In Practice

The Working Wounded

Outstanding employees could be at greater risk of suicide if they suffer from severe depression, because their high performance masks their symptoms, making it less likely that friends and co-workers will intervene.

Depression is difficult to detect among extremely able people for two reasons, Frederick K. Goodwin, director of the National Institute of Mental Health, recently told the *Washington Post*.

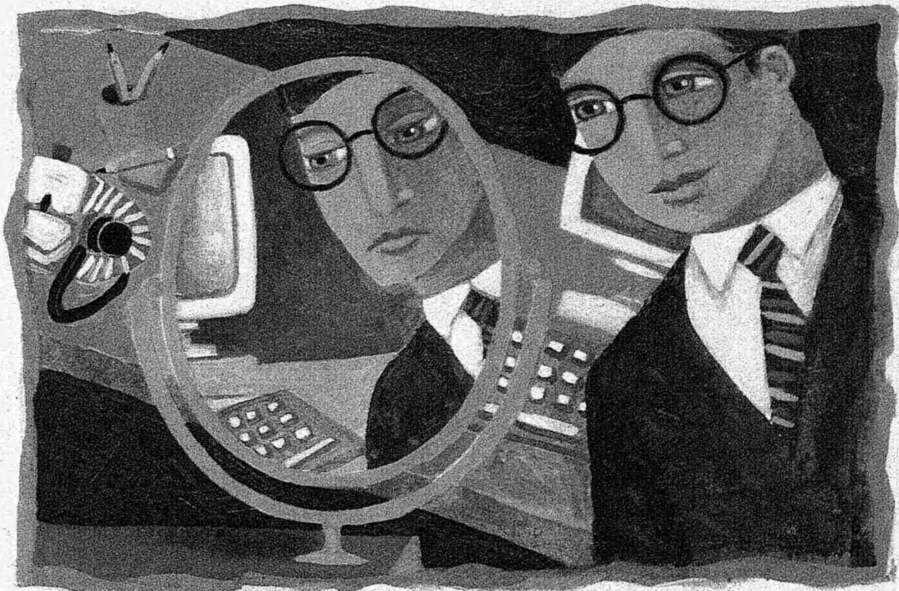
First, some exceptional people perform so well that even when productivity drops precipitously, they still do as well or better than many colleagues. Second, co-workers tend to idealize an outstanding colleague, so they don't notice the behavioral changes that indicate the person is deeply troubled.

Learning to recognize the warning signs of depression can save lives, experts told *Post* staff writer Boyce Rensberger. In the workplace, red flags for depression include a drop in efficiency, snappishness, inability to concentrate, difficulty in completing work assignments, and a tendency to take undue responsibility for mistakes. An even worse sign: when the spirits of an obviously depressed coworker suddenly seem to lift, which may happen when a person has decided to kill himself or herself.

How should workmates respond? Talk to the person about his or her feelings, acknowledge and empathize with the despair he or she is feeling, and encourage the person to seek professional help. Also, alert a spouse or other partner to the problem.

Making an overture to a depressed person cannot push the person over the edge, experts assured Rensberger.

"You can even say to a person, 'Are you so down that you're thinking of doing away with yourself?'" Goodwin says. "If the idea wasn't in their head, nothing you say can put it there. If it was, you've opened the door to helping them."



Becky Heavner

Employees who can recognize the warning signs of depression may save a co-worker's life.

Small Businesses Tackle Competition in a Big Way

Along with their giant corporate siblings, small businesses—the tugboats of the U.S. economy—have had to shift gears in response to changing competitive pressures.

Unlike large corporations, most small businesses can't boost their bottom lines by shedding workers, but they do adapt some corporate strategies, including investing more in training and developing their workers.

Business Week cites Otto Engineering, which makes electrical switches in Carpentersville, Illinois, as an example of this trend. Since the company began offering math and English

Small Businesses Grow Despite Recession

Training consultants and suppliers seeking new markets for their services and products might hark back to the adage that small is beautiful. The United States' smallest businesses—those with one to 10 employees—grew in number during recession-plagued 1991, resisting the downturn experienced by medium and larger companies, the Commerce Department's Census Bureau reports.

Preliminary information from the "1991 County Business Patterns" report series shows that the number of small businesses increased up to 1 percent per year between 1987 and 1991. The number of larger businesses increased up to 3 percent per year through 1990, and then declined in 1991; those with 10 to 100 employees were down 0.2 percent in 1991, and those with more than 100 employees fell 1.7 percent.

The manufacturing sector continues to contract. As recently as 1970, manufacturing accounted for 35 percent of the workforce. By 1991, manufacturing workers made up less than 20 percent of the workforce. Conversely, the service sector, which includes both business and personal services, continues to add jobs and now employs more than 32 percent of the workforce.

classes to its employees in 1988, production has risen 340 percent. The company expanded the program over time; now it spends $100,000 annually teaching its 120 employees advanced subjects such as blueprint reading and quality improvement, as well as basic skills.

Other tactics that small businesses are using to stay competitive, *Business Week* reports, include pooling efforts in such areas as manufacturing and marketing to increase efficiency, farming out functions to keep in-house staffs lean, forming purchasing cooperatives to bargain for better deals from suppliers, and upgrading communications and technology systems.

Enlightened Appraisals

By Robert A. Baggs, training and development director, Rudolph/Libbe, 6494 Latcha Road, Waldbridge, OH 43465.

U.S. businesses continue to rely heavily on rankings and ratings to appraise performance, whether the target is employees, departments, divisions, or companies. But these dated methods do not make sense, either philosophically or functionally, in a workplace striving for total quality.

Established methods of appraisal spur employees to reason this way: "Why should I help my workmates accomplish their goals if that means they will earn higher ratings than I will, and probably larger raises?" This attitude directly conflicts with tenets of total-quality management.

Rudolph/Libbe, a construction company founded nearly 40 years ago, committed in 1991 to creating a total-quality organization. Rudolph/Libbe believes that in today's economy, only firms that continuously improve will survive, and only those that continuously improve at the greatest rate will prosper.

Striving for total quality means reconsidering the very foundations of how we do business. To move forward, we realize, means letting go of many past practices. One of those practices is performance appraisal.

A quality-improvement team charged with improving Rudolph/Libbe's performance-appraisal system started by studying W. Edwards Deming's work on performance appraisals and management by objectives. The team determined that the company's appraisal system

- focused on short-term goals instead of long-term success
- created mediocrity by encouraging employees to play it safe and minimize failures
- impeded communication by eroding trust, sharing, and cooperation, especially among the ranks of middle managers
- hobbled the organization's ability to succeed, by fostering competition among departments rather than encouraging an integrated system.

Rather than try to improve the intrinsically flawed system, the team decided to scrap the old methods and start from scratch. What emerged is a system called personal-development discussions. Under this system, managers and employees work together to help employees answer the following questions:

- Who are my internal and external customers?
- What barriers prevent me from providing products or services to my customers, and how can we work together to eliminate them?
- Am I missing any opportunities to provide better services or products to my customers?
- What developmental opportunities can help me grow and find joy in my work?
- What are my career interests and ambitions?

We encourage managers to spend more time with their staffs talking about these issues. If we can improve relationships and enable people to take pride in their work, total-quality management can flourish in our workplace.

Total-Quality Monastery

A Virginia entrepreneur has assembled a workforce for the 21st century: highly educated, technically skilled, and flexible—and possessing a worldwide reputation for integrity, as well as impeccable personal habits.

According to the *Wall Street Journal*, Ed Leonard, founder of the Electronic Scriptorium, farms out his data-services projects to monks.

"They're never late, rarely absent, and there's no drug problem," says Leonard.

As for the monks interviewed, they sound much like secular business leaders as they ponder economic survival in a changing world. Some of them suggest that "reengineering" their monasteries to do nontraditional work holds the key to their financial survival.

Brother Ron Pickarski, a Franciscan friar based in Florida, contends, "The ones that survive into the 21st century [will be] those that enter into the business community and really earn their daily bread."

A Room With a View

Space—and how we use it—constitutes a fertile but often overlooked frontier as businesses pioneer new ways to parlay people power into a competitive edge.

In the May 1993 edition of *Across the Board,* freelance writer James Krohe Jr. explores how an array of disciplines—facilities management, ergonomics, anthropology, architecture, interior design, and technology—influences the ways in which work spaces are constructed, arranged, equipped, and used.

Krohe observes that if businesses want to encourage collaboration, diffuse decision making, and spark creativity, they must design offices that balance a craving for privacy with a tendency to congregate in groups and socialize.

"Tomorrow's mindsmiths will need access to spaces that vary in scale and complexity, spaces that are quiet and some that are noisy, spaces that provide opportunities for solitude and camaraderie, spaces whose character is functional and others that are aesthetic in nature," Krohe writes.

Smart companies, Krohe suggests, "will begin to locate conference facilities near food-service areas so that workers can combine those ancient human appetites for conversation and food in settings that mimic such universal venues for human interaction as the cafe or the piazza." Other distinguishing characteristics of 21st century workplaces might include wider aisles; lower walls between cubicles; "widemouth" office doors that allow room for standing chats; and escalators rather than elevators to enable "accidental seeing."

Co-Managing Career Plans

By Irv Margol, managing director, Southern California Jannotta, Bray & Associates, the Hoyt Organization, 22750 Hawthorne Boulevard, Suite 230, Torrance, CA 90505.

Talented executives are more likely to switch employers today than in previous generations. But the loss of even one key executive or manager can cost an organization hundreds of thousands of dollars in lost expertise and productivity, not to mention the cost of training a new employee.

Companies no longer can win young executives' allegiance by offering attractive compensation packages. Companies are more likely to retain key executives by helping them tie personal and professional goals to their employers' interest.

Human resource executives face several challenges in retaining and advancing promising executives:

- how to provide motivating career paths for high-potential executives
- how to retain valued executives who have reached career plateaus
- how to manage career development for dual-career couples

- how to help valued managers understand the potential benefits of relocating or accepting a different job assignment within the firm
- how to help executives retire.

Many organizations have found that career co-management between employer and employee offers a useful way to address those often interrelated issues.

To start, an organization establishes program objectives and identifies participants. Common goals include employee assessment and development, employee retention, and succession planning. Typical participants include young executives who show promise, high-performing executives the company wants to retain, and senior executives nearing retirement. Career co-management programs also include the spouses of participating executives.

First, each executive and each spouse participates separately in a thorough assessment of characteristics, likes and dislikes, management style, and the kinds of environments in which he or she functions best. Each executive also selects colleagues who then offer confidential assessments of the executive.

During the second phase, a facilitator discusses the findings from the individual assessments separately with each executive and with his or her spouse. This review covers problem solving, organizational, administrative, and communication skills; leadership style; performance under pressure; and interpersonal relationships. The discussion also highlights skills and accomplishments.

After reaching some independent insights, the couple meets, together, with the facilitator to share perceptions, clarify issues, and outline options for achieving a broad array of long-term goals—economic, career, spiritual, and personal. The couple also discusses how the goals mesh with their roles in their marriage, family, community, and work. They then begin to develop a blueprint for their future.

In the third phase, couples present their ideas to the facilitator, who then provides feedback and additional guidance to help each couple establish a plan—charted in five-year increments—linked to the couple's life goals. The plan might be designed to help them define individual career goals, attain financial goals, or prepare for early retirement. This type of incremental planning especially suits ambitious, two-career couples, who must merge demanding, and sometimes divergent, career paths with marriage and family.

Once a plan is designed, the facilitator and the executive meet with the executive's supervisor and the human resources manager to share the results.

During the final phase, the facilitator continues to meet with the couple to help them implement their plan. The facilitator also suggests ways the employer and executive can co-manage the plan.

Jointly addressing the needs of the

employee, the employee's spouse, and the organization increases the likelihood that the employee will strengthen his or her connection to the employer's goals. This approach also enables the company to understand and support the goals of its key employees.

Career co-management sends a clear message to high-potential employees that the company values them and their spouses, and that the company considers them worth a continuing investment.

Welcoming Climates

Adam, a star performer at your company, tells his manager that he is gay and plans to bring Robert, his partner of five years, to the firm's showy silver-anniversary dinner. The manager, George, feels confused about how to respond: He fears that including an openly gay couple at the dinner could cost the firm business from its more conservative clients and could derail Adam's promising career. How would you advise George?

That's the outline of a fictional case study prepared by Harvard Business School Press editor Alistair D. Williamson and presented to a panel of experts. The case study was published in the July/August issue of the *Harvard Business Review*.

The experts' answers indicate a consensus: Accepting the couple is the ethical imperative, as well as the most financially prudent course of action.

It is discriminatory to bar or discourage gay employees from escorting their partners to company events at which heterosexual spouses and significant others are welcome, respondents observe. Therefore, excluding Adam and Robert is unacceptable on moral and—as an increasing number of states and cities spell out—legal grounds.

Moreover, trying to push gay employees back in the closet to avoid offending clients will backfire, experts contend. Companies are as likely to gain as to lose business for taking a firm stand against homophobia; they also claim the inside track on attracting the best talent in an increasingly diverse workforce.

Training Blossoms in India

Demand for training and development specialists is burgeoning in India, reports the New Delhi edition of the *Economic Times*.

Young consultants are injecting new life into a field long dominated by academicians, retired CEOs, and personnel managers. Ushered in by large, multinational companies, training and development now is taking hold in smaller and family-run businesses, as well.

According to the article, training and development began to grow in importance during the 1980s, as businesses realized that their preoccupation with technology and finance caused them to overlook the value and needs of their human resources. Training and development specialists consult with Indian firms in such areas as global competition, staff retention, organizational design, strategic planning, time management, and communication.

India's growing cadre of training and development consultants is bringing a new professionalism, perspective, and style to the field. Unlike old-school specialists, who favored lectures and one-shot seminars, the new breed stresses the link between HRD and global competition, involves learners in interactive activities, and encourages companies to integrate training and development into their long-term strategic plans.

Still, many specialists interviewed for the article suggest that the field has a long way to go in India. Says consultant Rajiv Khurana, founder of Personnel Lab Management Consultants, "Training is still viewed as a leisure activity. Very few companies have well-defined, clear-cut, policy-driven programmes."

Getting Closure on a Closing

Companies seeking to streamline operations won't realize any gains from closing a plant or an office if the experience is so painful that it causes employee morale and productivity to plummet, says a consultant.

Joy McGovern-Hraber, managing partner at EnterChange, a national consulting firm based in Parsippany, New Jersey, has some suggestions for supporting employees through a closing:

- Have the highest-level manager possible participate in closing ceremonies. Too often senior managers will avoid the site as if it—and its employees—are contaminated.
- Move employees who are remaining with the company to their new locations at least a week before the facility is officially closed.
- Develop some way to recognize personally the affected workers and acknowledge their contribution to the organization—even those who are not losing their jobs.

Summoning Grace Under Pressure

Bad times don't always bring out the best in people. When struggling businesses lay off employees, management often handles the wrenching event clumsily at best and brutally at worst. In the wake of botched layoffs, companies frequently find themselves flailing in a storm of vicious office politics and rampant fear.

If you find yourself swept up in such circumstances, keep your wits about you and your heart in the right place, advises career specialist Marilyn Moats Kennedy in *Across the Board*. She suggests the following survival strategies:

- Show compassion for those who have lost their jobs.
- Tell the truth or say nothing. If you don't know facts or can't talk about them, say so.
- Keep remaining staff members focused on what needs to be done, and encourage everyone to support each other.
- Give everyone the benefit of the doubt. Publicly reject any rumors about someone's motives.
- Act upbeat, even if you don't feel upbeat. Look hard for good things people are doing that you can recognize and appreciate.

Says Kennedy, "Trying to temper brutality with kindness is a survival strategy, not charity."

- Consider investing in a memento that employees can keep.

"Be cautious, though, about going overboard," McGovern-Hraber says. "You are walking a fine line between a meaningful demonstration of company goodwill and another denigration. Offer sincere thanks, but not pity. And do your commemoration quietly. It should not be viewed as a PR gimmick for the company."

Other good ideas to ease an inevitably difficult situation: Give employees as much advance notice as possible, so they can begin to make plans; offer training and outplacement services to help people find new jobs; and keep record keeping straight to ensure that employees won't face hassles over compensation and benefits.

Soundbite

From a presentation given in July 1993 in Alexandria, Virginia, by Geoffrey Bellman, consultant and author of Getting Things Done When You Are Not in Charge.

"The challenge in quality and other change efforts is in getting people on board. Quality has to be connected to life's meaning. If employees don't see that connection, it's just more management crap.

"With all that's going on in the world today, to choose to change is very difficult. On the other hand, what other choice is there? If I don't lead my life, someone else will. Then I'll hold them responsible and blame them for everything they do. Let's be honest with ourselves. When [you] gripe, are you willing to take the responsibility for changing things?"

Update on Substance Abuse

The latest installment in a long-term study finds that businesses rely more on penalties and drug testing, and less on education, to combat substance abuse in the workplace.

Human Resources Research, a division of Far Cliffs Consulting, in May released the latest installment in its 23-year study titled *Substance Abuse in Organizations*. The study's most recent findings include the following:

- Ninety-six percent of respondents reported that an incident of substance abuse on the job has occurred within the last five years in their companies. Incidents involving alcohol, cocaine, and marijuana are up. Incidents involving heroin and barbiturates or amphetamines are down.
- Positive management practices can reduce the incidence of substance abuse in the workplace.
- Education dropped significantly, since the survey was last conducted in 1986, as organizations' first-choice method of coping with substance abuse.
- Organizations are quicker now to refer employees to assistance programs and to fire employees who do not improve. More organizations are firing employees for first offenses.
- Respondents reported that 58 percent of organizational training efforts related to substance abuse focus on policy and procedure, but said they believe their organizations should place more emphasis on education and prevention.

"Training is not the only element in an organization's effort to confront substance abuse. But its absence seriously hampers efforts for successful implementation of a policy or employee assistance programming," write the study's authors, James W. Schreier and Brian J. Pugliese.

They urge organizations to examine substance abuse not as a separate personnel problem, "but as one [that] is as much related to organizational success as quality."

According to Schreier and Pugliese, substance abuse in the workplace is "much more integrated with issues [such as] recruiting, training, compensation, and management than some individuals and organizations have been willing to admit."

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