

Ian Segail Interview with Robin Hilson

ROBIN HILSON: So for effective workplace coaching to occur, you need to have the two conversations. The conversation about the job and the conversation about the human being. And the human being is the one that is predominantly the cause of performance improvement.

(Musical Introduction)

IAN SEGAIL: Welcome to another salestutor.com.au podcast, which supports business owners and sales leaders with ideas, tactical insights to accelerate their sales revenue. My special guest today is Robin Hilson. Robin is the owner of McKenzie Consulting and has been for the last 25 years. Robin has also over 40 years of line management and consulting experience, and has also sat on the board of directors of a number of organization. His specific expertise is in recruitment and executive coaching of CEOs and senior line managers and in performance consulting with SMEs. In 2004, after many years of intensive research and practical application, Robin launched McKenzie Stretch, a performance management program.

It's taken months for me to finally pin Robin down into the boardroom for 50 odd minutes, so listen carefully as he explains why managing people performance isn't a silver bullet solution, but rather a function of many different skills that a sales leader must learn if they're to be successful in driving a high performance sales team.

So Robin, maybe we can just start and you can just share a little bit about your background, but more importantly how you came to get into this whole realm of performance management, because I know you did a heap of research before you even got started. But something would have obviously prompted you to get into it.

ROBIN HILSON: Well, I've been involved in human resource consulting for close to 30 years, in all aspects of HR, which include training and development and coaching and assessment and you name it.

IAN SEGAIL: Right.

ROBIN HILSON: Um, over the years I've been licensing for a major 360 assessment process, an international process, I owned a psychological testing company, all sorts of things across the board.

IAN SEGAIL: All to do with human...

ROBIN HILSON: Yeah, all to do with people.

IAN SEGAIL: Right.

ROBIN HILSON: Assessing people, helping people to perform better, and what I came to realize was that many of the initiatives and many of the methodologies used in say learning and development, actually didn't transform behavior although they intended to. And there was often a disconnect between the apparent sophistication of the tools and the processes and the required output, which was at the end of the day learning something, performing better, or whatever.

A practical example would be say a 360 degree assessment process, which would then lead to hopefully an improvement and/or change in those behaviours that have been identified for an individual to improve it. So 360 as you know is an assessment where a person self assesses, their boss assesses and their peers and subordinates against a bunch of competencies. They could be sales competencies, they could be leadership competencies, management competencies, values, anything, often aligned to the needs of the employer.

And so where it came to pass for some of these competencies the person scored very low, the idea was that you would work with this person or they would work with their boss or the HR department to bring about some improvement. And, in fact, it very seldom did lead to improvement and in fact, research as you know is full of that sort of data which supports my proposition. A lot of these initiatives don't lead very far in terms of actual change and improvement.

Also if you look at things like change management. We know that most change management initiatives fail. We know that. And it doesn't matter who does it, whether the most prestigious international consultants do it or whoever does it, we know that most change management processes fail. We know that.

IAN SEGAIL: Right.

ROBIN HILSON: So I try to find out a bit more about this to see was there something actually that could increase one's (inaudible).

IAN SEGAIL: So just before we go into maybe solutions, why is it that they fail? I mean, what is it that's so...?

ROBIN HILSON: That's what I try to explore.

IAN SEGAIL: Because there are very clever people coming up with some very clear ...

ROBIN HILSON: And I think my solution is based on those findings. What I found is not just one thing, there were many, many things. So that in looking for a solution, you had to factor in these various things. Unfortunately, there wasn't one simple thing.

IAN SEGAIL: Absolutely.

ROBIN HILSON: There wasn't one simple thing, there were lots of little things, which then lead me to develop a model which, to solve those particular things and to allow for those particular things.

IAN SEGAIL: Right.

ROBIN HILSON: So that was my first insight that in fact, was a multi-factoral solution. Not a singular insight.

IAN SEGAIL: So there's no one size fits all solution. You can't just do a 360 degree assessment and people are just going to suddenly change behavior?

ROBIN HILSON: Yes, essentially so.

IAN SEGAIL: Or send them to a training program and expect them to behave differently when they leave.

ROBIN HILSON: Yes. Yes, absolutely. Yeah.

IAN SEGAIL: So I guess the question – and again, I come back to it – why, you know we're talking about in some cases very sophisticated change management or people performance management system – and yet why do they not deliver in terms of behavioural change? What is it that's so difficult? You know, if you ask an employee to do something, surely the expectation is, "I'm paying you, you should do it."

ROBIN HILSON: Well, again, I don't want to be (inaudible) on this, but as we discuss the solutions, you will see there are a number of things that causes that, not just one.

IAN SEGAIL: Right.

ROBIN HILSON: You see? So if you can identify most of these things and then design a process that accounts for those things and have a bit of a checklist to say, "Have we done that and have we done that and have we done that?" And the more things we do, the greater the probability that in fact there will be change.

IAN SEGAIL: Gotcha. Gotcha.

ROBIN HILSON: Okay? It still doesn't guarantee it, but it significantly improves your (inaudible), significantly.

IAN SEGAIL: So and you've spent how long in researching this?

ROBIN HILSON: Well, a bit of a hobby. Um, you know, whilst still running a business and doing other things, probably 5 years, I'd say. Five or six years looking at it, because I wasn't really then intending to commercialize any of this stuff. It was more curiosity on my part and I probably would have read six or seven hundred books and journals and spoken to a lot of people and try to get my head around some of this stuff. Because again, if you take the term "performance management" different people would – it would have different meanings to different people.

IAN SEGAIL: Yes.

ROBIN HILSON: Ranging from the retail industry, which says somebody is being performance managed, that is, they are performing poorly. Therefore we will performance manage them, which means we will counsel them. Through to performance management such as how do you improve your performance as an adequate, good or even excellent person, how do you improve and/or maintain your level of performance.

IAN SEGAIL: Even our labels are wrong.

ROBIN HILSON: Well, because it's not – yet in my view, highly developed or clearly articulated area like, "I'm a cardiologist." You know? People know that and, "I'm a performance manager." Well, "I'm a performance management consultant." What does that mean, see?

IAN SEGAIL: Yes.

ROBIN HILSON: What does it mean? It means different things to different people. "I'm a cardiologist" we'll probably understand what that means.

IAN SEGAIL: Gotcha.

ROBIN HILSON: That's also to be seen probably within the context of a culture. Because if I operate within an authoritarian culture, then performance management implies that you better shape up or ship out. No?

IAN SEGAIL: Yes.

ROBIN HILSON: Whereas if you operate more within a transformational culture, uh, then it's a very different connotation again. See?

IAN SEGAIL: So and I guess having researched this, what themes did you start see appearing?

ROBIN HILSON: Okay. Well, probably not taking it from the top, just more generally. Firstly, if you look at something like employee engagement it gives you a clue. A lot of work being done on employee engagement, as there has been on customer engagement. So good research has been done so one knows – if you take the Gallup 12 as an example, there are 12 questions, but they were very well researched. If an employee scores highly on that, the chances are that not only will they remain in your organization, but when they come to work every day they're going to try their best. So that's your first clue.

IAN SEGAIL: Okay.

ROBIN HILSON: So if you're talking about improving and/or maintaining high performance, what happens if you have an engaged workforce? You're going to automatically increase the chances in aggregate before you go to the individual.

IAN SEGAIL: Yes, that makes sense.

ROBIN HILSON: When you look at some of the questions that are typically asked in an employee engagement survey, lots of clues come out of that such as my relationship with my manager. When I think about my manager and the way in which my manager engages with me, it's quite an important issue – the frequency of that engagement.

IAN SEGAIL: In terms of engagement or in terms of performance or both?

ROBIN HILSON: In terms of the conversation, the conversation between my manager and myself. The conversation, be it a formal conversation or be it an informal conversation. What is the nature of that conversation? See? How frequently does it occur? What does it discuss? There's the next clue. So what happens between a subordinate and a manager? What's the quality of that commercial relationship?

So I believe that a manager should have a shared responsibility with his or her direct report for the output and for the success of that subordinate. Not a sole responsibility, but nor too should the subordinate have the sole responsibility. It should be a shared responsibility.

IAN SEGAIL: Meaning (inaudible) absolve themselves of the responsibility?

ROBIN HILSON: Yes. So what that starts saying is there are sorts of skills that a manager should have that he or she may not have apparently in order to do that.

IAN SEGAIL: Okay.

ROBIN HILSON: And so what we found is that when we look at the sorts of skills that managers should have to do this properly, very few managers do. What we find also is that most of them have the potential to do it – that is they have the personality, they have the values, they have enough empathy and so on to be able to do that. But they don't have the skills.

There's no where or very few places where they can actually acquire those skills. These are not the sorts of skills one gets when doing an MBA, or in my view, in a supervisory three day course, much the ones I've seen certainly not.

So we then say, "Well how would we sort of generally describe"...

IAN SEGAIL: And these are teachable skills?

ROBIN HILSON: These are teachable skills, but the manner in which it's taught is also relevant. So we say okay, so how would we broadly describe the sorts of skills that we're looking for? Which brings us to the next subject that I have done a lot of work in, executive coaching, and to be honest, not always successfully because again, you take the horse to water, the coachee and the coach is supposed to have some responsibility for bringing about the change. And sometimes you do and sometimes you don't. But there's a skill there certainly, there is a skill and good coaches tend to do better than less good coaches.

So whilst you can outsource coaching, there's a thing called workplace coaching, which describes a manager who has somebody reporting to them who is skilled in a particular kind of coaching that relates to performance management. It's not precisely the sort of coaching that executive coaches do, but it picks up some of those skills, some of those competencies. Okay?

IAN SEGAIL: Can you elaborate a bit further?

ROBIN HILSON: Questioning skills, listening skills, setting the coaching framework, goal setting, and so on and so forth. Now, this sort of thing most managers don't have. Very little, some of them have never experienced that, so they rely upon their natural, innate people skills whether they're talking to their children at home or whether they're talking to their staff at work or their buddies on the golf course. It's like social, very sociable.

IAN SEGAIL: And also they come in from a point of, “I’m the boss.”

ROBIN HILSON: Yes, yes.

IAN SEGAIL: “I’m supposed to have all the answers.”

ROBIN HILSON: Yes. We just (inaudible) between a direct communication and a coaching. The direct is I’m telling you something, which often I need to. I need to provide you with information so there’s definitely times to do that. But coaching is questioning, so you’re not telling them anything. In fact, it’s the opposite. The other thing is when you’re telling you’re doing most of the talking. In coaching, you’re doing most of the listening.

IAN SEGAIL: So you’re actually wearing a different cap completely?

ROBIN HILSON: Yes. But you are the same human being.

IAN SEGAIL: Of course. I’m just saying it’s not a cap that we would be used to wearing as managers. We’re used to wearing the direct cap, not the questioning cap.

ROBIN HILSON: Well interestingly, some people instinctively do some of that type of stuff, instinctively because they’re good human providers. They have no formal skills. That is, sort of use their intuition and empathy and so on. Interestingly, women are better at it than men doing it instinctively. Men can be just as good as women I find, interestingly, and some of the hard nosed blokes that I’ve worked with, many of whom are not university educated – they might have come up through sales and been sales engineers or whatever, industrial products or worked in warehouses sort of – have gravitated through to sales management, warehouse management, accounting or something like that.

These guys do just as well, provided they have the tools. Which I found quite surprising and counterintuitive, because I thought I would have a major (inaudible) but I don’t.

IAN SEGAIL: So just to summarize to this point – so one of the things we’re talking about specifically is the themes that you would find. And one of the themes that you found was this whole coaching of employees not being very well developed.

ROBIN HILSON: Well, being absent totally.

IAN SEGAIL: Right. And obviously again, that impacts engagement and impacts performance.

ROBIN HILSON: Yeah. So we then say, let's start thinking about why people don't do things that you've asked them to do. Well unless they want to and unless they own it, unless quite apart from whether they understand it or not – unless it reflects their values, you don't even start to engage with them on that effectively. So coaching's about self discoveries. Coaching's about people themselves getting to the point where the light comes on. Coaching's about empowerment, empowerment in the true sense of the word where people choose to do something, to set a goal or whatever. And the role then of the coach is to help them to achieve the goal that they have set for themselves.

IAN SEGAIL: Right.

ROBIN HILSON: So the goal is not imposed by the manager, it's set by the employee. Very important distinction.

IAN SEGAIL: So does that mean that the manager – based on what you said earlier – does that mean the manager owns the responsibility or some of the responsibility?

ROBIN HILSON: The manager owns the responsibility for managing the process or for running out the process. And the manager, through his skill or her skill in workplace coaching, facilitates the achievements of the output, right? Through the skill of coaching.

IAN SEGAIL: Okay. But as a manager I've got an agenda. I've got numbers I need to chase, I've got things I need to meet, so if I've got an agenda, how do I – surely I'm going to impose my agenda on employees?

ROBIN HILSON: That brings us to the next of thirty or forty points. Okay. The next point is that the stake of goal setting and achievement is a fairly large area, body of knowledge in terms of what is best practice and so on. We work on 12 principles of goal setting. And some of the concepts are very simple like SMART goals, which everybody knows. There's actually an enormous amount of research around why SMART goals are important – Specific, Measurable, Attainable, Relevant and Time bound. And if you have a goal that isn't SMART, it's less likely to be achieved.

Now, the concept of alignment, which says we start with an organizational goal and we go down to a divisional or departmental goal, and then within that we ensure that the individual goals are aligned with the department in which they work and the company in which they work. Okay? At that point the employee has a choice – knowing what the company wants to do, its destiny. If I'm uncomfortable with that, then clearly we've got an issue so maybe this is not the place for you.

But if the company has an imperative to increase its sales by a certain amount or to get involved in a new industry or do certain things which requires the support of the individual, subordinate, that is something that then the subordinate has a choice. Now,

how they do that, so if we're coaching 20 sales people and that particular unit, that sales unit be it a country of a state or whatever, needs to achieve to set certain goals. How each sales person might get there to do their bit and make their contribution, what they actually do on the ground will be very different, one from the other. Very different. Very different. And so the simplistic, historical approach which is to say, "Well this division or this state needs to increase its sales by 10 percent" or whatever and so, "You all need to get a team." End of story, away you go – so you've given them...

IAN SEGAIL: The number.

ROBIN HILSON: ...the number, and away you go. Well, that clearly doesn't work. So just going back one step, the question of empowerment and self discovery and choice is within the context of, "If you want to work in this place you need to sell widgets. If you want to do something else and sell other products or whatever." So there's certain coming to work requirements if you choose to work here.

IAN SEGAIL: Right.

ROBIN HILSON: If the goals set by the people up the line are not attainable, the SMART goals are not attainable, then we're going to have a problem. So we're going to have situations where you've had a budgeting process occur, bottom up and top down, where an enormous amount of consultation and good will and so on, the divisions believe they can achieve a 5.6 increase in sales or profit or whatever. And then head officer says, "No, we want 25 percent."

Now, at that point, frankly, there is no value at all in the budgets. They mean nothing, absolutely nothing. What it means that some bloke up at the head office is not achieving his goals because Bangladesh is doing badly or India's not coming in on budget, so poor old Australia's going to suffer. Right? And that's what often happens. But that's got nothing to do with performance management. It's interesting how often that does happen.

So in terms of that being a sort of a company requirement, that's not the sort of company requirement I'm talking about because it's ridiculous. It's actually ridiculous.

IAN SEGAIL: Right.

ROBIN HILSON: It's interesting how many countless hours are spent on budgeting processes before each financial year commences. Months sometimes and yet how often is the danger ignored?

IAN SEGAIL: Yeah, many hours.

ROBIN HILSON: So there has to be reasonable-ness and attainability throughout the requirements of the corporation or division or whatever as a coming to work requirement. But what coaching's about – having said that – it's how does this particular individual achieve that? Either way, that's different to the next individual who, in fact, does the same job.

Okay. So we've been talking about workplace coaching. The most important thing about workplace coaching is that success requires two conversations to occur between the manager and the subordinate. And one conversation is the one that occurs anywhere often. It's about the person's job. It's about have you achieved your budgets or have you done your product development or did you call that customer yesterday or did you pick up the goods or whatever. Okay, so that's to do with your job description, with things around your job and your duties.

When you look at what causes people...

IAN SEGAIL: And most managers are very comfortable in that.

ROBIN HILSON: Yes and they're not coached on that. They tell. But that's 99.9 percent of all managerial conversations around the job. When you start looking at the area of motivation and human performance, say in the context of something like sporting excellence. So you have a famous tennis player who has a coach and you explore what is the conversation between that coach and the famous tennis player. And you say, "Well, how much of the conversation is about the tennis player's job i.e. you forehand, your backhand and your serve and so on?" Probably very little because...

IAN SEGAIL: This is that level.

ROBIN HILSON: ...Wimbledon player has been playing tennis for 15 years, actually knows a forehand from a backhand. So what are they talking about? Well what they're talking about is things like motivation and focus and state of mind and – which is what I call the people conversation, the person conversation, the conversation with the individual.

So for effective workplace coaching to occur, you need to have the two conversations: the conversation about the job and the conversation about the human being. And the human being is the one that is predominantly the cause of performance improvement. Because the job conversation about, "Well you know, you're only 94 percent of budget for the month today." "Yeah, I know boss, I've got a copy of the budget, the sales reports every day. Thank you very much. You haven't given me any information." See?

And that's very common. See? So the typical environment in which people work looks like this. The managing director calls in the sales director to say to him he's very

concerned about the business, last month was shocking, in fact the company came in with 80 percent of their budget, he's very concerned and so on.

(Closing music – inaudible)

And so he's got to engage with his sales force. So the first person he calls in is Harry Smith. Harry Smith has been the most successful sales person (inaudible) he's a consistent performer and he's very charming. But Harry Smith had a bad month, mainly because of the economy and because of other factors outside of his control. So the boss, the sales director is sitting at his desk when Harry Smith is ushered in. "Sit down, Harry. Mate, I just want to let you know we've had a bad month and need to do something about it." "Look, I'm in a bit of a rush, (inaudible) I'll speak to you later." And Harry is ushered out.

That's a typical conversation. So Harry, up to that point, has had a reasonably good morning, but he goes back to his desk. Now, you analyze that conversation, firstly, has his manager added value? Has his manager provided him with any more information than he already had? See? (Music playing – inaudible) motivational effect of that. Times are tough, Harry's feeling it just as much as the next person, what did that conversation do to his level of motivation? You see? Did it motivate him more or less? The answer is it motivated him less. In fact, he's feeling awful.

IAN SEGAIL: Especially as he knows that he had a bad month as well.

ROBIN HILSON: Yes. So from a motivational perspective, which is that part of the two conversations to do with a person, the value just got (inaudible) out of ten. (inaudible) Okay, it's done nothing for the motivational effect of this guy. Okay? The third thing is – what support has, in terms of how Harry can fix it, what techniques, what strategies, what ideas has the manager come up with to support and help Harry to get back on track? Nothing. Zero. Zilch, other than say get your act together. Nothing has happened apart from that.

So you say, "Well what justifies the existence of that manager?" Because he's getting paid, the sales director, to manage Harry isn't he? Some of his salary goes toward the effective management of Harry. So what has been the value add? Zero. Absolutely zero. And that is what happens everywhere most of the time.

IAN SEGAIL: Right. And even if it doesn't happen with just Harry one on one, would be the sales team in for a meeting and it's the same thing.

ROBIN HILSON: Same thing, same thing. So in fact, the word manager tacked on to sales means nothing. There has been no management of the sales. I mean, maybe from an accounting perspective or filling out forms or keeping the manager informed as to

whatever, or doing the budget processes or things that one does in one's office – yeah. But not the management of people. There's been nothing. When times are good and Harry is doing quite well, the sales director will have his weekly or monthly role meetings and stand up on his soapbox. It's very great and wonderful for ten minutes and that's the sometimes motivation, see? He's done his motivational bit.

So that's what often happens. In fact, more often than not.

IAN SEGAIL: Yes, absolutely.

ROBIN HILSON: The next thing you find in real life is that you go to a dinner party and you meet a guy and you say, "What do you do?" And he says, "I'm an accountant." "Okay, so do you mind if I ask where you work?" "Oh, I worked for Microsoft." "Okay, so what do you do?" "I'm the Finance Director, Asia Pacific" or something. "Okay, so do you have any staff?" "Yeah, about 65 in my department." "Okay, and so what do you do?" "Well I'm the number cruncher. I'm the guy that does the debits and the credits, see? I do a bit of tax, do a bit of foreign exchange, internal audits and obviously we do our monthly and annual accounts and we have to get international reports to the head office." And he goes on talking, he never once mentions the people. Not once.

Is there any discussion of the people? Because he sees himself as a number cruncher. He doesn't predominantly see himself as somebody you can actually, himself make a better contribution and have an even more productive department by effectively managing 65 human beings who happen to be sitting there working away. See, he doesn't look at the world that way at all. Doesn't see that there's a particular skill, as there is in accounting, there's an accounting skill, there's accounting knowledge, he goes to university, learns to be an accountant, does his articles and he goes and interprets the charges account, whatever. Enormous amount of technical skills in accounting, but he doesn't see that the management of people in any way is like that, that it can be looked at at a high level of expertise that there's knowledge to be had. He doesn't see that at all. Okay?

And yet when you look at the investment in people, in labour intensive areas, there's 65 people, you add up their salaries that's a lot of money. You can get another 5, 10 or 15 percent productivity out of that compared to the amount of time that that Finance Director spends in evaluating the new computer system, which costs 3.5 million dollars or whatever it did or whatever it's going to amortized over 5 or 10 years.

What? He spent 6 months and they had a project group and external consultants, whatever – and probably at some time 56 percent of his time was on that project. But how much time does he spend on looking at the yields on his human efforts? See? So that's what this is all about, this performance. So if you get it right, what happens? Because most organizations don't do this, it creates a great opportunity for competitive differentiation.

IAN SEGAIL: It would be (inaudible).

ROBIN HILSON: And if you look at the P & Ls of organizations say, “What does the wages and salaries spend?” Usually it’s a lot, it’s a big portion of what organizations spend. So if it’s a company in retailing that has – the HR Director of, we have 5,500 staff, we have 860 retail outlets, we spend a lot of money and time looking at the productivity of our properties, and the effectiveness of our products and our marketing, do you see? But when you look at our expense line, when you look at our P&L what’s our biggest expense? It’s people. It’s people, far and away. Spend a lot of money on people. A lot of salaries, a lot of wages. So but we don’t think that way. Organizations tend not to think that way.

So performance management is about optimizing your productivity essentially. And it’s saying what does one need to do to do that? What does one need to do to have a fully engaged workforce that effectively achieves the goals that they need to achieve? And by the way, when we talk about goals, we’re not talking about sales goals, we’re talking about behavioural goals. We’re talking about attitudinal goals. Probably more so than we are about thou shalt increase thou sales by 5 percent.

IAN SEGAIL: Right and in fact, behavioural goals and attitudinal goals very rarely come up. In fact, the only time say attitudinal goals would come up is you get this very broad stroke saying, “Your attitude sucks.” Or “Harry Smith has a bad attitude.”

ROBIN HILSON: Sure. And (inaudible) problem working in this company.

IAN SEGAIL: But we don’t know what bad attitude means or what it looks like.

ROBIN HILSON: Which brings me to the next point. There can be no goal that’s not measurable. There can be no goal that is framed in a way that can’t be measured. And particularly when you’re dealing with behaviours and attitudes the skill in developing a SMART goal with a KPI and measures around the soft stuff is part of the skill. You see?

IAN SEGAIL: I would say how do you develop and Key Performance Indicator around negative attitude?

ROBIN HILSON: Well we do that, that’s part of what we do and there’s a skill around it and anything can be measured. Anything can be measured, right? I mean, we are very pedantic about a definition of SMART goals, and what is a KPI, because often people don’t know what a KPI is. They think that a measure is a KPI. KPI is not a measure. KPI is a yardstick by which something is measured. And that sounds quite simple, it’s actually quite profound in terms of understanding that when you are goal

setting. Some of the easiest things in this area is where you want to have a more effective relationship with your customers, if you're a sales rep.

Now, if you look at the work say by Gallup on B to B customer satisfaction, you find the news is very bad. That's something like – something around 12 to 15 percent of customers are fairly engaged with their supplier. That's a shocking number if you think about it. And there's a hierarchy of things that a sales person can do in order to create intimacy.

IAN SEGAIL: Engagement.

ROBIN HILSON: Yeah and the point where they get rated 80 percent, 85 percent. Now, barely constructed goal setting is about focusing on the process, if you wish, to say, "We will have more meetings with the customer." Well, that will go some way because at least you're meeting the customer rather than talking to them on the telephone or sending them an email. That's good some way, but that's not enough.

So what is enough can be measured in terms of the ultimate output. So the ultimate output, simply put, is the customer engagement score. Because if you're achieving 80 percent, then you've check all the boxes. So the KPI would be customer satisfaction score and the measure would be 80 percent, 70 percent, whatever. And then you are measuring the attitude and perceptions of the customer towards the sale person, because customer satisfaction is attitude, it's a perception. You can't touch it, you can't feel it. So I'll just give you that as one example. Okay?

So the next thing is everything must be measured. Everything must be measured and that's part of what we teach.

IAN SEGAIL: What gets measured, gets done.

ROBIN HILSON: Yes. You can't have, in my view, a goal that is – that's an aspiration and also to test out the validity of the smart-ness of the goal, which is specific, measurable, attainable. So we've set a measure, is it attainable? Relevant and time bound, see those are that. It's very important that measurement occurs, critical.

We design, as part of the conversation process, specific meetings, and some of those meetings are purely around the person and getting to know that person better even when the person has been employed by that manager for 10 years. We've had profound experiences where we run the getting to know me sort of meeting where we are criticized by the manager ahead of that meeting, the fact that this employee has worked with that manager for 10 years and I know him intimately and so on.

And through this process, what we find is the sorts of questions that are asked, and in fact, it's in a questionnaire that the employee completes before the meeting, those sorts of questions haven't been asked before.

IAN SEGAIL: Such as?

ROBIN HILSON: Well, there are many, but it's about – you see, let me put it another way. If I'm a manager and I'm fairly (inaudible) bloke, engagement for me with my subordinates is taking them for a beer in the pub on a Friday night. Now, what we talk about then is about football and things that boys talk about, but we're not talking about you personally, see?

IAN SEGAIL: Yes.

ROBIN HILSON: This is talking about you personally and what you like and what you don't like, and your issues and your hot buttons, and it's about you personally. It's about what motivates you, it's about what turns you off, it's about your values. How does somebody who's not good at asking those – or doesn't know where to start – ask those questions?

IAN SEGAIL: Absolutely.

ROBIN HILSON: So we have the methodology because the managers don't have to say anything, they just have to go to the questionnaire and responses. So the question's already framed and responses are already there.

IAN SEGAIL: So the manager sits down with a subordinate and goes through the questionnaire which the subordinate has already put down, and it's just looking at their answers.

ROBIN HILSON: There's a take out process, because from the insights, you have to do something with that, see? Some of the insights are interesting, but not very important. But some of the insights are critical, because properly identified, they will lead if properly addressed, to further employee engagement. They will lead to a more productive human being. They identify development needs, see?

So the end of the questionnaire, there's an insight section where we describe the things that are of import for both of us. And then at the bottom half of that piece, okay, so what actions do we take? And that's the input to goal setting.

IAN SEGAIL: Can you give us an example, Robin?

ROBIN HILSON: Well, I'm currently working on this with probably 35 line managers right. Every case is different. Currently I'm working with a guy who sees himself as the most empathic, people oriented, empowering individual. Did a 360 with him and found that people didn't trust him. And he thinks people love him. He's a legend in his own mind. He sees himself as a leader and he isn't. He's an entrepreneur, but he isn't a leader. He wants to be a leader and we want to develop him. He's a general manager of a division and he does have potential to grow and develop; however, he needs to understand himself first. Because he totally misreads himself.

So out of this 360 feedback which is part of the understanding the person, and also in questioning the things that he says he's good at and he's not good at and so on, it became apparent he's a very ambitious person, who doesn't listen, leadership is influencing, leadership to influence a team of peers and emerge as a leader, you have to listen. You have to listen and he doesn't. He pretends to, but he doesn't.

He came up with a concept last week where he said, "I want to play a more prominent part in a particular part of the business. And I'd like to set up a work group with the other general managers who work in that particular part." I said, "Give me your vision. Tell me what your ideas are." He sent me an email, didn't tell me that, and he told he how he's going to run the workshop. See? He didn't answer my question at all. So I gave him two out of ten for listening and I gave him three out of ten for influencing me. For all sorts of reasons, I sent an email response to what he had agreed he would do and chose to do in terms of my homework that I gave him.

Arising out of this discussion about him, the person, not him the job holder – comes to self discover that in fact he's not listening. He says, "I do listen." But he doesn't. Now that's a profound insight. Now, it's taking me a couple of directions because we've given him more and more evidence. So when he was – when he self discovered that people don't trust him and there were 15 peers that evaluated him, he went and he said that's wrong and that just reinforced their views. So if he absorbs that and he understand that, and he starts working on that because goals are set around that to improve that, which could be around improving his scores in those aspects of the 360. Where he's currently scoring around 40 and 50, he wants to get to 70, 80 on those particular concepts, look at other people trusting him and listening and whatever. And that's how we can measure it.

IAN SEGAIL: Oh okay.

ROBIN HILSON: And he chooses to do that. That can't occur until the first bit – because up to now you can talk to him on an intellectual level about all this stuff and he can understand. He's done an MBA, he's a bright guy, he knows all the theory, he can spout you more leadership theories than you and I can have breakfast – he doesn't walk the talk.

So he's having some real angst, real angst. I've got another guy who is a general manager, who's a quantitative person. He comes out of a quantitative background. And he's not as commercial as we would like him to be. Okay? He's a great people person and he's very good with quantitative analysis and all that, but we need somebody who's commercially astute, who can be opportunistic in looking at competitors and understanding product and so on. And it's taken him a while to realize that he isn't that, which he now does in spades. He never will be that; however, he can construct a business that has people like that within it. Because up to now he has employed in his own image.

And this has been a profound insight for him.

IAN SEGAIL: Yeah, it would be.

ROBIN HILSON: The result of that – he's well on the road – he's now interviewing somebody who's not at all like him, who's very commercial. And the consequence of that is that business is going to make much more money. Plus he's happy – he's a very happy person.

IAN SEGAIL: He's doing what he's good at.

ROBIN HILSON: He continues to do what he's good at and work around the things he's not so good at. In aggregate he becomes more effective. Now that would never have happened if we didn't have the people conversation. And we empower managers who don't have the reason, human resource management or PhDs in psychology to be able to do what I just said.

IAN SEGAIL: So that's the thing, Robin. How do you have those conversations. It's fine to fill out a form, but when you start to get into – and most of the stuff is stuff that is typically roll under the carpet and pretend doesn't exist, it's the elephant in the room stuff.

ROBIN HILSON: Which brings me to the next point. When you are up-skilling somebody, a manager to do this, right? What typically happens is they go on a course, a two day coach the coach or whatever, it's a really nice course, a lot of workbooks and they do all the things and they go home. So key to success, we are wanting to put something that the person has absorbed into their brain in their temp file and put it into the hard drive. See? And this cannot work until, unless the person who is up-skilling, observes what that manager does on the ground with that information. Because what he's doing in the main is demonstrating a series of behaviors. He's not learning Excel spreadsheet where you can, you know, you can actually do some computer test where you can say, "You've got 7 right and 3 wrong."

IAN SEGAIL: Multiple choice, sure.

ROBIN HILSON: You can't do that. So we have a concept that's part of our embedding of what we do, requires us to observe a manager coaching a subordinate in different contexts. And what happens is there are coaching competencies, which we assess. We then when that coaching meeting is over, we then sit one on one with the manager and we give feedback and by then, come to – and that to me, is one of the most critical components of what leads to success. (inaudible) probably another 15 which I'm trying to remember some, so you can see what's emerging here as a pattern. It's a matrix of lots of little things that you need to do in concert to make this work. It's not any one thing.

IAN SEGAIL: Yeah.

ROBIN HILSON: The next thing is simplicity. As I mentioned earlier, many of our clients are not university educated, mostly blokes, not women, especially in the industrial products and industrial services arena, mining and so on. So they're not intellectual, certainly, and they're not touchy feely. They're not intellectual, they're not touchy feely.

IAN SEGAIL: So they come up through the ranks.

ROBIN HILSON: They come up through the ranks. They're down to earth, practical, no nonsense people. So the words you use in these processes have to resonate with them. All the things that you do have to be very practical and simple and clear.

IAN SEGAIL: So because if you use a high-falootin (sic) pallet of words, all HR words, it's just mumbo jumbo.

ROBIN HILSON: Yes. This system is universal, so it has to be able to operate say in terms of goal setting, you have to be able to have a goal setting regime for an illiterate, non-English speaking person on a factory floor, as much as for a managing director who's got a Harvard MBA. Because the concepts of goal setting, goal achievement are universal.

So what happens is as you go down the hierarchy, the methodologies that you use in terms of how you engage with the subordinate to set goals and their own goals, changes. The logistics of it changes, so if a managing director's working with the sales director, it's a one on one thing and so on as you go down the food chain, some of the elements can be done in group, some can't. That is goal setting.

So but the concept is universal.

IAN SEGAIL: So Robin, all the work that you've done, what have you learned in terms of what works and what are you still struggling with?

ROBIN HILSON: I'm not struggling with it, what I've come to discover is this concept doesn't work in all organizations. What I've learned is that probably the most important insight for me is that the core determinant of human behaviours are their core values and beliefs. So if the chief executive owner of a business doesn't value people, this methodology can only proceed on the basis that people are valued. Now, I don't choose to make a value judgment about this, all right? But an authoritarian director environment where people are not valued, but there seen to be units of production or whatever – even I might add sophisticated organizations, banking organizations which purports to have appropriate values but in reality they don't. Not at all. Okay? This model will not work. It's a bit like saying some companies are competitive in some ways, but they can't compete in others.

So this is an area where a company like that in my view can't compete. Because I believe having the value set to deliver this is evolutionary, it's aspirational (sic).

IAN SEGAIL: So they can't compete on the people aspect, they'll have to compete on the price or commoditization.

ROBIN HILSON: Absolutely. And some organizations it does not matter. Actually there's very large property development properties, some of them are multi-nationals and let's say shopping centre development companies, right? That really, they (inaudible) failure is a function of very significant decisions that are made. Do we open up this multi-million dollar shopping center in London? Yes, no? We're going to have to borrow billions of dollars, right? You get that decision wrong, you're in big trouble. If you get that decision right, you can afford to have (inaudible) it doesn't matter. Do you see?

So I'm not saying that you have to have this in order to be successful.

IAN SEGAIL: If I'm a manager on the ground, what do I need to do right now that will improve my people productivity, my people performance? What are some of the practical things that people...?

ROBIN HILSON: Unfortunately, that question is a bit like saying, "I want to be a doctor. What do I need to do right now to be a doctor?" Do you see? I don't believe that can occur by saying well, take a first aid course. I'm saying that this is a journey. I think there are hard skills and soft skills that you need to get, but the right ones, they need to be properly reinforced in what you do every day. You need to use the right intellectual property, the right forms, the right procedures, the right processes. And then through that, you will become very skilled in it.

I don't think there's one single trick, as I mentioned earlier. It's a composite of things, so in the process, the design itself must pick up all these little minutiae, all these little points that lead to success in combination. So unfortunately, my second insight – this is tough, it's not easy to do.

IAN SEGAIL: It's not easy.

ROBIN HILSON: It's actually tough. It's an opportunity and if people, managers acquire these skills, they can take these skills with them wherever they go. And once they've got them, it's like I'm now an accountant. I've got accounting skills. They're portable, see, it's the same thing. They can apply them elsewhere.

So the third insight, this process cannot be driven by HR. HR is a facilitator of this, this has to be driven by the line manager. Employees don't report to HR, they report to line managers. Okay. And many organizations give the HR department the responsibility to do this, learning and development, management and so on. And often it doesn't work for that reason, see? Yeah, so are there insights – in the old days we had performance appraisal. Performance appraisal is going out the door. This picks up elements of performance management, but it's future directed, it's goal directed, it's about what do I need to do very specifically to be successful in the next three months?

It's self measured. That is at the end of three months I will do my own dashboard to assist myself. I then go to my manager and share my self assessment, so it's not that sort of performance appraisal whereby based on that I will or will not get an increase or whatever. Nor is it the sort of performance appraisal where I rate myself 7 out of 10 and my boss rates me 3 out of 10 and we spend half an hour arguing the tasks. And when that meeting's over the performance appraisal gets put in a drawer and I think thank God that's over and I wait another 12 months. Now I can get back to my job.

Most performance appraisal processes have nothing to do with what people do on a day to day basis. It's just a chore that happens.

IAN SEGAIL: Because HR...

ROBIN HILSON: Because HR said they want to do it.

IAN SEGAIL: Interesting.

ROBIN HILSON: So (inaudible) a person is a daily thing. It's like managing a child or having a job, you (inaudible) delegate the management of their children to the after care or the childcare or the sadly – and we see what that does for families, right? Managing a child, running a child, having a child, it's something the parent does with that

child. And it's a 24/7 thing. Managing a person I think is very similar, because it should be a commercially intimate relationship just like having a child is a personally intimate relationship.

So all the skills that differentiate a successful parent from a less successful parent – many of the clues you can see in a manager (inaudible) because people don't stop being human beings the minute they go to work. They still continue to be human beings, see? It doesn't end. I've gone up in the lift, I've come to work and now I'm a unit of production, see? (inaudible) It doesn't stop. They continue to be human beings.

IAN SEGAIL: Robin, we're going to have to leave it there. Thank you so much.

ROBIN HILSON: Pleasure. Did I give you what you wanted?

IAN SEGAIL: Yes.

(Closing Music)

By the way, if you'd like a list of the questions you can use to have more individual people discussion, refer to my book, "Bulletproof Your Sales Team" and refer to the last section in the book, "Driving Individual Sales Performance" looking at the motivational footprint on page 262. You can purchase "Bulletproof Your Sales Team" from Amazon.com or from the Sales Tutor website, which is www.salestutor.com.au. For more information on Robin Hilson and McKenzie Consulting, as well as McKenzie Stretch People Performance Program, you can contact Robin via his website, which is www.mckpeople.com.au. And of course, for further information on how Sales Tutor can help you grow your sales, feel free to contact us here in Australia area code 0294607022 and ask to speak to Claudia.

END OF AUDIO