully and regularly what is going on in their particular processes, as well as the final results, which they usually measure against predetermined targets. If these measures are supported by performance criteria, the standards are complete. You would also expect the team members to already know about these measures, targets and performance standards and to be working to them.

In such organizations, all that is required is a check to ensure that the system by which people are trained on (or learn) these standards is effective. The performance standards themselves must be accurate, up to date and subject to regular review. You must ensure that employees know what the standards are, understand them and are committed to them. If this is not the case, then obviously a review is required, which may lead to a revision in the standards and, in turn, some retraining of team members.

At the other end of the spectrum are those organizations where little is documented; quality assurance is haphazard with standards varying between different groups and individuals – including managers. Fortunately these organizations are fewer and fewer in number and most organizations employing more than 20 people already have some occupational health and safety (OH&S) standards and occasionally some quality standards in place.

The missing link is often those areas of performance that we take for granted, for example productivity/throughput. How many people in your organization have a clear understanding of the work effort/levels of output you expect from them?

In some organizations this will need to be done individually and the documentation will be the job description. We are aware of companies where accountants, lawyers and recruitment consultants are required to bring in two or three times their salary in fees, or in two years they don't have a job. Sales organizations are very conscious of individual sales performance for

obvious reasons, but in general we don't see many organizations providing clear expectations to employees in terms of output.

Productivity requirements and quality standards can sometimes seem to be at odds with each other. Many readers would have heard employees lament, 'You told me to slow down to get the quality right, now you tell me to speed up as I am too slow. Make up your mind!' A critical aspect of developing performance standards is having team members (and line managers) understand that it is indeed a balancing act in many work environments to achieve excellent performance. 'Yes, we want you to go slow enough to get the quality right, but as fast as you can without hurting yourself or making a mistake.'

Statements like this can be quite confusing to a team member. Performance standards will, in themselves, not help a lot but the discussion and training and development that accompany the drafting and implementation of performance standards will help develop a better understanding of performance and a greater clarity of expectations at both the individual and team level. In particular, the concept of variance in performance, what actually occurs, why it happens, and what can be done to reduce the degree of variability, are of critical importance.

The process itself

1. Identify the key result areas in the workplace for which you wish to develop performance standards.

2. Establish as many small expert groups as may be necessary to develop and document the standards.

3. Document performance standards for each of the key result areas. (They do not have to be done all at once – prioritize if you need to.)

4. Provide training to employees as part of the roll-out and trial the standards for a reasonable period. Adjust if necessary.

5. Provide regular feedback on employees' performance against the standard.

Note: It is pointless involving people unless they have been deemed to be at least competent, and ideally exceptional, in the area so that they can contribute to the standard development.

Performance standards will take many different forms:

❚ They may be a productivity/throughput standard (x number per hour or day).

❚ They may be in the form of a standard operating procedure (SOP), that is, *Step 1: Set up warning signal and tape off area with hazard tape. Step 2: Ensure emergency escape is usable in the particular circumstances*.

❚ They may be quite generic – *Rework due to quality failure/error < 0.05%*.

SOME EXAMPLES OF PERFORMANCE STANDARDS/CRITERIA

Outcome-based

Productivity/throughput

❚ boxes per hour into store;

❚ services to be completed within 15 minutes of standard service time (refer to manual, p.00);

❚ 45 calls per hour processed in accordance with quality criteria;

❚ minimum class sizes.

Quality

❚ no visible marks on surface (cleanliness);

❚ zero defects;

❚ <0.001% spoilage;

❚ meeting predetermined specifications for presentation of documents/ reports, for example, text noting.

Process-based

Security

All visitors to be given an all-over body check with metal detector on entry and exit.

> ### OH&S
>
> The following equipment shall be worn at all times during this activity – hard hat, goggles, flame-resistant overalls, heat-resistant gloves, work boots.

The format/wording may vary considerably – the key is to ensure employees know what is expected of them and why. Performance standards need to be as few in number as possible to achieve the results required of the particular work group or individual. If there are too many, the system will not work – it has to be simple.

While the performance standards and code of conduct are being developed, the organization needs to prepare its line managers for their coaching role. This is the subject of the next chapter.

It cannot be too strongly emphasized that the line managers, as part of their coaching role, need to ensure that the performance standards are reviewed regularly, according to a plan, and that the commitment to them (evidenced in the level of compliance) is growing rather than diminishing. The way that new employees are recruited and inducted into an organization that has standards and a code of conduct in place will be addressed as part of Chapter 3, which deals with workplace coaching.

Finally, our comment earlier about the importance of clear expectations in dealing with complaints from fellow employees applies equally here. One of the most difficult situations to deal with is where an employee or group of employees consider that the work output or quality of another employee's work is not up to standard.

A comment

Throughout the world we have examples of occupational health and safety disasters arising from inadequate risk management. A natural outcome of risk analysis is a strategy to eliminate or minimize the risk and/or its impact. In many instances these should give rise to the development and implementation of performance standards. The failure to develop such standards after identifying the risks associated with asbestos has lead to significant levels of industrial disease and death, and the consequential litigation costing billions.

Such incidents are commonplace in relation to system failures where performance standards have not been adequately developed or policed (quality, security and environmental, to name a few).

NOTES

1. The Balanced Score Card approach encourages organizations to measure such things as employee and shareholder satisfaction, client/customer satisfaction, environmental performance, contributions to the community and results other than pure financial results.

2. *Gallup Management Journal,* New York, March 15 2001