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# The 5 Costliest Mistakes Teams Make

## And a People-First™ approach to avoid them!



**A compelling 4-part approach to giving teams a competitive edge for the long run.**

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# The 5 Costliest Mistakes Teams Make

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*By Sal Silvester, 5.12 Solutions*

**At 5.12 Solutions (five-twelve), we believe people are an organization's greatest asset. Do you?**

**In today's wild world of business, teams are dealing with a number of external factors that are impacting employee engagement, productivity, job satisfaction, and effectiveness.** Business is moving at a tireless pace of change and organizations are constantly being called upon to do more with less. The workforce is undergoing an unprecedented demographic shift that will soon impact the ability to attract and retain top talent. And with ongoing business uncertainty come restructuring, mergers and acquisitions, and other changes that impact your employees.

**As organizations deal with these challenges, they all too often look for solutions on how to be more competitive and efficient while forgetting to consider the *people* side of the equation.** They look for technology and systems improvements to solve people-related problems that often result in what I call **The Five Costliest Mistakes Teams Make.**

## **Costly Mistake #1: The Lack of Focus**

**Ultimately this mistake impacts a team's ability to be effective.** You might remember Steven Covey's definition of effectiveness – the ability to get results in such a way that you can get the results over and over. Without focus, effectiveness goes out the window.

**I typically see a lack of focus in organizations whose mission, vision, and values are “pie in the sky.”** This ultimately results in ambiguity around roles and responsibilities when things finally trickle down to the individual team member.

**The challenge in many organizations** is that leaders get so busy spending time **IN** the business, focusing on the urgent day-to-day issues, instead of **ON** the business, focusing on creating alignment, coaching their people, and a nurturing a healthy culture. Instead of being able to rapidly respond to new opportunities, unnecessary conflict, stress, and ambiguity of roles emerge.

**Here are some symptoms you might see in your organization if there is a lack of focus:**

- Your people do not know your top customers
- It common to hear people say, “that is not in my job description” or “that’s not what I was hired for”
- Your product road map isn’t clear beyond the next 90-120 days
- Performance reviews are a “once a year” thing

### **People-First™ Factor #1: Alignment – Getting People to Work on the *Right Things***

**Before anything happens, people have to understand what the right things are to work on.** Otherwise, you’ll have an organization of people looking busy but not necessarily focused on doing anything important - in essence, wasting time, money, and other resources.

**This first factor starts with the management team setting the strategic direction for the organization. That becomes the foundation for everything else.** Departmental goals should be created from strategic goals, and individual performance goals should be driven by departmental goals. As strategic goals trickle down into the individual performance level, the process should be both top-down and bottom-up. It should be collaborative. When your people are involved in setting their own performance goals, they will be more committed to the success of the team and organization.

**When teams are aligned, it results in clarity and accountability.** By clarity I mean, people understand not just their job description, but how they fit into the overall organizational mission and what they need to do to get the job done. By accountability, I mean taking clear responsibility for a plan, process, task, procedure – whatever it is – and then following it through to completion.

**With that alignment in place, if people are working on something that does not further a departmental or strategic goal, they are focused on the wrong thing.** And, in a time when doing more with less is the standard, this *People-First* factor is even more important.

## **Costly Mistake #2: Teams Protect and Hoard Resources**

**If the first mistake is all about effectiveness, this second mistake is all about efficiency.** We often look to time management techniques to save time and money, but forget that improving efficiency might just be about getting people to work together *better*.

**I see this mistake in teams and departments that decide to protect their resources and focus on their own agendas instead of the organizational agenda,** and in individuals who are more focused on their own goals, programs, agenda, egos, and careers instead of organizational goals.

**The challenge in many organizations is that differences get in the way. Instead of being strength, they become an obstacle.** Instead of sharing ideas and resources in people, departments, and business units become isolationists where they protect their people, money, and resources. CEO's and leaders often make the mistake of hiring other executives who are just like them. As a result, they end up rewarding behavior that is similar to their own and criticizing behavior that is often needed within the organization.

**The end result is the inevitable silos between departments and the back end politics that are so costly and wasteful.**

**Here are some symptoms you might see if your team is making the costly mistake of protecting and hoarding resources:**

- People fail to take initiative to help others when they finish their work load
- Departments fight over resources without consideration for the larger goals
- Sales blames Operations for late delivery in front the customer
- Meetings are boring because people are too afraid to share differences of opinions and ideas?

## **People-First™ Factor #2: Collaboration – Get People Working *Together* on the *Right* Things**

**If the standard in today's work place is to do more with less, then people have to be able to do more with less - *together*.** Easier said than done as all sorts of obstacles come into play when we talk about people dynamics – personalities, diversity, generational differences, backgrounds, experiences, maturity, beliefs, and a myriad of other factors.

**People-First Organizations create a culture that value those differences and leverage those differences for their success.** General George S. Patton once said, 'If everyone is thinking alike, no one is thinking at all.' Personal differences create differences of opinion – and that's good! Those differences don't make it easier to make decisions or to get along, but when those differences are understood and valued, the outcomes of decisions tend to be much richer and innovative.

**But, to value those differences, the culture has to be founded on respect and trust.** Without respect you can't have trust, and without trust, it's impossible to work on the right things *together*.

**Respect and trust, then, becomes the cornerstone of efficiency.**

**People-First Organizations build that foundation of trust by having a common set of shared values and then appealing to peoples' individual values.** This takes alignment beyond just a task orientation and to a whole new level of behavior. Values are what guide our behaviors, and behaviors are what make people effective.

**People-First Leaders lead by example every day by modeling those values and by holding their people accountable to those values.** They build trust on their teams through a respectful balance of being firm *and* compassionate, and by being strong *and* vulnerable. They involve their people in solving problems, establishing goals, making decisions, and they create a climate of open communication where people can debate ideas so that new ideas can emerge.

**When we are successful in this People-first factor it results in Teamwork and Efficiency.** By Teamwork I mean a focus on team results and not individual egos and agendas, and a commitment to a common and shared purpose. By efficiency I mean finding ways to be faster and better by challenging each others' ideas and moving forward as a team.

### **Costly Mistake #3: Marginalizing People in the Workplace**

**This is ultimately about the team culture and work environment, and I am always amazed at the impact of when team members are marginalized in the workplace.** The way we treat people in the work place (and in our personal lives) matters. Amy Tolbert, a colleague of mine who owns ECCO International, introduced me to a concept of Mattering versus Marginalizing.

**The way that we treat people falls on this continuum – of Mattering (on one side) to Marginalizing (on the other side).** We are always making a choice on how we treat people – whether that choice is conscious or unconscious. And that choice impacts your team’s culture, productivity, morale, attrition and job satisfaction.

**When people feel like they Matter in the workplace, they feel like their contributions count, their opinions are valued, and they are in synch with team goals.** Ultimately this results in commitment.

**When people feel like they are marginalized in the workplace, they feel the opposite – that their contributions don’t matter, that their opinions are not valued, and that they are not in synch with team goals.** Ultimately this results in compliance – where people show up and do only what they need to do to get by.

**Do you want to build a team that is committed or compliant?** People respond in the workplace based on how they are treated.

**The challenge in many organizations is that most leaders don’t get to know their people well enough to motivate them at a personal level.** They like to draw clean lines in the sand between what is business and what is personal. The fact of the matter is that our business lives and our personal lives often intersect and impact each other and we have to make business personal.

### **People-First™ Factor #3: Motivation – Tailor the Environment Based on Individual Needs**

**I am a firm believer that you can't motivate people. Only people can motivate themselves.** But People-First Leaders know how to create an environment that is motivating to individuals on their teams.

**This factor is about meeting people where they are in their lives and relating their personal aspirations to those of the organization.** Some people are motivated by challenging work, others by balance, others by independence and autonomy, and others by money. People-first Factor 3 starts by understanding each person's needs and preferences. From there, leaders can tailor the environment to those needs and preferences. They can adjust their coaching approach and adapt their communication style, and they can align reward and recognition efforts with what people want and need.

**The importance of recognition in the workplace cannot be understated and is a big part of People-first Factor 3.** The Gallup organization has found that individuals who receive regular recognition and praise:

- increase their individual productivity
- increase engagement among their colleagues
- have better safety records and fewer accidents on the job
- are more likely to stay with the organization longer
- receive higher loyalty and satisfaction scores from customers

**When we focus on People-first Factor 3 and tailor the environment to our team members' needs, it results in commitment and engagement.** By commitment I mean that people assume complete ownership for their work and follow through to make sure the customer, their team members, and the organization are served. And by engagement I mean that when people are at work, they are productive and focused on doing things well for the betterment of themselves, their team, and their organization.

## **Costly Mistake #4: A Patch-work Approach to Hiring**

**In today's workplace, hiring the wrong person is extremely costly.** Most experts agree that losing an employee costs about 3 times their salary. Imagine the cost of losing a senior engineer with highly technical skills or a sales person who holds the keys to critical client relationships. Not only is it costly from a monetary perspective, but, as demographics begin to shift and the workforce get smaller, finding the best talent will get harder and harder to do.

**The challenge in many organizations is that they (1) do not have a clear and consistent hiring process, and (2) people do not have the skills to properly conduct interviews and evaluate candidates.**

**Here are some symptoms you might notice if you have a patchwork approach to hiring on your team:**

- Interviews are 30 minutes long and a candidate has eight of them in a day – all back-to-back
- There isn't a formal process for evaluating a candidate and decisions are made by gut feel
- You settle on hiring a potentially poor performer because you can't find anyone else

## **People-First™ Factor #4: Hiring – Focus on Bringing Talented People on Board**

Obviously we could write an entire book on how to hire and retain the right people, but that's not the intent of this report so we will focus on some high-level concepts.

**There are three key areas in which you should be focusing on improving your hiring process.**

1. The way in which you define your ideal candidate
2. The way in which you plan for and conduct the interview
3. The way in which you evaluate potential hires

Let's address a few aspects of items one and two separately.

### **Defining Your Ideal Candidate**

**Two tools will help you better define your ideal candidate: (1) the job description, and (2) job competencies.** Most organizations do pretty well at creating job descriptions. A typical job description

describes key roles and responsibilities, who the person reports to, knowledge and skills requirements and the level of experience required.

**The missing piece in most organizations is often the job competencies.** Job competencies describe the *knowledge, skills, and personal characteristics* required to be successful in a role. They are written as behavioral statements, are aligned with the job description, and provide the springboard for creating behavioral based interview questions.

### **Conducting the Interview**

**Your interview questions should be competency based or behavioral based questions.** This is simply a method that uses actual and past situations to prompt a response from the candidate to describe past behaviors in a specific situation.

**Unskilled interviewers often fall into the trap of asking theoretical questions.** When you ask a theoretical question, you will get a theoretical answer.

**Here are examples of both:**

Competency/Behavioral Based: “Think of a time where you had a tight deadline and needed to get your team members help immediately. What did you say and do to successfully get their help?”

Theoretical Based: “How would you communicate with your team members if you needed their help?”

**The best indicator of future performance is past performance.** Your people need to understand how to create behavioral based questions and how to properly conduct interviews. The cost of hiring the wrong person is far too great and can have a huge negative impact on your team that can last for months or even years!

**When our hiring process is effective, it results in less turnover and higher performance, ultimately enabling an organization to capitalize on new opportunities.**

## **Costly Mistake #5: Limited to No Investment in People**

**If you believe that your people are the organization's greatest asset, then this is the costliest mistake of all.** It's not good enough to be working *together* on the *right* things, because at some point the things that are right today won't be right tomorrow. Therefore, we have to arm our people with the skills, knowledge, and tools so that they can help lead the organization to where it needs to be in the future.

**The challenge in many organizations is that they see training as a first place to cut in tough economic times.** While that strategy provides short-term budget relief, it results in longer-term skill and innovation gaps.

**Here are some symptoms you might see in your organization if learning and development isn't part of the culture.**

- It is not uncommon to hear people say, "That's the way we have always done it" or "why fix something that's not broken?"
- The Pop Eye syndrome persists among leaders and team members, "I am who I am, and if you don't like it – I don't care?"
- Your stale environment has resulted in few innovative products and services
- Leaders don't learn by example.

## **People-First™ Factor #5: Learning – Invest in People to Create the *Right Things for the Future***

**This is ultimately about investment.** People-First Organizations invest in their people by providing them with a variety of opportunities to learn and grow on a consistent and ongoing basis. It happens through on the job training, formal or informal mentoring, monthly one-on-one coaching with managers, lunch and learn sessions, formal training and development programs, monthly All-staff meetings, online learning, webinars, and other creative approaches.

**When we create a culture that values learning, it results in growth and innovation.** By growth I mean the agility to adapt and thrive where people are not comfortable, and the ability to challenge and change the way things are done. By innovation I mean proactively responding to changing market conditions and anticipating customer needs, and being open to new ways of doing things.

**Investing in people first is the only way to ensure that a competitive edge is *sustainable* well beyond quarterly earnings.** Learning crushes complacency. It forces people to think differently. It nurtures innovation. But, it has to be engrained in the culture.

**So, where do you go from here?**

**In this report, I have outlined the 5 costliest mistakes that are commonly made on teams and I outlined 5 People-first Factors to avoid them.** There are more factors that make a team successful, but these five factors provide the foundation for creating a *sustainable* competitive edge.

If you'd like some guidance in applying the People-First factors to your business, a good place to start is to simply review each of our regular People-First e-newsletters and apply some of those concepts to your personal and professional growth. Share People-First with your team. Take a look at our articles and other [resources](#), contribute to our [blog](#), and participate in one of our monthly webinars.

**If you want to make a major shift in how your team collaborates, I invite you to connect with me to schedule a complimentary Team Development Strategy Session.** During this session we'll explore your business challenges, current team dynamics, results you'd like to achieve on your team, and determine if higher-end team development programs are a fit for you.

**The conversation will take about one hour and can be done in person or by phone.** Email me ([info@512solutions.com](mailto:info@512solutions.com)) with three dates and times that are convenient for you to meet.

### **About Sal Silvester**



Sal Silvester is the founder of 5.12 Solutions (five-twelve), the corporate training and professional development company that inspires people to make timely and meaningful change. Sal and his team of highly talented facilitators accelerate team and leadership development resulting in highly engaged people, reduced turnover, and the ability for organizations to capitalize on business opportunities.

**You are welcome to pass this report on to your colleagues and friends,** or better yet, direct them to the [www.512solutions.com](http://www.512solutions.com) website.