

# In Practice

## “People Skills” Still a Sales Basic

Salespeople with a knack for building strong interpersonal relationships with clients are likely to outperform less socially adept peers.

This notion sounds easy to grasp, but it is often overlooked by companies seeking a competitive edge, says Michael Leimbach, the director of research for Wilson Learning in Eden Prairie, Minnesota.

In recent years, many businesses have pushed salespeople to hone their skills as strategists and consultants, he explains. Firms expect their salespeople to identify and analyze marketing opportunities and to help clients select and use the firm's products and services to their best advantage.

But a salesperson won't succeed as either a consultant or a strategist if he or she can't first establish a relationship with a client. And that relationship must be characterized by trust and a willingness to share information, says Leimbach. That's where people skills come into play.

People skills are still a core competency for effective salespeople, says Leimbach. “A salesperson who is able to establish effective interpersonal relationships with customers will be able to implement complex strategies and achieve sales success.”

Everyone has a particular style of communication, explains Leimbach. Analytical communicators, for instance, like to amass facts and thoughtfully weigh options. Expressive communicators focus on insights, ideas, and emotional undertones.

According to Leimbach, truly effective communicators display a common trait: “interpersonal versatility,” or the ability to modify one's



Dan Yaccarino

preferred communication style in order to put others at ease. Such versatility is a vital ingredient in sales success.

A new study drives the point home. The study, conducted for a doctoral dissertation, used Wilson Learning's Social Style Profile to measure the “interpersonal versatility” of 170 salespeople from four food-brokerage firms. The study then asked sales managers to rate each subject's performance in five key areas, as well as to rate each subject's overall performance. Salespeople with high versatility scores were more likely to earn high marks for performance.

Versatile salespeople outperformed less-versatile peers in making presentations and providing information. Moreover, high scores in those two areas strongly predicted high scores for overall performance.

The findings indicate that salespeople's performance varies by as much as 30 percent, depending on their degree of versatility. Put another way, less-versatile salespeople who learn to

*Salespeople need to know how to reach out to customers. Communication training can lend them a helping hand.*



adapt their communication styles to fit their clients might be able to boost their performance ratings by as much as 30 percent.

Most people can develop the knack with training, says Leimbach. "It is possible for a person to become more versatile, meaning he or she can develop greater sensitivity to others and a greater willingness to adjust his or her style in an open and honest way."

For more information on the survey, contact Wilson Learning at 800/328-7937, ext. 8866.

### "Unlearning" Holds the Key to Competitive Success



Before you've raised the roof on the learning organization, here come business gurus Gary Hamel and C.K. Prahalad, urging you to build "the forgetting organization."

Actually, they call it the "unlearning organization." And according to the preface of their new book, *Competing for the Future: Breakthrough Strategies for Seizing Control of Your Industry and Creating the Markets of Tomorrow* (Harvard Business School Press, 1994), their work complements that of Peter Senge and other "new-age strategy scholars."

Here's Hamel's and Prahalad's twist: Companies should spend less time capturing the lessons of the past and more time projecting themselves into the future.

Hamel, a professor of strategic and international management at the London Business School, and Prahalad, a professor of corporate strategy and international business at the University of Michigan, consult with many multinational firms.

"We are talking not so much about the process of learning, but one specific goal of learning: the creation of a distinct, well-articulated point of view about what an organization's future can be," explained Hamel in a recent interview.

Many senior managers of hugely successful companies learn collec-

### HRD's Role in Unlearning

Human resource specialists can help their organizations forget old lessons and develop new mindsets for the future. Gary Hamel recommends these strategies:

- ▶ Find the pro-change constituency. "Jack Welch once said you never find a pro-change constituency in a successful company. I disagree. But it's seldom found among the top 10 percent to 20 percent of officers—they build the old model, and they are happy with their creation. You find it at the periphery, far outside headquarters." You also find it among the organization's young employees, "the people who have a bigger stake in the future than in the past."
- ▶ Reconceive the corporation in terms of core competencies. "Core competencies are skills that should not be held captive to any particular product or market." One of Sony's core competencies, for example, is "pocketability," the ability to make things small. HR specialists are responsible for core competencies, which are embodied in people. They should serve as "stewards of talent," allocating individual and accumulated talents to support the corporation's strategy. Motorola, for example, "under-

stands that managing and investing in talent holds the key to the future."

- ▶ Create a sense of urgency among employees. Organizations must communicate to employees the impermanence of success. "What are the early warning signs that the current profit engine may run out of steam?"

Equip employees with the intellectual tools they need in order to think about the future. These include statistical analysis, problem-solving techniques, and teamwork skills.

- ▶ Involve employees in crafting strategy. Over the last 10 years, organizations "realized employees have brains," but most still ask employees to think only about finding a faster way to screw on a wing nut. "Why not democratize the process of crafting strategy? Companies should exploit every bit of wisdom that's there." Senior managers, he says, must develop the "confidence and humility to let go and widen their circle."

Strategy-making has been an elitist activity, and its center of gravity has been at the top, Hamel notes, but leaders "don't have to dream it up alone in the bathtub and take all the credit."

tively only too well, said Hamel. Over time, they all absorb the same values, perspectives, assumptions, and beliefs about their businesses and their industries.

In short, success often begets insularity. Ultimately, senior managers suffer from a kind of industry inbreeding that waters down their intellectual stock and perpetuates shortsightedness. They fail to learn about the future, and they grow blind to competitive challenges on the horizon.

Hamel and Prahalad describe this phenomenon as a lack of "genetic diversity" among a company's management ranks.

And, they contend, training and development programs form one link in the corporate double helix that produces hidebound senior managers.

"Training is really brainwashing—

right?" said Hamel. Over time, training programs and other standard human resource practices—such as strict hiring criteria, exhaustive employee-orientation programs, and formal mentoring programs—"encode" certain management perspectives into the organization. Administrative structures, policies, and procedures form other links in the chain.

Even racially and ethnically diverse workplaces are not immune to the effects of such policies and practices, Hamel said.

Hamel said he's been to multinational accounting companies "staffed by accountants of all hues and nationalities," but that employees in those firms were "so highly socialized and trained" that he could discern no differences in mindsets among them. The advantages of cul-



tural diversity, he said, were superseded by "genetic" similarities.

"HR people should be very conscious of the orthodoxies [they] are perpetuating," Hamel cautioned. "Be very conscious of [corporate] conventions and under what conditions they become toxic."

Rather than indoctrinating managers and employees, HRD professionals should help their organizations "learn to forget" lessons that mire them in the past.

Organizations must "develop the mental space for new ideas to emerge" and reframe their assumptions about what it means to be strategic.

Using data equally available to all, such as changes in demographics and regulations, successful companies smash their industries' conventions about what business they engage in, where their markets begin and end, and how they make their money. Think MTV, said Hamel. Think The Body Shop. Think Microsoft.

According to Hamel, challengers such as these developed foresight, or what he sometimes calls "hindsight in advance." Companies that fail to develop foresight are the ones that wind up throwing thousands of employees out of work as they restructure and reengineer themselves back to financial health.

But getting lean and financially fit won't help companies thrive over the long term, if corporate myopia persists, Hamel warned. Ultimately, even once-path-breaking firms can suffer from this affliction.

"To be a challenger once, you have to challenge the orthodoxy of the industry incumbents. But to be a challenger twice, you have to challenge your own orthodoxies," he observed.

The cure? Hamel and Prahalad prescribe "gene replacement therapy"—a multipronged approach to "changing the assumption base of a large group of people in a very short time."

Human resource professionals should be intimately involved in managing this process, said Hamel. See the box for some suggestions of how HRD specialists can be part of the solution.

## Privacy After Hours

Employees and human resource executives largely agree on matters of workplace privacy, finds a Harris poll.

Most U.S. workers believe that their employers respect their rights to keep their personal lives and health histories private. But many minority and low-income workers are less sanguine about whether their employers respect their rights to privacy.

Moreover, most employees and HR executives worry about the potential for abuse of computerized health records, particularly as companies try hard to cut health-care costs.

The survey findings were released in conjunction with "Off Limits: Your Health, Your Job, Your Privacy," a documentary that aired late last summer on public television stations across the United States. "Off Limits" was produced by the Educational Film Center of Annandale, Virginia, which commissioned the survey by Louis Harris and Associates.

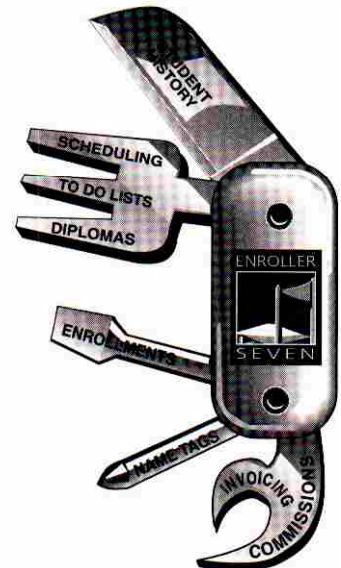
Pollsters interviewed a nationally representative sample of 1,000 employees of private-sector companies with at least 15 workers, and 300 senior-level human resource managers at corporations with at least 25 employees. Harris reports that the survey has a margin of error of plus-or-minus 2 percent to 3 percent, at a 95 percent confidence level.

"Private-sector employees and human resources executives tend to agree on the types of tests and database uses that are appropriate for making hiring decisions and the types of demands employers can make of workers when it comes to off-the-job behavior," says Joy Sever, vice-president of Louis Harris and Associates.

"There is little support for testing off-the-job nicotine use, alcohol consumption, genetic predisposition to illness, and general psychological attitudes. Both groups agree, however, that it is acceptable to check into illegal drug use, prior felony convictions, and claims made about education degrees."

According to the poll, 61 percent of private-sector workers believe their employers protect their rights to

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privacy "very well." Another 39 percent, representing 28.4 million corporate employees, do not believe their employers live up to that standard: 29 percent say their employers respect their off-the-job privacy "somewhat well." Another 11 percent say their employers do not respect their privacy.

Three percent of respondents

(representing 2.2 million employees nationwide) say they have avoided filing medical or psychiatric claims because they did not want their employers or other employees to know the details of the claims or treatments.

Minority and low-income workers are more likely to report that their employers invade their off-hours pri-

vacy. For example, 42 percent of African-American workers say they worry that their supervisors or other managers will see their health and medical claims before they are sent to their insurance companies; among all employees, 16 percent voice this concern. African-American employees also are more likely than employees in general to report that an employer asked for personal information they felt was inappropriate (23 percent, compared with 10 percent of all employees).

Workers in households with annual incomes of \$15,000 or less are more likely than employees in general to report that medical or health information they provided to their employer was improperly disclosed to other people (10 percent, compared with 4 percent of all employees). Workers with low incomes also are more likely than employees in general to avoid filing medical claims because they don't want their employers or other employees to know the details (10 percent, compared with 3 percent).

Two of three employees (64 percent) and HR executives (66 percent) are "very" or "somewhat" concerned about maintaining the privacy of personal medical data if the U.S. health-care system moves to a standardized medical-records system, or if health-care reform leads to a national data base of medical records. Large majorities of both groups say that health-care reform legislation should specifically protect the privacy of computerized medical records.

"Even though most workers and managers are generally upbeat about off-the-job privacy today, the strong fears about possible abuses of a centralized national data base under national health-care reform show they are not blind to privacy threats," says Alan Westin, a professor of law and government at Columbia University in New York City.

A summary of the survey findings are available electronically. To receive the summary via modem, send a blank e-mail message to [privacy@hastings.mailer.net](mailto:privacy@hastings.mailer.net) on the Internet. For more information on the survey and documentary, contact Scott Stapf or Michelle Herman, 703/276-1116.

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## MANAGING STRATEGIC CHANGE

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## 'Tis the Season To Network

By Joyce Wessel, vice-president of EnterChange, a national outplacement firm at 5775 Peachtree-Dunwoody Road, Building D, Suite 520, Atlanta, GA 30342; 404/705-2051.

A lot of people think December is the season to be jolly. It is also the season to network. Job seekers who avoid holiday parties because they dread the question, "What do you do?" miss their chance to jump-start next year's job search.

Career consultants counsel clients to attend as many holiday events as possible. According to Carol Beavers, a senior vice-president with EnterChange, "private parties, church gatherings, professional meetings, and open houses are perfect settings to gather information, discover career opportunities, and meet people who can and will help you in your job search."

Networking is a natural skill, according to Beavers, but it can be easier if you follow a few guidelines:

- ▶ Accept every invitation you can. At no other time of the year are you likely to have such easy access to so many people.

- ▶ Talk with the people you meet. Let them know you are in a job search. The most unlikely encounters turn into job leads—and even job offers. While waiting in line with his children to see Santa Claus, one mid-western manager struck up a conversation with another father. As luck would have it, this person had just received the OK to fill a vacant position in his company. The two traded business cards, and the job seeker followed up a few days later. He started his new job on January 2.

- ▶ Be focused. Be prepared. The job seeker in the above example landed his job because he could describe—clearly and concisely, and in conversational style—what he wanted, how his specific skills and experience qualified him for the position, and how he as a person could benefit an organization.

- ▶ Have a realistic agenda. Understand what you want to accomplish. Every contact is not a job lead. Value information, referrals, ideas, and con-

nections. They may not be direct job leads, but they may lead to jobs.

- ▶ Remember that the key to networking is reciprocity. Your involvement with other people must be sincere. You must be as interested in their stories as you want them to be in yours.

- ▶ Be positive. It's the season to celebrate. Be enthusiastic about your goals and hopes for the future. Positive energy is both contagious and inviting. People who are drawn to your upbeat attitude are more likely to want to help you.

- ▶ Be gracious and appreciative. Follow up with everyone who gives you time, suggestions, referrals, or information. Write a brief thank-you note to each of them. Tell them that you will keep them posted about your job-search progress.

- ▶ Act; don't agonize. Your first few attempts at networking may feel awkward. Persevere. You don't have to be comfortable. You don't have to be perfect. You just have to be yourself, reach out to others, explain your goals, and let them help you. It will never be easier than during this season of goodwill.

## Training Experts Take to the Airwaves

Who says there's never anything relevant on television? "American Business Journal" is a 30-minute CBS program that premiered this fall. It turns the camera on business issues, spotlighting nationally recognized experts. And several episodes address training and development.

Each episode includes six segments. Each segment addresses a specific business issue and is divided into two components:

- ▶ a field interview
- ▶ a round-table discussion held in the studios of CBS Broadcast Center in New York City.

In each studio session, host Chere Graham discusses the issue with an industry expert, as well as one or more corporate executives whose firms have found ways to address the topic being discussed.

Topics on the program's slate include change management, globalization, new technology, and

empowerment. Curtis Plott, president of the American Society for Training and Development, and Stephen Wall, president of the Instrument Society of America, are the featured training experts.

Representatives from the following companies also appear on the show: Kaset International, Summit Training Source, Zenger-Miller, Decker Communications, Omega Performance, Learning Tree International, Executive Technique, ODR, Simon & Schuster, Personnel Decisions, Executive Perspective, Ridge Associates, Acclivus Corporation, ARC International, Psychological Associates, Tracom Corporation, and Interaction Associates.

"American Business Journal" appears on selected CBS-owned and -operated stations nationwide, and will be rebroadcast in the spring. Check your local listings for dates and times.

And stop zapping those channels!

## Soundbite

From U.S. Secretary of Labor Robert B. Reich, testifying in October before the Senate Committee on Labor and Human Resources.

“Well-educated and skilled workers are prospering, while those without education or skills drift further and further away from the economic mainstream. Increased numbers of disadvantaged young people are idle—they are not in school, not working, and not looking for work.

“If we address low educational achievement, lack of job skills, and social isolation early, we have the greatest chance to prevent the tragic waste of a lifelong mismatch with the mainstream economy.”

This month's "In Practice" was compiled by Erica Gordon Sorohan and Catherine M. Petrini. Send items of interest to "In Practice," Training & Development, 1640 King Street, Box 1443, Alexandria, VA 22313-2043.