

# Expert Insights



## Why Smart Employees Underperform: 7 Hazards to Avoid

Profiles  International<sup>®</sup>

[www.profilesinternational.com](http://www.profilesinternational.com)

©2009 Profiles International, Inc. All rights reserved.

August 2009

Why Smart Employees Underperform: 7 Hazards to Avoid. Copyright 2009 by Profiles International. Printed and bound in the United States of America. All rights reserved. No part of the report may be reproduced in any form or by any electronic or mechanical means including information storage and retrieval systems without written permission from the publisher.

Publisher  
Profiles Research Institute  
Dario Priolo, Managing Director  
5205 Lake Shore Drive  
Waco, Texas 76710-1732  
Profiles International  
(800) 960-9612  
[www.profilesinternational.com](http://www.profilesinternational.com)  
[www.americasmostproductive.com](http://www.americasmostproductive.com)

#### Acknowledgements

CEO, Co-founder, Profiles International: Jim Sirbasku  
President, Co-founder, Profiles International: Bud Haney  
Editor-in-Chief: Dario Priolo  
Managing Editor: Carrie D. Martinez  
Creative Director: Kelley Taylor



## Introduction

We've all been there. After an extensive and thorough search for a line manager, one candidate stands out. This candidate has the right experience, solid qualifications, and a relevant work history, and she gave an impressive performance during the interview process. She said the right things, put forward some great ideas and generally presented very well. You hired her.

Three months later, you begin to question your decision. Your new hire's team appears disgruntled, morale is low, and output and productivity are well behind the figures from the previous quarter.

After investigating further and speaking with a few key team members, you realize there's a disconnect—a mismatch. While she looked impressive on paper and presented well during one-on-one interviews, your new hire's style, approach, and behavior on the job are simply inconsistent with the values and expectations of your organization. Her *modus operandi* is foreign to her colleagues. Your new hire is not a good cultural fit and one or more of the following hazards may be the cause.

1. Inadequate capability
2. Poor job fit
3. Fuzzy goals and accountabilities
4. Poor relationship with manager
5. Poor relationship with co-workers
6. Health and wellness issues
7. Physical and environmental factors

# Why Smart Employees Underperform: 7 Hazards to Avoid

## 1. Inadequate capability



### Don't judge a book by its cover, and don't believe what you read on a resume!

Capability refers to the skills, tools and experience that a person needs in order to successfully perform her job. When any of these factors are missing, there is an increased chance that the employee will underperform. It isn't uncommon for hiring professionals to overlook these basic factors, especially if a candidate has solid academic credentials and comes across as intelligent and confident in a job interview. Furthermore, it's no secret that most candidates exaggerate their abilities on their resumes and job applications.

#### Diagnostics that help you identify if an underperforming employee has adequate capability:

**Skills**—Do you know what skills are needed to perform the job and whether the employee possesses those skills? If she doesn't possess the necessary skills, how will you help her acquire them, and how long do you expect that process to take? Skills training takes time and money, and results are never guaranteed unless there is adequate commitment from both the manager and the employee. It's in everyone's best interest for the manager to set appropriate expectations for the employee from the beginning. This is especially true if the job requires special technical capabilities.

**Tools**—Even if an individual has the skills and experience to do the job, does he have the tools to deliver peak performance? For example, a highly skilled and experienced web designer can't build a website without adequate computer hardware and software. The tools don't have to be the most up-to-date, but a system that crashes can be incredibly frustrating and unproductive, even to the best performer.

**Experience**—Just because an employee has the skills to do a job doesn't mean that he has the experience to apply those skills in his specific position. This is especially true for recent graduates, outside hires from different industries and internal hires from different departments. While the required skills may be similar from one job to the next, differing applications and terminology may require that the new hire take time to learn the nuances of his new position.

## Why Smart Employees Underperform: 7 Hazards to Avoid

### 2. Poor job fit



#### **“Fit” reflects the behaviors and interests needed to succeed in a job**

Many people fall into the trap of choosing a profession or job that is a bad fit. We are who we are. Our “mental DNA” is influenced both by our genetics and our early life experiences, and it is almost completely formed by the time we are 20 years old. Rather than trying to understand ourselves so that we can choose a calling that builds on our strengths and aligns with our interests, we choose jobs because of peer pressure and societal influences.

You probably know a medical doctor that trained at a prestigious school and worked for several years at a modern hospital. Despite adequate skills, tools and experience, he is aloof, insensitive and has a terrible bedside manner, and you only see him if no one else is available. He might have been better suited as a lawyer so that he could cross-examine a witness on trial. In short, he really doesn’t possess the innate compassion that would make him a great doctor. He is a poor fit for his job.

#### **Skills can be taught, but behaviors are much more difficult to change**

A doctor can improve his bedside manner through training and mentoring, but it takes tremendous effort and motivation to change natural behavior. If an individual isn’t motivated to change, then he probably won’t.

It is important to understand a person’s innate behaviors and interests when trying to match him with the right job. Know the job, know what type of person is successful in that job, and then hire others who have the behavioral traits that fit that job. This is easier said than done because it is difficult to gauge behaviors in a job interview, but behavioral assessments can be extremely helpful.

## Why Smart Employees Underperform: 7 Hazards to Avoid

### 3. Fuzzy goals and accountabilities

#### Clear goals help focus and motivate employees to achieve the desired results

Employees need to be very clear about their responsibilities and about the results you expect them to achieve. Daily work and priorities are easily affected by the crisis of the day, new requests or changes in direction. Setting and tracking SMART goals helps your employees focus on what is most important to your business, and clear accountabilities help ensure that the work gets done with minimal conflict.

#### Use SMART goals to create clarity and improve the employee's performance

**Specific** – Your employee has a much better chance of accomplishing a specific goal than a general goal. To set a specific goal, the employee must answer, at a minimum: Who is involved? What needs to be accomplished? When is the deadline? Why is this goal important?

**Measurable** – Establish concrete criteria for measuring progress toward the attainment of each goal you set. When you measure your progress, you stay on track, reach your target dates, and experience the thrill of achievement that motivates you to keep working toward your goal.

**Aligned** – The individual's goals need to support the organization's priorities. Otherwise, the employee is not channeling his efforts in the most productive manner for the organization.

**Realistic** – To be realistic, a goal must represent an objective toward which you are both willing and able to work. But be sure that every goal represents substantial progress. Your goal is probably realistic if you truly believe that it can be accomplished, or if you have accomplished something similar in the past.

**Timed** – A goal should be grounded within a time frame, otherwise there is no sense of urgency.



## Why Smart Employees Underperform: 7 Hazards to Avoid

### 4. Poor relationship with manager

#### Do as I say and not as I do...clear as mud!

A poor relationship with one's boss is the number one reason for failure at work. There are two common flashpoints that adversely impact performance.

##### 1. The employee is unclear about the manager's expectations

Goals should cascade down from a manager to his employees so that everyone understands how they contribute to the objectives of both the team and the organization. If an employee does not understand the goals she has been given, or if she hasn't been given goals at all, the onus is on her to seek clarity. Asking a simple question such as, "What are the top three priorities in my role that you would like me to focus on?" can help everyone on the team gain clarity. Employees should also ask "Why is this so important?" as the answer will give them a lot of good clues for developing the relationship with their manager.

##### 2. Managers fail to adapt their styles to the employees' preferred styles.

Every employee/manager relationship is unique and requires a different management approach. For example, the approach taken by highly decisive boss working with a highly decisive employee should be significantly different from the approach taken by this same boss when working with a less-decisive employee. The decisive employee thrives on quick decisions, while the other employee will be more methodical in his or her decision-making approach. The less-decisive employee will potentially enter into conflict with the faster-paced manager. A "one-size fits all" management approach will likely result in frustration for everyone.

Managers and employees who understand each other's preferred styles will better understand how to communicate and work together effectively. We have identified seven factors that strongly predict the compatibility between a manager and her workers. These are: self-assurance, self-reliance, conformity, optimism, decisiveness, objectivity, and approach to learning. Assessing a manager and her employees allows her to use objective information about herself and her workers so that they can work more effectively toward a common goal.



## Why Smart Employees Underperform: 7 Hazards to Avoid

### 5. Poor relationship with co-workers

#### Can't we just all get along?

There are four primary factors that harm relationships among co-workers:

**1. Insensitivity toward others** – Insensitive co-workers damage any sort of team dynamic and potentially expose the employer to hostile work environment and employment discrimination law suits. Any remarks that might be interpreted as discriminatory with regard to gender, age, sexual orientation, race, or disability contribute to a hostile work environment. Managers who sense this hostility need to take quick and decisive action to prevent it from continuing.

**2. Unclear accountability** – Conflict between interdependent employees or groups emerges because they are unclear about business objectives, priorities, and deadlines, as well as processes and resources for delivery. Additionally, mixed messages create incongruence that actually encourages departments to pull against each other in the interest of achieving their own objectives—to the detriment of the greater organization. When accountabilities are unclear, balls get dropped, turf wars rage, confusion reigns, and productivity plummets. This leads to frustration and indifference, and ultimately underperformance.

**3. Poor cultural fit** - Cultural fit refers to the employee's compatibility with the organization's values and mode of operation. While the employee presents well on paper and performs well during one-on-one interviews, the employee's style, approach, and behavior on the job are simply inconsistent with the values and expectations of your organization. Their *modus operandi* is foreign to their colleagues.

**4. Incompatible styles** – Co-workers have communication styles and natural behaviors that simply don't mesh well with one another, and neither is willing to adapt his style. This creates conflict and hostility, which creates stress and distraction for the entire team.



## Why Smart Employees Underperform: 7 Hazards to Avoid

### 6. Health and wellness issues



#### **An ounce of prevention is worth a pound of cure**

Approximately \$260 billion in output is lost each year in the US because of health-related problems. Whether they are absent from work altogether, or present but working at a reduced capacity, employees suffering from physical or mental illness have difficulty performing at their peak.

Employees spend approximately 36% of their total waking hours at work. This makes the worksite an ideal place to provide workers with the knowledge and skills needed to help improve attitudes and behaviors concerning health.

#### **A comprehensive worksite health promotion program typically contains six elements:**

1. Education about—and encouragement of—healthy living, focusing on overarching lifestyle changes. Disseminate information and build awareness of healthy living issues, preferably tailored to employees' interests and needs.
2. Supportive social and physical environments. This includes implementing policies that promote healthy behaviors and reduce risk of disease.
3. Linkage to related programs that help employees balance work and family life.
4. Worksite screening programs, ideally linked to medical care that ensures follow-up and appropriate treatment as necessary.
5. Processes for supporting individual behavior change with follow-up interventions.
6. A continuous improvement process that enhances the program's effectiveness.

## Why Smart Employees Underperform: 7 Hazards to Avoid

### 7. Physical and environmental factors



#### Snug as a bug in a rug

Numerous behavioral studies have proven that a pleasant and comfortable work environment improves worker productivity and reduces turnover.

For example, indoor temperature affects several human responses, including thermal comfort, perceived air quality, sick building syndrome symptoms, and performance at work. Researchers in Finland showed that when the interior air temperature was 30°C, worker performance was 8.9% below worker performance at the optimal temperature of 22°C.

#### Physical Factors

1. Workplace layout encourages efficient communication flow but minimal disruption
2. Ergonomically correct workplace reduces fatigue and distractions to reduce errors and injury
3. Safety awareness and concerns that can cause stress and accidents

#### Environmental Factors

1. Temperature
2. Air Quality
3. Lighting Conditions
4. Excessive Noise
5. Traffic

Indeed, it has been found that a productive work environment requires that management be able to positively motivate its employees in an infrastructure that is amenable to employees' needs.

**Summary:**

**Why Smart Employees Underperform: 7 Hazards to Avoid**

1. Inadequate capability
2. Poor job fit
3. Fuzzy goals and accountabilities
4. Poor relationship with manager
5. Poor relationship with co-workers
6. Health and wellness issues
7. Physical and environmental factors

# imagine great people™

## Profiles International – Who We Are

Profiles International helps organizations worldwide create high-performing workforces.

Through our comprehensive employment assessments and innovative talent management solutions, our clients gain a competitive advantage by selecting the right people and managing them to their full potential.

### Where We Are

Profiles serves 122 countries around the globe and has material in 32 languages.



### Contact Us

**Profiles International**

[www.profilesinternational.com](http://www.profilesinternational.com)

(800) 960-9612

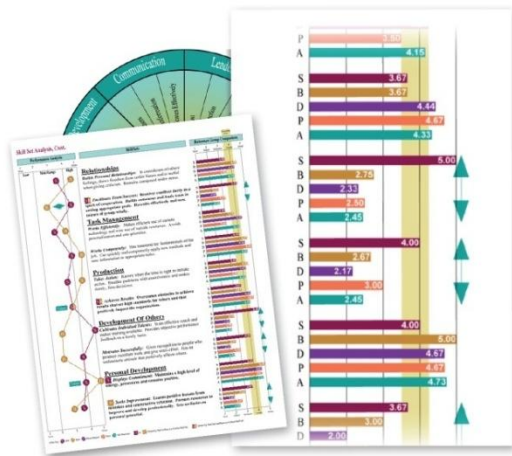
# About Profiles International

## Products of Interest



### ProfileXT®

PXT – The [ProfileXT®](#) is a ‘total person’ assessment that has a myriad of uses. It measures job-related qualities that make a person productive—thinking and reasoning style, behavioral traits and occupational interests. These qualities in an individual directly affect her productivity, and the productivity of her entire team. An added benefit? The ProfileXT provides 10 reports from one fifty-minute assessment: individual report, placement report, succession planning report, candidate matching report, coaching report, job analysis report, sales placement report, sales management report, summary reports, and graph reports.



### CheckPoint 360™

[CheckPoint Management System](#) combines direct feedback from direct reports, peers, supervisors, and customers, and includes a personalized program for developing specific leadership skills based on that feedback. This assessment process highlights a manager’s job performance in 8 skill clusters: leadership, communication, personal development, development of others, production, task management, relationships, and adaptability. The CheckPoint 360° uncovers the following productivity killers: ineffective management practices, poor communication, inadequate leadership skills, distrust of management, inability to delegate, low motivation, lack of commitment, low performance standards, and workplace conflicts.

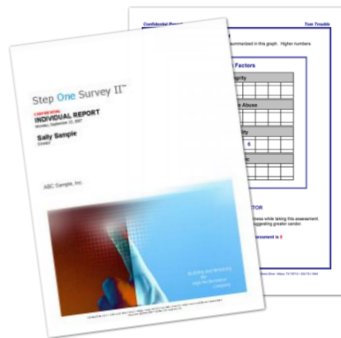
## About Profiles International

### Products of Interest



## Customer Service Profile™

Another key to driving performance is having a consistent company message. CSP – [Customer Service Profile](#) measures key characteristics of exceptional customer service. How much easier is it to drive performance when the people engaging the customer on a daily basis are all on the same page? The CSP looks at our current and future employees' definitions of good customer service, while at the same time showing us where they align (or not) with our company's perspective.



## Step One Survey II®

Superior talent management practices can help managers easily identify a potential need for additional people or for better use of existing resources. With efficient selection and on-boarding practices, both new people and incumbents become more productive in a short amount of time. SOSII – [Step One Survey II®](#) can help give new employees the head start they need from day one. By making sure that prospective applicants 'fit' our corporate culture before they ever join the team, we can know in advance how to assimilate a person into a work environment in the optimum amount of time. Insight into an applicant's work ethic, honesty, integrity, propensity for substance abuse, and attitudes on theft (including property, data and the most expensive commodity, time), can give a much-needed preview into how well this person will mesh with a company's current culture and climate.



## Profiles WorkForce Compatibility™

[Profiles WorkForce Compatibility](#) is a powerful tool that measures critical workplace compatibility information between a manager (executive, director, supervisor, team leader) and his employees. PWC is used to increase productivity, identify and close compatibility gaps between manager and employee, improve communications between manager and employee, raise the level of employee engagement, and reduce employee turnover.

## About Profiles International

### Additional Reports from Profiles Research Institute



#### America's Most Productive Companies

In economics, “productivity” is a measure of output per unit of input. For purposes of this study, we defined labor productivity in terms of revenue produced per full-time employee. Calculating this required us to analyze financial data from over 1,600 publicly traded companies that we then organized into over 175 sub-industry groups.

We then identified the companies that ranked highest in each category and took a closer look at the practices that enable them to out-produce their peers. By understanding these practices, we hope to educate ourselves and our clients about the practices that can help them run more efficiently and become more competitive in the marketplace.



#### 5 Critical Management Derailers: Symptoms and Remedies

Why do front-line managers fail, and what can be done to avoid failure? We polled our experts to identify our top five most common management derailers. They are:

1. Poor interpersonal and communication skills
2. Inadequate leadership skills
3. Resistance to change
4. Inability to deliver expected results
5. Inability to see beyond their functional silos

This report elaborates on these five issues and offers some common sense advice for helping your managers avoid them.

## About Profiles International

### Additional Reports from Profiles Research Institute



#### Selection Strategies for Reorganization, Redeployment and Recovery: Comprehensive Report of Findings

Profiles International researchers conducted a comprehensive review of organizational design and talent management practices to identify over 50 “best practices” in the context of organizational restructuring. We then asked several experts to rank their top 20 best practices from this list. From this, we determined our “Top 10” best practices list.



#### Selection Strategies for Reorganization, Redeployment and Recovery: C-level vs. Non-C-level Comparison Report

Profiles International researchers conducted a comprehensive review of organizational design and talent management practices to identify over 50 “best practices” in the context of organizational restructuring. We then asked several experts to rank their top 20 best practices from this list. From this, we determined our “Top 10” best practices list. From these “Top 10” best practices we designed a brief 10-question survey to poll our clients on how well they believed their organizations followed these practices and how well they would be prepared for a major reorganization and redeployment event. Nearly 800 people (over 30% of participants worked in companies with over 500 employees ; 50% of participants had director-level roles or higher) participated in the study.

Our findings highlight some considerable differences between the perspective of C-suite and non-C-suite participants on nearly every dimension we measured. This heightens concerns that the C-suite may be out of touch with what is actually happening on the front lines as it relates to reorganizing and redeploying talent in the midst of change.

## About Profiles International

### Additional Reports from Profiles Research Institute



#### Four Essential Tactics for Optimizing Organizational Talent

Now more than ever you have the opportunity to optimize your organizational talent. While cost cutting may be inevitable, it's important to avoid some of the common traps that will put you at a disadvantage when the economy turns around. The bottom line is that you need to know your human capital inventory well enough to make the best decision. Our researchers have identified four essential tactics to optimize your organizational talent. These are:

1. Remove your chronic underperformers
2. Remove your bad apples
3. Uncover your hidden gems
4. Never stop your hunt for high-quality outside hires

This paper elaborates on these four essential tactics.



#### 5 Lessons for Upgrading Talent with Outside Superstars

The supply of talented individuals, many of whom were cultivated and trained by some of the world's most innovative and productive companies, has never been so plentiful or affordable. Throughout the last 20 years we have learned from our clients' experiences, and we have summarized five key lessons to help optimize the upgrading process:

1. Identify your current and future internal stars first.
2. Align your hiring decisions with your need for current and future talent.
3. Temper your expectations; high performance isn't always portable.
4. Don't let eagerness short circuit your selection process.
5. Underpromise and overdeliver

The report drills deeper into each lesson to guide you through the talent upgrade process and help you avoid common mistakes.

## About Profiles International

### Additional Reports from Profiles Research Institute



#### Seven Factors for Building Extreme Customer Loyalty

We all know it costs a whole lot more to acquire a new customer than to maintain an existing customer. Existing customers play an even greater role in our ever-changing global economy – we must keep them and grow them. We know that there are actions we can take and behaviors we can measure that create long term relationships between sellers and buyers. You build loyalty when your customers are aligned on seven key factors:

1. Emotional Dependence
2. Structural Dependence
3. Business Dependence
4. Satisfaction
5. Performance
6. Economic Value Proposition
7. Alignment and Fit



#### The Executive's Guide to Strategic Workforce Planning

Strategic workforce planning is a process that ensures your business has the right people in the right jobs at the right time to achieve your expected results. This discipline helps organizations understand their current state, forecast talent gaps and take the necessary steps to close those gaps. This report defines and explores six steps of strategic workforce planning and offers some common sense advice for achieving results.

1. Establish where your business is going
2. Understanding where the labor market is going
3. Understanding your future talent demands
4. Assess your current talent inventory
5. Identify your talent gaps and strategies to close them
6. Implement your strategies

# imagine great people™

## Profiles International – Who We Are

Profiles International helps organizations worldwide create high-performing workforces.

Through our comprehensive employment assessments and innovative talent management solutions, our clients gain a competitive advantage by selecting the right people and managing them to their full potential.

### Where We Are

Profiles serves 122 countries around the globe and has material in 32 languages.



### Contact Us

**Profiles International**

[www.profilesinternational.com](http://www.profilesinternational.com)

(800) 960-9612