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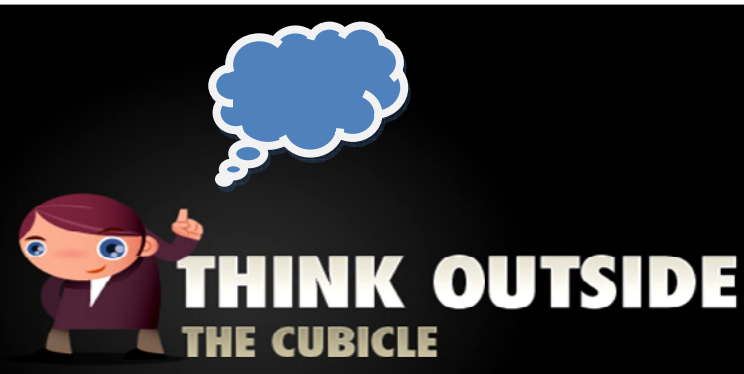
2012

HR Learning Centre



Moving forward everyday...

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OCT-NOV-DEC Issue

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From the Nurturer's Desk

Dear Readers,

An organization's sustainability largely depends on the leadership team who thrive to maneuver its growth in terms of Triple Bottom Line i.e. Social, Environmental and Financial. To transform into a 'Manager' from 'Individual Contributor' is a first step towards building of a leadership pipeline. This issue deals with the hurdles in succession planning, their resolution and improvements. Networking with people of different knowledge and skills background is an important factor for growth in the corporate. A self help article on people you shall need in life which helps you take improved decisions at different situations. The page on Labour Laws and a Business Quiz Section to keep you updated.

R.S.Nair

HR Practices: Leadership Pipelines

It is difficult to build a robust leadership pipeline throughout the organisation from the bottom to the top if the wellhead or the beginning of that pipeline is not primed with the right quality of people.

Fundamentally, we have to ensure that when we make this first leadership transition from "*individual contributor*" to "*manager*" of individual contributors that the right people are selected and developed.

Individual contributors Vs. Managers

Most managers recognise that performance at one level does not guarantee performance at another; yet, in the majority of organisations, performance has become the de facto proxy for potential success as a manager. Nearly two out of three managers report that they do not know how they are being evaluated for promotions to the next level other than current performance results. If managers do not know how they are being evaluated, how can they purposefully or proactively work on developing the skills and capabilities required to succeed to the next managerial level?

To answer this question, consider the differences between individual contributors and managers in the ***chart****.*

The transition from individual contributor to manager is about the difference in the kind of work, not just the degree of work.

Individual contributors	Managers
Have technical proficiency	Need managerial proficiency
Implement a plan	Create a plan
Complete work assigned	Assign work
Try to perform	Assess performance
Motivate self	Motivate others
Develop self	Develop self in order to develop others

Making the transition from individual contributor to manager

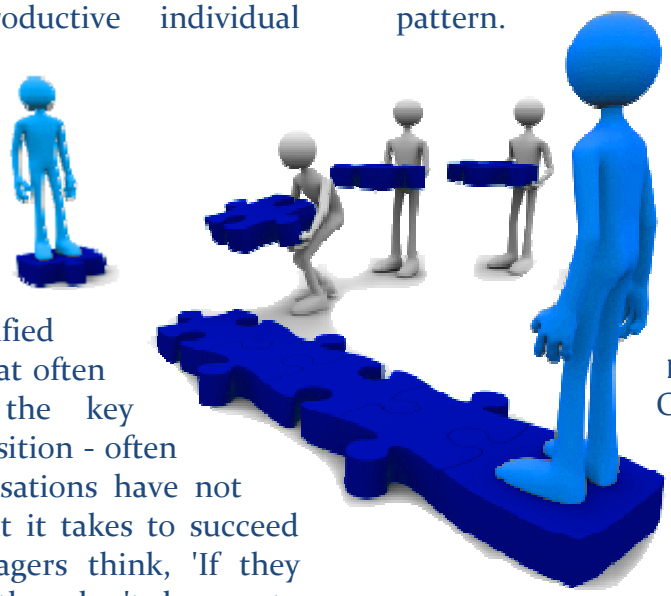
The transition from individual contributor to manager is the most important but also the most difficult for two reasons. *First*, as previously mentioned, this transition is the wellhead of the leadership pipeline so if the flow does not begin well here, then there is a ripple effect throughout the organisation over time.

Secondly, the vast majority of employees report to managers of individual contributors, so if the organisation mismanages developing first-line managers, the consequences reverberate through the highest proportion of the company's employees. While this represents the most crucial transition for both the company and its employees, it is often not fully recognised or valued because it is the most junior. If the

transition from individual contributor to manager is the most important, why does it not happen successfully? *There are three hurdles to making the transition: ignorance, success, and mistrust.*

Hurdle one: IGNORANCE

Because of the general belief that promotion is based on performance results, most productive individual contributors are too busy to reflect upon what is required for a successful transition to the next level. This tendency is amplified by organisations that often do not specify the key criteria for the transition - often because the organisations have not thought about what it takes to succeed either. Many managers think, 'If they can't figure it out, they don't deserve to be promoted.' This often happens because the managers themselves did not have a clear understanding of why they were promoted. It is very dangerous to remain ignorant in light of the current war for talent, especially in Asian countries like China, India, and Vietnam, because one of the biggest reasons people leave their company is the lack of a clear career development path or plan.



Hurdle two: SUCCESS

Even if an employee gets past the first hurdle and sees the need to behave differently as a manager, the success of the past can lead to failure in the future. Why? As individual contributors, people get results by doing things. In fact, the better they are at this, the more likely is a promotion to manager. However, even if an employee knows that instead of doing things themselves they need to achieve results by delegating; new managers are often not so good at this and prefer to get results by still doing things themselves. Consequently, when the pressure is on, it is very tempting and easy to revert to the old and successful pattern. Many new managers would rather be competent at the wrong thing than incompetent at the right thing.

Hurdle three: MISTRUST

On average, 63% of employees say that they are not being allowed to use their full range of capabilities or judgment because they are not fully trusted by their superiors. When individual contributors who have worked in an environment with some degree of mistrust are then promoted to manager, we should not be surprised when they exhibit a similar level of mistrust. People generally model the example that has been put in front of them. Hurdles two and three then become a powerful force. New managers may think, "I'm not sure I can trust people to do what needs to be done in the right way and in the right time, and I know I'm capable of doing it myself." In combination, these two thoughts make it almost irresistibly tempting to do things oneself rather than empower others.

Clearing the HURDLES

Clearing these hurdles is difficult but not impossible. *First*, companies need to send clear signals concerning the criteria for promotion; otherwise employees do not know how to act.*Second*, companies need to assess and test their people before the promotion to manager. For example, make an individual contributor the lead on a project and see how he or she performs. By giving individual contributors new challenges, a company can get a better idea of whether or not the individual contributor has raw talent to be an effective manager. *Third*, because people often become defensive when confronted directly with imperfections, it is often more effective to have people look at their own struggles in someone else; give new managers a simple case study of someone else stumbling through the same transition.

SUCCESS to FAILURE

Although it may seem paradoxical, ultimate success as a new manager first requires some allowance for failure. No one is instantly good at something new and increasing managerial proficiency comes through successive failures. People need to be allowed to fail in small ways early in the managerial development process or there is just too much pressure to abandon the learning curve they are on (ie, the *'getting it done through others'* or *managerial curve*) and revert to the learning curve they have already mastered (ie, the *'doing it themselves'* or *individual contributor curve*). Organisations need to create a learning environment where failure is acceptable and even encouraged in the initial stages of learning to lead.

MISTRUST to CONFIDENCE

In order to leap over the hurdle of mistrust, new managers need to develop confidence in themselves and their ability to lead others (not just lead themselves). This does not require learning everything there is to know about leading others. Rather it requires understanding and mastering the fundamentals, just as in music or sports. For new managers, four roles represent 20% of leadership roles that account for 80% of getting results through others. *These include the following*:

- **Director**: establish and get commitment for direction and targets
- **Enabler**: provide resources for and remove obstacles from performance
- **Motivator**: keep people engaged and energised about the right things
- **Coach**: deliver candid feedback, correction, and praise

MAKING WISE INVESTMENTS

What else can companies do to ensure that their new managers not only clear the hurdles but also continue the race? *First*, set clear criteria for managerial performance, not just operational results.

Second, assess managerial performance as well as operational results. *Third*, give candid feedback about managerial performance. Although education, training, and development are only part of the process in helping new managers learn to lead, there are keys to making these activities more effective.

There are three stages in successful leadership development programs:

1. **Pre-program:** New managers should think about and write down their objectives for the development experience, which should be influenced in part by consultation with their bosses as well as input from peers and/or subordinates

2. **During program:** Because effective management is rooted in behaviours, programs designed to help new managers learn to lead should be as experiential as possible. To ensure that the momentum of change is continued after the program, new managers should create personal action plans before they leave the program to implement once they are back at work .

3. **Post-program:** Finally, to ensure that there is follow through, there needs to be follow up. New managers should follow up with their bosses as well as with trusted peers or confidantes.

In today's environment of intense competition for customers and for talent, no organisation can afford not to have a strong leadership pipeline. As a consequence, though CEOs and other senior leaders seem to garner most if not all the media attention, it is the newly minted or about to be made managers that are the ultimate source of how thin or robust the leadership pipeline will or won't be. It is this segment of managers that should capture the lion's share of a company's time, attention, and investment.

(Source: www.hrmasia.com)

HR Jargon of the Day

Sabbaticals

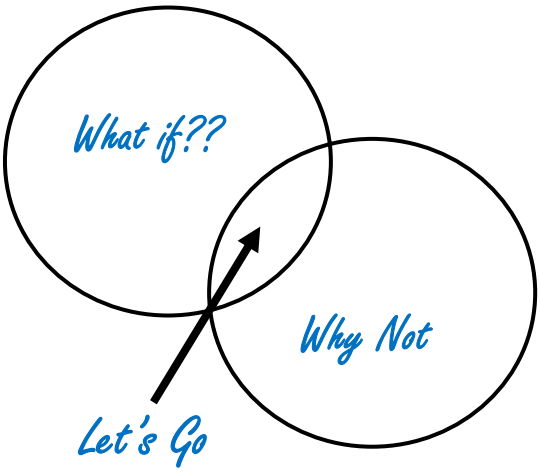
It refers to the lengthy paid leave for professional, intellectual or emotional refurbishment.

Self Help Article: The 6 People You Need In Your Corner

Nothing incredible is accomplished alone. You need others to help you, and you need to help others. With the right team, you can form a web of connections to make the seemingly impossible practically inevitable.

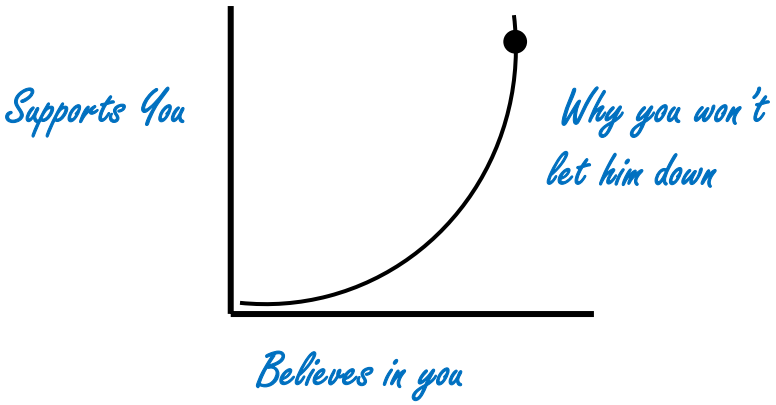
The Instigator:

Someone who pushes you, who makes you think. Who motivates you to get up and go, and try, and make things happen. You want to keep this person energized, and enthusiastic. This is the voice of inspiration.



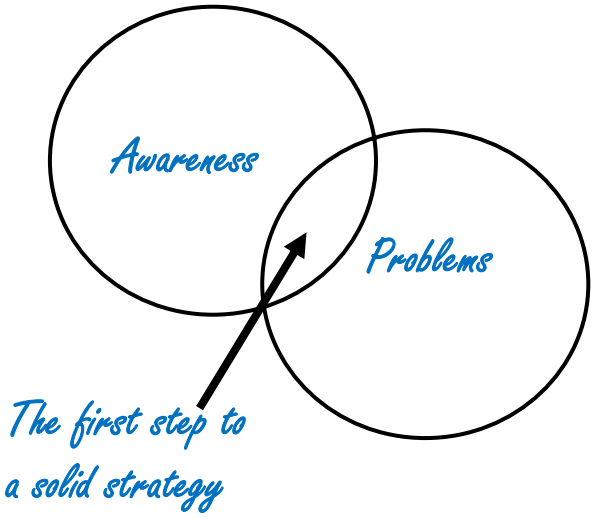
The Cheerleader:

This person is a huge fan, a strong supporter, and a rabid evangelist for you and your work. Work to make this person rewarded, to keep them engaged. This is the voice of motivation.



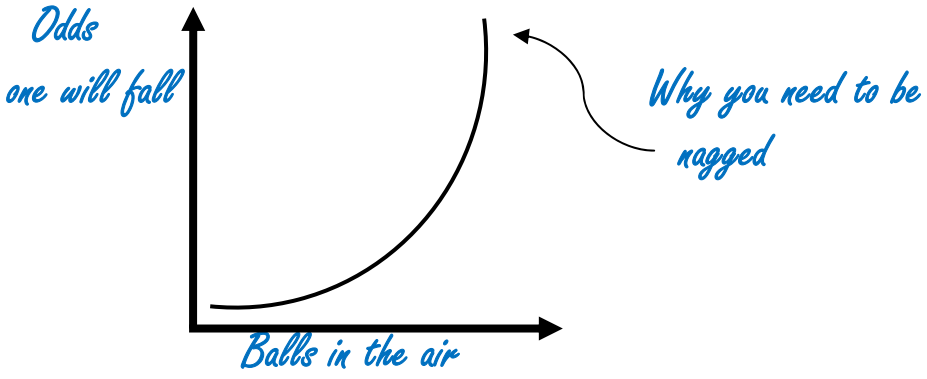
The Doubter:

This is the devil's advocate, who asks the hard questions and sees problems before they arise. You need this person's perspective. They are looking out for you, and want you to be as safe as you are successful. This is the voice of reason.



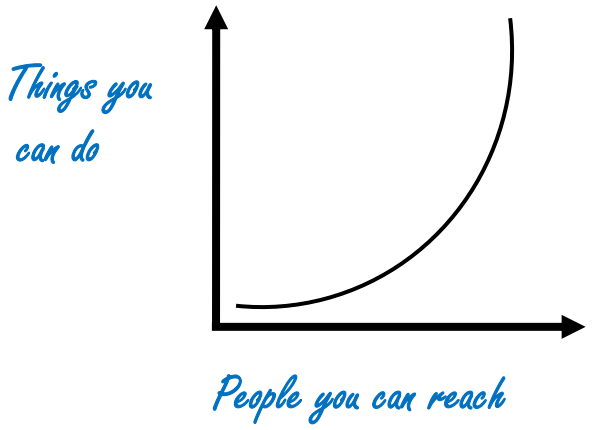
The Taskmaster:

This is the loud and belligerent voice that demands you gets things done. This person is the steward of momentum, making sure deadlines are met and goals are reached. This is the voice of progress.



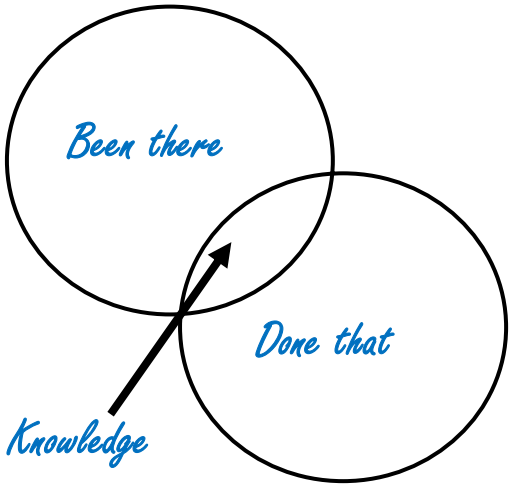
The Connector:

This person can help you find new avenues and new allies. This person breaks through roadblocks into finds ways to make magic happen. You need this person to reach people and places you can't. This is the voice of cooperation and community.



The Example:

This is your mentor, you hero, your North Star. This is the person who you seek to emulate. This is your guiding entity, someone whose presence acts as a constant reminder that you, too, can do amazing things. You want to make this person proud. This is the voice of true authority.



(Source: www.ziaullahkhan.blogspot.com)

1. "Trainee is not 'employee' under Provident Fund Act"

2012 LLR 742 ALLAHABAD HIGH COURT (W.C.No. 1708/1997,D/-31-1-2012)
M/s Subros Ltd.
Vs.
RPF Commissioner, Meerut and Others

IMPORTANT POINT : The controversy involved in the present case is squarely covered by the aforesaid decisions of the Apex Court as well as High Court wherein it has been held that trainees are not included within the definition of "Employee" as contained in the EPF & MP Act.

2. "When petitioner took over Management after commission of offence, prosecution under Factories Act to be quashed"

2012 LLR 754 JHARKHAND HIGH COURT (Cr. M.No. 4699/1999®, D/-16-2-2012)
P.K.Saraf
Vs.
State of Bihar & Others

IMPORTANT POINT: There is no difficulty in accepting the statement made in the petition that the petitioner took over the management of the company in May,1997 whereas the breach, which has been alleged, pertains to year 1988 to 1994 during which the petitioner was never holding the Management of the company and as such, the petitioner cannot be held responsible for breach of any provisions of the Factories Act hence the petitioner is discharged from the accusation punishable under section 92 of the Factories Act.

3. "No accident compensation in the absence of 'employer-employee' relationship."

2012 LLR 696 MADRAS HIGH COURT (CMA No. 837/2009 & mp No. 1/2-009, D/-14-3-2012)
Devarajan
Vs.
N.Appuswamy

IMPORTANT POINTS:

- When claimant fails to prove the employer-employee relationship, he is not entitled to receive Award of any compensation by the Commissioner for Employees' Compensation.
- Primarily the burden to prove employer-employee relationship is upon the claimant/worker.

Business Quiz

BRAND INDIA

1. **Odhavji Raghavji Patel, the founder of the world's biggest wall clock manufacturing company, established Ajanta Transistor Clock Manufacturing Company in Gujrat. What is the name of his second most popular brand which they use for other electronic products like calculators, time pieces?**

2. **Which company was started in 1959 by an entrepreneur H.D.Vasudeva, in technical collaboration with a British Company?**

3. **Which company owes its origin to a distribution business of specialty chemicals manufactured by a German company by B.K Parekh? The name of the most famous brand of this company comes from 'Federal Dyes'.**

4. **What was established as a patent medicine business at Bombay in 1893 by K.Nageshwar Rao Pantulu who was a journalist, social reformer and freedom fighter?**

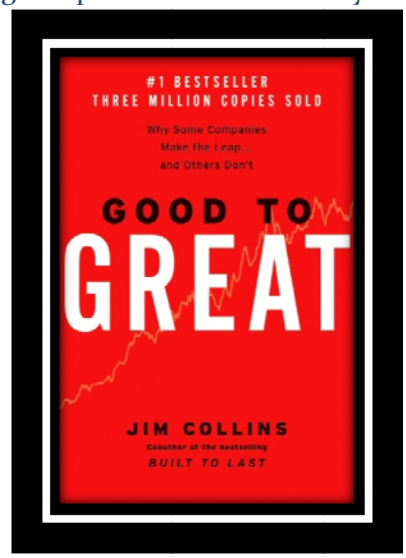
5. **The detergent brand's founder bicycle through Ahmedabad selling handmade packets from door to door at one third the price of leading detergents. He later set up a shop and quickly grew to become India's largest selling detergent brand in 1970s. Name the detergent brand?**

ANSWERS: ***August Issue Questions***

1. To enable the employees of the company spelling of LEE IACOCCA
2. Google Inc., Founders Larry Page & Sergey Brin
3. Vikram Akula, CEO OF SKS Microfinance
4. N.R.Narayan Murthy
5. Steve Jobs

Book Review : Good to Great by Jim Collins

Explore what goes into a company's transformation from mediocre to excellent. Based on hard evidence and volumes of data, the book author (Jim Collins) and his team uncover timeless principles on how the good-to-great companies like Abbott, CircuitCity, Fannie Mae, Gillette, Kimberly-Clark,Kroger, Nucor, Philip Morris, Pitney Bowes, Walgreens, and Wells Fargo produced sustained great results and achieved enduring greatness, evolving into companies that were indeed 'Built to Last'.



The Collins team selected 2 sets of comparison companies:

a) **Direct comparisons** - Companies in the same industry with the same resources and opportunities as the good-to-great group but showed no leap in performance, which were: Upjohn, Silo, Great Western, Warner-Lambert, Scott Paper, A&P, Bethlehem Steel, RJ Reynolds, Addressograph, Eckerd, and Bank of America.

b) **Unsustained comparisons** - Companies that made a short-term shift from good to great but failed to maintain the trajectory, namely: Burroughs, Chrysler, Harris, Hasbro, Rubbermaid, and Teledyne

Wisdom In A Nutshell:

a) Ten out of eleven good-to-great company leaders or CEOs came from the inside. They were not outsiders hired in to 'save' the company. They were either people who worked many years at the company or were members of the family that owned the company.

b) Strategy per se did not separate the good to great companies from the comparison groups.

c) Good-to-great companies paid little attention to managing change or motivating people. Under the right conditions, these problems naturally go away.

d) Technology has nothing to do with the transformation from good to great. It may help accelerate it but is not the cause of it.

e) Good-to-great companies focus on what Not to do and what they should stop doing.

f) Mergers and acquisitions do not cause a transformation from good to great.

g) Good-to-great transformations did not need any new name, tagline, or launch program. The leap was in the performance results, not a revolutionary process.

h) Greatness is not a function of circumstance; it is clearly a matter of conscious choice.

i) Every good-to-great company had "**Level 5**" leadership during pivotal transition years, where Level 1 is a Highly Capable Individual, Level 2 is a Contributing Team Member, Level 3 is the Competent Manager, Level 4 is an Effective Leader, and Level 5 is the Executive who builds enduring greatness through a paradoxical blend of personal humility and professional will.

j) Level 5 leaders display a compelling modesty, are self-effacing and understated. In contrast, two thirds of the comparison companies had leaders with gargantuan personal egos that contributed to the demise or continued mediocrity of the company.

k) Level 5 leaders are fanatically driven, infected with an incurable need to produce sustained results. They are resolved to do whatever it takes to make the company great, no matter how big or hard the decisions.

l) One of the most damaging trends in recent history is the tendency (especially of boards of directors) to select dazzling, celebrity leaders and to de-select potential Level 5 leaders.

m) Potential Level 5 leaders exist all around us, we just have to know what to look for.

n) The research team was not looking for Level 5 leadership, but the data was overwhelming and convincing. The Level 5 discovery is an empirical, not ideological, finding.

o) Before answering the "what" questions of vision and strategy, ask first "who" are the right people for the team.

p) Comparison companies used layoffs much more than the good-to-great companies. Although rigorous, the good-to-great companies were never ruthless and did not rely on layoffs or restructuring to improve performance.

q) Good-to-great management teams consist of people who debate vigorously in search of the best answers, yet who unify behind decisions, regardless of parochial interests.

r) There is no link between executive compensation and the shift from good to great. The purpose of compensation is not to 'motivate' the right behaviors from the wrong people, but to get and keep the right people in the first place.

s) The old adage "People are your most important asset" is wrong. People are not your most important asset. The right people are.

t) Whether someone is the right person has more to do with character and innate capabilities than specific knowledge, skills or experience.

u) The Hedgehog Concept is a concept that flows from the deep understanding about the intersection of the following *three circles*:

1. ***What you can be best in the world at, realistically, and what you cannot be best in the world at***
2. ***What drives your economic engine***
3. ***What you are deeply passionate about***

v) Discover your core values and purpose beyond simply making money and combine this with the dynamic of preserve the core values - stimulate progress, as shown for example by Disney. They have evolved from making short animated films, to feature length films, to theme parks, to cruises, but their core values of providing happiness to young and old, and not succumbing to cynicism remains strong.

w) Enduring great companies don't exist merely to deliver returns to shareholders. In a truly great company, profits and cash flow are absolutely essential for life, but they are not the very point of life.

"IF YOU'RE DOING SOMETHING YOU CARE DEEPLY ABOUT AND IF YOU BELIEVE IN IT, IT'S IMPOSSIBLE TO IMAGINE NOT TRYING TO MAKE IT"

www.ezinearticles.com

A Better World Begins With You...

Keep Learning Keep Moving Forward....

HR Team

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