

# Maximizing Insights

Workforce Trends, Forecasts and Solutions from Maximizing Insights

November 2002 ▶ Volume 1 Issue 9

## From Little White Lies to Major Whoppers

### Reedin' and Ritin' E-Mails Costs Billions

The Department of Labor estimates that illiteracy accounts for about \$225 billion each year in lost productivity. And 30 percent of all business memos and e-mails are written simply to get clarification about an earlier written communication that didn't make sense.

With fewer qualified people available to support help desks and provide good customer service and more business initiatives aimed at automating as many services as possible, organizations are moving to e-mail and e-customer service as the preferred mode of communication with their customers.

But as managers (and unfortunately customers are discovering), many employees don't have the writing skills to do the job. According to the International Adult Literacy Survey released in February 2002, only 50% of the U.S. adult population 16-65 years of age (or 90 million people) reaches the minimum level of proficiency to read simple directions or write a grammatically correct sentence.

Adding to this problem is the fact that the memos and letters are being sent to someone else. In the US alone, you have a greater than one in three chance to be communicating with someone who won't understand what you wrote.

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In a recent study of 7,000 resumes for president, vice-president and board of director positions received by the firm of Christian and Timbers, at least 23 percent "had been a little cooked."

Remember Al "Chainsaw" Dunlap, ex-CEO of Sunbeam Corporation? The Al Dunlap who plunged Sunbeam into bankruptcy? This is the same Al Dunlap who was fired from Max Phillips & Son in 1973 and Nitec Paper Company in 1976 over allegations of financial fraud.

James Baughman was the director of recruiting for Lucent Technologies. To get the job he lied about earning a doctorate at Stanford. James Baughman also neglected to volunteer that he was imprisoned for stealing money from student funds while he was a high school principal.

And let's not forget George O'Leary, former Notre Dame football coach, fired in 2002 for lying on his resume about earning a master's degree in education from New York University and lettering in football at the University of New Hampshire.

### Employee debt

The average employee carries about \$8,900 in revolving debt and pays about \$1,800 in interest and late fees.

As an employer, why should you care? Tom Garman, one of the leading experts on employee debt, has found that employees worried about personal debt were more stressed, less productive and absent more often. They made more personal phone calls about their money problems and they spent a lot of time talking about it with coworker - about 20 hours per month.

### The REALLY High Cost of Retaining A Loyal but Ineffective Manager

A great place to work always has great managers - not by accident but by design. An okay place to work can keep afloat with great managers - until the manager leaves. But an organization with great benefits and compensation and poorly trained supervisors has a fatal black hole.

You are about to see what happens when a supervisor can't communicate effectively with his direct reports, he can't coach or mentor, and he views loyalty as obedience. It's not a pretty picture.

Source: Actual case study

1. Productivity lost due to poor morale - \$25,200.
2. Cost of mistakes due to poor training and turnover - \$265,000.

But # 1 and 2 just drive up costs. To pay for these "extra" costs, how many more revenues are needed to be produced to pay for these costs?

1. Total revenues needed to replace the lost salaries and mistakes - \$1,325,000.
2. Customer leaves due to mistake - Lifetime Value of Customer - \$378,200.
3. Unhappy customer tells 9 other customers.

**Total Lost Revenues:**

**\$2,010,200**

**When will management begin to hold individuals accountable for their direct contribution to or drain on the bottom line?**

## It's not whether you win or lose vs. winning is everything

Different individuals view winning in different ways. Here are four viewpoints on winning:

- Winning isn't everything. It's the only thing.
- It's not whether you win or lose, it's how you play the game.
- It's not whether you win or lose, it's just playing the game that counts.
- Winning is the result of a perfectly executed plan.

If asked about building a winning team, how would President Jimmy Carter respond? Colin Powell? Bobby Bonds? Dennis Rodman? Laura Bush? Hillary Rodham Clinton?



Building a winning team requires a clear vision of what winning means for you as a manager and what behaviors you are willing to accept and tolerate.

Before you can build an effective team, you as a manager must define what type of team you want, how effective a manager you can be, and what type of individuals will be the best players for your team.

Before you toss around "team building" as the solution for greater productivity and conflict resolution, you must understand that you can't go out and hire Dennis Rodman or Mike Tyson as examples of what it takes to win and then expect them to play by your team rules. By definition, a "10" doesn't lose - no way, no how.

Effective team players come in different sizes. If you want individuals who want to win at any cost, hire 10s. If you want individuals who are willing to sacrifice individual accolades for the good of the team, 10s are too competitive and too assertive to fit on your team.

To build better teams today, call us at 512.278.1200 .

## What does it mean to be a 10?

Picture a scale that measures the level of competitiveness from 1 to 10. A "10" is an individual who wins at all costs. He wins, you lose. He takes no prisoners and enjoys the sweet taste of victory. He may even take full credit for the victory.

Winning is about achievement - personal achievement. Team incentives don't generally work with 10's either. Hire a 10 and then talk about winning one for the Gipper? Forget it. (Fourteen percent of the population falls between 8 and 10 on the 1-to-10 scale.)

A "1" on the other hand, identified as cooperative, goes along with the flow. Team work has little to do with winning and everything to do with getting along and working for a greater cause. "1" individuals are willing to sit on the bench and to them keeping score only ruins the game. (Fourteen percent of the population also falls between 1 and 3.)

Michael Jordan, Scottie Pippin, and Dennis Rodman were all incredibly talented individuals (10s) who played on one of the most successful teams of all time. Were they good team players or just great players on the same team? Did the Chicago Bulls dominate basketball in the 1990s because of their individual talents or the ability of Phil Jackson (their coach) to manage a bunch of 10s?

Managing 10s requires outstanding leadership and managerial skills (and patience!). How many times did Rodman miss practice and Pippin complain about not getting the play he deserved? And yet Jackson somehow kept them together year after year, championship after championship.

Effective teams have the "right" mix of team players and great coaches. If your teams could be more effective, contact us today.

## Let your fingers do the walking

To get to the same destination, you have a choice. You can walk 16 miles or 1 mile. Your time and money are at a premium. You won't believe the answer.

According to popular myth, The QWERTY keyboard arrangement of characters was designed by Christopher Sholes in 1868. He arranged them in this odd fashion to prevent jamming on mechanical typewriters by separating commonly used letter combinations. There is no evidence to support this assertion, except that the arrangement does, in fact, inhibit fast typing.

With the emergence of ball-head electric typewriters and computer keyboards, jamming is not an issue. New keyboards have been invented for speed typing.

The best-known is called a *Dvorak keyboard*. Designed in the 1930s, the Dvorak keyboard places the most common letters in the middle row of keys, so that common letter combinations can be typed quickly. It has been estimated that in an average eight-hour day, a typist's hands travel sixteen miles on a QWERTY keyboard, but only one mile on a Dvorak keyboard.

Yes, that's right. Despite our technological advances, we're still using a keyboard designed in 1868.

## Stress on the Job

Seven out of ten employees say they feel "moderate" to "great" stress on the job.

The four top causes of stress:

- Demands of the job - 54%
- Co-workers - 20%
- Boss - 10%
- Layoff fears - 8%

Source: USA Today

When stressed, individuals can't hear what is being said without distortion and can't respond accurately or effectively.

# Stormy Labor Forecast Facts

## Cheats, Liars, and Thieves – Meet The Next Generation of Employees

First we've been told that there will not be enough people to fill all the jobs that are available. Projections by the Bureau of Labor Statistics forecast a shortage of 10,033,000 people to fill all the jobs in 2010 – that's only 2700 days away.

As if that wasn't bad enough, we're then told that over 90 million people demonstrate literacy and numeracy skills below a tenth-grade level.

And now a new report released this week by the Josephson Institute of Ethics paints an even uglier picture of our next generation of workers. The study is significant in that it surveyed 12,000 high school students and that the results are compared with surveys completed every two years since 1992.

A summary of significant findings from the Study are listed in next column.

## Color Me America 2002 to 2007 growth centers

- White population - 2 %
- Hispanic population - 9%
- Native American population - 11%
- Black population - 12%
- Asian population - 27%

Source: American Demographics

## Not To Be Forgotten

- Alzheimer's disease is costing American businesses \$61 billion a year, nearly twice the amount just four years ago.
- \$61 billion equals the net profits of the top 10 Fortune 500.
- \$36 billion is lost productivity by caregivers.

Source: Training, October 2002

## Institute of Ethics Study

**Cheating.** The number of high school students who admit that they cheated on an exam in the past year increased from 61% in 1992 to 74% in 2002.

If you think religious schools are the solution, think again. 78% of students attending religious schools were likely to cheat compared with 72% of students at other schools.



**Theft.** The number of high school students who admit that they stole something from a store in the past 12 months increased from 33 % in 1992 to 38 % in 2002. And what about our future leaders? 34 % of students in leadership positions and 30% of honor students stole from a store.

But don't take stealing personal. 28 % of the students admitted stealing from a parent or relative in 2002 compared with only 24 % in 1992.

**Lying.** 37 % of the high school students would be willing to "lie to get a good job", an increase of 9 % in just two years. But again don't take it personal.

93 % of the students admitted to lying to their parents in 2002, an increase of 10% since 1992, including 95 % of students attending religious schools compared to 91 % of students of other schools.

83% of students also admitted lying to teachers in 2002 compared to 69 % in 1992.

43 % agreed that " a person has to lie or cheat sometimes in order to succeed.

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## Help Wanted!

It seems job creation for the next decade will be made in America. According to the U.S. Bureau of Labor Statistics, the following new help wanted signs will be posted:



New job growth and vacancies:

Hotels - 250,000

Eating and drinking places - 1,500,000

Teachers - 1,000,000

Registered nurses - 500,000





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What personal roadblocks are standing in the way of more sales success?

What changes do you need to make to become a more effective team player?

How would your life be different if you could spend more time doing what energized you?

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