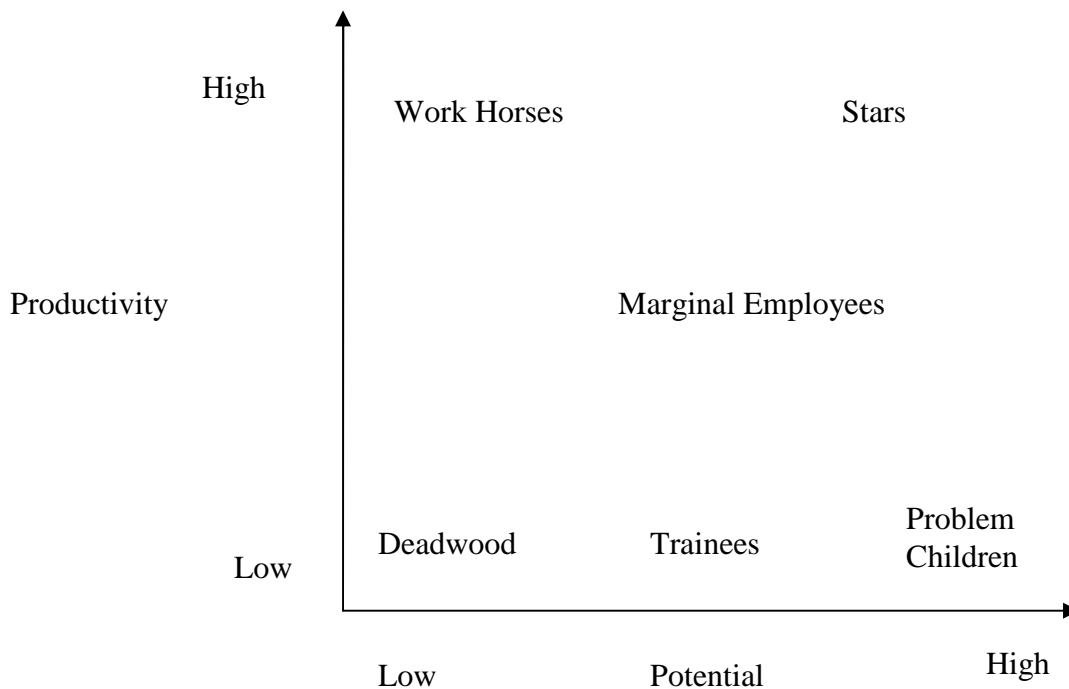


Measuring an Employee's Value to Your Organization

by John Durel

To what degree does an employee's contribution enable the organization to fulfill its mission and achieve its goals? Obviously, the greater the value to the organization, the more you want to keep this person. How can you measure the value the employee brings to your organization?



The following questions have been adapted from University Associates' Employee Effectiveness Profile. You can use the first set to assess an employee's productivity, and the second for potential.

Productivity—This employee:

1. Usually is resourceful in finding ways to overcome obstacles in doing his or her job.
2. Usually produces excellent results.
3. Does his or her current job in at least an above average manner.
4. Often discovers ways to do existing tasks more effectively than they were being done before.
5. Takes less than the average amount of time and effort to do the job.
6. Usually contributes well in tasks requiring teamwork.
7. Usually does things "right" the first time.
8. Would be difficult to replace with someone else who could do the job equally well.
9. Is so efficient that his or her absence would result in significantly lower productivity in the organization.
10. Usually does things on time.

Potential—This employee:

1. Will probably receive at least one more promotion in this organization.
2. Is probably capable of developing innovative procedures, services and/or products.
3. Will probably stay with this organization for two or more years.
4. Has the capacity to grow and keep up with added responsibilities.
5. Could probably find a higher level job in another organization.

Stars

Your best employees have both high productivity levels and high potential. These are your Stars. An organization of twenty employees will have one or two people in this category. On average, 5% rise to this level.

How to Manage: You want to reward, encourage, and give extra responsibility to these Stars. You need to discover what they value, what really motivates them, and ensure that their work assignments match their deeply held interests.

Work Horses

When it comes to productivity, these employees have high scores. They are competent in their areas of responsibility, perform well consistently, and work hard for the good of the whole institution. They have less potential for growth than do the Stars, but they are making a valuable contribution.

How to Manage: Some Work Horses have the potential to become Stars, and should be given special challenges to see if they can do so. However, you need to be careful that a "stretch" project does not become demoralizing because the work does not fit with the individual's real interests. For example, an outstanding museum curator may not want to become a manager, and by pushing her in that direction you may lose the value she produces as a Work Horse.

Marginal Employees

These employees (maybe 5 out of 20) sometime look like they are making significant investments of time and talent, but at other times they fall short. They perform inconsistently. Their productivity scores are in the mid-range. Their potential may be either high or low.

How to Manage: Managers often spend a lot of time with them, stepping in to solve problems and make decisions. Marginal employees need specific training and coaching to improve their work methods. There also needs to be a timetable for improvement. If someone cannot become a Work Horse or Star within a year, they are probably in the wrong job.

Trainees

There are two kinds of employee with high potential and low productivity fall into Box 4. First there are those who are new to the organization, who have not yet had a chance to produce.

How to Manage: Trainees need to be shown the ropes and given an opportunity to prove themselves. They need to be coached so that they become Work Horses or Stars, and not Marginal. They need to show that they can take initiative and solve problems without becoming dependant upon the manager.

Problem Children

Unlike Trainees, the other employees with high potential and low productivity have been around for awhile. Such people (probably 1 in 20) may not really believe in the mission of the organization. Often they are talented within their own field, but their beliefs and values are at odds with the organization's culture. This can lead them to sabotage the work of others, creating unnecessary barriers and stirring up discontent. Often they have been with the organization for a long time and managers are reluctant to be hard on them, since it is perceived that they have given so much to the organization. In fact, they take more than they give.

How to Manage: An employee in this category needs to be confronted with the fact that despite his abilities he produces relatively little of value to the institution, and indeed undermines it. A discussion of values and mission should lead either to a new set of performance goals that address his relationship to the whole organization and not just his area of expertise, or to his departure.

Dead Wood

Employees with low productivity and low potential have negative value for the organization, taking resources and contributing nothing in return. The cost to the organization goes beyond their salaries, since other employees have to take up their slack, and managers have to spend excessive time trying to get them to perform. One or two people in an organization of twenty fall into this category.

How to Manage: Enforce performance standards and terminate the employment.

The Problem with Hierarchy

It should be evident by now that the concepts presented here are at odds with the hierarchical structure found in most museums. Traditionally employees "get ahead" by climbing the structural ladder, taking on managerial responsibilities. As often as not, they arrive at these management positions by virtue of longevity, and not because of any particular talent. The structure makes it very difficult to recognize individual contributions, and to reward those in a way that is best suited to the individual.

Not all Stars in an organization will or should be managers, and not all managers will be Stars. If you are to retain them, you need to give Stars the kind of work they value. This may mean that some Stars have greater autonomy and responsibility than some managers who, according to the organizational chart, have a higher rank. This may have to be viewed as an exceptional circumstance, outside of the structure, as for example when the Star is given a special project with its own budget and resources.

Results

Applying these concepts will enable you to:

- **Improve the overall performance level of your staff** by eliminating Dead Wood and Problem Children, providing relevant training and coaching for Marginal Employees, and rewarding Work Horses and Stars.
- **Retain Star performers** by rewarding them in ways that they truly value, reflecting their individual styles and interests.

See ***What Employees Need and Value***, another briefing published on this web site, for ideas on how to reward Stars and Work Horses, and how to provide Marginal Employees with the help they need.