Satisfied Employees Hike Performance & Profitability (Part 2)

ANYONE CAN TELL YOU WHAT IT MEANS TO BE PRODUCTIVE, BUT FINDING WAYS TO ENCOURAGE, IMPROVE, AND REWARD PRODUCTIVITY IS SOMETIMES A MYSTERY TO THOSE WHO MANAGE PEOPLE.

This is the second part of an article on improving productivity, performance, and profitability. It is based on a program presented more than 10 years ago by management consultant A. J. Stinnett, with a few minor updates.

The previous issue explained how a team can be created to review all aspects of an organization's operation, to develop recommendations for change, and to implement those changes. This month, we'll review customers, financial implications, and managing the managers. These are all considerations that the team must bear in mind when developing its plans.
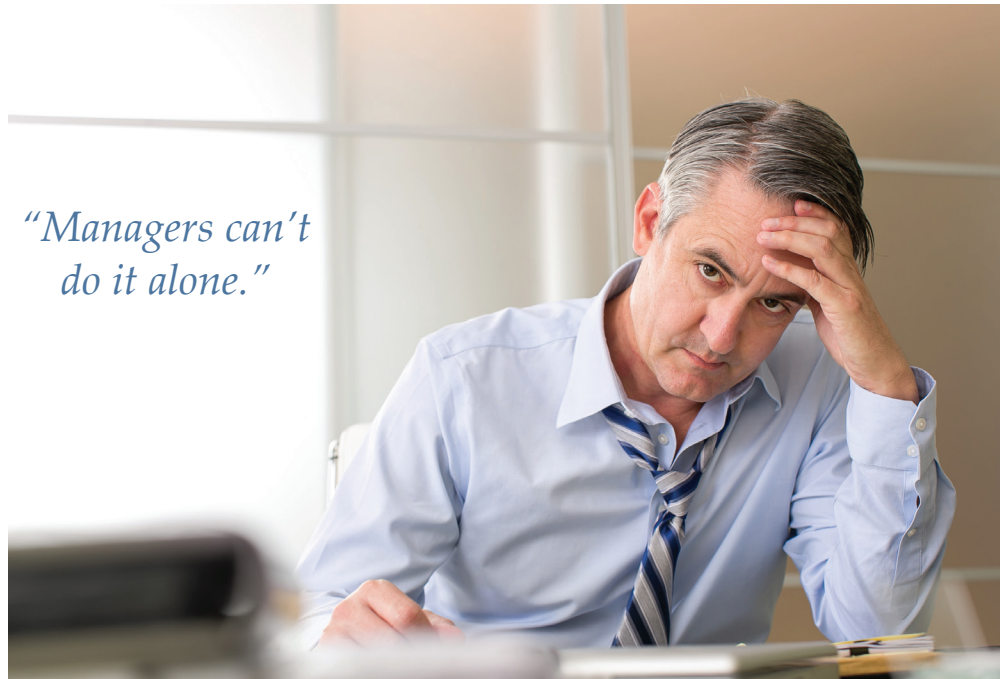

"Managers can't do it alone."

Be Responsive and Accessible

ACCESSIBILITY IS IMPORTANT. CUSTOMERS EXPECT IT. EMPLOYEES REQUIRE IT.

Information may arrive orally, by phone, by mail, by email, by a web-based form, and maybe even by fax. Any given message may be critical to your client or to you and it should be apparent that any message critical to your client is therefore also critical to you.

The internet has changed expectations. Prompt responses are expected and *prompt* means today, not next week or even tomorrow. It's difficult to imagine a business that doesn't have a web presence today, but many businesses fall short when responding to input from the website. In addition to being prompt, responses should illustrate that the question or comment has been understood, provide a complete and accurate response, and be grammatically correct.

Don't overlook internal communication, either. Employees should never learn something important about the business on the evening news. Business information must be managed and protected so that everyone who has a legitimate need for information can find it quickly.

Messages that are vague, incomplete, or inaccurate – whether internal or external – call into question your company's ability and desire to succeed. The action team must examine the ways information is used in your business.

Financial Considerations

FINANCIAL MANAGERS SHOULD BE EXPECTED TO SET AND ACCOMPLISH SPECIFIC OBJECTIVES FOR THEIR AREA JUST AS OPERATIONAL MANAGERS ARE EXPECTED TO DO.

Finance management tools are powerful and sophisticated so the financial manager must be as up to date as anyone in the organization. Spreadsheet programs can perform both basic calculations and advanced financial management tasks that were once the purview of banks and investment counselors.

Managing cash flow to maintain proper balances and optimizing the use of cash to minimize the cost of financing are two criteria on which any financial manager should be evaluated.

The team should consider pushing part of the responsibility for P&L reporting and results to the

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lowest possible level of management. Involving more people in this admittedly complicated process means that more training will be needed, but it also means that more people in the organization will take a personal interest in the bottom line because they've been given responsibility for it.

Managing the Managers

ONE OF THE MOST CRITICAL AREAS FOR THE TEAM TO EXAMINE IS OVERALL MANAGEMENT.

Managing is the process of getting things done through others. This starts with CEOs, who depend on vice presidents; vice presidents, who depend on managers; managers, who depend on team leads; and team leads, who depend on employees. For an organization to be profitable and successful, managers must do the right things, do them consistently, and do them well. The right things include planning, organizing, staffing, directing, and controlling.

Let's briefly consider each of these and what the team should be looking for.

- PLANNING involves establishing an action plan and requires that the manager forecast, set objectives, establish the sequence and timing of steps to complete the objectives, and determine the appropriate procedures to be used.
- ORGANIZING is arranging things. The manager must define duties for people; group them to focus on customers; link suppliers, employees, and customers with communication webs; and provide the tools people need to be successful.
- STAFFING is the process that identifies and hires competent people. This involves recruiting competent and motivated workers, orienting them to the job and the standards expected by the organization, training for proficiency, and developing them for jobs with more responsibilities.
- DIRECTING is the process of working toward objectives by assigning work to people, enabling or motivating them to perform, coordinating people and groups, and managing conflict.
- CONTROLLING determines the progress an organization makes toward its objectives and requires that managers expect their people to

do their jobs right every time. Managers need to record and reward the performance of those who are succeeding and to counsel those who need to improve.

Putting it All Together

MANAGERS MUST PERFORM THESE TASKS EVERY DAY; THAT CAN BE A CHALLENGE. TO TEST YOURSELF, ANSWER THESE QUESTIONS:

1. Do you set objectives or just react to what comes along?
2. Is your company organized horizontally to focus on customer requirements?
3. Do you hire and train people to work efficiently and develop them for the future?
4. If your people know what, how, when, and why to do the work, do you trust them?
5. Are your people expected to do their work right the first time, every time? Are you?

If you answered yes to all the questions, you are managing effectively. If not, you and your action team should consider what you must do to become a more effective manager. Ω

Your Web Hosting Account Has Been Deactivated

THAT'S THE SUBJECT OF AN UNWELCOME EMAIL MESSAGE I RECEIVED IN THE THIRD WEEK OF SEPTEMBER REGARDING A CLIENT'S WEBSITE.

BlueHost said "Your web hosting account has been deactivated. Reason: Terms of service violation - malware/virus." Several hours later the site was in operation again.

I found suspicious files in the website's root directory and a dozen or so directories that I hadn't created. After changing the master password and the passwords for all FTP accounts, I deleted several thousand bad files.

There were HTML documents in a foreign language (Spanish, perhaps) that appeared to

be intended to look like an on-line electronics store. Javascript and JSON files were intermingled with the HTML files, but I also found some executable files and archive documents.

They're all gone now, along with a few additional files that had been scattered around in random directories — possibly an attempt by the hackers to be able to recover control if somebody removed their "goodies".

How did this happen? Somebody managed to obtain the user name and password for the

site's FTP account. I believe that the data leak didn't originate with me or with the client, but may have been the result of carelessness by a third party who had the credentials.

Can future break-ins be prevented? There is no guarantee, but the password has been changed — instead of 15 characters, it's now 27. The third party who previously had the credentials no longer has them. We've also enabled a service called SiteLock to monitor the site and report changes. Beware! Ω