

Developing a coaching philosophy for employees involves fostering a culture of continuous improvement, support, and empowerment to drive individual and organizational success. ServiStar Consulting guides credit union leaders to practice empowerment and trust, individual development plans, goal setting, accountability, and my favorite, “lead by example”!

By embracing these principles and practices Associated Credit Union leaders have cultivated a coaching philosophy that empowers leaders and employees to reach their full potential and drive organizational success.

Their years of experience are on full display, with everything you need to know to create a successful coaching culture that helps grow your business while retaining world-class teams.

Heiwi Tadesse, EVP Member Relations, Associated
Credit Union

ServiStar’s coaching philosophy includes four cornerstones of coaching that are behavior based and teach leaders at all levels of the organization how to maximize the performance of their employees. I highly recommend ServiStar to every credit union that wants to develop an amazing internal culture and achieve long-term sales growth.

Darren Cameron, President/CEO, OUR Credit Union

While many leadership books share philosophical insights, it’s rare to find a book that supplies brain food and actionable concepts that can be applied, tried, and tested immediately. If you dream of being a more impactful leader and want to have fun doing so, this is the book to dive into.

Tansley Stearns, President/CEO, Community Financial
Credit Union

COACH ING FOR MAXIMUM PERFORM ANCE

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SERVISTAR CONSULTING
PUBLICATION

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FOREWORD

I'm excited to share a few words about *Coaching for Maximum Performance*, a book written by my friend Mike Neill. Mike is somewhat of a legend among credit union employees and leaders both in the United States and Canada. He has influenced the lives of teams at over fifteen hundred credit unions, and this book is his way of bringing what he's learned to even more people.

Mike kicks things off by challenging us all to step outside our comfort zones. His message? Get comfortable with being uncomfortable. It sounds tough, but Mike lays out some straightforward tools and techniques that the reader can begin using and can make an immediate impact.

What I really appreciate about Mike's approach is how down-to-earth and practical he is. That translates perfectly when he explains how to evaluate someone's performance, how to have difficult conversations without making it personal, or how to recognize the good stuff, and "catching them doing it right." His advice is clear and to the point.

In our line of work at credit unions, we're here to improve the lives of our members. Mike reminds us that this means focusing on people, not just products or services. He also talks about the importance of shifting from managing people to truly coaching them. It's about doing something *for* your team, not *to* them, which changes the way you lead.

Mike also dives into how leading to the credit union's mission helps everyone win. It couldn't be more straightforward:

- 1) The credit union mission defines what behaviors are expected of employees.

2) With the right coaching and training, credit union employees will develop these behaviors.

3) Those behaviors will immediately translate into a culture that delivers results. Members use more services, employees are more engaged, and the credit union is more sustainable!

Mike's lifelong commitment to improving how credit unions perform shows up on every page, and because we all know that what gets documented gets done, included are many practical activities and worksheets to help put what you're learning into action.

As you read through *Coaching for Maximum Performance*, you will certainly have plenty of aha moments and think, *now that makes sense*. Mike's style makes you feel like he's right there with you, coaching you along. So, take his advice, challenge yourself, and keep pushing forward. We're all in this together to #MoveTheMovementForward.

This book isn't just a read; it's a journey into bettering ourselves and our workplaces, guided by a true expert and a great guy. I'm proud to be part of this journey with Mike and hope you'll join us in making a difference.

Taylor Murray, CEO, ServiStar Consulting

GLOSSARY OF IMPORTANT TERMS

10-80-10: Theory that describes three common levels of employee performance; 10 percent—willing and able; 80 percent—able but unwilling; 10 percent—unwilling and unable.

Coach: The credit union manager/supervisor responsible for the employee's performance. Coaching requires the ability to hold the employee accountable for their performance.

Coaching: Improving employee behaviors to the highest potential. Coaching focuses on changing behavior, which will lead to changed numerical outcomes. For example, if the employee will increase the use of benefit language when speaking with the member (behavior), they will improve their sales results (outcome).

The key ServiStar coaching actions are:

- Catching employees doing things right.
- Coaching employees in areas in which they do not meet expectations, regardless of their good performance in other areas.
- The acknowledgement that employees will be uncomfortable with behaviors that are new. The only way improvement will occur is when uncomfortable behavior is repeated until it becomes comfortable.

Effort Equity: Employees' expectations that their base pay would increase when the credit union expands their job descriptions by adding cross-selling to their duties.

MEESS: Management Effort Equity Sympathy Syndrome; the syndrome that sets in when managers sympathize with underperformers who convince them of their limited capacity.

Minimum expectation: The minimum expectation is an outcome. It represents the lowest number acceptable.

Service standards: Specific behaviors that employees are to exhibit that will provide for the delivery of the service promises. For example, "I will call you by name."

Transactional coaching: A skill used by coaches in ServiStar to transfer knowledge acquired in training into the behavior, through short role-plays. Transactional coaching is a daily action performed until the coach has determined that the employee is fully able to perform a behavior to the acceptable level.

Willingness: The desire to do a particular task at the level deemed to be acceptable.

Willingness/ability chart: The chart that coaches use in ServiStar that directs them to the most appropriate coaching action based on the willingness and ability of the employee to perform a task to the level deemed acceptable.

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, we focus on effective coaching in a “coaching for maximum performance” 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 ineffective 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 experience working in and with credit unions. 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.

1

DEFINING COACHING

As more and more credit unions move toward a sales culture with an emphasis on member service, credit union leaders are also seeking new and effective ways to teach, support, and motivate their employees. Even in this age of online and mobile banking, a credit union owes its success to its personnel. Member-facing employees personify the credit union, and the support staff forms the backbone for providing smooth and efficient operations which drive a member-centric sales-and-service culture. Those employees need varying levels of training and managerial support to work as a team, and all are motivated in different ways to help the credit union achieve its goals. This is where coaching comes in.

Everyone in the business world is talking about coaching, but few are actually doing it. Many think of coaching as management, but coaching entails a different set of skills and goals than management. In this chapter, we'll focus on the characteristics of an effective coach and move toward a definition of coaching. Then we can explore the unique differences between coaching and management.

I came across a humorous definition of coaching recently. One of the legendary managers in baseball, Casey Stengel, who had 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."

That's a really perceptive description. As any good coach can tell you, when you begin to challenge individuals to perform at a higher level, sometimes they won't like you. So sometimes it's important to keep those people separated from the others who are at least ambivalent; that way 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 will be a difficult task. It's important that you make it your goal to be an effective coach even when not all those under your direction are receptive to your guidance. Further, seek out ways to bring the dissenters on board so your whole team can be on the same page and believe in the same goals.

The Characteristics of an Effective Coach

Here's a harsh reality: Not all coaches are good. We can still learn from bad or indifferent coaches though—even if it's what not to do. When I was young, my father taught me to listen and always pay attention because I had the potential to learn at least one thing from anyone I met. He told me I could learn something even from an idiot—that is, if the lesson was only how *not* to be an idiot.

Never look at an experience as being devoid of learning opportunities. You can learn something even when being coached poorly. Let's focus on the positive right now and talk through the characteristics of an effective coach. I've listed several for you. Let's consider each one in turn.

WHAT EFFECTIVE COACHES DO

- 1 TEACH
- 2 COMMUNICATE
- 3 SET HIGH STANDARDS
- 4 MAXIMIZE INDIVIDUAL TALENT
- 5 CREATE A TEAM
- 6 MOTIVATE

1. Effective coaches teach.

A coach should be able to show someone how to do things better. Think about a football coach. A great football coach can improve an average player simply by coaching the player in the way he positions himself prior to the snap of the ball. A great track coach can help a runner become faster simply by guiding her in technique and form. Wayne Gretsky, the great hockey player, whose father was also his coach, learned a great lesson from simply watching hockey with his father. Gretsky's father helped him to become a better hockey player through teaching him how to know where the puck was. 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.

Sports experts, psychologists, and physiologists studied Wayne Gretsky. They wanted to find out how a person who simply was not intimidating in looks or speed could be the greatest hockey player of all time. They studied, poked, and prodded and found two things. The first was that Wayne had amazing peripheral vision. He could see almost literally 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 employees to be more effective and to do their jobs well, and we need to communicate well in order to succeed.

2. Good coaches communicate effectively.

Let me share another famous coaching statement made by General George Stedman, who was a general in the US Army during the Civil War. As he was preparing his troops to charge against tremendous odds, General Stedman paused and then told the 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 believe they are communicating clearly and succinctly and are amazed when people often misunderstand them. They wonder, *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. In fact, good coaches listen more than they talk.

I believe managers do a great job talking. They succeed when it comes to one-way communication. However, a coach needs to ensure the players understand the game plan. Employees need to understand the purposes, goals, and objectives of any effort you're undertaking as a team, which requires plenty of two-way communication. You can't coach by e-mail. A good coach needs to see the team in action and know the mindsets and trouble spots of those being coached in order to communicate most effectively.

3. Effective coaches establish high standards.

Imagine a football coach walking into the locker room on the first day of practice. Everyone in the room sits there, dreading practicing for four hours in the hundred-degree heat. 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 the team did win only 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 we 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, run those stairs, and 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 the coach’s success too. More importantly, a team will not be successful without the many individual successes of all its players.

4. Effective coaches maximize each individual’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 new skills in the areas where they are currently lacking.

What I see happening—and this is a real shame—is that leaders are dumbing themselves down in relation to what is expected of employees. Leaders see that one employee is a natural salesperson, while another is naturally gifted at balancing cash drawers—often identifying what a worker does best and leaving it at that. A leader might think, *Kelly is accurate, and her cash drawer always balances, but she'll never be great at cross-selling.*

But a great employee doesn't have just one skill. 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 their skills to a satisfactory level and 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 you to recognize employees' strengths and weaknesses and be able to offer support for them to develop their skills across the board. You're never finished coaching. Never. A great coach consistently and tirelessly works to develop the players individually and as a team.

5. Effective coaches create a team.

A successful team requires unity and a shared vision, which are both set forth by the coach. 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 most teams I've played on, 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. Every coach expected each one

of us to play hard for each other because our shared goal was to be successful—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 simply un-motivatable?" You might not find this word in a dictionary, but you know what I mean. You've probably worked with someone who seemed to only do the bare minimum to avoid being fired. I do believe some people are un-motivatable within the realm of influence coaches and managers can have.

I wonder, what would the unmotivated employee accomplish if you offered them one million dollars? This would probably yield extraordinary results. But if you don't have one million dollars to spare, you'll need to depend on effective coaching instead. Still, even effective coaches are unable to 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 motivates people. For some it's recognition, for some it's money, and for some it's the opportunity to learn something new. Others love a challenge—doing things that others say can't be done. Coaches need to identify motivation triggers and find a way to use them.

In the rare cases of an employee who can't be motivated, the organization is best served by letting them go. I've seen too many coaches let their workplace become a haven for underperforming, un-motivatable employees doing nothing to improve their work habits and skills. At the same time, those coaches ignore star performers who deserve

recognition and miss noticing 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 attempting to save someone who is drowning, there is a chance you will have to let go if the swimmer 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 the case that you can't, the best solution is to let go 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. There are other characteristics that contribute to a coach's success—as a matter of fact, I'd like to quickly add one more: Effective coaches hold people accountable. In my experience developing coaches, the area of accountability poses a great challenge. When we think of coaching, we tend to focus on the tasks that build strengths for both employees and the coach: motivating, building a team, teaching, communicating, encouraging, being patient. All those things are true and necessary. However, effective coaches also know how to hold their players accountable. If you don't hold your players accountable, performance will suffer.

Let's consider the example of a professional football team with a celebrated, naturally gifted player who 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 slips.

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 the maximum potential, but you can encourage the 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 their performance. If you don’t, the performance of the whole 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 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 affection, but it will earn respect.

A coach is given authority, but not respect. Respect doesn’t come easy; it must be earned over time and with intentional effort. One of the ways you can earn respect is through holding people accountable. You earn the respect of the employees you coach one by one, and eventually you will have the respect of the whole team.

A Working Definition of Coaching

Now that I’ve identified the characteristics of an effective coach, we can begin to put all this together to more clearly define what I mean by

“coaching.” What is a coach? I’m going to give you my working definition, but you may come up with your own that works just as well.

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

Coaching is helping someone reach their highest potential to meet the team’s goals.

First and foremost, coaching is about helping someone improve—which entails teaching, developing, and motivating a person to do things in such a way that they are able to reach their greatest potential. Because people have varying levels of talents and skills, coaches must look beyond where someone is and see what they could 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 that working definition of coaching and wonder, *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 within those who are in management and supervisory positions. 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 under-coach.

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. One day, the branch manager can’t take the pressure anymore and jumps off the roof. So the management team looks around and settles on the loan officer, thinking, *She’s been a teller, a member service rep, and a loan officer. We’ve taught her the rules, regulations, policies, and procedures. She seems to be willing to do anything for another fifteen cents an hour. Let’s ask her to take on the role.* 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.” She takes a step back and thinks, *Well, gee, it is another fifteen 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 use the excuse that managers are too busy to be trained. 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 if I keep my team running smoothly*. But progress is not made under this system. Things continue to move at the same pace, with the same answers to the same questions. This is a far cry from helping people improve and motivating them 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 you have to move beyond management to become a coach. Helping someone reach their highest potential to

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meet the team's goals is how you can change your credit union into a sales-and-service culture. It's how performance will change for the better. You cannot manage your way to excellence. You can manage your way into a position of being average, surviving, and staying the course. Through management alone, you can avoid failure. But not failing is a different thing than succeeding. To succeed and achieve excellence, you need 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 up the ladder people are promoted within the credit union, the less training they receive. The result is managers who understand process but do not understand how to manage 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 receive as they advance through the ranks?

- What challenges do I face in becoming 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 that 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. _____ _____ _____ | |

DEFINING COACHING

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WHY EMPLOYEES UNDERPERFORM

I think—and you might agree with me—the United States is suffering from an epidemic of underperformance. One credit union employee survey revealed that a whopping 73 percent of staff members 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: Three-quarters of that credit union’s employees said their motivation was variable. We can’t determine from the survey why their level of motivation declined, but it is worth noting that motivation fluctuates.

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 realize there’s something you need to learn, you find out how to do it.

Unfortunately, this kind of internal motivation may be an anomaly. In my experience, that credit union survey is accurate in distinguishing American workers as having variable motivation. The way a person thinks about their job—and, to some extent, work performance—varies according to feelings and external stimuli.

It’s a common saying that happy workers are productive workers, but happiness is both fleeting and highly individualistic. 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 am one of those internally motivated people. I'm happy right now doing what I enjoy, 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. Then, I wouldn't necessarily be happy—but would I still be motivated? Yes, definitely yes. No matter what bad news that phone call could bring, it wouldn't change the fact that I'm internally motivated to do the best I can. Happiness isn't a requirement for internal motivation—remember that as we talk through why coaching is difficult for some people in this chapter.

The same credit union survey went on to identify another group of employees who stated that they could perform significantly better if they wanted to. Would you like to guess the percentage? Eighty-four percent! These employees acknowledged openly that they could do a much better job if they simply chose to do so. That is an overwhelming number of the credit union's employees.

Now, I don't think employees cognitively choose to underperform. If you asked on any given day, "Are you working hard?" they'd probably say, "Yeah, of course." But if you asked them to reflect on how much effort is put into their work, most would admit that they could do significantly better.

What Causes Underperformance?

What happens, I believe, is that people underperform so long as they believe their underperformance is their maximum performance. Half of 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:

“Hi, honey. Did you have a good day?”

“Yeah, pretty good. I didn’t get fired.”

“Great, let’s go to the steak house tonight and celebrate!
Maybe you’ll dodge the bullet tomorrow too!”

Can you imagine living with such low expectations for yourself? I can’t and maybe you can’t either. But one of the challenges of a coach is to recognize and understand that some people simply aren’t motivated from within. Once you tap into the ability to motivate your team, overall performance is bound to grow.

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 have begun to understand more about human nature from being around people more and from being truthfully introspective with myself. I think most of us don’t recognize the underperformance epidemic 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 seeing how so many people willingly or unknowingly underperform. 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. You might be thinking, just as I was, *How does this happen? There has to be an answer!*

There are three basic reasons why employees underperform. Let’s consider and reflect upon each one.

THREE CAUSES FOR EMPLOYEE UNDERPERFORMANCE

- 1 **HUMAN NATURE:** A body at rest tends to stay at rest.
- 2 **ORGANIZATIONAL ENVIRONMENT:** Many organizations depend on negative and neutral reinforcement.
- 3 **THE WRONG KIND OF COACHING APPROACH:** We parent, rather than coach, and we don't understand the people we are coaching.

1. Human Nature

This is hard to admit, but I believe it's human nature to underperform. I know it may make some mad to think that, but I'm only talking about *most* people—maybe not you. You're reading this book because you want to learn, but a lot of people out there would think, *Read this whole book? Are you kidding? How long is that going to take? Why should they read a book when they can spend time eating snacks, perfecting the art of being a couch potato, and watching Netflix?*

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, you likely know that a routine facilitates consistency. It is difficult to get back into a regular routine if you've stopped for some reason. Soon, you find yourself making excuses to not do the thing you know you need to—and maybe even deep down *want* to do. After being out of the exercise loop for a while, it causes aches and pains to begin being physically active again. But with

persistence and consistency, you can get back into it, to the point where it feels good and is something you enjoy.

The same thing happens in the workplace. Employees who are underperforming tend to continue to underperform, and employees performing at a high level tend to continue performing at a high level.

2. 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.” With only those two models in place, employees find out immediately when they’re doing something wrong, but learn the long, hard way when they’re doing it right because they are left to figure it out on their own.

This is what I call the traffic cop mentality of reinforcement. I don’t know how many of you drive faster than the speed limit, but most of us do speed occasionally. Those of us who are driving faster than the speed limit are otherwise honest, decent, hardworking, loyal, moral people. We pay our taxes on time. We don’t cheat, we don’t lie, and we don’t steal. Yet every time we drive, we break a state or federal law without worrying or feeling 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.”

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 ten 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 the reasons might be: not getting a ticket, a lower risk of accidents, or “everyone else does it too.” 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. It is only enough to make people want to do the bare minimum 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 pointed at passing cars. 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 policeman walks up to the side of your car and signals for you to roll down the window. You probably already have your license and registration—and attitude—prepared for him. Then he says, before you can even say a word: “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.” Yet when the processes run 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 have problems balancing their cash drawers rather than those who are consistently successful. The manager sits down with those who have been having problems and has a conversation which goes something like this:

Manager: So, 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 a conversation like that, 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 another conversation with the manager. Say the balancing standard is one hundred dollars per quarter. If that same teller is near the end of a quarter and her drawer is fifty dollars 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 want only to drive fast enough not to get caught, and it is this

kind of attitude and reaction to being “coached” that contributes to the epidemic of underperformance.

Employees, even underperformers, are smart. They figure out pretty quickly the minimum that needs to be done to get by in the workplace. *Why do the maximum if the credit union isn't going to acknowledge a job done right?* In fact, it does make more sense in an environment that emphasizes neutral and negative reinforcement not to do more. Let's say the standard is fifty and a person does seventy-five. What reward is there for doing seventy-five? None. In fact, a person might even end up in trouble if a mistake was made on one of the twenty-five extra. So in exceeding the minimum expectations, an employee can then potentially receive negative reinforcement.

This explains why employees quickly realize the minimum number of phone calls, fewest transactions, littlest bit of cross-selling, or smallest margin of error on their balancing limit 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. The Wrong Kind of Coaching

It's important for a manager or supervisor to understand the individuals they are charged with 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. But at the same time, most coaches don't understand what motivates—or fails to motivate—those people.

Those who are promoted to become coaches and managers are internally motivated, hardworking 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. 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 do a good job at most of the things you set out to do. Some people might call it work ethic. Bosses notice employees with a work ethic and they think, *So-and-so is doing a good job. I think I'll give them more work to do.* 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.

It makes sense to continue accepting promotions. As an employee with a good work ethic, before you know it, you're a manager reading this book, and Mike Neill is telling you how everything you've done up to this point simply isn't enough. You need to coach too. You may think, *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: “How many of you started as a teller?” If there are one hundred managers in the room, about ninety-five hands go up. I then ask, “How many of you would prefer to go back to being a teller if you could make the same amount of money?” Again, ninety-five hands go up.

However, those managers—and you—are not tellers. People have identified your capability and drive and have given you more responsibility. As a leader, something inside makes you strive to succeed. It was there before you started working for the credit union. Your past and/or current employers may have developed and encouraged it, but you had it when you started working. Throughout your working years, people have noticed it in 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 underlying goal is only to do just enough to get by. When thinking about those survey results, did you

start feeling a slow burn? Did you wonder, *What's with people like that? How can they get up and go to work every day if all they strive to do is give the least amount of effort possible?* If those statistics set you on edge, you're not like those in the survey—which does present a challenge in becoming a great coach because 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 “I” statement pretty much sums up the differences between a self-motivated, hardworking people and other employees. Managers who've earned promotion after promotion through hard work are the ones most likely to say something along those lines. When employees who are not self-motivated hear a statement like that, are likely to think, *But you expect too much out of yourself in the first place. I don't want to work as hard as you.*

As far as coaching goes, self-motivated employees 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 demotivate a motivated employee to have a manager hovering over them, asking, “How's it going? How's it going now? What about now? Do you want an idea? I wouldn't do it like that if I were you.” Self-motivated employees under that kind of coaching are going to stop what they were doing and say in disgust, “Here, you do it then.”

The challenging part of coaching is that most employees cannot be coached the way a self-motivated employee would prefer to be coached. Instead, a coach needs to understand what motivates people and what coaching approach will work for them. The aim of this book is to work through those challenges.

Coaching Is Not Parenting

Too many managers coach as if they were parenting their employees. A good coach is not a parent. Using the strategies that work well

in parenting is not going to work for coaching employees. Still, many managers think of coaching in the same terms that they think about parenting. Have you ever heard a manager say, “I feel like I’m running a daycare” or “My kids behave better than this”? A lot of us can relate to that, I’m sure. The question is, why do employees sometimes act like children? Part of the reason may be because we treat them as if we were their parents. My contention is that employees will respond by acting like children when a coach acts like a parental figure rather than a manager, leader, and coach.

Consider the following chart:

COACHING STYLES

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

| | |
|--|--|
| <p>Tough Parent</p> <p>Adult</p> <p>Child</p> | <p>Buddy Parent</p> <p>Adult</p> <p>Child</p> |
|--|--|

Game player: “Let’s see you make me do it!”
 Adaptive child: Motivated by guilt and fear.

Grab a pencil. 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. These are the three relationships that can develop between coaches and employees. Let’s consider those dynamics with a couple examples.

Acting like a tough parent relegates employees to the role of children. Which means that your employees will come to expect being told every little thing they need to do so long as you are telling them what to do and how to do it all the time.

I saw a perfect example of this recently. In a coaching development session with a teller supervisor, I pointed out the lack of cross-selling by the employees. I noted that in October, every one of her employees had more than one hundred referrals; in November, cross-selling dropped off to about ten referrals each; and in December, two employees actually had no referrals and not one had more than ten.

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.”

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 is in fact *their* job to cross-sell. They will believe it’s the supervisor’s job to remind them to cross-sell—*but if she doesn’t, well, it isn’t the teller’s 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. It reminds me of a story about my wife and son. Becky was always diligent about getting his bag ready for school every day. When he was nine, Becky was in a hurry and forgot to put one of the books in his bag. Later that morning, 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 bringing 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, 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.

Avoiding Parent-Child Behaviors

The transition from childhood to adolescence can be uncomfortable as parents begin delegating responsibility to their children. Kids may suffer 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 prior. However, consequences are how we learn from our mistakes.

In the same way, some managers tend 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 sixty hours a week.

Employees, by the way, don’t 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, but 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 every day to cross-sell. This is why I love working here—because every day when I walk in, my manager tells me everything to do, how to do it, and what to think.* What they do think is, *I wish you would get off my*

back and leave me alone about cross-selling. You act like I'm an idiot who can't remember anything.

This parenting approach in coaching and employees' reactions to it creates a self-perpetuating downward spiral. When we treat employees like kids, they adapt to how they're treated, then we say, "Well, if you're going to act like a child, I'm going to treat you like one." So the cycle perpetuates.

Two Kinds 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 unfolds:

Let's say your credit union sets a monthly goal of fifty referrals for each teller. If a teller doesn't make at least fifty referrals, the supervisor is supposed to coach the teller for improved performance. So the supervisor reminds tellers every day about the referral goal, but the game player thinks, *I wonder what will happen if I do forty-five?* The game player makes forty-five 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 forty-five referrals without getting in trouble!"

But the game player can't help himself. His referrals slide to forty-three per month, and then forty-two, and then forty. At forty, the supervisor tells him, "You've got to make at least fifty referrals per month." So the game player says to himself, *Okay, I guess the number is forty-one for me, because forty is when the supervisor gets onto me. At least I don't really have to do fifty.*

Now, I'm not suggesting that this kind of self-talk happens with every underperforming employee. Some of this behavior may be subconscious. But I do think some employees are keeping in mind the lowest level of performance the credit union will accept. It's their way of rebelling against authority 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.” The game player responds with, “Oh, you forgot to tell me.” The supervisor relents, saying, “You’re right. I need to stay on top of that.” Which leaves the game player to think, *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.

Parent (*an hour later . . .*): Why are you just sitting there?

Child: I’m done cleaning my room.

Parent: Well, it’s time to do your homework.

Child: Okay.

Parent (*an hour after that . . .*): 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 she returns, she asks, “How’s it going?”

The employees say, “Okay. Steady.”

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?”

The manager sighs and says, “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,” the perplexed employees offer defensively.

So the manager, increasingly exasperated, responds with, “I shouldn’t have to tell you. You know the end of the month is coming, and we’re not finished yet. I thought 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! So 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, she draws up a to-do list and leaves it with the lead teller. The tellers—creative team players that they are—come up with strategies to get the whole list done in forty-five

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 she has found the perfect system for productivity—as long as she continues to shoulder the responsibility for identifying and assigning work that needs to be done. And the employees are content 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 Approaches

Coaches can fall into two types of ineffective parenting behaviors, which contribute to underperformance every bit as much as employee behaviors do.

Showing Tough Love

This first parenting/coaching approach is the tough-love parent. I grew up with a tough-love parent. My dad was a hardworking, 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 his 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 supposed to practice my multiplication tables for thirty minutes, I’d see if I could get away with twenty-nine minutes.

Being a Buddy

Many employees respond the same way to tough love from their coaches. They'll either become game players or end up doing exactly what their coaches specify—and not a bit more. The other ineffective approach to coaching is the buddy parent. The buddy parent says, “I’m not big on rules, but I can give you 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 “my way or the highway.” Buddy parenting is no better, because buddy parents are people too. Sooner or later—whether actual parents or coaches—they reach the end of their tether and snap. The reactions are 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 only 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 thirteen things at once. On this 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 distinctly remember my mother calmly telling her friend, “Please hold a moment.” She didn’t hang up the phone, but she slid it across the counter and grabbed my arm.

This was in the day when your neighbors didn’t call the Department of Family Services if you smacked your child. It was normal parenting behavior. My mom had never smacked me before, but I remember quaking when she grabbed my arm. I’d never seen her like that before. Her eyes had a twitchy, crazed look as she extended her open hand and swiftly smacked my rear end. I took off running, figuring an eight-year-old little boy ought to be able to outrun a forty-year-old woman. But you can’t outrun a mama who has run out of patience.

The problem with the buddy parent approach, though is that employees take advantage of it. They think, *You know, she won’t care. She’s cool, or He won’t mind.* Well, it is your job to mind, and sooner or later, you will feel like your good nature is being taken advantage of.

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 supervisor needs to step in for someone who thought someone else was covering for her. A couple days later another employee complains that so-and-so won’t switch lunches. She switched lunches with so-and-so, but so-and-so won’t switch back. The teller supervisor thinks, *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? Yep, the teller supervisor. The squabbling tellers are now best of friends, and no one can

remember anyone ever forgetting they were supposed to be covering for a colleague at lunch. They do agree on one thing, though: No one likes the teller supervisor.

The lesson for coaches in the workplace is that there is a safe zone between being a tough coach and a buddy coach. On one side is the overbearing, tough coach who accepts only perfection. On the other side is the buddy coach who wants to be one of the pals, doesn't want to tell people what to do, and refuses to cause unrest. Well, the middle ground between tough-love and buddy coaching is the best approach for everyone: the adult approach.

An Adult Approach to Coaching Employees

Let's return to the chart listing the various types of coaching approaches and the employee behaviors that often reflect each approach. 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 jobs. When they do them well, acknowledge their good work. When they don't, hold them accountable. This is coaching in a nutshell—simply stated, but not all that simple to practice. That's why

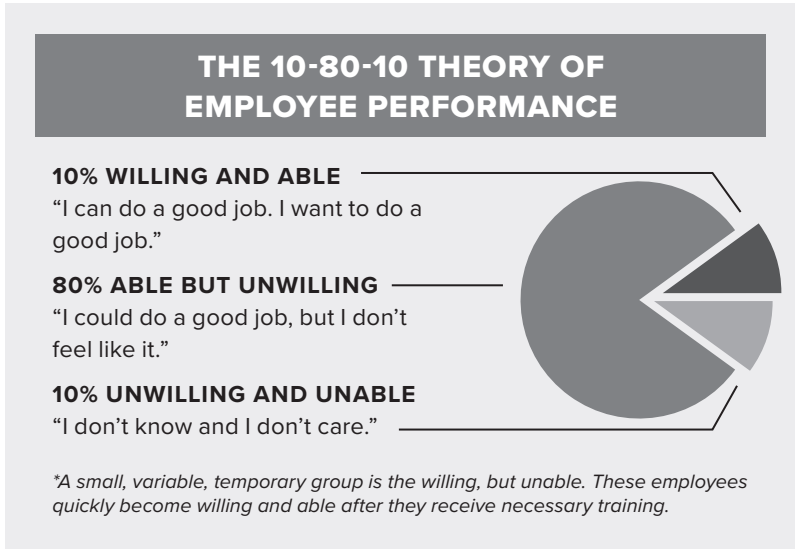
**WHEN COACHES
TREAT EMPLOYEES
LIKE ADULTS,
THEY RESPOND
LIKE ADULTS.**

I've written 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 likely take a while, but over time, your working relationships should evolve 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 describes three common levels of employee performance. 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 and want to do a good job.” These people are doers. They do their jobs well and volunteer for additional duties as well. An example would be a head teller who also chairs a PTO fundraising 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 10 percent 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 the 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. A coach might look at their strengths and weaknesses and think, *If I could just get that one area improved, I'd have a great employee.* Many managers have worked with able but unwilling employees and ended up dumbing down their expectations. Eventually, they end up thinking:

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.

These unwilling but able employees want to live under our radar, but they can only do that if we let them. If we let our expectations slip to the subpar standard they would prefer—which rests well below their abilities—then we're condoning underperformance. And in the end, it is the credit union that suffers.

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 a 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."

**AS MUCH TIME
AS YOU SPEND
NURTURING YOUR
DOERS, YOU
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UNWILLING BUT
ABLE EMPLOYEES.**

Well, that's exactly what I'm talking about, folks. This branch manager had dumbed down his expectations 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.*

We need to do better than that. If we want our employees to become better performers we have to expect better from them. Once our expectations are adjusted, it's only a matter of putting into practice better coaching behavior. 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 the closet complainers. If your credit union sponsors an employee celebration, they are the ones complaining about having to be there and that pork hotdogs are being served when they prefer all-beef. Nothing the credit union does motivates these people to improve their performance. If you offered a one thousand-dollar bonus to frontline staff, they'd complain that managers were probably getting more.

If allowed, the unwilling and unable employees can consume you. 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 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 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? These employees usually end up in the same place. In the early days, when I started working with credit unions, that place was often the call center:

Employee: I can't believe it! Selma, the teller who's been with the credit union for thirty-two years, just, well . . . How can I say this? She just shot a member the bird.

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

Now, if Selma had verbally attacked a member instead of just making a rude hand signal, her manager might have been forced to fire her. As it is, she gets transferred to the call center, where the other dysfunctional employees reside. Now Selma is the call center manager's problem. Is it any wonder a new manager is needed for the call center every six months? What should be done with unable and unwilling employees, rather than passing them off for someone else to fix, is to establish firm standards and hold employees accountable to meet those standards.

If an employee doesn't meet standards, their employment should be terminated. For whatever reason, we continue to blame ourselves. Giving dysfunctional employees endless chances falls under 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 solution: 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 everyday basis, this is a small subgroup—maybe 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 has been a problem.

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 so is by retaining your best employees.

Why do employees leave their credit union jobs? Well, the top 10 percent often leave because they feel that their good work goes unrecognized. Managers spend so much time trying to fix problem employees that they never get around to acknowledging superior employees on a job well done. If a supervisor never catches good workers doing it right or recognizes positive achievements, high performers will come to believe that the organization is more about placating ineffectiveness than rewarding excellence. So good workers will 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 tips your employee balance more

toward the middle 80 and bottom 10 percent of performers—not a good situation for your credit union.

When these high performers leave, they're unlikely to tell you the real reason 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. 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 employee 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 and insightful questions to ask top performers when they leave your credit union.

The middle 80 percent leave because they've been offered another ten cents an hour to become the manager of a Gas 'n' Slurp—or else, 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 think things like: *Well, at least I'm working indoors, I get a lot of holidays, or I get every other Wednesday afternoon off.* Then if your credit union expands its drive-through hours, and they have to work an extra thirty minutes three days a week, those same employees think, *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 are credit union "lifers," committed to the movement. But most able but unwilling employees aren't lifers. It doesn't take much before they will be reading the want ads, and you will be having a conversation that goes something like this:

Manager: So you're going to manage the Gas 'n' Slurp?

Employee: 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 ten cents an hour more than I make here.

Is it worth mentioning that for that extra ten cents an hour, they're going to be dealing with tired, drunk people lined up on Friday nights to buy three quarts of malt liquor and lottery tickets? Probably not.

These employees might have found good reasons to improve their performance and stick around, had they been challenged and adequately coached, but many organizations don't do either effectively. Managers don't give the willing and unable the opportunity to become willing and able through coaching. Most of the time, these employees leave the credit union the same way they came in. They came in as a good balancer; they leave as a good balancer. They came in as a bad cross-seller; they leave as a bad cross-seller. The organization doesn't train them effectively, motivate them, or hold them accountable for their performance. So they leave, and the credit union begins looking 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 what they'd make any place else. These employees are so dug in, you essentially have to run them off. 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 end up hiring the same type of employees?" My answer is that I don't believe it is entirely unavoidable. 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 Nordstrom's and Chick-fil-A. 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 the bar is raised to something like 50-45-5. It is easy to see the higher caliber of overall performance at companies that strive to strategically 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 twentieth 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 *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 true failing.

Folks, whenever your organization loses one of its top 10 percenters, you ought to mourn. It's a real tragedy because it truly is difficult to get people of such a caliber on your team. They don't fall from the heavens like manna. Consider yourself fortunate when they come your way. You can do things to increase the odds of such a worker coming your way, but still, losing one is a tough loss. In the following chapters, we'll look into what it takes to retain high performers.

**THE TOP 20
PERCENT MUST
BE LOVED,
NURTURED,
AND REWARDED
IN THE SOUL
AND WALLET.**

Effort Equity

Before we end the 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.

In the years since I began working with credit unions, I have developed a concept called Effort Equity. The concept describes two beliefs many employees hold, which are:

-
- 1. When 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.

Once, a client of mine was asking the employees to take a product knowledge assessment before attending a sales training—so that managers and trainers could ascertain if employees knew the products well enough to benefit from a sales training in the first place. Some employees responded by asking if they would be paid to do so. I was stunned.

At first, I could hardly make sense of the employees' arguments for more money, but then I started thinking in terms of Effort Equity.

The credit union's position was: *As frontline employees, tellers and member service reps interact 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. But some employees are likely to think, *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 number of 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 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 typified Effort Equity; in fact, I developed the theory after working with her. 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 had great potential, but she was also a great example of why potential is only talent that is not being utilized. I had coached and counseled 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 saying, “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. Most of those who emphasize their best work traits and downplay the skills they lack believe that 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 meets standards in all areas. We understand that everyone, including ourselves, is a work in progress. Still, the culmination of work is to meet the standards 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 of their limited capacity. As you can imagine, it causes a real MEESS when managers react sympathetically to an able but unwilling employee’s attitude about work. Even worse, some managers actually begin to buy into the lie! 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

Think about this 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. When a coach buys into the Effort Equity theory as reality,

**WHEN A COACH
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the result is overmanaging and under-coaching. 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 challenge them and coach them, we will see them develop.

The manager who suffers from MEESS looks out at his group of employees and thinks, *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 shorthanded. 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 cause, Effort Equity, you must create and communicate high standards. Coach employees to develop their areas of weakness and value their competencies. Only then will you keep from trying to manage through plugging the right employee into the right space. You'll be coaching by helping people reach 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:

1. _____
2. _____
3. _____

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 |

3

COMMON COACHING STYLES

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

THREE COMMON STYLES OF COACHING

- 1 THE DIRECTIVE COACH:** *I know this 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.*

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 witnessed one at some point. Here's a directive coach describing his approach to coaching employees:

I know this stuff better than 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 twenty miles away. Don't suggest anything. If I want to know what you think, I'll tell you what you think.

The directive coaching model ties directly back to the tough-love 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.

**DIRECTIVE
COACHES
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AND
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PEOPLE.**

Overvaluing productivity might seem like an odd concept. You might be asking, *Is it even possible to overvalue productivity?* Yes, 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 of "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?” the manager asks.

“Oh, okay. I didn’t know I was supposed to . . . You just told me to be here at eight,” Ned says as he sulks off to his desk.

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.

This coach operates through managing feelings:

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? My, you look nice today. Is that a new haircut? You look a little down today. Do you need a pick-me-up? Let me take you to lunch. Does somebody need a hug?

This type of coaching is pretty much the polar opposite of directive coaching. A country club coach 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.

The 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. Such responses build until the country club coach finally reaches a breaking point: “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 among credit unions? I'm willing to bet 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—managers who are afraid to coach. Yeah, we have a lot of country club coaches running around.

The Winning Coach: The Key to Effective Performance Management

What credit unions need is 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 both for people and for 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 building 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.

**WINNING
COACHES HAVE
A BALANCED
REGARD BOTH
FOR PEOPLE
AND FOR
PRODUCTIVITY.**

Coaching Challenge

List the coaching style that best fits each question:

A. "I know this 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 beginning on page 133.

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. I'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 breaking the long-standing patterns of management we practice. 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 finish 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? This is not what we're used to.*

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

to 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, thinking, *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 own family, it was arguing. All of us were arguers. Everything was up for debate—which was often fun to witness because everyone was quite passionate. I come from a very Irish family, and all of us had strong opinions about everything. The dinner conversation would go something like this:

Child: Can you pass the salt?

Parent: 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 twelve.

Child: Can you give me a break, and just pass the salt?

Parent: That's fine. It's your health that's going to suffer.

Conversations like that 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. When someone asked, "Please pass the salt," I thought, *Uh-oh. Here it comes!* But instead, the person 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 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 long-term goal is higher productivity and a boost in morale.

The Performance Management Response Chart: Identifying Performance Problems

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 its cause, and develop a solution. Let's look at each of those steps in turn.

Identifying problems is essential to the whole process of performance management. A winning coach then analyzes a problem to determine its causes. The accuracy of that analysis is 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? Well, Ned doesn't come to work on time. If Sally hasn't met her cross-selling goals for the past two months, what's the problem? Well, clearly Sally needs help cross-selling.

Wrong on both counts. These statements represent misdiagnoses because they don't go deep 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 identifying correctly the root cause of the problem. Consider the following chart based on employee types.

FOUR TYPES OF EMPLOYEE BEHAVIORS

| | Able | Unable |
|-----------|----------------------|----------------------------------|
| Willing | Delegate & Recognize | Instruct |
| Unwilling | Confront Behavior | Quit Coaching & Hold Accountable |

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 chart.

Now, I hope you aren't getting the impression that identifying the cause of a performance problem is easy. It often requires dedication and persistence. It may even lead to confrontation, which no one likes. Well, some 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 like this:

Manager: I've noticed you coming to work late a lot lately.

Employee: Uh-huh.

Manager: Can you tell me what's going on?

A Question that Leads Nowhere

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

“Traffic.”

“The bus is always late.”

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

“I keep sleeping late accidentally.”

“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 to ask, “Can you give me your list of excuses?” Then 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.” That isn't a resolution at all so nothing was accomplished.

As a coach, it's your job to determine the true causes of a performance problem. In essence, you are the one making the diagnosis. To illustrate what's wrong with asking employees what they think is wrong with their performance, let me ask, would you rather go to a doctor who offers you a cheaper rate and uses self-diagnosis or a doctor who gives you a thorough exam when you're sick and then offers expert knowledge and advice?

**AS A COACH,
IT'S YOUR JOB
TO DETERMINE
THE TRUE
CAUSES OF A
PERFORMANCE
PROBLEM.**

Patient: Doc, I think I've got strep throat.

Doctor: Sounds right to me. Here's some penicillin.

Patient: Do you want to do a throat culture?

Doctor: No, you're probably right.

Would you rather visit this doctor or someone who knows more about healthcare 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 malperformance 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? Well, 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 set 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 must analyze astutely to determine the true cause of the problem because, as I've said before, how you define the problem will determine the resolution you choose. If you define the symptom as the problem, you misdiagnose and begin covering up symptoms rather than addressing problems.

In fact, misdiagnosis or dealing with the symptoms rather than the problem leads to worse 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 allergies, the flu, or a more serious 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 medications 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 to the Problem

Let's consider the credit union example of Sally falling short of her cross-selling goals to illustrate the ineffectiveness of focusing on symptoms rather than performance problems. 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 your concern—because her cross-selling goal is fifty products per month, but in each of the last two months she only sold forty 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 sixty 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 Chart 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 willing and able 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.

**COACHES
DELEGATE WORK
TO WILLING AND
ABLE EMPLOYEES
AND RECOGNIZE
SUCCESS.**

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 the additional responsibilities and give 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 row of the chart is willing but unable employees. As we noted in Chapter 2, it is a small group of employees temporarily unable to perform well until they receive training. When you train those employees, they will move to the first category of willing and able staff.

Motivating for Able but Unwilling Employees

The largest group of employees are those who are able but unwilling. One of the most common (and highly ineffective) approaches to performance problems I’ve seen used at credit unions is training and then retraining employees. If Sally didn’t meet her cross-selling goals after a sales skills workshop and one-on-one training, she must need more training, right? Unfortunately, no. If you send Sally to another training workshop, she won’t learn—and her sour face and attitude will only make other participants uncomfortable.

Training fixes one problem . . . lack of knowledge. It does not motivate able but unwilling employees. Motivation is another matter and requires a different approach. I'm hoping this book motivates you. My goal has been to make it useful, interesting, even entertaining—so that you'll stick with it to the end and become motivated to apply the principles described here to your own efforts. My goal is that you'll read it and then get to work making changes at your credit union.

But when this book is over, you have a big challenge still 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 undoubtedly resist your efforts to shift 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.

Terminating Unwilling and Unable Employees

The final category of employees is the unwilling and unable. Remember them—the ones who think, *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 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 chart. 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 first. I suggest that you first coach these employees. You can't really make the final unwilling and unable diagnosis unless the 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 the employees are unwilling and unable. At this point, further coaching isn't going to do any good. If you coach and

coach again without any positive results, your best course of action is to terminate their employment.

Raising the Standard

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—then no way will you bother them. Their attitude is: *I'm not doing much, but I'm doing more than they are. 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 become the lowest common denominator. The standard of performance rises, and their performance should 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 moving some of those 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 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 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.

PERFORMANCE DEFICIENCY DIAGNOSIS LIST

- | Yes | No | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Does the employee know how to do what he or she is expected to do? |
| <input type="checkbox"/> | <input type="checkbox"/> | Does the employee know that he or she is expected to do it? |
| <input type="checkbox"/> | <input type="checkbox"/> | Has the employee ever done it correctly? |
| <input type="checkbox"/> | <input type="checkbox"/> | Would the employee want to do it correctly, if they could? |
| <input type="checkbox"/> | <input type="checkbox"/> | Has someone told the employee that he or she is not doing it right? |

A crucial question is, "Does the employee know that they are 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. In identifying whether employees can benefit from coaching, it's important to answer all the questions and pause to consider the big picture.

Some of the questions can be answered objectively—such as “Have they ever done it correctly?” and “Has someone told the employee they are not doing it right?” However, one is a subjective question, “In your opinion, would they want to do it correctly, if they 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? That kind of assessment can help you determine whether an employee is willing but unable, able but unwilling, or unable and unwilling.

Once you have identified the 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 powerful coaching tool when 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 binging Netflix and searching LinkedIn. Effective confrontation works with only one group of employees, the able but unwilling. That’s why diagnosis is so crucial.

Effective confrontation is a process you 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 role-playing with a colleague 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 inappropriate.
- 3 Express positive attributes of the employee's performance.
- 4 Tell the employee of the impact of their 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 improvement.
- 9 If the behavior does not change, reevaluate.

Step 1. Remember, people are good.

Keeping in mind that people are good establishes a positive mindset 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.* Yet Sally walks out of the meeting thinking, *wow, my boss is intense.* 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, let some time pass between an incidence of poor performance and the 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 for a day or two later.

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. Express positive attributes of the employee's 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 their 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 their 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. Big deal. It's not like we have members lined up at the door first thing. 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 through helping them save money and 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 babysitter. If she’s late, I’m late.

Coach: Sounds like you’d better try to find a new babysitter.

Employee: Alright, but it will be hard.

Coach: I know. But it looks like that’s what you need to do.

Two weeks later . . .

Coach: I noticed you’re still coming in late a couple days each week.

Employee: Well, I tried to find a babysitter, 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 babysitter?

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, *Let’s hear your next idea . . . that*

won't really work for me. 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. In 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 the comment, "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 that part of the 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 twenty-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.

**DON'T LET
DISTRACTIONS
CAUSE YOU TO
LOSE TRACTION TO
THAT WHICH YOU
ARE ATTRACTED.**

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 performance problems by bringing up arguments which 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—solving the 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?” You need to hear more from the employee than “I'll try.”

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 employee's behavior.

Once employees commit to change, it's your job to monitor their performance. Don't expect employees to change just because they've said they will. It helps to establish firm, 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 an employee was cross-selling twenty products a month with a goal of fifty and increased her sales to forty 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."

**TAKE CARE
IN HOW YOU
PHRASE
PRAISE FOR
IMPROVEMENT
TOWARD
A GOAL.**

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. Keep looking for opportunities to praise people for doing the job well. If an employee boosts her cross-selling from twenty to forty in one month and no one notices, she's likely to drift back down to thirty sales the next month and twenty 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 in 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 employees to consistently get to work on time significant performance issues? They are 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 consistent 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, most employees who are chronically late have 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 established standard, work with them to come up with a solution, and monitor their progress. Once you set a standard, stick to it. If you don't, the performance problems will stick around and possibly even get worse. If you can't coach one employee to get to work on time, you lose the moral authority to ask anyone 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 eighteen 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 fifty new products per month. Helen has not met this goal for the past four months; one month she cross-sold forty products, but her average is around thirty.

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 of ten products per month. Your task in this case study is to diagnose 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 ninety 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 fifty products beginning his second month on the job. During that month, Mark cross-sold five products. In the following, and most recent month, Mark cross-sold fifteen 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 diagnose his cross-selling performance, and what coaching approach would you follow? Again, consult the Performance Deficiency Diagnosis Checklist.

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 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, did the coach ever ask the employee, "Can you tell me what's going on?" Did the coach ever allow the employee to get away with the response, "I'll try"? Did the

effective confrontation veer off course as the coach pursued distractions offered by the employee?

Before the role-play begins, establish 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 employee. 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 the role-plays, you can make up scenarios on your own and continue to role-play if you find the exercise useful. It is an especially effective approach to learning if you are working with a study group.

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 in becoming high performers both in sales and in service. In short, we've progressed from theory to practice. In this final chapter, we will continue that progression by considering everyday strategies credit union managers can use to help employees improve their cross-selling knowledge and skills.

This chapter does not address intensive, long-term coaching techniques. Instead, it offers suggestions for 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 put into action regularly, they help reduce the need to use 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
- 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 why people don't sell. Many employees don't understand the 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 drive and to discover firsthand all the 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 help them find homes that fit within those parameters.

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 issue is to make sure employees are using your products. If an employee actively uses a checking account and Visa check card with the credit union, for example, they can speak with firsthand knowledge about how it saves them money and time. Enthusiasm for a product 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 peace 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.

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 likely thinks, *Why are you giving this to me? I already have a checking account. Why would I bother reading this?*

But if the teller says, “Here’s some information that will save you money,” she automatically gives the member a reason to 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 in 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. It is also convenient. With our internet branch, 24/7 phone teller, and Visa check card, you can access your checking account anytime, anywhere.”

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 sit in 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 an 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 under-performance. It’s a common form of resistance to selling credit union products. Employees who’ve never considered selling as part of their job won’t 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 a fear of rejection.” The country club manager responds, “Well, you need to think about beginning to 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. Employees will 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 and respect as a guide.

Pushy Salesperson 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 pushier to you?

“Mr. Smith, can I tell you about our checking account?” or “Mr. Smith, 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 a friend named Bob, 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. 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 to the member 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:

Dear Mike,

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 to even 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 mobile app 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 it 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 toward numbers, coach toward 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.

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 to 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 it happen often. 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 that considered its members stupid.

You will 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

**YOU WILL
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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 you had today with a member?” 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. Leaders create expectations. 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 would 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 NEED
TO LOOK AT EACH
MEMBER AS A
PERSON, NOT
A PROCESS.**

A basic premise of this approach to sales and service is that employees need to look at each member as a person, not a process. For the most part, credit unions do a good job when a new member joins. 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.

We need to adopt this attitude to member service daily, not just when we welcome new members. If we have that mindset, 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

Most employees can learn to be high performers in sales and service, but some are simply naturals. If you adapt your hiring practices with a keen eye toward recruiting people with talents and experience in—and enthusiasm for—sales and service, you’ll end up ahead of the game.

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. 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 skills demonstration. Hand the candidate something on the table—a white board marker, for example—and say, “What I’d like you to do is demonstrate your ability to interest me in something I may not think I need. Let’s pretend you’re a white-board-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 pitch:

You can never have too many because they go missing all the time. This marker is so dark that even the kids in the back row will be able to see what you write. It's erasable, so you can easily correct mistakes. 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 rehearsed. If you'd buy the white board marker when they're done, that's a mark in their favor.

Credit union managers tend to focus on skills like cash handling, balancing, and credit union experience when hiring 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, for one, have never been able to do it.

Catch Employees Doing It Right

One book I highly recommend to help you 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 and coaching—defining management as 1) controlling the process and 2) stopping and correcting the flaw in a process and defining coaching as catching people doing it right. When someone is 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. 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 of doing just enough to not get caught.

To eliminate this attitude, learn to catch people doing it right. This practice is essential. If you can’t catch someone in your office doing it right every single day, you’re either not looking hard enough or you’ve got real problems among your staff. Everyone 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 foster an environment in which employees see their job as merely avoiding egregiously negative behaviors.

Talk About Sales and Service Every Day

Employees learn what their managers value most based on what managers 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 convey to employees that 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 priority list.

Show Employees the Possibilities of Their Talent

Effective coaching encourages people to work toward their full potential rather than focus 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 develop 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: "Why didn't you . . .?" For example, "Why didn't you say something to that member about a home equity loan?" This is the wrong kind of question because it forces employees to defend themselves and make excuses.

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 line of questioning might look like this:

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 kind of focus allows employees to explore the possibilities of what could be rather than defending a position of why something did or didn't happen.

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." 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

with, “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.” That would be another statement you couldn’t let stand. Your response would most likely be, “Well, then you ought to start looking for another job!”

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 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 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?

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, and in their minds, they're in the right. Also, they will feel they have no alternative because they feel powerless.

In the credit union environment, we fuel feelings 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 'sales stuff' is not about acting like those pushy stereotypes of sales. At our credit union, sales are an extension of service and the best way to help our members improve their financial well-being."

Don't Coach Toward Numbers, Coach Toward 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 ten to twenty referrals as for the more experienced sales leader who goes from one hundred to two hundred. The way most people get to two hundred is to start at ten and work their way up to twenty and then thirty 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 ten referrals, and recognition and rewards only kick in at one hundred, my mindset would be, *I'll never get there so why bother*

even trying! 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 who are developing their sales skills move from ten to twenty referrals per month or from twenty to thirty—even if their goal is sixty—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 to build 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.

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. These days, school administrators—just like effective business coaches—are going out of their way to catch kids doing things right.

When schoolchildren hear their names over the loudspeaker now, it's more likely to be a reward than a punishment. In the same way, scheduling regular coaching sessions takes the terror out of being

called to the boss's office. Employees will come to expect positive reinforcement for their gains in performance, as well as suggestions for continued improvement. They will expect to be challenged to improve, and they will appreciate the opportunity to contribute ideas.

You might introduce sessions like this:

I want you 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, punctuality, 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 in order to work more effectively. Then, we can set performance goals together for you over the next quarter.

During these regular meetings, it's much easier to address ineffective aspects of employees' performance than in special meetings called only 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:

Sally, 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.

Using this ongoing positive approach reduces the likelihood that employees will react defensively by thinking, *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 performance setbacks in perspective with employees' 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 well by meeting individually with employees after the sales-and-service culture is formally introduced. Express your commitment to this new culture. Make it clear that you support the sales-and-service culture wholeheartedly 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 might not last. 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 possible flaw in the sales program and they'll lobby you to take their complaints—in your name—to the top management.

I am sorry to say it, but 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. She said employees were suddenly having problems balancing and were so stressed out they were talking about finding new jobs. She ended with a sigh, saying 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, then 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. 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, then let them know your commitment to ensuring 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 I try to cross-sell”; “Everybody says no when I ask them if they want this product.”

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

Your effective coaching response would go something like this:

You're right. 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: 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 how 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."

Your 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 the training which addresses how to make a sales referral 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.”

Your effective coaching response:

That's great. The more often you see members, the more opportunities you have to get to know them and begin building a relationship that will give you clues about which products will benefit them personally. As the relationship develops, they will certainly trust you more. The more they trust you, the more willing they will be to hear 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. 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 weren't trying 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.”

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 the 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.

Your 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 punctuality. Effective coaches need to jump on this 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, but 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 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!

Your 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. Some members may be reluctant to discuss personal information while standing in the teller line so 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 of 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 improve members' financial lives?* If the answer to both questions is affirmative, then you're on the right track.

Your effective coaching response would be something similar to what's going on in the following example.

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 make sure we enact 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 result is satisfied members with a full line of products which maximize their finances and suit their lifestyles. Let's go back to the definition of coaching we presented in Chapter 1:

Coaching is helping someone reach their highest potential to meet the team's goals.

Let's also review once more what effective coaches do:

- 1 TEACH
- 2 COMMUNICATE
- 3 SET HIGH STANDARDS
- 4 MAXIMIZE INDIVIDUAL TALENT
- 5 CREATE A TEAM
- 6 MOTIVATE

The best coaches do not always win employees' affections—holding people accountable is not an easy or comfortable task. But the best coaches do earn respect. Coaching is an ongoing process of ensuring that employees have the skills and knowledge they need to do their

COACHING IS AN ONGOING PROCESS OF ENSURING THAT EMPLOYEES HAVE THE SKILLS AND KNOWLEDGE THEY NEED TO DO THEIR JOBS, ALONG WITH THE EXPECTATION OF EMPLOYEES TO THEN ACCOMPLISH THEIR TASKS AND REACH THE TEAM'S GOALS.

jobs, along with the expectation of employees to then accomplish their tasks and reach the team's goals. Coaches do not need to 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 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 these 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." | | |

BECOMING A ONE-MINUTE SALES-AND-SERVICE COACH

| | | |
|---|--|--|
| <p>“We see the same members over and over again.”</p> | | |
| <p>“I shouldn’t have to do this stuff.”</p> | | |
| <p>“The member asks me too many questions when I cross-sell.”</p> | | |
| <p>“I’m afraid were going to turn into a bank.”</p> | | |

COACHING CHALLENGE: ANSWERS

Chapter 2

A. Employees underperform because of:

- Human nature
- Organizational environment
- Wrong kind of coaching

B. Matching: 1. **b** 2. **e** 3. **c** 4. **a** 5. **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

Diagnosis #1: 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 forty products in one month indicates that she is able to sell. Of course, as a coach, you must take action with the two other employees only cross-selling ten products a month, but Helen's performance problem should not be allowed to slide.

Response: The proper coaching response is effective confrontation.

Diagnosis #2: 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 the credit union.

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

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 toward numbers, coach toward 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 sales-and-service training that ServiStar Consulting does with 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, 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.

Coaching Assignment #1

WHEN TO BEGIN?

As soon as you're done reading this book.

HOW LONG SHOULD IT TAKE?

Twenty 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 of 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 opportunity do 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

“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 Skills Evaluation

WHEN TO BEGIN?

Immediately after completing Coaching Assignment #1.

HOW LONG SHOULD IT TAKE?

About ninety 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 worksheet “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 the following staff meeting, ask the designated employee to share the results of their shopping expedition and, as a group, discuss 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 or why not?
- Based on what you experienced, what is one thing you learned 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 this 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:

1. 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.”
2. Allow the member service representative to work with you.
3. If you are a call center employee, shop the institution by phone.
4. 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.
5. Be prepared to report to the group your evaluation and impressions.

Shopping the Competition Worksheet

Location: _____

Date: _____

Time: _____

| | Y | N |
|--|-------|-------|
| 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 maintain good eye contact with you? | _____ | _____ |
| 6. Did the representative engage in anything you would consider as small talk? | _____ | _____ |
| 7. Did the representative ask questions to identify your needs? | _____ | _____ |
| 8. Did they listen effectively? | _____ | _____ |
| 9. Did the representative sell the product using benefits? | _____ | _____ |
| 10. Did they ask to open the account for you? | _____ | _____ |

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

Steps of the Sale 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 Skills 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 Skills 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 Skills 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 them.
- 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.

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 credit cards.”

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. For example: “I will call each member by his or her name.” “I will give 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. You don’t want to hear: “I will try to focus on the member’s needs.” “I will attempt 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 includes you as the coach into the process. Make your commitments as to how you will assist the employee and make sure you follow through. 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:

| | Y | N |
|---|-------|-------|
| 1. I've overcome any fear of rejection I may have had. | _____ | _____ |
| 2. I understand that identifying members' needs and suggesting a solution is service. | _____ | _____ |
| 3. I've passed the product knowledge assessment, and I'm confident in my product knowledge. | _____ | _____ |

Circle the number for each 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. I can use benefit statements to explain products to members. | 1 | 2 | 3 |
| 7. I am taking advantage of opportunities to cross-sell. | 1 | 2 | 3 |

COACHING ASSIGNMENTS

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 make 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 appropriate, 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 a 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's Name: _____

Coach's Name: _____

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

Employee's Signature: _____

Date: _____

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

Coach's Signature: _____

Date: _____

Coaching Assignment #3: Sales-and-Service Assessment

WHEN TO BEGIN?

About four and a half months after you begin the first coaching assignment.

HOW LONG SHOULD IT 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 worksheet 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 worksheet 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.

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

___ I have confronted the employee's behaviors that aren't meeting expectations.

___ I have not confronted the employee's behaviors that aren't meeting expectations.

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 they are:

_____ Able/Unwilling

_____ 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 |
|---|-------------|
| <p>Ask each employee to share with you something they have done this week to improve a member's financial well-being. Timing: Weekly</p> | _____ |
| <p>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 referral/cross-selling opportunities. Rehearse with employees what they would say to get members interested. Timing: Weekly</p> | _____ |
| <p>Schedule time for employees to participate in the Shopping the Competition exercise. Timing: Start scheduling the week after training ends.</p> | _____ |
| <p>Ask employees to complete the Steps of the Sale Skills Worksheet. Timing: The week after training ends.</p> | _____ |
| <p>Meet with employees to review the Steps of the Sale Skills 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.</p> | _____ |

ABOUT THE AUTHORS

ServiStar Consulting is a consulting firm that assists credit unions with sales-and-service culture development, performance management, and leadership development. It is comprised of credit union industry professionals that have held responsibilities for branch operations, training, business development, digital banking, and marketing. Its staff has worked for credit unions that are recognized nationally for exceptional member experience and product penetration.

ServiStar Consulting has worked successfully with credit unions of all sizes, assisting them with the development of sales-and-service cultures. ServiStar's clients consistently outpace their peers, driving growth, and ensuring long-term stability in the areas most vital to their success.

ServiStar Consulting's background in credit unions and singular focus on the credit union industry provides them with the ability to relate to and instruct credit union employees at every level.

Additionally, their staff includes some 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. You can learn more by visiting www.servistarconsulting.com.

