

Ace/James/Imaad
Underground SI

Additional Resources

- [Learning Assessment 1, 2, 3, and merged slides all found here](#)
- [LA1 Quizlet](#), [LA2 Quizlet](#), [LA3 Quizlet](#), [Final exam Quizlet](#)
- [Sample Final Exam](#)
- [SI Notes](#), [SI Slides](#)
- BU121 Resources Channel where you can find a bunch of lovely people that have compiled the textbook, lab manual, and mindtap into easily accessible docs
- Gather link can also be found in BU121 resources on discord for 9pm study sessions

Agenda

Operations

Don't forget the textbook content

Sustainability

Negotiation

HR

Don't forget textbook content

Textbook

DISC + EQ

Because I'm sure some of you forgot about it as I did

Operations

Don't forget the textbook content

What?

- **How** value is delivered to customers
- The most integrative functional area because you need to do *something* with value created during marketing
- Biggest part of the cost structure (finance)

Manufacturing vs Service

Differences	Manufacturing	Service
Inputs and Outputs	Input = Raw Material Output = Finished Good	Input = Person with unmet needs or possessions requiring care Output = Satisfied need or cared for product
Timing of Product Consumption	Delayed consumption. → Goods manufactured, shipped, stored, bought, and then used by consumer.	Service immediately enjoyed/consumed by customer.
Measuring Quality	Number of rejected products or customer returns.	Number of satisfied customers.

Capacity

- Capacity always comes with a demand/capacity tradeoff. If you have **too little capacity**, you have **wasted opportunity**. If you have **too much capacity**, you have **unused resources**.
- In **manufacturing**, you set capacity **slightly ahead of demand**
- In a **service**, there are two possibilities:
 - Low contact service (where customers spend little time face to face with employees, e.g., closed kitchen restaurant) – set capacity to average demand
 - High contact (where customers spend a lot of time face to face with employees, e.g., hair salon) – set capacity to peak demand

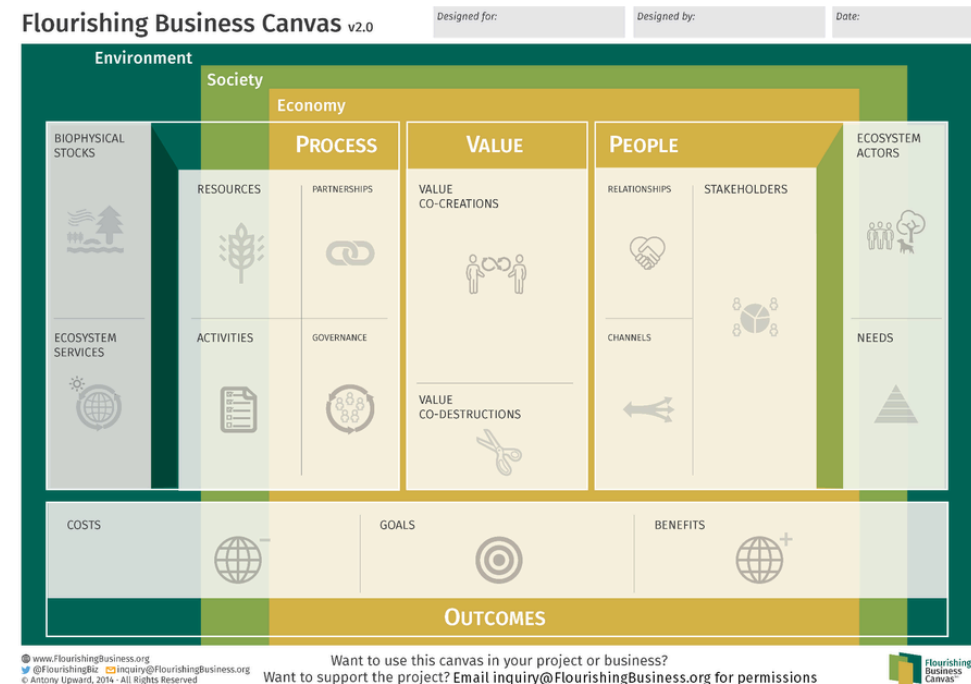
Sustainability

What?

- Sustainability is the “development that meets the needs of the present of the present without compromising the ability of future generations to meet their needs”
 - And it is measured by the **Triple Bottom Line**
- Idea extends beyond businesses to the 17 UN **Sustainable Development Goals**
 - Sustainability gives businesses the following benefits:
 - Opens up new opportunities (Food and Agriculture, Cities, Energy Materials, Well-Being)
 - Big efficiency gains (reduces waste)

B-Corps and the Flourishing Business Model Canvas

- B Corps are **for-profit organizations** that are certified after they meet rigorous standards of **social and environmental performance, accountability and transparency**
- Purpose-driven companies use the Flourishing Business Model Canvas, designed to **do well and do good in a successful way**
 - Vision is “a world where enterprises set at their core the goal of sustaining the planet”



Sustainable Operations

To have sustainable operations, there are five strategies

- Cradle-to-Cradle Design
 - Product designed to be disposed of and the waste is useful/sustainable
 - Waste becomes food
 - e.g., Sun Chips biodegradable bag
- Biomimicry
 - Plagiarizing nature's engineering
 - e.g., bullet trains based on aerodynamic properties of birds
- Product Stewardship
 - Taking responsibility for your product all the way through disposal + beyond
 - e.g., programs to dispose of e-Waste
- Servicizing
 - Performing a service instead of selling a waste-creating product
 - e.g., Xerox (photocopier → document managers)
- Sustainability through supply chain
 - Sourcing from and selling to other sustainable companies only
 - e.g., Unilever, Walmart, Zume

Greenwashing

Misleading customers to think they're more sustainable than they actually are

- Seven types of greenwashing
 - Hidden trade-off
 - Making unsustainable "less bad"
 - e.g., electric oil drill, biodegradable pesticides (made-up)
 - No Proof
 - Making claims without evidence to support them (even if the claims are true)
 - e.g., "By supporting us, you're saving the rainforest" with no reason why
 - Vagueness
 - Unclear statements claiming you are being sustainable
 - e.g., "Cleaner world for everyone"
- Irrelevance
 - e.g., oil companies saying they support non-oil climate initiatives
- Fibbing
 - Straight up lying bro
 - e.g., Volkswagen Emissions Scandal
- Lesser of Two Evils
 - One is sustainable, one is not
 - e.g., BPA-free fishing nets
- Worshipping False Labels
 - Labels that appear to be certified/credible when they aren't
 - e.g., "Certified Green 98% by the Green Bureau of Inspection"

Sustainable Operations Summarized

	Biomimicry	Cradle-Cradle	Product Stewardship	Servicizing	Sustainability in Supply Chains
Definition	Biologically inspired engineering (learning from nature)	Designing products so that its waste become resources for tomorrow (circular economy)	Shifting the responsibility of the entire product life to the manufacturer, being conscious of what is produced	Changing the BMC to provide services (competitive advantage)	Ensuring that every step of the supply chain is sustainable in its operations (from supplier to shopper)
What aspect is being changed (what are we doing instead of ____)	Instead of extracting resources	Instead of cradle-grave design	Instead of using taxpayers to dispose of products	Instead of producing products	Instead of outsourcing risks and responsibilities
Examples	Bullet trains + King Fisher Birds	Sunchip (biological nutrients) Nike Reuse-a-Shoe (Technical nutrients)	IKEA, LCBO	Xerox	Walmart – sour cream


Negotiation

The One Minute Negotiator Model


- A **negotiation** is an **ongoing process** which **two or more parties whose positions are not consistent** work in effort to reach an **agreement**
- **Negotiaphobia** → not wanting to or unable to efficiently negotiate
 - Many people think negotiations are an act of combat or conflict
 - Many people also need to work on their negotiation skills

Three-Step **EASY** Treatment Process

Engage: Recognize you are in a negotiation and quickly review the viable strategies.



Assess: Evaluate your tendency to use each of the negotiation strategies, as well as the tendencies of the other side.

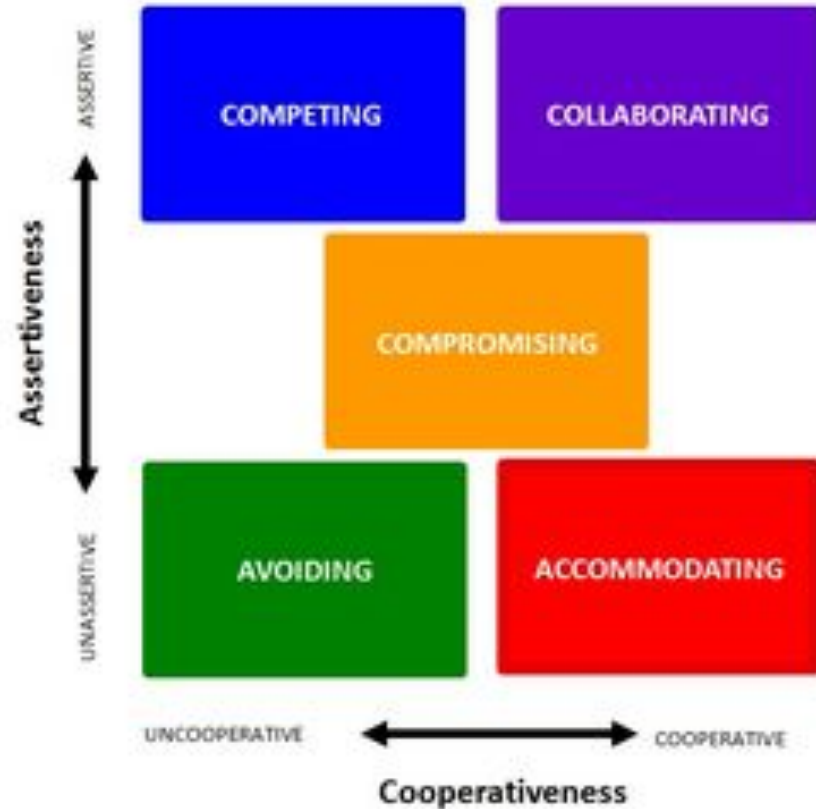


Strategize: Select the proper strategy for this particular negotiation.



Your One Minute Drill: Each time you begin a negotiation situation, take a minute to review the 3 steps.

Thomas-Kilmann Conflict Mode Instrument

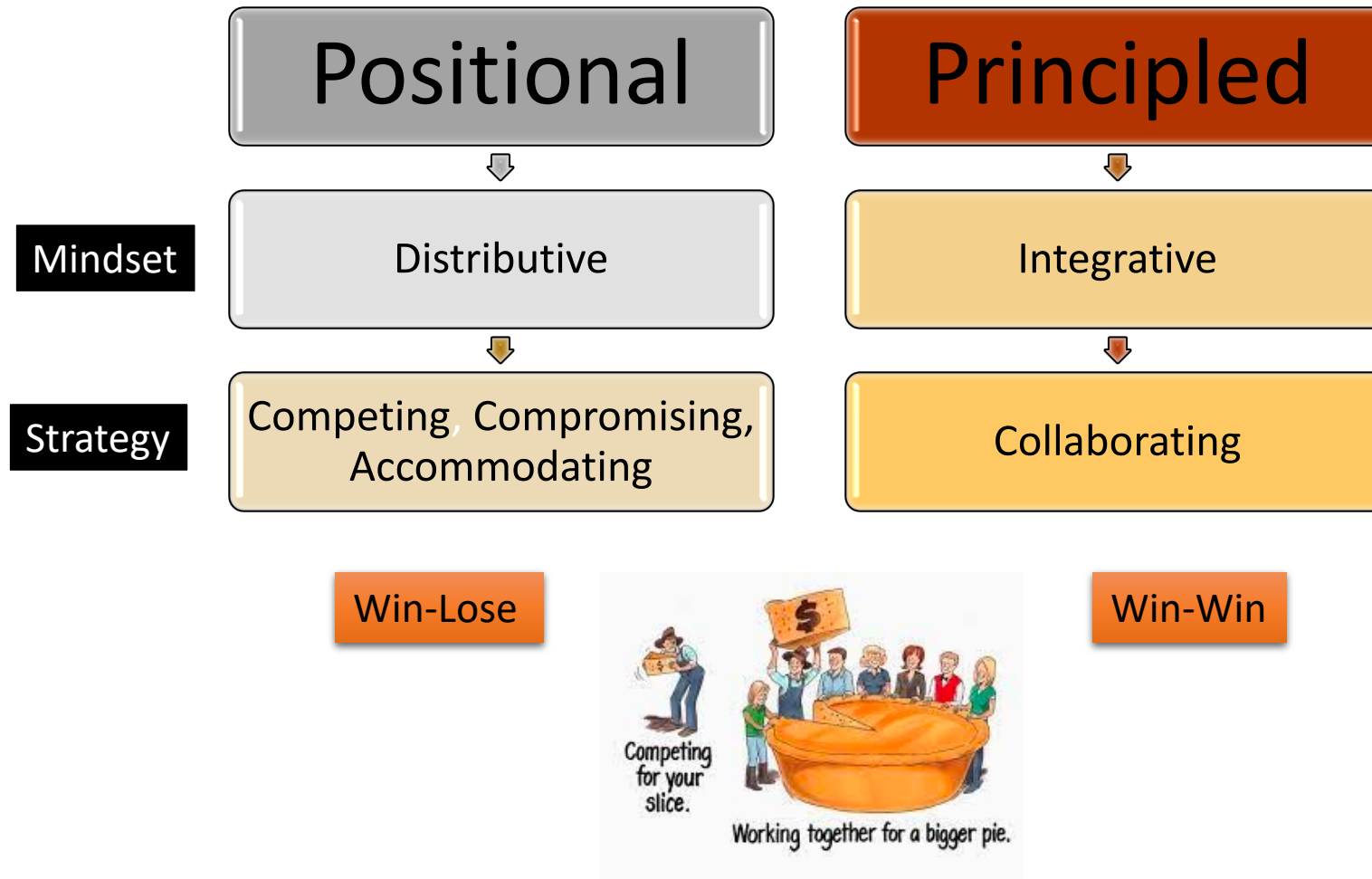


- Compromising should only be used:
 - Late in the negotiation process after legitimate strategies fully used
 - When only a small gap remains on one issue
 - Always directly tied to an agreement

On Compromise

- It is NOT a main negotiation strategy – never start with compromising
- It is a win-lose strategy
- It should only be used if you have tried the other strategies first
- It should also only be used when you are close to wrapping up the negotiation but there is still a small gap that needs to be filled
- It is always directly tied to an agreement

Positional vs Principled



Distributive vs Integrative

- Distributive

- People already have a position in mind and state their wants
- You either stick to position (hard approach) or accommodate (soft approach)
- Mindset is distributive, meaning finite resources
- Includes: competing (win-lose), compromising (win-lose), accommodating (lose-win)

- Integrative

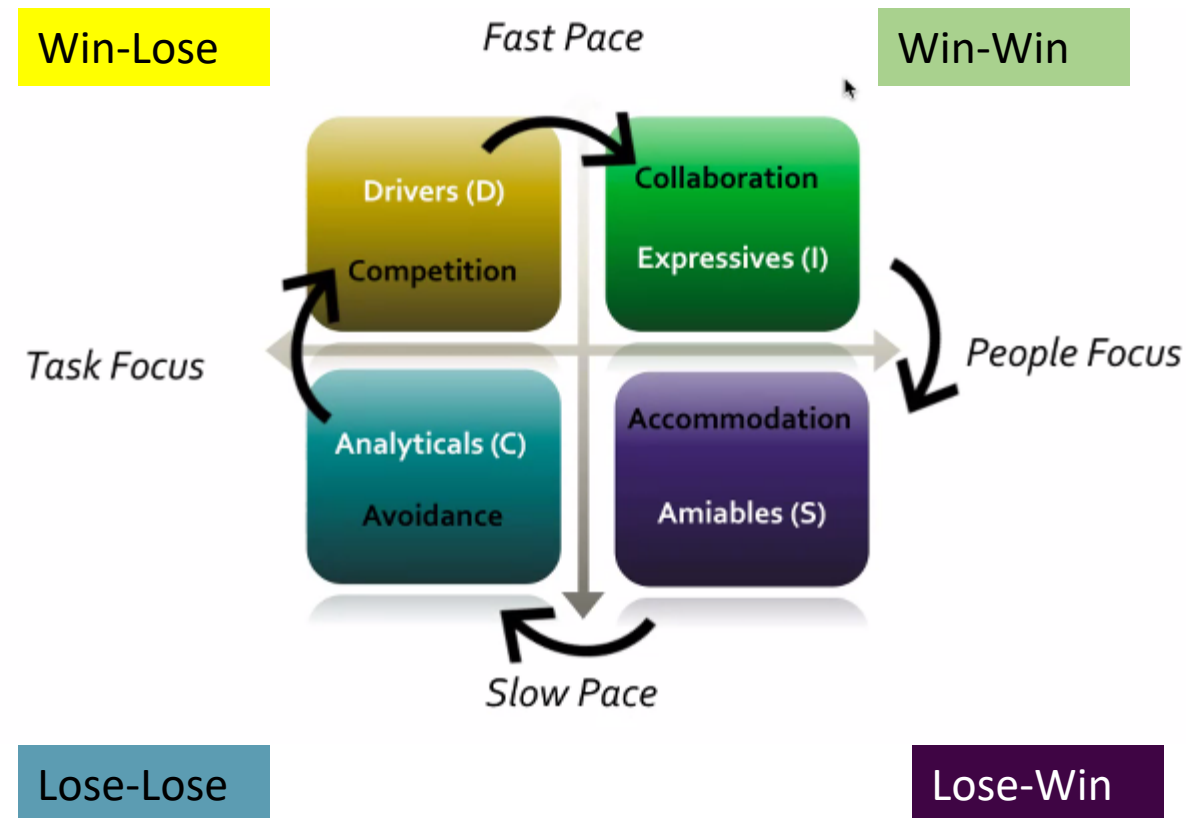
- Collaborative negotiations
- Cooperative in mutual solving
- Is principled
- Understand why people want something and what they want

Collaboration + Tendency

- There are two types of collaborators; sages and dreamers
- Sages: Wise, know how to collaborate and do it as often as possible, but they know it is not always the most possible approach
- Dreamers: They think they are collaborating, but they don't recognize when they are actually accomodating
- Check their strength of accommodation vs competition tendency
- Big concern is when someone's tendency is way too frequent – it is not good to employ the same strategy regardless of the situation
- What matters is **how the other side sees you**
 - This affects how they negotiate with you

Negotiation Strategy Matrix

This is a confusing and ugly diagram



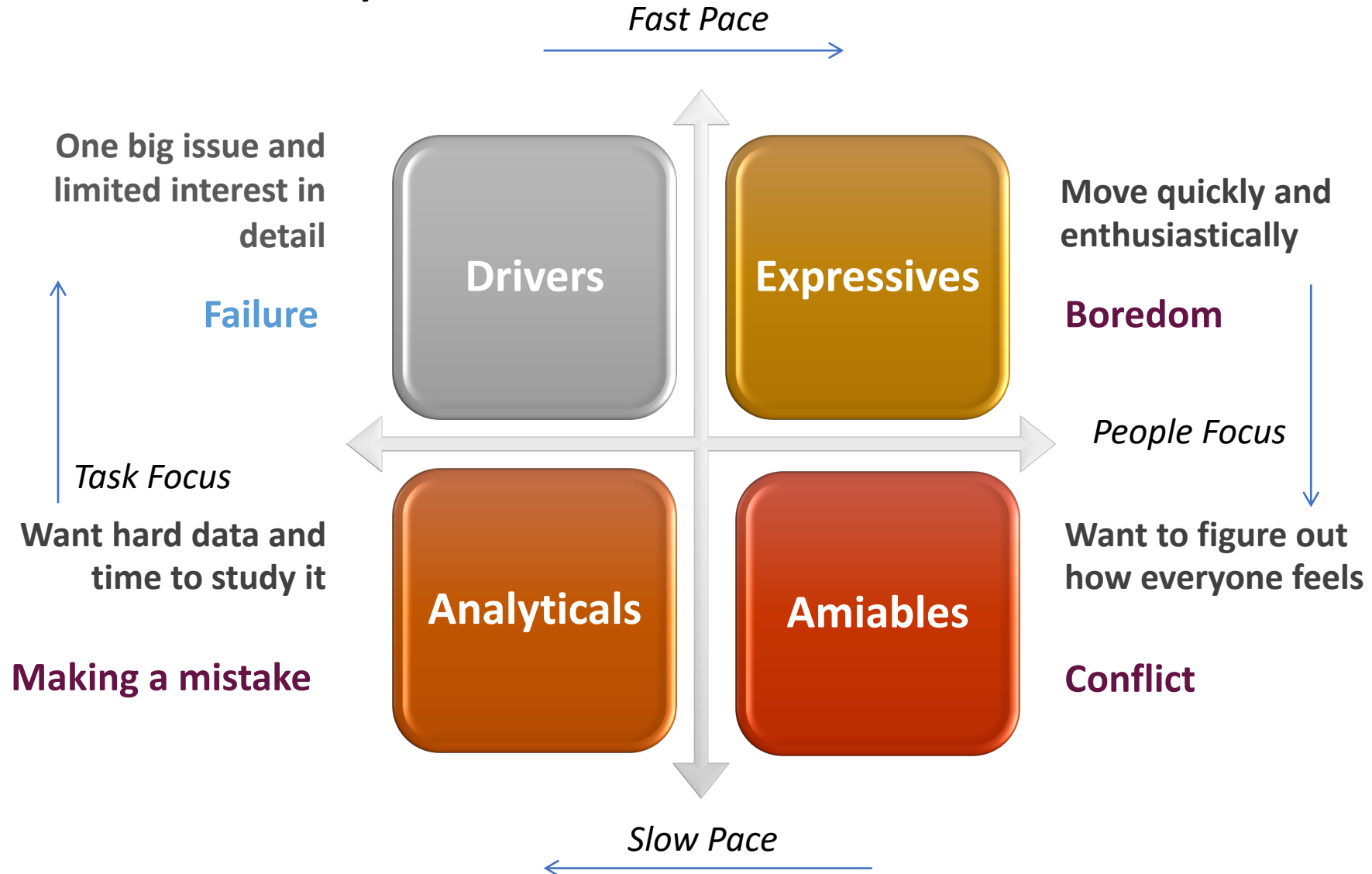
All it's saying is:

1. The interaction style (e.g. Drivers, Expressives, etc.)
2. What the interaction styles initial negotiation tendency seems like (e.g. drivers seem like competition)
3. The arrows are saying what their true negotiation style is (drivers seem like competitive but actually become collaborative)

Assessing Tendency

- Most people are predictable
- **Key is to be observant and recognize their behaviour**
 - Behavioural style and company culture
 - If in doubt – lean towards collaboration
- 4 basic interaction styles (similar to DISC)
- Pace of information exchange (proactive vs reaction)
- Focus on tasks vs relationships (low vs high cooperation)
 - Drivers (D)
 - Expressives (I)
 - Amiables (S)
 - Analyticals (C)

Interaction Styles



Interaction Styles Cont.

- Analyticals

- Want all the info first, so it can appear that they are avoiding at first
- They hate making a mistake, it makes them feel like all the info gathering went to waste
- Once they do receive all the info, they become competitive

- Drivers

- They want to win the deal
- They hate failing
- They come off as very competitive, but they do become willing to collaborate

- Expressives

- Love fast pace and hate boredom
- Seem collaborative
- End up accommodating to feel like they are liked and made progress in the negotiation

- Amiables

- Want to figure out how people feel
- Hate conflict
- Will agree in principle, seem accommodating
- May actually be unhappy with the outcome, so they were actually **avoiding** the negotiation since they hate conflict

Strategize (the not as good ones)

- Again, none of the four strategies are universally applicable or appropriate
- **Avoidance:**
 - Can be fine for very minor issues but be careful to not let big things slide
 - Recognize that it may grow in importance or set a precedent
 - Do it in a way that demonstrates that you are invested in a relationship. Eg no charge vs just letting it go
 - **Beware of the other side avoiding, they may be doing it if a superior option is readily available elsewhere**
 - **Objections are also a sign of interest**
- **Accommodation**
 - Use when in a significantly weaker bargaining position, you have little leverage or influence
 - You can improve this leverage with knowledge
 - How you accommodate is as important as when
 - Take ownership and invest in the relationship
- **Competition**
 - Use when opponent is not inclined or capable of cooperating
 - You want senior players (experienced) to get at true needs
 - They need to have the ability to make decisions
 - Use it when it is not worth the effort to collaborate

Strategize (the better one)

- **Collaboration**

- When the situation presents a significant opportunity with capable and willing decision makers on all sides
- It is a win-win-win
- 80/20 rule: 80% of the good outcomes comes from 20% of your inputs (therefore collaborate efficiently)
- Efficient collaboration requires identification of needs, preparation, and trust between parties
- Internal collaboration is a prerequisite for external collaboration
- **Harvard Approach:** use collaboration when you can, focus on needs, work together, understand why someone wants something

Positional Vs. Principled

- Principled negotiation is preferred
- Outcomes achieved from principled negotiations:
 - Wise agreement
 - Reached efficiently
 - And amicably
- How to do it?
 - Separate the people from the problem
 - Focus on interests and not positions
 - Generate a variety of options before making a decision
 - Insist that the result be based on objective criteria

HR

Don't forget textbook content

What and Why?

- **Employee commitment** is a KSF → we need to find a way to motivate them
- Having a **just cause** inspires harder work and a **sense of purpose** motivation
- Must communicate **why business exists** and **what value is provided**
- The process of HR management goes from
 - Acquisition → Development → Maintenance/Retention

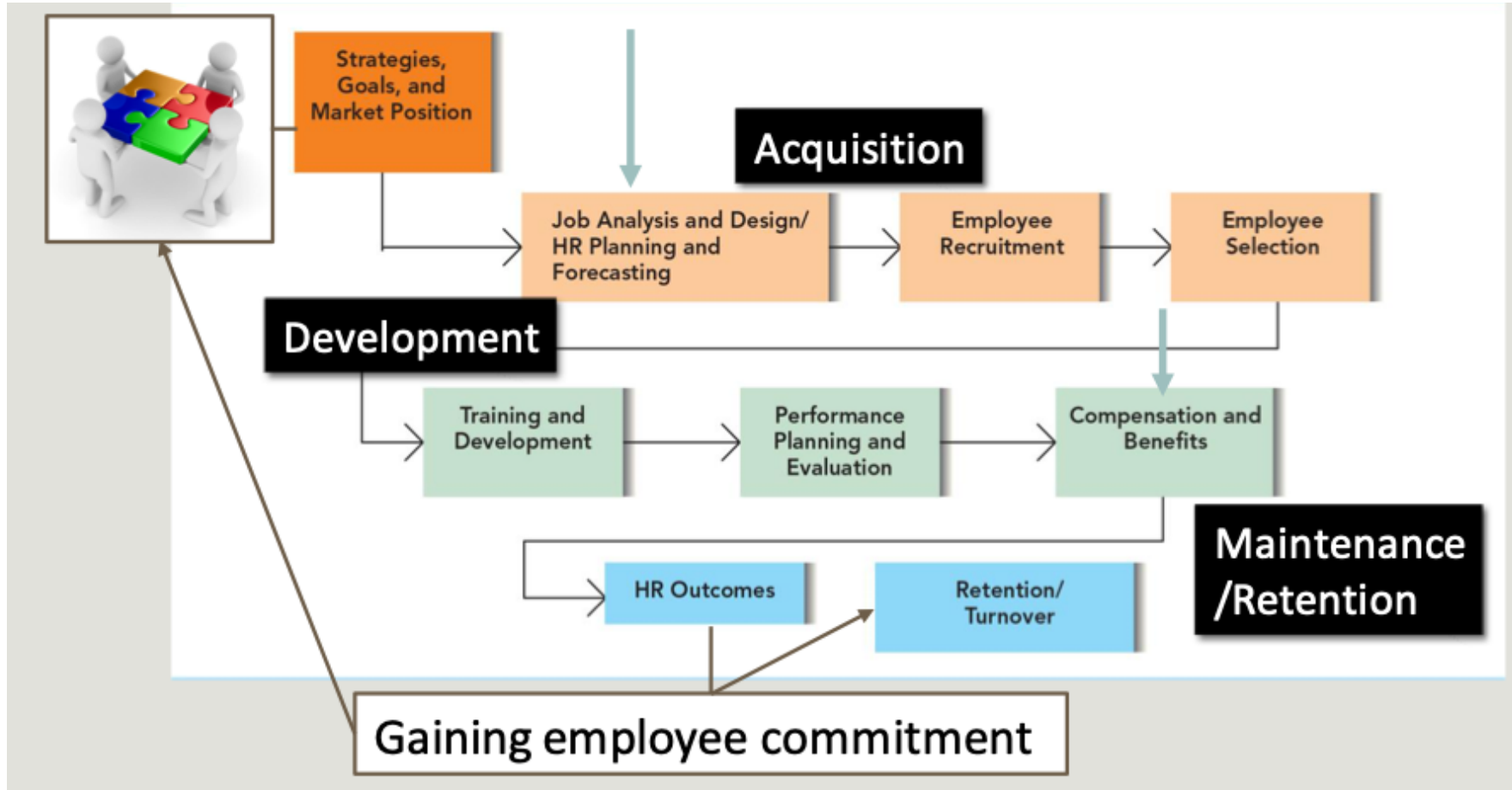
HR-Side Brand and Value

- Just like normal marketing, HR is like marketing to employees
- Limited number of best employees, so try hard to get them
- Brand perception as an employer is critical
- Must provide “value proposition” to employee
 - What will you offer them for their work? WIIFM?
 - Mix tangible and intangible rewards depending on their values
 - Ensure differentiation and why they matter

Recruiting

- On flip-side, it's very competitive for prospective employees as well
- Most recruiters only bother looking at resumes/CVs for 5–7 seconds
 - Only a 17% chance it'll get read at all
 - Takes 1 spelling/grammar mistake to get binned
- Vetting social media plays an important role in recruiting nowadays

Process of HR Management



3 phases of management

This is elaborated more in the textbook content section of the slides

Also called “talent” management

New Management | Organization Structure

- **Write organizational chart in pencil**

- Don't create a rigid organizational structure with a set hierarchy
- Allow the best teams to form around problems and products
- Examples:
 - Eden McCullum: A small network of consultants and they pick specific people they want for a project depending on what it is
 - Broadway: Have core full-time employees, but also a cycle of new people that constantly come in to write scripts for actors and musicians
 - Gore: very creative company, employees get to choose what they work on

- **Fire The Managers**

- Move away from a structure where the front-line employees have little decision making ability
- Stop micromanaging people, key driver of motivation is **autonomy**
- Decentralize the decision-making and give more choice
- Examples:
 - Nike: have 2 facilities. One facility they had employees create their own teams, production targets, and work schedules. The other facility had a rigid structure.
 - **Self managed facility had higher wages and were more productive**
 - GE Aviation

New Management | Organization Structure

- **Fire the Managers Cont:**
- **Example: Morning Star Company**
 - Largest tomato processing company
 - Very self managed, no set bosses at Morning Star but “everyone’s the boss”
 - Employees constantly self reflect and achieve their personal missions
 - No structured hiring process
 - Ability to spend money as they see fit and work with other business units
- **Put customers second**
 - Customer loyalty makes company profitable, and is experience driven
 - When an employee feels good about their work, it carries over to the customer
 - Invert the hierarchy; **customer satisfaction comes from employee happiness**
 - Examples
 - Wegmans: Does extensive employee training, 40 hours of training as a cashier
 - Has decision making capabilities
 - Good health benefits and employee insurance
 - Employee turnover at Wegmans is very low and their sales are 50% higher than competitors

New Management | Selection + Exits

- **Hire As a Team**

- Work is social and based on interaction with the team around you
- “Most managers hire by screening resumes and conducting a few interviews with individual candidates. Later, many of those managers find that a significant percentage of the new hires don’t perform as well as they interviewed. To help them make smarter hiring decisions, the best leaders now bring their whole team into the interview process.”
- Example: google → the team hires you
- Example: Whole foods → the team hires a person on a 60-day trial, once it is over, the team decides if you stay or not
- The team knows best on who works well with them

- **Ban Non-Competes**

- Non-competes: sign a clause that prevents you from working at a competitor after leaving a job
- However, having collision of thoughts and new people flowing in and out is good
- **It leads to innovation and growth**
- Example: IBM created a post-doctorate program and encouraged people to work at IBM then move on
- Proctor+Gamble did the opposite but their innovation plateaued so they got rid of non-compete clauses

New Management | Selection + Exits

- **Celebrate Departures**

- “As individual job tenure in companies becomes shorter, leaders say good-bye to even their best people more frequently. How they do this – whether they celebrate or shun the departed – affects not just those leaving but those who stay, as well as the performance of both the old and new firms.”
- You do not want people leaving on a poor note, so celebrate and maintain a good reputation
- Example: Microsoft Alumni Program
- Example: LinkedIn encourages people to stay in touch and share ideas after leaving
- Benefits:
 - Learn from new perspectives
 - They could become a future customer, supplier, or reference

- **Pay People to Quit**

- When people aren’t engaged or a good fit, it hurts your ability to serve customers well
- Incentivize people to quit before they do that damage to the company/customer relationships/employees
- Examples:
 - Amazon has a quit day where people are offered money to quit. The employees must decide within that day but each year the pay for quit day rises.
 - Riot Games offers 10% of a year's salary to quit within the first 60 days
 - Anyone that works for Zappos spends 4 weeks at customer service
 - At the end they get offered \$4000 to quit
 - Only a few people actually quit and the people that stay get a boost
 - It has a positive affect on the people that choose to stay as well as the company
 - \$4000 is only a fraction of the cost it takes to keep an employee

New Management | Compensation + Benefits

- **Make salaries transparent**

- Traditional approach: keep wages secret
 - Cons: stress over wages, employees feel bitter towards each other, causes less motivation and they think their workplace might be inequitable
- Transparent approach: feelings about wages no longer based on assumptions, people can just move on
- Examples
 - SumAll is a data analytics company, it makes salaries transparent to everyone in their company
 - Buffer makes wages public to **everyone**
 - Wholefoods also makes the info public
- **Transparency breeds trust, trust is the foundation of teamwork**

- **Less standard vacation policy**

- Some companies have switched to unlimited vacation
- Treat employees with trust, like grownups
- Increases productivity, engagement, and does not cost more
- **People need a break, so they don't burn out**
- Example: Netflix
 - Promotes the idea of building employee trust and adult behaviour
 - The employees do not take the unlimited vacation for granted
- Example: Windsor Hospital
 - They found people were not actually taking holidays because they did not want to burden their coworkers
 - So they got unlimited days off and were told to sort it out with their team which increased collaboration
- Example: Virgin Mobile

New Management | Compensation + Benefits

- **Take Sabbaticals**

- “Despite the temptation to be “always on,” the best leaders give themselves and their employees a good long break once in a while – a sabbatical. These leaders have found that the best way to stay productive all of the time is to spend a good portion of the time being deliberately unproductive.”
- Positive effects: Allows people to comeback refreshed and productive
- Allows other people in the company to step into roles and build their skills
- Examples
 - McDonalds: After 10 years of employment, employees get 8 extra weeks of vacation
 - QuikTrip: They mandate sabbaticals and force people to slow down so they come back a better person
 - Intel

- **Ditch Annual Performance Evaluations**

- Having a rigid performance management structure prevents people from improving their performance
- People are scared to make mistakes especially if they don’t know how they are doing at the end of the year
- Example: Microsoft
 - They used to have one evaluation annually
 - This evaluation had a distribution planned, only a certain percentage of people could get perfect scores
 - This encourages competition, not collaboration. In turn it reduced creativity and risk taking
- Example: Motorola

New Management | Work Environment

• Close Open Offices

- While the recent trend toward open offices is often explained as necessary to inspire collaboration, research and experience have shown that the benefits of open office design for collaboration are typically offset by myriad distractions. The best leaders have a different answer for the open- versus closed-office debate.”
- People get distracted and also territorial when there is a lot of open office space so it can worsen relationships
- Example: Gerson Lehrman Group
 - Does have an open office and encourages conversation
 - Also has a lot of spaces with closed doors
 - The key point is to give people **choice**, open spaces are great for conversation, but it also allows them to lose control. Closed space is great for focus and getting work done
- Example: Chiat Day
- → very open office, cause a decrease in productivity

• Outlaw Email

- Limiting email access actually makes people more productive
- Companies need to put boundaries so employees don't try to keep switching tasks
- Email also limits more human interactions
- Example: Volkswagen
 - Shut down email services outside of normal business hours so people get a break from receiving emails
 - Allows people to take a breather and catch up on emails and work

Designing Hybrid Offices

- Some workers from wealthy and industrialized countries can work effectively from home and 80% of them would like the option to
- This is supported by the last year of remote work too
- The office can't be abandoned completely, an essential part of the office is about interpersonal contact
- Offices are important for:
 - Building trust through personal interaction
 - Learning the nuances of your job
 - Building and maintaining the organizational culture

Designing Hybrid Office Cont.

- Due to the growing functionality of info and communication technology, workers will be moving between remote work and office buildings. We call this the **hybrid office**.
- This means the office primarily becomes a **culture space** – a model that uses tech enabled design to turn ergonomic workplaces into a socially engaging place.
- The office will provide:
 - A social **anchor** that facilitates connections
 - A **schoolhouse** that enables learning
 - A **hub** that fosters unstructured collaboration
- The office of tomorrow is:
 - Designed for human moments
 - Customized by technology
 - Managed to encourage connections

Hybrid Office Example: IOC Olympic House

- Designed around 5 key values: **movement, transparency, flexibility, sustainability, and collaboration**
- Has a large central stair-case that forces people from different departments to run into each other and stop to talk
 - → encourages human moments and unstructured collaboration
- Also considered the acoustics / sound design of the office
 - → customize using technology
 - Desk and office areas have carpets and sound-absorbent material to allow people to focus
 - Central stair-case area has less muted sound and a “coffee-shop” type buzz to encourage people to socialize
- Key takeaway is to **humanize** the office and turn it into a **social space** to promote **collaboration** while also allowing for freedom in choice

New Management SI Summary

'New Management' Concepts:

Organizational Structure | Selection and Exit

Concept	Description/Implications	Example
Write the Org Chart in Pencil	-An organizational chart that can handle change -Allow the best teams to form around problems and products	Gore, Eden McCallum
Fire the Managers	-Allow employees to make decisions, give employees choices	Nike, Morning Star, GE Aviation
Put customers second	-Putting employee happiness 1st will lead to customer satisfaction	Wegmans
Hire as a Team	-Bring the team into the interview process to make smarter hiring decisions	Whole Foods, Google
Ban Non-Competes	-Banning non-compete clauses allows for information to be shared freely, allowing for innovation and growth	IBM, P&G
Celebrate Departures	-Wish employees leaving good luck, maintain a good connection	Microsoft, connecting with alumni on LinkedIn
Pay people to quit	-Help employees quit can leave a positive effect for the company and their employees	Zappos, Amazon



New Management SI Summary 2

'New Management' Concepts:

Compensation & Benefits | Performance Evaluations | Work Environment

Concept	Description/implications	Example
Make Salaries Transparent	-Being transparent about salaries can improve performance as people feel a sense of equity with the work that they are doing and how they are being compensated	Buffer, Whole Foods
Lose the Standard Vacation Policy	-Giving employees unlimited vacation was found to improve productivity and collaboration -Employees will get the job done, on their time	Netflix, Virgin Mobile, Windsor Regional Hospital
Take Sabbaticals	-Allow employees to take a good long break once in awhile Can increase productivity, increases ROI, allows for training periods for juniors	Intel, McDonalds
Ditch Formal Performance Appraisals	-Reduce annual formal performance appraisals, adopt more informal conversations with coworkers, suppliers, and customers	Motorola, Microsoft
Close Open Offices	-Open offices can actually lead to more distractions -Best designs give employees choices (mix)	Gerson Lehrman Group vs. Chiat Day
Outlaw Emails	-limit employees' access to email will make them more productive	Volkswagen, Atos, Daimler

Key Takeaway: Think about KSF!

Key Success Factors



Think about why all these new management concepts relate to these KSF

It all links back to purpose and providing value

Textbook

Operations

Design Planning

- The development of a plan to convert an idea to a product
- Three key decisions, each with their own considerations:
 1. Designing a product line: balancing production requirements with customer preferences (integration with marketing)
 2. Estimating capacity: too little → wastes opportunity, too much → wastes money with inventory costs and unused resources
 3. Evaluating technology options: high initial + low operating vs low initial and high operating costs

Facility Locations and Layout

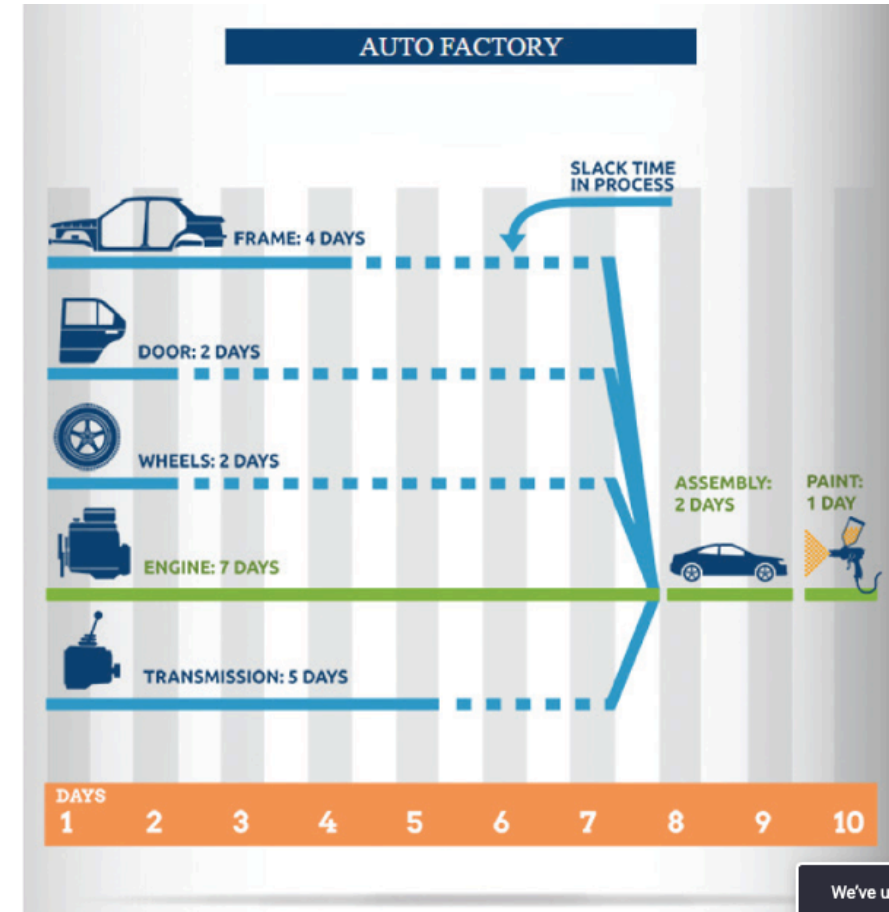
- When determining a facility locations you must consider four things:
 1. Proximity to your major customers (why are Honda factories close to Toronto?)
 2. Availability and cost of labour (should you outsource to China?)
 3. Cost of construction and operation (land, materials, taxes, environmental regulations etc.)
 4. Access to key resources (transportation, ocean, railroads, natural resources)
- Once you've determined where to locate, decide on a facility layout:
 - 1. Process layout: facility is based on different tasks for different items (think hair salon, place for washing hair)
 - 2. Product layout: assembly line, every product goes under same operations in sequence (best for high volume)
 - 3. Fixed position layout product stays in one spot (think titanic, airplanes etc.)

Supply Chain Management

- Coordination of members of the supply chain from raw materials to retailers, when you draw this out it is called a value stream map
- To enhance our supply chain management, companies use MRP and ERP systems:
 1. MRP (materials resource planning) - used for inventory control to figure out exactly how many parts you need to make what you want to make
 2. ERP (enterprise resource planning) – MRPs on steroids, they coordinate companies up and down the supply chain to everyone knows who needs what and when they need it
- Within supply chain is inventory management and quality control which are important because:
 1. Inventory can take up a huge part of cash flows, managing it frees up a lot of cash
 2. Quality control can reduce defects and make better use of your resources

Scheduling

- Process of laying out the activities needed to manufacture a product
- Two main tools for scheduling
 - this stuff isn't important
 - PERT (Program Evaluation and Review Technique Charts)
 - GANTT charts (we all know these I hope)
- Most important is the critical path, the longest path of linked activities in any production process
 - e.g. a car manufacturer would have the following critical path →



Human Resources Management

3 Phases of HR Management/Legislation

- HR management splits itself up into 3 phases
 1. **Acquisition:** the recruiting and hiring of new employees
 2. **Development:** improving employee skills and expanding on their capabilities
 3. **Maintenance** (retention): encouraging employees to remain with the organization and work effectively
- Legislation around HR Management works to
 1. Protect the rights of employees
 - e.g., *Charter of Rights and Freedoms*
 2. Protect job safety
 - e.g., OHSA, WHMIS
 3. Eliminating discrimination
 - e.g., *Canadian Human Rights Act, Employment Equity Act*

Acquisition

- Acquisition is about recruiting and hiring new employees, it has the following 4 aspects
 - **Planning (Job Analysis)** : Deciding how many people you need to conduct your own operations
 - **Recruiting**: Attracting a candidate pool, screening candidates, interview candidates, comparing candidates, checking references and making job offers
 - **Diversity** : Hiring diverse people gives you a marketing edge; having cultural knowledge can improve marketing, drives creativity and innovation, and attract top talent.
 - **Orientation** : Providing information and acquainting new employees with the organization

Development

- Development comes in three stages,
 - Training : Improving employees' skills or abilities to make them better at their job
 - Development (yes the same word twice) : enhancing employees' skills and abilities to help them advance in the company
 - Performance Appraisals : annual evaluations of employee performance

Maintenance/Retention

- Employee Relations, Compensation and Benefits
- Employee maintenance/retention is all about **compensation and benefits**.
 - **Compensation** comes in three forms:
 - Salaries and Wages
 - Incentives (Commission, Bonuses, Profit Sharing)
 - Fringe Benefits (Insurance, Vacation, Tuition and Childcare)
 - **Good compensation** meets the following three criteria:
 - **Competitive** enough to attract new talent
 - **Fair** enough to keep existing talent from leaving the company
 - **Reasonable** so that the company can still make a profit

DISC + EQ

Because I'm sure some of you forgot about it as I did

Three Essential Elements

- IQ → measures your basic human intelligence and reasoning ability
- EQ → measures your emotional intelligence and how you manage your emotions and behaviour
- Personality → a combination of characteristics that form who you are as a person
- The 3 elements don't necessarily correlate but they do overlap and can affect each other and your performance

EI vs IQ

- “IQ stays the same at age 50 as it did when you were 15”
- Personality is the result of hard-wired preferences, resulting in dependable patterns of thinking, feeling, and behaving
 - According to BU121, **personality can't change**
 - This is a lie, we all know it, but for the sake of your grades pretend it's not
- EQ is a **flexible** set of skills that can be improved with experience and practice

EI is 2 Primary Competencies + 4 Core Skills



Personal Competence

Focuses on you as an individual...

- **Self-awareness** – your ability to accurately perceive your emotions and stay aware of them as they happen
- **Self-management** – your ability to use this awareness to stay flexible and positively direct your behaviour

Social Competence

Focuses on your interactions with other people

- **Social awareness** – your ability to pick up on other people's emotions and understand what is really going on
- **Relationship management** – your ability to use this awareness of your emotions and those of others to manage interactions successfully

Why It's Important

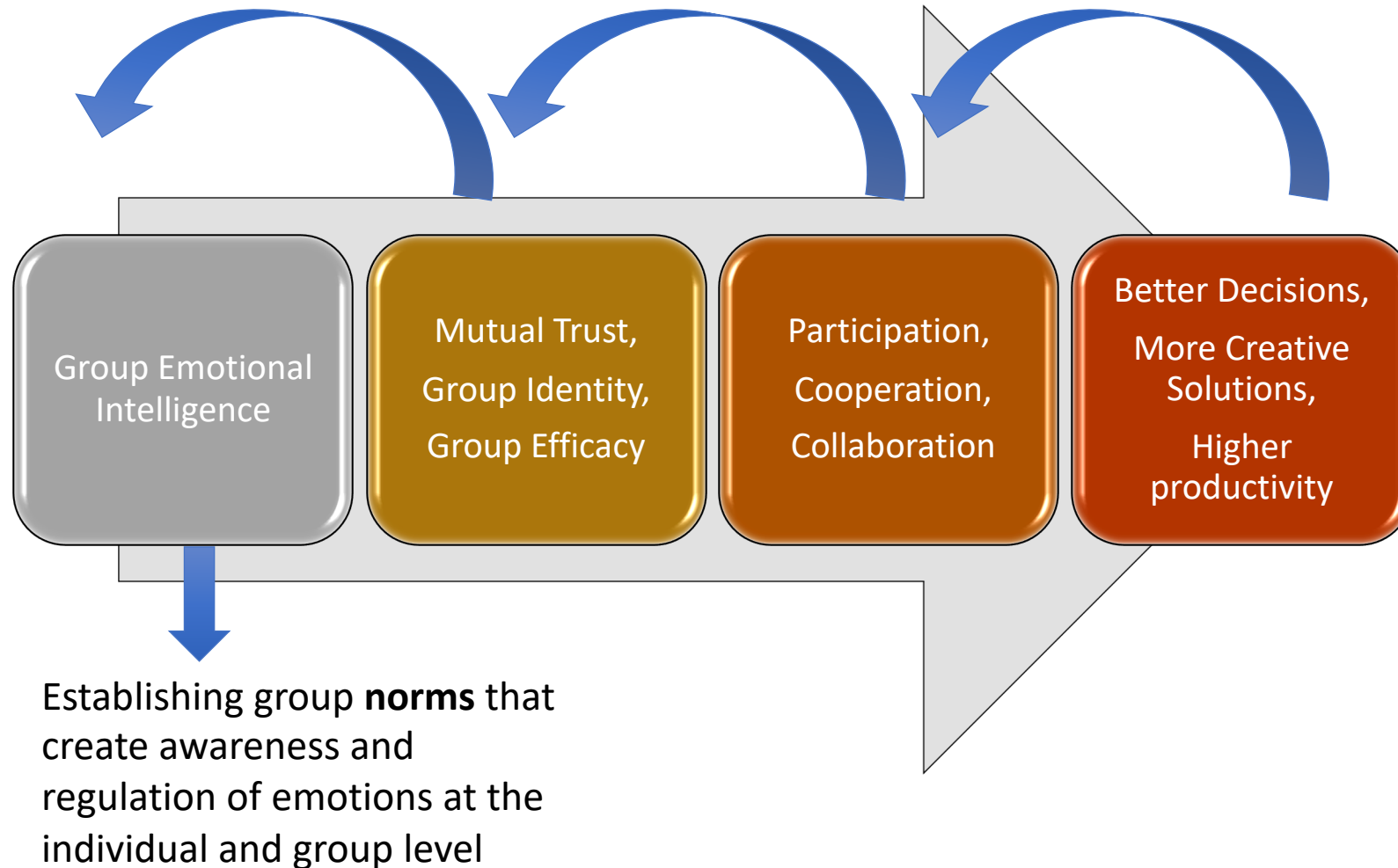
- It is the biggest predictor of performance and strongest driver of leadership
- 90% of top performers are also high in EI
- For individuals in leadership positions, 85% of their competencies were in the EI domain and emotional competencies are twice as prevalent as purely technical skills
- 71% of HR managers in a 2011 career builder survey value EI over IQ
- 75% are more likely to promote a worker with high EI
- 59% claimed they would pass up a candidate that has high IQ but low EI

Why It's Important Cont. (From careerbuilder)

- When asked why emotional intelligence is so important, employers said (in order of importance):
 - Employees [with high EI] are **more likely to stay calm under pressure**
 - Employees know how to **resolve conflict effectively**
 - Employees are **empathetic** to their team members and react accordingly
 - Employees **lead by example**
 - Employees tend to make **more thoughtful business decisions**
- HR managers and hiring managers assess their candidates' and employees' EI by observing a variety of behaviors and qualities. The top responses from the survey were:
 - They **admit and learn from their mistakes**
 - They can **keep emotions in check** and have thoughtful discussions on tough issues
 - They **listen as much or more than they talk**
 - They **take criticism well**
 - They **show grace under pressure**

Building the EI of Groups

Vanessa Urch Druskat and Steven B. Wolff – Harvard Business Review, March 2001



DISC Summary

	Dominant	Influencing	Steady	Controlled
Characteristics	Direct Decisive High Ego Impatient	Interactive People Person Optimistic Disorganized	Stable Secure Team Player Resists Change	Compliant Perfectionist Detailed Sensitive
What does it Measure?	How you solve problems / respond to challenges	How you attempt to influence others	Pace at which you undertake activities	How you respond to rules and regulations
Biggest Fear	Being taken advantage of	Rejection	Loss of security	Criticism
How to Communicate	Be brief; to the point Focus on the results	Let them talk Don't focus on details	Show interest Give time to adjust	Prepare Be Specific No surprises

DISC + EI Summary

- DISC is a measure of **personality style**. It has 4 different categories, and your DISC is **static** and cannot change over time
- EI measures how you perceive, understand, and regulate emotions. It is **dynamic** and can change over time

TEAMS Styles



Integration + Test Writing Strats

TBA

We know about as much as you do

Integrative Framework

- Combine all areas of the business to work seamlessly
- Four functional areas: Operations, Marketing, Finance, HR
- Examples of how functional areas can impact one another

	Finance	Operations
Marketing	Effective marketing will increase sales and incur costs for the company Finance sets marketing budgets for the organization	Marketing generates demand Demand determines what level you must set capacity
HR	HR sets employee compensation policies Compensation policies incur costs for the organization	HR is responsible for hiring employees Employees are responsible for executing on operational plans

Key Success Factors

- Relate to every functional area
- Also relate to each other
- Think about how they connect BU111 + BU121
- KSF: Building quality products and services
 - Relates to operations + sustainability, you want to provide value to the customers and make your products sustainable
- KSF: Employee commitment
 - Relates to HR, you want to reduce turnover and have highly committed employees and their commitment will be a result of your HR strategies
- KSF: Financial performance
 - Relates to finance → you want to have a just cause that inspires people to invest in you and all the other ksf drive your financial performance as well
- KSF: Distinct Competitive Advantage
 - Relates to marketing → you want to uniquely differentiate your product in order to provide value and attract customers