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Managing in the 21st Century

Part 1: The Undercover Boss

by John Dante





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In the book Built to Last, authors Jim Collins and Jerry Porras relate the story of an acquaintance who once had lunch with Sam Walton (the founder of Wal-Mart) in a local diner. In the story, Sam points to an individual across the room and says. "That is Joe. I admire Joe. He used to drive a truck and now he owns his own business selling chickens." Sam went on to say, "I could learn a lot from Joe." This was a very interesting comment coming from a man who was already one of the most successful retailers in the world, having amassed a fortune that made him the richest man in the United States from 1982 to 1988.

This article is the first in a two-part series on managing in the 21st century. The purpose of the two articles is to provide guidance to those who are relatively new to management positions and want to understand the behaviors that make one a successful manager. It is also for those experienced managers who, like Sam Walton, believe that no matter how successful one is, there is always more to learn. Part 1 focuses on communication and technology.

Beginning in February 2010, the CBS network aired a TV show called "Undercover Boss." Each episode documented the experiences of a chief executive who went undercover at his or her own company prominent companies such as 1-800-Flowers, Waste Management and White Castle. The unsuspecting employees who interacted with them were only told that they were to train a new worker who was being filmed as part of a documentary on breaking into entry-level jobs.

While each episode featured a chief executive at a different company, their experiences followed a similar pattern. In many instances, they struggled to perform the entry-level job. The executives were frequently told by unsuspecting supervisors that they were not cut out for the business. In fact, one chief executive was actually fired after his first day on the job. This provided a very amusing twist as many of these chief executives were instrumental in either starting or bringing their companies to prominence. The executives also experienced other unpleasant surprises. They saw how inefficient some of their companies' procedures were. They also saw firsthand how some of their new policies, that were meant to make improvements, had gone awry. From time to time, they would come across underperforming employees who needed additional training.

Fortunately, the good experiences outweighed the unpleasant ones for most of the executives. Frequently, they would come across dedicated employees and realize that it was the passion of these employees that contributed to the success of their company. There were many inspirational stories involving these dedicated employees as some faced extreme challenges in their life, but this did not dampen their passion for their job.

At the end of the show, the executives would reveal their identities and make changes in their companies based on what they saw. They might correct some of the flawed policies or implement an employee's suggestion. Most of the dedicated employees were provided additional opportunities for growth, including becoming managers or trainers. The bottom line is that the executives very much valued these "undercover experiences" because they learned a great deal about their companies and as a result, they were able to make them stronger and more successful.

I believe that many of today's managers take for granted that the simple and timeless concept of communication can make companies more successful. Perhaps it is because we think that we are already advanced in the area of communication as a result of today's technologies such as e-mail, BlackBerrys and automated call centers. However, I don't think that this is happening in all instances. In fact, I believe that when we do not manage technology correctly, we can actually make companies less productive. As managers, it is our responsibility to make sure that this doesn't happen.

Let's start with e-mail communication. Most companies are heavily reliant on it these days. Sometimes we become too reliant. Take, for example, employees who sit in cubicles next to each other who choose to e-mail rather than just talk to each other. That doesn't appear to me to be a more efficient way to communicate. Another aspect that seems inefficient is when someone chooses "Reply to All" to respond to a message when it is not appropriate. Sometimes these e-mail strings become an inefficient discussion as many participants don't have the ability to contribute fully and in a timely fashion. Perhaps there should be logic in a company's e-mail system that sends the fourth responder into the conference room scheduler with all the CCs loaded as meeting attendees.

One of the problems with the proliferation of unnecessary e-mails is that it becomes easy to miss the ones that we need to act on. If you were to ask me about the greatest problem with e-mails, I would have to say that it is the frequent miscommunication that results from them. There have been many instances where I either unintentionally offended someone by an e-mail I sent or was offended by an e-mail someone else sent to me, only to find out later that it was not what the person meant. Some of these misunderstandings can be avoided by not sending e-mails that are too large and/or realizing

that e-mail may not be the appropriate communication format for certain subject matter.

The real issue boils down to what communication experts say about face-to-face communication. They say that 93 percent of it is conveyed through body language and tone of voice. The remaining 7 percent is through words. Therefore, it is easy to see why e-mail communication can be challenging. I am not advocating that we do away with e-mail, only that it just needs to be used properly to make it an efficient means of communication. A manager is in a position to correct this by monitoring usage and setting protocols to ensure that it is working efficiently.

BlackBerrys can also threaten communication and productivity. Clearly, these devices were a great leap forward in creating a virtual office by enabling one to be more accessible to colleagues and clients. However, they seem to have become the new addiction. As a result of this, the BlackBerry was nicknamed "CrackBerry," a reference to crack cocaine. In fact, the word "CrackBerry" became so popular that Webster's New World College Dictionary named it the new word of the year in 2006.

The issue with BlackBerrys is that we cannot seem to put them down or resist picking them up. Does one really need to stare at a BlackBerry constantly? Don't the time management experts tell us that we should allot time to specific tasks and focus only on those tasks for that time period? To me, it is akin to someone holding a Magic 8-Ball all the time because they cannot manage their lives without its advice. I also believe that it is disrespectful to pick it up and look at it when you are in a meeting or having a conversation with someone.

Employees at one company told me about an executive who stares at it all throughout the lunchroom line. They believe he does this so he doesn't have to talk to anyone, particularly those at levels lower than him. While this is an extreme example, it makes me wonder how many more subtle examples occur in companies throughout the country today. In these instances, the BlackBerry is no longer a technology

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that facilitates communication or improves productivity. As managers, we should be careful not to let the BlackBerry drive a wedge between us and our employees. This is likely to result in a communication breakdown, which is the antithesis of the goal of the "Undercover Boss."

Automated call centers are another technology that can impede efficiency when not properly structured. I remember working under a CEO who felt strongly that every phone call to the company should be answered by a live person. While this may not be practical today, I understand where he was coming from and believe that a compromise is possible. Perhaps it is as simple as always offering the choice to talk to a representative in every menu option.

When I called a health insurer recently, I found the navigation difficult for just a simple address change. I could only think of what the experience might be for a person with a serious health condition. It is in the insurer's best interest to make it easy for the person with a serious health condition to connect with a representative so that improper and costly treatments can be avoided.

As managers, it is our responsibility to suggest more productive alternatives for ineffective workflows. I heard a story of one company where managers were successful in changing the company's practice of letting people go. Instead of escorting the employees out immediately as they previously did, they let them stay a few hours to say their goodbyes. While downsizing is a necessary evil in today's business environment, the new procedure helped minimize the resentment that both the downsized and remaining employees felt with the previous process.

Being a successful company isn't so much about whether you have the latest technology or not. It is more about using common sense. We should be leveraging technology to help make our companies more successful, and more importantly, we should also make sure that technology isn't becoming an obstacle to our success. Managers are in the best position to accomplish this for the company. Communication is a key element of success. One doesn't have to go undercover to find out what is happening with the frontline employees in a company. The executives in "Undercover Boss" were looking for honesty from the employees about their work situation and felt that the employees wouldn't open up to them if they knew they were executives. There are other tools to accomplish the same thing, such as surveys, focus groups, suggestion boxes, etc. Many times the key is just a willingness to listen and make changes or just try something different to see how it works.

Employing these techniques can help you become a more successful manager. Keep the lines of communication open with your employees and make sure that they know that you're approachable. Be careful not to be too ambitious with this, as many employees may have gotten used to being more self-reliant and could feel as if they were being imposed upon. It is even more critical that you keep the lines of communication open when you are put in charge of a department that you never worked in previously. It is more challenging when you are not familiar with the work to understand what needs to be done to make or keep the department successful.

I applaud the executives of the companies that went through the undercover process. They really demonstrated their passion for improving their companies. They were able to take the following actions as a result of going undercover:

- Identify and correct flawed workflows.
- Recognize and create career paths for highperforming individuals.
- Improve working conditions for the employees.
- Provide additional training for underperforming employees.
- Provide additional assistance so that personal hardships would not interfere with employees' ability to do their jobs.

Assuming that these occurred without an unreasonable amount of additional expense, it was a win-winwin for the companies, their employees and their customers. As a result of increased employee satisfaction, they should experience increased productivity. By providing career paths for high performers, they should experience reduced employee turnover. These two efforts should also help in attracting high-quality employees to the company.

Lack of communication and lack of awareness about what is going on at your company is like getting a cut and not realizing it. If you knew about it, you would treat it and it would heal. Not knowing and leaving it untreated leads to infection and possibly further complications. When you keep the lines of communication open and make the workplace one employees look forward to coming to each day, your business should run like a finely tuned engine.

So the next time that you are asked to train that new employee, you might do well to pull out the company's annual statement and look at the photos of the chief executives to see if you notice any similarities.

... Communication is a key element of success.

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