

Why Employees Under-Perform

By: Michael Neill

If your organization struggles with employees who continue to under-perform in sales and referrals, you are not alone. In my work with financial institutions over the years I have identified the basic reasons that employees, who have the ability to sell, do not. The basic reasons are different than what the employee tells you. “I need more training, the customer looks at me weird, I don’t feel comfortable,” are not the reasons the employee is under-performing. These are their feelings. The basic reasons for the under-performance create the feelings. Rather than simply dealing with the feelings, let’s look at the root causes.

In a survey of employees, 84% of the respondents said, “they could perform significantly better if the WANTED TO.” Does this result shock you? It shouldn’t. Most employees are under performing in some area of their job. If you don’t believe me, then believe the actual employees who said it about themselves in the survey. Even if you think your organization is much better than average, I bet you a Diet Coke that you still have a significant group that is under performing. How do you change this paradigm? Coaching is the solution. In this month’s issue we will look at why so many under perform. Next month we will learn how to effectively coach under performers to improvement.

Reasons for employee under-performance:

1. Human Nature

Body at rest tends to stay at rest. A body in motion tends to stay in motion. This is the law of inertia. When an employee is under-performing they have a tendency to see any new effort, e.g. cross-selling, as more difficult than it really is. How hard is it to get up to exercise when you are sitting on your comfortable sofa? Take it from me, it’s hard. The key is to get employees in motion so that the process of selling doesn’t seem so difficult.

2. Organizational Environment

Many organizations utilize negative and neutral reinforcement as the standard. Do you drive faster than the speed limit? Sure you do. Why do otherwise law-abiding citizens break the law every day with no guilt? The traffic cop creates the environment. He won’t give you a ticket for breaking the law. He gives you a ticket for breaking the law at “X” miles-an-hour over the speed limit. The traffic cop gives you leeway and you take it. 55 mph becomes 64 mph because you know they allow 9 miles before they will pull you over. On the other hand, if you are driving appropriately the traffic cop ignores you. He doesn’t take the time to tell you, “nice job.” You put this all together and good folks like us learn to drive fast enough not to get caught. It works the same way with employees in our organizations. If you

make a mistake, you'll hear about. If you do the right thing we will leave you alone. Therefore, employees learn to do just enough not to get caught. The goal is not to do more. The goal is to only do enough to keep my manager off my back. The more I do the more likely I am to make a mistake. The result is employee under performance.

3. We parent, rather than coach.

Have you ever said something like this: "My employees behave like children! I can't believe adults could act like this!" I know I have said things like this in the past. Employees behave like children because we parent them. We fix their problems for them rather than teach them how to avoid the mistake. If the employee says, "I'm not comfortable cross-selling." We don't tell them to work through the discomfort because we think employees should be more comfortable than challenged. When the employee under-performs we tell them what to do to fix it, even if the employee is not inclined to utilize the advice. We need to treat our employees like adults. As a coach I commit to train, encourage, and redirect ineffective behavior. Coaches value development more than comfort and they value respect more than approval.

These are the most significant reasons employees under perform in cross-selling or any other endeavor. In the March newsletter we will examine how we can maximize employees' performance. I value your thoughts on this article—please let me know what you think.



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