

Management Tool #B27:

The 4 types of employees in your business...how they're different and how to manage them:

Businesses are typically made up of a number of different types of employees from super star top-performers to toxic trouble makers. They all need to be managed differently because they're 'wired' differently. Below is a look at 4 different types of employees. These insights have been helpful to many of our coaching clients.

1. Super Stars: This is typically a very small percentage of your total labour force. They're 'wired' differently. They have the ability and desire to outperform. They love doing their best and constantly search for ways to improve. Super stars come in three varieties.

a) Those who are incredible at doing what they're doing and want to keep doing just that. For whatever reason, they don't want to take on more responsibility or climb up the organizational ladder. Or, just like in sports, because of their skill set or their personality, they may be outstanding as a player, but would be a disaster as a coach or manager. For example, the business world is littered with companies who turned their best salesman into their worst Sales Manager. It's a completely different skill set.

Make sure these top-performers are regularly and appropriately thanked, rewarded and celebrated for their contribution...but not in a way that makes everyone else feel inadequate.

b) Super stars who can and want to move up the ladder. Create a career path for these folks and compensate them well. They're your future. Coach, mentor and promote them. If you don't, they'll quit and go to your competitor. Give them lots to do; challenge them with interesting projects. Follow up with them...but don't micro-manage them.

Find out what they want to achieve in their personal life...and make a commitment to help them achieve that. Thank, reward and encourage them all the way...but not in a way that makes everyone else feel inadequate. Ask for their opinions and listen to what they say.

c) Potential super stars. These are the folks who haven't yet had the opportunity to prove themselves, but you see a special 'spark' there that can be nurtured by the right boss. The ability to spot and nurture these potential super stars is a special gift. It's like being a talent scout in sports or entertainment. This is one of the most valuable skills that any business owner or manager can develop within themselves. It starts with knowing exactly what you're looking for.

Create a career path for these folks. Coach and mentor them. Give them lots to do; challenge them with interesting projects. Follow up with them, thank, reward and celebrate them all the way. Ask their opinions and listen to what they say. Find out what they want to achieve in their personal life...and make a commitment to help them achieve that.

So, who are your super stars or potential super stars and what specific things will you do to engage, challenge, motivate and retain them? Don't be threatened by them. They're going to help some business be extraordinary. It may as well be yours. 'Yes', some of them may go off and start their own business some day, but while you have them, use them and appreciate them. If you have no 'super-stars', what or who (it could be you) is preventing you from attracting and retaining them?

Note: Beware of 'toxic super stars'. Some super stars believe that they're so special that they don't have to follow the rules or the business culture. Toxic super stars are a huge problem. Either they get on the team...or they move on.

2. Journeymen: Good at what they do, competent, team players, steady and dependable. Either they don't want to climb the ladder...or they wouldn't be good at having more responsibility. These folks might be on your front lines or at some level of management. They're typically a large percentage of your total workforce.

While they may not be candidates for advancement, it's important that they continue to receive training, coaching and encouragement to do their job better, especially when technology or systems are changing. They need to be thanked, rewarded and celebrated to keep them engaged and keen. They also need to be listened to so that you can learn from them. They know what's going on and they want to be heard and respected. One excellent way to acknowledge the value of their knowledge and contribution is to have them mentor new employees.

Who are your 'journeymen' and what specific things can you do to engage, honor and retain them?

3. Underperformers: Underperformers come in 2 varieties. Those who can be rescued...and those who cannot.

a) Underperformers who can be rescued. You have a big investment in these people. If they can be rescued, get on with it. If you have not created clear job expectations, provided proper training or given them the tools, empowerment or authority to do the job, fix it. My insightful Business Tool #B-21 on '**13 reasons for staff non-performance...and whose fault are they?**' can be most helpful in determining the problem and how to fix it.

b) Underperformers who cannot be rescued. If you have non-performers who simply cannot be rescued, stop wasting your time...and theirs. Get your documentation in order and set them free to find more suitable employment. Do it respectfully...but do it. Ideally, when non-performers are being managed in a way that they know they're not cutting it... they resign. When people quit, they leave with their dignity and no more of your money. When you fire them, they leave with less dignity and a lot more of your money. Plan A is better.

Who are your underperformers? What will you do to determine if they're rescuable or not...and then take the appropriate action?

4. Toxic employees: Get rid of them ASAP.

These are the people who are wrecking your team and destroying your culture. Whether they have an unfortunate personality, have a grudge against the company and are trying to sabotage you...or are sociopaths (I've seen them all) they have to go. Get your documentation in order and pull the trigger.

Note: By the way, just because someone disagrees with you from time to time doesn't mean they're toxic. They might be smart, engaged, passionate and courageous enough to speak up. In fact, they might be future super stars! Encourage 'respectful debate'....but it must always be respectful.

So, there you have 4 different types of employees. Do you know 'who's who' in your business or department...and are you working with each of them appropriately? It's one of your most important jobs as a business owner, leader or manager.

For info about booking Donald to deliver his bottom-line management and marketing insights at an Industry Conference or Corporate Event...or to discuss our effective and affordable Business Coaching program, contact us at donald@donaldcooper.com or by phone in Toronto, Canada at 1-416-252-3703.