

DEVELOPING THE TEAM

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THE
DISTRIBUTION
TEAM

Every business owner I have ever worked with has always wanted to surround themselves with better people. A solid team of highly skilled individuals, with differing strengths, will ultimately make running the business easier. It's really satisfying when you don't have to look over every aspect of the operation. This confidence in the team allows for creative vision and strategic planning. In order to be granted this freedom to create, we must first clear the hurdle of employee development. The challenge is this: How do we manage the personnel development of an organization whose members have differing levels of experience, aptitude and motivation?

What is the leader's attitude toward employee development? I have met many managers who have an innate fear of training their employees. In their mind, they don't want to enhance the skills of employees to the point that they will seek employment elsewhere. This type of manager wants to retain employees through control and coercion. They are not developers. I see them more as sheep herders than anything else.

I was always taught that the responsibility of a manager, or a good leader, is to make people better than they were when I got them. I was supposed to prepare them for the challenges ahead. Developing of skills, whether directly related to the business or not, was just part of the deal. Sure, this approach requires a little more work; but the caliber of employee is so much better. They thrive while working on your team and appreciate your efforts when they move on. Sometimes that reward is enough.

A lot of this mentality comes down to a discussion on the type of leader you are. In the 1960's, Douglas McGregor, of MIT, spent a great deal of time studying motivation and leadership. During this course of study, he came up with the Theory X and Theory Y styles of management when it came to how supervisors viewed their employees. A Theory X manager inherently believes that employees are not to be trusted. They will avoid work if not monitored or incentivized. The Theory Y manager believes that employees have interest in their work and can be self-directed. Given the opportunity, the Theory Y manager believes that employees will seek out new challenges to better themselves and the company. What McGregor found is that employee behavior and motivation actually mirrored the type of manager they worked for. The employee under the Theory X manager became less productive and required more supervision, while the employee under the Theory Y manager became more self-directed. Essentially, a large part of developing the skills of your employees comes back to what type of leader you are.

Assuming that we are all striving to be more of a Theory Y leader, one of the core tenants in getting employees interested in their own development is getting them to see the big picture. Those of you who have read my articles in the past know that I am a proponent of sharing financials. I believe that this is one of the best ways to make people feel like they are part of the organization. Why should they try to get better if they don't know where they are now? Beyond the financials, many employees don't even know the structure of the company. In a small

company, this is fairly simple. Over time, many of these small companies have grown larger and fail to see the complexities of the current entity. Taking this one step further, some of our newer employees don't understand where the company fits into the supply chain. This type of education can lead to a great discussion on where the company adds value to the market.

Once your team members feel like they are part of the bigger picture, you can turn the discussion into their individual contribution. Where do they fit into the bigger scheme? This is where I like to introduce the concept of an internal customer. When we talk about the term customer, most of our employees will think of someone located outside of our four walls. In sales, we are critically focused on the external customer. In operations, the focus shifts to an internal customer. The internal customer is the next person in line during a process. For example, the internal customer of the person who puts stock on the shelf is the order picker. The manner in which the shelf stocker performs their role has a direct impact on the picker's ability to complete their task to a high degree of efficiency. An interest in personal development occurs when the employee knows how their actions affect the whole.

In order to create a development program, we first need to determine the path. Many companies have a challenge recruiting good employees, especially in the warehouse, because they can't sell the organization as a career opportunity. A majority of the companies I have worked with would prefer to develop their own people and promote from within. It can be very

challenging to integrate outside talent at higher levels in the organization. They may have all the experience in the world, but they just don't fit the culture. Good organizations have a defined progression for their employees to advance in the organization.

I would suggest that most organizations have a loose career path. It is most likely defined in the 6 inches between someone's ears. Unfortunately, it is very hard to create a program based on a loose idea. It's time to get it down on paper. As a leadership team, take the time to write out the basic progression in the company. Perhaps it goes something like this: warehouse, counter, inside sales to outside sales. That is a basic framework. Then you can add in deviations required in your company, such as purchasing or branch management. Next, break down each functional area into components, such as will call counter, front counter or counter lead. The idea here is to take each of these individual jobs and define a set of skills associated with the function. This will help you develop a list of skills the employee must master in order to be eligible for promotion to the next job in the progression. This step might take some time, and coordinated effort, to complete; but it will really help your younger managers get their arms around employee development.

As we start to roll out the program to our employees, we have to be sensitive to how it is communicated. When presenting training and development opportunities to an employee, many managers are taken aback when the offer is met with resistance. The employee could become defensive and hurt. They see the offer of education as a direct attack on their ability to do the job. The manager thinks they are doing right by the employee by offering to help them develop their career. This

conflict of perception can lead to a breakdown in the program.

In order to alleviate this potential misunderstanding, we should learn to present educational offerings from an employee benefit perspective. How will the opportunity advance their career? What specific needs does this offering address?

Sometimes it will help to participate in the training with the employee, especially if it is something offsite. Talk in terms of how "we" can benefit from this education. Who knows, you might learn something new. Finally, be willing to think outside the box. By offering many different educational opportunities, your team members will be far more likely to find something that fits.

Employee development is a perpetual activity. We don't have the luxury of the occasional dabble. Push yourself to see your employees as a Theory Y leader would. They want to improve. They want to be part of something greater. They want to be successful and have their talent rewarded. It is up to you to provide the opportunity. Remember, you only coast one way. Good luck.

About the Author:

Jason Bader is the principal of The Distribution Team. He is a holistic distribution advisor who is passionate about helping business owners solve challenges, generate wealth and achieve personal goals. He can be found speaking at several industry events throughout the year, providing executive coaching services to private clients and letting his thoughts be known in an industry publication or two. He recently launched his first podcast, Distribution Talk. Episodes can be found at www.distributiontalk.com. He can be reached at (503) 282-2333 or via email at jason@distributionteam.com. You can

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