

The RESOURCE

1946 TO 2006: 60 YEARS OF INNOVATION @ PSP

Sixty years ago, the founders of PSP began with the vision of applying scientific psychological measurement techniques to help organizations and individuals make better decisions in the workplace. As business cycles go, the timing could not have been better. In 1946, the postwar economy was booming with plenty of jobs and plenty of employees to fill them. The question was how to predict who would fit best in a given job. PSP researched the question and pioneered selection techniques to predict employment success.

Herzberg Motivation Studies

Soon another question arose – how do we motivate all of these people who have different expectations from the previous generation? With the aid of business leaders, PSP devoted significant resources to the study of employee motivation, resulting in the historical bi-factor theory of motivation developed by Dr. Frederick Herzberg and other PSP researchers. *The research documented the importance of getting employees involved in the job itself and not merely trying to buy their time.* This pioneering research was published in the book *The Motivation to Work*, which has become a classic in its field.

Changing Workforce

PSP researched positions from hourly to executive to determine the key skills and competencies required for job success. PSP's research in the early 1970s scientifically identified, for example, that successful middle managers demonstrated the same high motivational patterns, able intellectual skills and positive interpersonal characteristics regardless of whether they were male or female. PSP was also ahead of the curve in conducting research studies of the changing workforce that showed the importance of more flexible human resource planning for managing an increasingly diverse workforce that included families with multiple members employed.

All About People

PSP helped its customers recognize that their success was all about their employees. PSP pioneered the use of employee surveys as a motivation and communication tool. Today, PSP's unique surveys help companies with employee retention, performance management and career development. Online

surveys of all types, from 360s to employee opinions, allow PSP to meet customers' communication needs globally, 24/7.

Listening to Our Customers

PSP's research and services have arisen from needs expressed by our customers. By forging partnerships with our customers, PSP has broadened its services and been able to conduct research in real-life work environments. For example, a customer who was preparing to establish a plant in China, requested our help. Together we researched how to apply PSP's selection techniques in mainland China. Today, PSP offers its customers online testing in Chinese as a result of that successful partnership.



The Speed of Innovation

Innovation has come from PSP in many ways. Foremost, it has been evident in the speed required to meet rapidly changing customer expectations. PSP embraced the Internet because it allows us to meet customers' expectations for testing flexibility in speed, location and time. Online testing allows for 24/7 operations anywhere on the globe. Today, PSP has ongoing testing programs throughout the United States, Europe, Asia and Australia. Our clients are diverse, ranging from companies in the top 10 of the world's largest corporations to entrepreneurial organizations just getting started. In all cases, they recognize the importance of selecting the right people for their companies' business strategies and use PSP to customize employee selection and career development.

60 Years and What It Means for Our Customers

PSP's customer relationships are longstanding and allow us to observe success and failure across time. PSP has learned that organizations change only when their people change. If leaders do not grow and learn, neither will their companies. Change is the one constant factor in business to which one must adapt or be left behind. PSP itself has undergone tremendous change in our 60-year history. Changing economic cycles, the global marketplace, technology and customer expectations have required us to adapt and innovate to meet the challenges and expectations that are essential for our customers' success in the future.

EMPLOYEE SURVEYS: FORUM FOR COMMUNICATION

Companies depend on feedback from their employees to correct problems. What employees don't say is often more important than what they do say. In most cases, employees want to tell management about problem areas but feel they lack a communication vehicle for doing so.

A well-designed employee opinion survey provides a forum for two-way communication before what employees are thinking, but not saying, starts to harm the company. A survey provides a means for a company to hear and understand what employees think about a variety of issues, drawing out their perceptions of the organization's strengths and weaknesses. In addition, a survey can act as a catalyst for expanded communication and corrective action.

An effective survey gives feedback to management on how policies, procedures and programs are working and whether changes are needed. It also sends a clear signal to employees that their opinions and ideas are important to the company.

Making Surveys Work

PSP's employee opinion and retention surveys can systematically discover and accurately document employee attitudes on almost any subject. They are designed to gain the trust of employees, protecting individuals while gaining confidence and eliciting information. PSP has the experience to design surveys that pose questions in language familiar to employees and address specific topics of concern to the organization. PSP has found that a properly used survey provides an accurate gauge of employees' attitudes toward their jobs, the company, their supervisors and management, as well as toward proposed changes or particular work situations.

How a survey is conducted determines the credibility of its results. Employees will watch the process closely, observing whether questions reflect issues that are important to them and whether feedback on the results is open and straightforward. Their willingness to communicate openly and honestly about problems also depends on the effectiveness of management's follow-up.

Many companies put off doing surveys because they claim "the timing is not right." In most cases, this attitude signals management resistance to communication. If a company surveys its employees regularly (typically every two to three years), sufficient comparison data will exist to eliminate any concerns about timeliness.

Results and Feedback

Once problem areas are identified, it is important to find the underlying causes before jumping into action. Management should not be afraid to ask employees for more information if it will increase understanding. A survey is a vehicle for effective communication, not the end result. Objectivity is of primary importance when seeking additional information; otherwise,



employees will get the message that negative feedback is not acceptable.

When providing feedback, management should not hide data with which it is uncomfortable. The purpose of the survey is to evaluate strengths and weaknesses and to encourage open communication.

PSP's employee retention surveys also help management to discover both major and subtle influences that may determine whether employees will stay or leave the organization. They let management know the concerns of their employees before they begin to threaten the well-being of the organization.

Follow-Up

It may be necessary to gather more information on areas of concern identified in the survey before any action plan can be implemented. This information is gathered most effectively by groups of representative employees as well as through in-depth interviews by a neutral outside party.

Survey follow-up can occur on at least five different levels: company-wide, within a particular department, at a given location, by particular functional areas, and at different employee levels. In all cases, management must be committed to resolving issues and encouraging employee participation so that everyone involved has a part to play in creating positive change. Effective group interaction techniques give employees an opportunity to participate and an effective forum for expressing ideas. Management's willingness to listen and respond to employees' concerns is the key to identifying and resolving problems early—before they get out of hand.

Surveys can be useful tools for showing employees the importance management places on their ideas. When handled poorly, surveys can reinforce the perception that management does not value what the employees think. When handled well, surveys can enhance openness in communication in all parts of the company and facilitate the resolution of what otherwise may remain unidentified problems.

A version of this article has been previously printed in HRMagazine.

STRESS MANAGEMENT FOR EXECUTIVES

Executives are especially vulnerable to stress on the job. They typically work longer hours than the average employee, make decisions which impact more people and capital, and run a greater risk than other employees of termination for unacceptable company performance. They travel more, spend more time away from their families, and shoulder more responsibility than others. While their rewards may be greater in some ways, so are their risks.

Being an executive is often a lonely job, and too often executives try to shoulder greater responsibility than necessary without sharing some of the burden, asking for assistance from their staff, and using a team approach. Too few executives have a mentor or someone else with whom they can talk about stressful issues, to put them in perspective.

Stress can be defined as the rate of wear and tear on the human body. Its effects impact people in all walks of life, in all stages of life, and in all socioeconomic levels. Research has shown that positive events in one's life can be just as stressful as negative events. Too often, people do not deal with stress in their lives until they become physically ill.

Executives have become more enlightened about stress in recent years. They no longer think that colleagues who buckle under stress "just can't take it." They realize that there are external stressors that originate in the environment, as well as internal stressors that reside "inside the skin." They know that one's beliefs, perceptions and background can generate as much stress as one's workload, one's family life or one's financial situation, if not more. They know that positive events can be almost as stressful as negative events.

However, while executives' knowledge of the causes of stress has become more sophisticated over the years, their understanding of stress management methods has not. They fall prey to "bandaid approaches" such as hypnosis, massage, and weekends in Las Vegas. The truth is that executive stress management begins with much more basic methods: eat right, sleep right, and get regular exercise.

Eat right. Research has shown that many Americans "eat backwards." In other words, they eat their heaviest meal, with the greatest amount of protein, in the evening. For breakfast, on the other hand, they eat sugar-laden foods or they skip the

Remember what your mother taught you. Eat right, sleep right, and get some exercise.

morning meal altogether. Lunch often is a cholesterol-rich mix of fast food, snacks and/or sweets. Fiber content is minimal.

Eating to reduce stress involves a breakfast that is generous in protein, a lunch that is high in fiber, and a very light evening meal consumed several hours before bedtime. This approach provides energy and alertness for the workday, while also preparing the body for rest at night. In addition to eating "forward," it is important to keep in mind that foods are drugs. So by reducing the intake of "drugs" such as high-glucose and high-fat foods, which impair the body's performance, one can become a better stress manager.

Sleep right. Many executives get too little rest. They rise early, work late, and travel too much. While they pride themselves on their ability to sleep on airplanes, they know that they rest best at home in their own beds. They work six to seven days per week and frequently do not take their full vacation allotment. Punishing one's body in this way over a period of time catches up with a person.

Executive stress management requires getting proper rest. A sleep cycle of seven to eight hours per night is normal. One full day per week off the job is normal.

Four weeks of vacation per year is normal.

Get exercise. While virtually all executives acknowledge the need for regular exercise, only a fraction follow through. In part, this is the case because definitions of "exercise" differ widely. The first thing an executive should remember is that exercise is an activity that raises one's heartbeat for at least 20 minutes, thus creating an aerobic effect. By this definition, *golf is not exercise*.

Most authorities recommend that aerobic exercise be practiced three to five times per week. Executives who start exercise programs should build up gradually. Moderate exercise, rather than high intensity activity, is the key. The focus should be on working large muscle groups, instead of "spot training." Hiking and biking are good ways to start. Also consider using a trainer at a gym to help jumpstart your exercise program.

Stress is everywhere, and there is no magic elixir to take it away. Stress that cannot be prevented must be managed if one is to succeed in the executive ranks. Stress management first requires executives to get back to basics. So before you commit yourself to modern stress relievers such as aromatherapy, bioenergetics or paintball, remember what your mother taught you. Eat right, sleep right, and get some exercise.



WHAT'S NEW @ PSP

RESOURCES FOR GLOBAL LEADERS

Organizations must be ready to change frequently in order to remain competitive. ***Built to Change: How to Achieve Sustained Organizational Effectiveness*** by Edward E. Lawler III and Christopher G. Worley focuses on the strategies and practices that organizations can adopt so that they are able to change. Lawler is a distinguished professor at the University of Southern California Marshall School of Business and founder and director of USC's Center for Effective Organizations, where Worley is a research scientist.

In ***GlobalWork: Bridging Distance, Culture, and Time***, Mary O'Hara-Devereaux and Robert Johansen offer practical solutions to the daily challenges faced by businesses in today's increasingly global economy. The book is based on innovative research conducted by the Institute for the Future for leading global organizations.

In recognition of PSP's 60-year history, we encourage you once again to read Dr. Frederick Herzberg's classic article on work motivation, **"One More Time: How Do You Motivate Employees?"** The article, first printed by *Harvard Business Review* in 1968, and again in 1987 and 2003, is still *HBR's* most frequently requested article reprint (800-988-0886 or www.harvardbusinessonline.org). It grew out of groundbreaking research started by Dr. Herzberg when he was PSP's Director of Research in the 1950s.

Explore Dr. Herzberg's ideas further by downloading the Special Edition of *The Resource* entitled **"One More Time: Answers for Motivating Today's Employees"** (www.psp-hrd.com).

Richard Carlson provides some down-to-earth stress management tips for executives in ***Don't Sweat the Small Stuff at Work: Simple Ways to Minimize Stress and Conflict While Bringing Out the Best in Yourself and Others***.

- ❖ PSP's website (www.psp-hrd.com) has been redesigned for our 60th anniversary year with a new look and new content.
- ❖ All *Resource* newsletters are now available for downloading, and you will also find new articles about PSP services such as executive development, succession planning, competency modeling, 360° Surveys, and plant start-ups on the website.
- ❖ You may want to read the article on "Measuring Work Behaviors Through Testing" at www.psp-hrd.com.
- ❖ Take a virtual world tour with PSP on the map that shows our global reach (www.psp-hrd.com/about-bsp.asp).
- ❖ Barry May of PSP's Australian affiliate has been appointed Chairman of the Barrier Reef Institute, North Queensland's leading vocational education provider with eight campuses in the greater Townsville region.
- ❖ PSP now conducts both paper and online surveys. Online surveys offer quicker setup and data collection, a greater participation rate, and lower cost. Paper surveys work well for large hourly populations in manufacturing settings. Contact us for more information.
- ❖ In June, PSP will be relocating our offices in downtown Pittsburgh to the historic Frick Building. All PSP online services will remain active during the move. Phone numbers will remain the same. **See our new address below (as of June 2).**



HUMAN RESOURCE DEVELOPMENT

Building Competitive Companies Since 1946

FRICK BUILDING
SUITE 1900
437 GRANT ST.
PITTSBURGH, PA 15219

(412) 261 1333 PHONE
(412) 261 5014 FAX
WWW.PSP-HRD.COM



For recommendations on training resources on any management topic, contact PSP directly.