

Principles of Pharmaceutical Management • part 2

Managing employees effectively

LEARNING OBJECTIVES

- **Describe** the main supervisory activities of effective managers.
- **Explain** the performance coaching process.
- **Describe** methods to enhance communications and effective problem solving.
- **Identify** and describe the stages of team development.
- **Describe** strategies for hiring and retaining valuable employees, and encouraging a diverse workplace.

This second article in a three-part series discusses different aspects of human resource management.

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Effective managers realize that the most efficient use of their time is often working to increase the productivity of their staff. To be successful, managers must develop their skills in building relationships, communicating, problem solving, coaching and leading teams. Effective managers use performance outcomes to set clear expectations and measure the specific results. They also know how to hire and retain the best employees and develop

a work environment that values the diversity of its members.

Supervisory activities of the manager

Effective managers focus on important activities, such as building effective working relationships with their employees, and managing and measuring their employees' performance.

An effective approach for developing successful working relationships with employees includes the following:

- **Building trust.** Effective managers believe that trust is the key to developing and maintaining effective relationships with their employees.
- **Respecting employees.** Build respect by embracing the differences among your employees by utilizing their individual skills and abilities. Learn how each employee prefers to receive feedback and interact with others. Ask them about their short- and long-term professional and personal goals.
- **Learning from the best.** Analyze the talents and skills of outstanding performers in order to train others and make hiring decisions. Recognize the efforts of effective employees.

Managing performance successfully requires a twofold approach. First, focus on outcomes. Present tasks and assignments to employees in terms of *what* needs to happen, *when* it needs to happen and the degree of quality standards necessary. Trust the employee to determine *how* it will happen.

Second, provide clear expectations. Provide all necessary guidelines, identify avail-

able resources, set up performance evaluation standards and specify consequences if an outcome is not achieved. Follow up on progress toward meeting goals and objectives.

When measuring performance, it is important to have clear and frequent communications with employees. Direct your attention to these elements:

- **Ongoing appraisal.** Everyday contact allows for more opportunities to provide informal, ongoing feedback to each employee about his or her strengths and weaknesses and to focus on both short- and long-term goals.
- **Outcomes-based measurement.** Clear outcomes – with specific standards demonstrating whether they were met – can be of great value in measuring performance.
- **Providing feedback.** When performance outcomes are met, effective managers recognize this and reward employees in some way, for example, public recognition or private acknowledgement.

Coaching

Performance coaching occurs when managers work one-on-one with employees to focus on a skill that is already known, with the goal of refining that skill and increasing the employee's level of expertise.

The steps effective managers follow when preparing and conducting employee coaching sessions include: planning, observation and assessment, providing feedback and handling objectives, providing motivation, and setting goals or objectives.

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In the planning phase, the manager gathers information such as whether the employee is meeting goals and how he or she is perceived by co-workers or customers. The manager also talks to the employee and gains an understanding of his or her concerns and objectives relating to the job.

After agreeing on which areas the employee needs to improve, the manager observes the employee's performance. During the observation period, it is helpful to keep notes that address both what the employee is doing well and areas that can be improved, and steps that can be used to improve the employee's performance.

Following observation comes the feedback phase. This works best if it is immediate, appropriate, participative and constructive. It should focus on three areas: strengths, opportunities for improvement and areas that need to be corrected immediately. Effective managers provide clear examples from their observations and relate them in a positive way to show the employee how to improve his or her performance.

Effective managers must motivate their employees to improve. While feedback is a key component of motivating employees, it is not automatically effective. Employees are motivated when they see a goal that is meaningful to them, when their manager involves them in the plan to improve performance, and when they are supported and recognized for good work.

The final step in a coaching session involves setting goals or objectives with the employee. A commonly used model for developing objectives is the SMART test. That is, each objective should be: specific, measurable, attainable, realistic or relevant, and time-based.

Effective communication

Effective communication is essential for managing employees successfully. It is important to understand that your message will be better received if you convey it with enthusiasm and in a non-threatening manner. Employees are much more willing to listen when you enlist them to solve a problem rather than criticize them. Effective managers frequently solicit feedback from

Steps to ensure employee satisfaction



- **Provide** a suggestion box.
- **Take** surveys of employee attitudes and act on results.
- **Ask** employees to make referrals for new hires – they'll have a stake in ensuring the new employee works well.
- **Recognize** and reward top performers.
- **Provide** mentoring and coaching.
- **Conduct** exit interviews with departing employees.

their employees, ensuring the message is completely understood.

You can optimize your one-on-one and group communications by improving your skills in active listening, conducting meetings and making presentations.

Active listening supports your efforts to build successful relationships with your staff. Guidelines for active listening include: paying attention to the speaker, making eye contact, using appropriate body language, being open to the speaker (and sparing with advice and suggestions) and providing appropriate feedback (asking open-ended questions and requesting clarification when necessary).

Meetings provide an opportunity for discussing and evaluating group goals and objectives, providing updates on company activities, events and policies, and building group cohesion. Effective managers prepare by identifying the purpose of the meeting and topics to be covered. They also control the meeting by ensuring that the setting is comfortable and by adhering to starting and ending times. Finally, they keep track of outcomes during the meeting and follow up with participants afterward.

Successful presentations, like meetings, require advance preparation, effective visual aids and audience participation. Here are some useful tips:

- **Structure** your material. It must have a strong start, only one or two major themes, good examples, and steps for the audience to take based on the presentation.

- Prepare visual aids using easily understood graphic elements and short phrases (so you are not tempted to read your presentation verbatim).

- Engage the audience. Ask questions of the audience – listeners will be more engaged if they are participating.

Problem solving

Effective managers view problems as opportunities to build competence in their employees and to achieve compromises that will enable their departments to perform better in the long run. Managers can develop solutions through the use of formal problem solving or through group problem solving.

One model of formal problem solving, also called structured problem solving, was developed by management specialists Charles Kepner and Benjamin Tregoe. They developed a process of formal steps to take to address a problem. These are: state the problem, identify causes, look at alternative solutions, select a corrective action, develop and implement the corrective action, and follow up.

Research shows that when solving complex problems, groups usually make better decisions than individuals. Two popular techniques in group problem solving are nominal group decision making and pairwise ranking.

In nominal group decision making, each group member ranks the possible solutions, with the highest number going to the most

avored alternative. The solution with the highest score wins.

In pair-wise ranking, each alternative solution is paired with each of the other alternatives and the group votes on the preferred alternative in each pair. The solution most frequently selected wins.

Team leadership

Teams work when they are created for the right reasons and when they are created in the right way. Not all tasks require a team approach, however. For many straightforward and routine matters, a manager can simply give direction to a group. A team approach is valuable when more than one opinion or insight is required.

There are predictable steps or stages that all teams go through before they reach peak productivity and efficiency. The Tuckman model, developed in the 1960s, continues to be used to describe four stages of team development. These are characterized as follows:

- **Forming.** The purpose and goals for the team are unclear. Members feel varying degrees of commitment. Communication is low. To move the team along to the next stage, the manager must assemble the team, get to know the team members and act in a directive manner.
- **Storming.** Differences and confusion arise over goals and roles. Communication is not clear. Team members may exhibit power plays and lack of cooperation with the leader. To advance this team to the next phase, the manager must ensure common understanding of goals and team mission, address developing struggles, and set up communication protocols.
- **Norming.** Members begin to relate inter-dependently. The team gains confidence and feels a sense of momentum. Agreements are reached on “norms” (behaviors, approaches, goals, communications and leadership roles). The manager should develop this team toward the final phase by ensuring goals and plans are in place and agreed upon, working with external groups, and evaluating the team against its goals.
- **Performing.** Members take responsibility for tasks and relationships. The team achieves effective and satisfying results. Members work proactively for the benefit of the team.

Hiring and retaining employees

The best way to ensure the right person is hired for a job is to accurately define the job and clarify expectations. To do a proper job analysis, managers seek input from the person currently doing the job, from those in management and even from customers who would be affected by the new employee.

Several criteria may be used to evaluate candidates in the hiring process, including interviews, reference checks, tests, biographical data, academic achievement, work samples, and peer and expert judgments. However, the most reliable assessment tools require candidates to demonstrate the skills they will be expected to use on the job.

Once a new employee is hired, effective managers assimilate this person into the work team as quickly as possible.

Effective managers keep track of turnover within a department, and if it occurs frequently, they determine why. A department with low turnover is cost effective, and reflects a satisfied and productive work group. This in turn helps attract new workers and business. Certain steps can be taken to ensure that employees are satisfied (see figure on page 35).

Valuing diversity

Studies demonstrate that companies with a strong commitment to diversity, with a mixture of genders, ethnic and racial backgrounds, and ages, achieve superior corporate performance. The assumption is that by sharing their cultural and societal perspectives, diverse managers enhance the success of their companies.

Achieving a diverse and accepting work climate requires active effort on the part of managers. They include attention to diversity in mission statements, and in written communications and presentations. They seek input from all employees when designing programs to encourage diversity. Effective managers also seek to promote pay equity for women and minority groups. When a diverse workplace is achieved, a climate is created in which all employees feel they are valued by their co-workers and contributing to their company's success.

There are serious penalties for failing to treat all workers fairly, as a variety of federal, state and local laws are in place to protect workers' rights. Federal regulations

protect workers against discrimination based on race, color, religion, sex, national origin, disability and age. Managers should be aware that many states and local governments have also enacted protections against discrimination and harassment based on sexual orientation, status as a parent, marital status and political affiliation. **PR**

The final article in this series will discuss effectively managing, planning and organizing work and resources.

ARTICLE SUMMARY

- Effective working relationships are built on an atmosphere of trust, respect for employees and learning from the top performers.
- Two strategies for managing performance are:
 - Focusing on outcomes.
 - Providing clear expectations and follow-up.
- Techniques for measuring performance include:
 - Ongoing appraisal.
 - Outcomes-based measurement.
 - Providing feedback.
- Performance coaching focuses on improving an employee's skills in targeted areas.
- Managers take certain steps in preparing and conducting employee coaching sessions.
- Communications can be improved through:
 - Active listening.
 - Effective meetings.
 - Effective presentations.
- Formal problem solving, also called structured problem solving, offers a process of formal steps to address a problem.
- Two group problem solving models are:
 - Nominal group decision making.
 - Pair-wise ranking.
- There are predictable steps or stages that all teams go through before they reach peak productivity and efficiency.
- The best way to ensure the right person is hired for a job is to accurately define the job and clarify expectations.
- Appropriate criteria and assessments are important tools in hiring the right employees.
- Companies with a strong commitment to diversity achieve superior corporate performance.
- Achieving diversity requires active effort on the part of managers.
- Federal, state and local laws protect workers' rights, with serious penalties for violations.