

A person is climbing a steep, vertical rock face. The climber is silhouetted against a bright blue sky with scattered white clouds. The rock face is on the right side of the image, and the climber is positioned about halfway up it. The overall scene conveys a sense of challenge and risk.

THE 7 BIGGEST PEOPLE MISTAKES

THAT DERAILED YOUR
BUSINESS

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People are your greatest asset...or your greatest liability.

Over the last 30 years, I've managed over 300 hundred people, been a Director of Human Resources, recruited, hired, and fired dozens of people. I have also searched for vendors and contractors to provide goods and services, and have had to interview hundreds of people to fill these positions. I've discovered that finding the right person is an art form, requiring both logic and gut instinct to determine who will excel.

I've also learned that hiring the wrong employee, executive, contractor or vendor is expensive and emotionally draining. Picking the right partnership, monitoring its progress, and ending it when it's not successful is key to creating a team that will create a thriving, long lasting business.

What is it that keeps us from finding the right person for the right position?

#1 Lack of Leadership

If you have read any of my work, you will find this reason as no surprise. Throughout all my years in business, I've seen Leadership issues *the* foundational reason for business failure.

Whether you have full time employees, independent contractors, onsite vendors, or your brother-in-law volunteering for you part time, business owners and leaders are responsible for the successful operations of their business. You must manage finances, operations, sales, marketing, *and* people. They come in all forms: young, old, big egos, limited experience, wanna-be experts, or extremely capable. *Your job is to sort through the abilities, character, and potential to leverage their time and talent for the success of your business.*

As you grow your business or climb the corporate ladder, you'll have to delegate to someone. It is up to you to find the right people, guide them toward common goals, find and grow their potential, and let them go if they don't perform. It is also up to you to understand your goals, so you can have the people who surround you support those goals as well.

When I was a fresh, youthful associate management consultant, I reported to a high level, somewhat brash Executive Vice President who told me what my #1 priority was. "Your job is to make me look good," he said.

It took me some time to truly understand what he said. He wasn't saying it from an egotistical point of view, but he was telling me that he expected me to do my best, hold myself to a high standard, so he could continue to lead his team, deliver outstanding work to our clients, and serve the company over all. In return, he showed me what a great leader was, provided one of the best business educations I could have ever received, and gave me continuous opportunities for growth.

#2 Lack of Respect

Ever had a boss who was a dictator?

Ever been the employee who didn't care about the boss or the company?

Ever been both?

Whenever two or more people get together with the intention of achieving a goal, there needs to be a basic respect for each other.

If you like the people you work with, the more you'll get done.

And if you respect each other, you'll achieve even more.

Anytime your ego gets in the way, and you act disrespectfully, whether you are the superior or subordinate, you fail personally and affect the team.

Over the years, I've been shocked at what employees and managers do in the workplace. I've encountered both leaders and employees who lie, cheat, steal, come to work late, drunk (or both), wear revealing clothing, use abusive language toward coworkers and customers, and have sex on the job – and think it was appropriate behavior. Several people started out as very promising and dedicated employees. At some point, they lost respect for themselves and their employer. I've fired an embezzler, a drug addict, a chronically absent, long tenured employee (because no one else would), and many people who just didn't care all that much about their work.

As a leader, you have enough to manage in any given day, and dealing with disrespectful employees, peers, contractors or vendors on a continual basis should not have to be one of them. People issues quickly suck the life out of you, derail your goals, and drain your finances. Set a standard for respectful behavior for yourself and those you work with.

#3 Lack of Communication

There's an old saying, "Information is power", and sometimes people withhold information with the goal of hanging on to their power. Some folks still get a kick out of not disclosing important facts, over-inflating emotional issues, or disregarding others entirely.

Despite our ability to email, text, tweet, Facebook and just plain talk to each other, communication is still often the #1 issue with in company. Withholding important information about a potential client can block a large sale, and failure to communicate legally mandated information can end up with hefty fines. And not to mention, it just really tweaks some people if you don't include them on the latest email chain.

I was once part of a consulting team where our Team Leader did not tell the Client's Team Leader that he would miss an important meeting. The Client's Team Leader refused to be cooperative for the rest of the project. Because of that lack of communication, the client refused our help and expertise. As a result, that Client's company eventually went bankrupt, and a year later laid off 300 people. It was just plain shocking to see the combination of lack of information, large egos, and lack of cooperation could result in a truly disastrous outcome for hundreds of families.

It was at that point in my life when I decided to become a communicator, know my audience, be inclusive, and state my message as clearly as possible. Your lack of communication may have roots in selfishness, forgetfulness or apathy, but the outcome can live for ages.

**Be respectful of your audience,
*what you want to say and who needs to be included.***

#4 Unclear Expectations

If you ever see an ad for “On the Job Training”, run, run far away, as fast as you can. It is code for “we will not be providing you with any direction, you will have to figure things out on your own, and we will punish you if you don’t do things right.”

Unfortunately, there is an unstated belief that new employees are either superheroes or mind readers. The smallest to the biggest companies believe that their new hires are capable and will figure things out. They’ll catch on. They’ll instantly understand how we have been doing things for 20 years, and do it exactly how we want. Or contrarily, we hired this person to change things around here, and when that change happens, we don’t like it. If you don’t believe me, go to Glassdoor.com and read the comments that current and former employees have posted about small and large companies. You will see that lack of defined expectations runs rampant in our society.

I think the most astute advice I ever received on this subject came from the minister who married my ex-husband and me. He started by asking if, as an engaged couple, we had had any good fights? Being young and wanting to give a good impression, we both said, “No, of course not!”, wanting him to believe that we were the perfect couple. My minister had an unforgettable reply:

“You know why people fight, don’t you?

They have different agendas.

But they just don’t tell each other until it’s too late.”

If you don’t tell your boss, co-worker, employee, contractor or vendor exactly what you want, when you want it, they will never truly know, and will undoubtedly be unsuccessful in meeting your expectations of them.

This is what a job description, employment agreement, or vendor contract is supposed to do. It sets out, in writing, what you expect of the other person, so you can revisit it to get a clearer understanding of what you should do. It prevents you from having to be a mind reader or superhero who can’t deliver the goods.

#5 No Accountability

Let's say you have been diligent, followed all my advice, hired a golden candidate, clarified your expectations, and let them loose on the job. They performed great the first 3 weeks and you could finally sleep at night, knowing you had delegated the right tasks to the right person.

And in the fourth week, your new hire has an excuse for coming into work 2 hours late every day. She blames others for not getting what she needed to complete the project. She starts treating other people disrespectfully.

And you ignore it. It'll go away. It's a temporary thing. They're under a lot of stress. It's the busy time of year.

And the new client presentation you're supposed to give tomorrow isn't complete because your employee / contractor / vendor didn't get you what you needed on time. And now you must pull out all the stops to get it done.

When the presentation is over, do you:

1. Confront the slacker in the lobby for not getting their stuff done.
2. Forget about it and hope things will get better.
3. Document specific instances of their behavior and schedule a time for a performance review.

Unfortunately, there are a plethora of people out there who'll choose #2, so they don't have to have an uncomfortable conversation. But if you don't hold someone accountable for their actions, what happens?

1. They read your mind, understand your concerns, and automatically get better at their job.
2. They continue their current behavior because no one stopped them.
3. They get even worse at their job.

I think you can guess what happens.

Once you lay out expectations, you must follow up and make sure they are held accountable for their actions.

Lack of accountability starts a dangerous, if not legal, precedent. If you don't hold Jane Doe accountable for her actions, but then firmly reprimand John Smith, you end up treating people differently....and things just get worse from there.

**You must hold not one,
but ALL people *equally* accountable for their actions.**

#6 Lack of Discipline

You're a pretty savvy business owner, and you've laid out your expectations, and the person just did not perform as you anticipated. You've had the difficult conversation with them, and held them accountable for their actions.

And yet they continued their substandard work.

Now what?

1. You email them the latest Craigslist "Help Wanted" link.
2. Encourage someone else to informally tell them to find another job.
3. Confront them with disciplinary action.

You'd be amazed at how many people opt for #1 or #2. Unfortunately, there must be consequences for accountability. It's pretty much a fact of life. If you get in trouble, you usually must pay the price. It might be a warning, a firing, or a cancelled contract.

You cannot continue to employ team members who drag you, and others down, and expect to run a successful business at the same time.

At this point, you may need help from a seasoned Human Resources professional or a lawyer who knows the laws of what you can and cannot do. And it *will* cost you time, money, and heartache. But that is the consequence for waiting...too...long...to correct a problem.

Discipline can have a profound effect, not only on the people directly involved, but on those around them. As I mentioned earlier, I once had to fire a chronically absent, long tenured employee who had worked for the organization for over 20 years, and his absenteeism had set up a precedent that allowed others to be chronically absent, and without consequences. I "inherited" this employee from several previous managers, and decided to employ progressive discipline where I told him what I expected, what the consequences would be, and then followed through on my actions with discipline.

It took close to a year, but he got fired. Not only did our productivity increase in our department, but it sent a profound shock wave, across many departments and hundreds of employees, that this type of behavior would no longer be tolerated.

It takes a bold step, a lot of effort from multiple people, and a fair amount of cash to stop a chronic problem.

Don't put up with a chronic issue. Stop it early by setting expectations, communicating and being clear about the consequences.

#7 Wrong Fit

I cannot tell you how many times I have heard this phrase. “Let’s have Mr. X do that assignment...”

Um, no. This is how thousands of people get hired every year, because they are your neighbor’s daughter who used to babysit for you, or they did a great job at catering a party, so they’d make a great accountant, or they just quit their job working in a warehouse, so let’s have them do complex coding work.

Just because someone has a nice personality, is currently unemployed, or you have an obligation to them does NOT mean you should hire them.

Find the right person...for the right job

On a bigger scale, you often find people working at the wrong kind of company. A fast-paced start-up company might hire a slow, quiet, stable Chief Financial Officer because they think they need stability. A slow and stable construction company might hire a highly energetic sales person to change their stodgy reputation. But in most companies, this is just a literal mis-fit, and an expensive mis-hire. Recently Amazon.com offered a “Pay to Quit” bonus to employees to leave the company if they think there is a wrong fit. This \$2,000 bonus is a cheap price to pay to get rid of an employee who will ultimately not live up to their expectations.

I learned this very early in my life when I was studying to be an accountant, but wasn’t sure what the life of a CPA would be like. The large university I attended matched me with a “Mentor for a Day”, who turned out to be an older Caucasian male CPA in Southern Indiana. He was grumpy throughout the day, and not helpful at all. At the end of the day, I asked him how he thought I would do as a CPA. I’ll never forget his words. “You need to move to a big city like Chicago.” But why, I asked. “Because no turkey farmer in southern Indiana is gonna let any WOMAN near his books.” It was a bit sexist, but I got his point. I would be a mis-fit in that part of the country. (It later turned out that I was a mis-fit with accounting, so I moved on.)

Take some time to clearly define the job, envision the perfect employee, and spend time recruiting for the right employee, contractor, or vendor. It will save you money in the long run and set both of you up for success.

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THRIVING business venture?

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