A Pinnacle Management Group White Paper:

How to Turn Average Performers into ‘Stars’

1. Introduction

Most every organization has star performers—those who outperform their peers and who can be counted on to exceed standard expectations. Every company has even more average performers.

Every organization has three possible paths that it can take: Failure, survival or thrive. In this challenging business environment, thriving is increasingly difficult to achieve. The key to accomplishing this is to have as many star performers as possible on the team.

Think of your top sales person. How much more does that person sell than an average sales person? $100,000... $500,000... $1,000,000... More? Would you be willing to invest a very small percentage of that difference to move at least one average sales person to the level of your top performers?

Now apply the same analysis to other key positions, i.e. software developers, nurses, customer service representatives, engineers, managers, etc. The quantity and quality of work produced by your star performers exceed that of your average performers by how much? If you had a few more star performers than you currently have, how much money could you save? How much would your revenues increase? How many additional customers would be satisfied? How much quicker could you get new products or services to the marketplace? (Goleman, 1998)

Decades of research have provided clear evidence that average performers can be developed into stars. This whitepaper outlines the process for accomplishing this, and the potential benefits for those companies that choose to make the investment in their employees.

Specifically, this whitepaper will:

- Briefly describe Emotional Intelligence (EI) and show why it is important to your company
- Outline research that shows the value of having stars in your company
- Show how any company, in any industry, can turn average performers into stars
2. Emotional Intelligence Defined

For decades researchers have held that there are two types of intelligence – intellectual and emotional. The most commonly understood type of intelligence is intellectual, academic intelligence - the cognitive capacities as measured by IQ. EI refers to the capacity to recognize our emotions and those of others. EI assists us to motivate and manage emotions, and to better understand our relationships with others. We need EI to manage stressful situations well, and to drive us to a higher level of accomplishment.

Why is EI important? Findings from studies over the past few decades have established that emotionally intelligent individuals are better performers than their counterparts. Results have also demonstrated that those with higher levels of EI are better performers than those who have higher IQ’s but with lower levels of EI.

In his book Working with Emotional Intelligence, Daniel Goleman, Co-chairman of The Consortium for Research on Emotional Intelligence in Organizations, set forth a framework of EI that reflects how an individual’s potential for mastering the skills of Self-Awareness, Self-Management, Social Awareness, and Relationship Management translates into on-the-job success. The model is based on EI competencies that have been identified in research at hundreds of corporations and organizations as distinguishing outstanding performers.

A competency is defined as any individual characteristic that:
- Can be measured reliably
- Distinguishes superior from average performers, and/or
- Distinguishes effective from ineffective performers

Figure 1 presents Goleman’s EI framework - twenty competencies nest in four clusters of general EI abilities.

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<th>Figure 1 – A Framework of Emotional Competencies</th>
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Findings from several studies illustrate that competencies come in clusters. Top performers have mastered a mix of competencies, not just one or two. Dr. David McClelland (Goleman's professor) found that stars are talented in competencies across the board.

In a 2009 Pinnacle Management Group whitepaper, A Case for Emotional Intelligence, we outlined the findings of a study performed by Dr. David McClelland. This study reviewed data from more than thirty organizations and from executive positions in many professions, from banking to mining, sales, and health care. Dr. McClelland's research determined that a wide range of EI competencies (and a narrow range of cognitive ones) distinguished top performers from average ones. Those EI competencies that distinguished most powerfully are:

- Achievement Drive
- Developing Others
- Adaptability, Influence
- Self-Confidence, and
- Leadership.

The one cognitive competence that distinguished as strongly was Analytic Thinking.

For more on Goleman's framework and a look at the types of emotional competencies that make a star performer, see our 2010 whitepaper 'What Makes a Star Performer'.

3. What is a Star Worth?

A host of studies conducted over the past few decades have consistently demonstrated the positive impact of having stars in an organization, and the increased performance levels of stars over their average counterparts.

A 1990 study concluded that a star performer is 85% more productive than an average performer in jobs of medium complexity (sales clerks, mechanics). A star performer is 127% more productive than an average performer in the most complex jobs such as insurance sales, account managers (Hunter, Schmidt, and Judiesch).

Competency research, performed by Goleman in over 200 companies and organizations worldwide determined that about one-third of this difference in productivity can be attributed to technical skill and cognitive ability. A full two-thirds of the difference in productivity is the result of emotional competence! More remarkably, for those in top leadership positions, over four-fifths of the difference in productivity is due to emotional competence.

A study by Lyle Spencer, PhD, concluded that the more complex the job, the greater the delta between the performance level of stars and average employees. In positions with low competency requirements, the best may be 19% better than the average worker. However, positions requiring higher skills, such as sales and management, the difference may be much, much higher. This directly impacts the bottom line. In fact, when a company's ability to leverage the productivity of its star performers is included in the equation, the revenue gain can reach as high as 8800% in some industries. Additionally, those high achievers can create a ripple of change that extends throughout the corporate culture thus increasing efficiency at all levels of the company (Lyle Spencer, PhD).
Results of yet another study clearly demonstrate that the payoff from top levels of performance can be spectacular. In a study of sales people in 44 Fortune 500 firms, including AT&T, IBM, and PepsiCo, it was found that the top 10 percent of the sales force totaled up $6.7 million in sales per person, compared to the norm of $3 million – more than twice the average (The value-add of sales stars: S. Sloan and Lyle Spencer, “Participant Survey Results,” Hay Salesforce Effectiveness Seminar, Atlanta, 1991).

Based on this information, wouldn’t you like to have more stars in your company? You can, and you can do it with your average performers.

4. How to Turn an Average Performer into a Star

4.1 Can It Be Done?

Clearly EI is important to superior performance in the workplace. Is EI something that individuals naturally possess or can competencies be learned/improved? Research shows that these competencies can be learned/improved.

Our level of EI is not fixed genetically, nor does it develop only in early childhood. Unlike IQ, which changes little after our teen years, EI seems to be largely learned, and it continues to develop as we go through life and learn from our experiences – our EI competence can keep growing (Goleman, 1998).

While the evidence that individuals can improve their level EI competence comes from a wide range of sources, perhaps the most persuasive evidence comes from longitudinal studies conducted at the Weatherhead School of Management at Case Western Reserve University (Boyatzis, Cowan, & Kolb, 1995). The students in this study participated in a required course on competence building, which allowed students to assess their EI and cognitive competencies. They then selected those they would target for development, and created and implemented an individualized learning plan to strengthen the selected competencies. Objective assessment of students at the beginning of the program, upon graduation and again years later on-the-job allows a unique opportunity to help address the issue of whether EI competencies can be developed. The results of this research provide clear evidence that EI competencies can be significantly improved, and, moreover, these improvements are sustainable over time.

4.2 How to Do It

It is important to keep in mind that building or improving EI competencies is not an ‘event’, it is a ‘process’. This means that one cannot send employees to a 3-day workshop and expect that they will come back to work the following day equipped to be a star performer.

Emotional competence can’t be improved overnight – the emotional brain changes its habits over weeks and months, not hours and days. The old paradigm for development assumes change occurs dramatically and immediately – send people to a seminar, and voila – they are transformed. This old paradigm for development programs has had disappointingly little impact on an individual’s effectiveness back on the job, and unfortunately led a lot of people to believe that emotional changes can’t be made. They can be. However, emotional learning is different from cognitive and technical learning, and it requires a different approach to development.
Research that has examined emotional change processes from many different fields including behavior change and personal development have commonly recommended a set of guidelines for the design of effective emotional learning which is more process-oriented than event-oriented (Bringing Emotional Intelligence To The Workplace: Cherniss, Goleman, Emmerling, Cowan, Adler, 1998).

PINNACLE MANAGEMENT GROUP, through its work with clients over 15+ years, has developed a four-phased process for developing emotional competencies that follows these guidelines for emotional learning. The ELITE (Elements of Leadership Influencing Team Effectiveness) process is focused on growing a fully engaged team of star performers, where each individual member is given the opportunity to grow in order to be more fulfilled and a greater asset to the organization. The ELITE process is depicted in the diagram below:

Figure 2 – PINNACLE MANAGEMENT GROUP’s ELITE Process

Details on each of the major steps required to turn an average performer into a star are described below.

**Prepare for Change**

Key aspects of the Assess & Prepare step include:

- Diagnosis of the environment
- Assessing the individual
- Gauging readiness
- Motivating for change
1. Diagnosis of the environment

One of the most critical considerations in developing a team of star performers is to create an environment that invites that type of performance. This means identifying factors in the current environment that may be acting as inhibitors.

Emotional change is not something one can successfully direct another individual to embrace. To arouse the desire to participate in change is as simple as answering the question, “What’s in it for me.” A vast majority of individuals want to be a part of a thriving organization and to feel that they add value. One opens the door to change in an inviting manner by providing team members with an opportunity to participate in the diagnostic process using an instrument such as the Team Scorecard™ designed by PINNACLE MANAGEMENT GROUP.

There are several key factors to consider in selecting a diagnostic instrument. The instrument should:

- Be measurable. This allows for evaluation and feedback at strategic points in the development process.
- Examine factors that are attributable to EI competencies;
- Invite the feedback of all team members;
- Clearly illustrate the delta between where the team is currently and where it desires to be in the future. This creates immediate buy-in that lowers many of the barriers to change, and motivates the desire to change;
- Assist individuals to understand how they impact the success or failure of achieving the desired future;
- Be able to be used as a training tool to begin to build relevant competencies.

2. Assessing the individual

This effort involves developing a baseline of an individual’s EI competency using a diagnostic that will measure both strengths and areas for improvement. A few considerations to keep in mind when selecting a diagnostic to use:

- The diagnostic should not rely on just one source, but on multiple perspectives. A ‘360-degree’ approach that involves self, supervisor, peers, and subordinates will provide the greatest insights.
- Since the competencies in the EI framework are highly integrated, it is important to use a diagnostic that reflects this fact and has the ‘behind-the-scenes’ logic to correlate answers to questions in one section of the diagnostic, with answers in another section – to identify true EI strengths and the root causes for weaknesses/areas for improvement. If the diagnostic isn’t logically integrated, it can outline areas for improvement that don’t really get at a person’s true needs;
- You can’t improve what you can’t measure – make sure you use a diagnostic that has measures, that way you can use it again down the line to measure the amount of improvement achieved – interim progress can provide additional incentives;
- Using a diagnostic that gets at the root causes, and shows how they can be improved, is the best way to get the ‘buy-in’ required for improvements that need to be made – a key point to starting to change habits.
- Use a diagnostic that includes questions to determine an individual’s readiness for changing/improving (see below);
- Use a diagnostic that not only includes the assessment, but also includes an individualized plan for improving performance going forward;
3. **Gauging readiness – this is really more of an issue after training to decide if coaching is desirable.**

An individual’s interest, motivation, and readiness to change are the prerequisites for benefiting from any improvement program. If individuals are not really ready to change, any resources spent to try and build/improve competencies will most likely be wasted. Thus, the following measures will assist in gauging a person’s openness to change:

- Utilizing a diagnostic, as described above, will assist in identifying a person’s readiness for change;
- Assist the individual to examine his/her goals for the future and what enhancements might assist that vision to become a reality.

Based on the results of these two steps you will be able to determine if the desire is present on the part of the individual. If the desire is there, then you have someone that holds the potential to move from average to star.

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**Build & Improve**

A key component to the Build & Improve step of turning an average performer into a star is the use of workshops, training sessions, seminars, etc. that are focused on one or more of the competencies that need improvement.

As stated above, it is extremely important to note that a workshop, training session, or seminar is just a beginning, but in itself is not sufficient. Sending someone to a training session and expecting to get accomplish a transformation as a result of just that session is unrealistic, and will ultimately cause frustration for the individual and the company when the anticipated results are not achieved. These workshops, training sessions, seminars are critical to the process. They should be accompanied by the required support and evaluation that is needed to change emotional competencies – remember it is a process not an event.

To turn your average performer into a star, seek out workshops, training session, seminars that include the following characteristics that are key to developing emotional competencies:

- **Provide maximum opportunity for practice during the formal workshop and after**

  An individual learns a new skill more effectively if they have repeated chances to practice the skill. You want a workshop where time is focused on practicing in a controlled environment, rather than merely talking about the competence.

- **Have focused and sustained feedback during the workshop as an individual practices new behaviors**

  Feedback lies at the heart of building/improving a competency – knowing how we are doing keeps us on track and motivated. Getting feedback in the early stages of building/improving a competency is
essential, so you should make sure that any workshop provides an individual with detailed feedback during the workshop.

- **Use experiential methods in the workshop**

  You should make sure that the workshop has more role-play, group discussions, and simulations as opposed to a lot of lecturing.

- **Use models in the workshops**

  We learn by watching others - seeing the desired behavior modeled is valuable in emotional learning. Look for workshops that use models.

- **Build support for the individual**

  As stated earlier, having an individual participate in a workshop is only the beginning to building/improving a competence. Having a mechanism for on-going support after the formal workshop is absolutely critical to success.

- **Dealing with possible relapses**

  Building/improving an emotional competency is gradual with starts and stops. Old habits die hard and old ways tend to reassert themselves from time to time. Look for workshops that deal with this topic and coach individuals on how to learn valuable lessons from these relapses.

Since we are talking about habits, workshops are only a ‘part of the process’ of building/improving emotional competencies, turning average performers into stars. The learning process is not complete with the end of a workshop - old habits die hard - ongoing support is required to cement learning and deal with issues, setbacks, etc. so that competencies are improved and benefits are realized.

This part of the process should leverage off the Build & Improve step and should include:

- Reinforcement capabilities
- Access to coaching and other types of support
- Feedback

1. **Providing reinforcement capabilities**

   A fledgling competence needs to be worked on during actual situations at work to take hold. Lack of connection between the new learning and on-the-job reality means the learning will wither. As a ‘training high’ evaporates, our enthusiasm for following through on what we’ve learned often fades. And whether or not an organization has a supportive climate is cited over and over by people going through improvement programs as determining the extent to which they can transfer what they learned to their job (Van Velsor and Musselwhite, The Timing of Training).
We have found that having the individual’s supervisor tied into, and a part of, the building/improvement program to provide on-the-job situations to utilize learnings from the workshops provides the opportunities to cement the learnings and continue the process of moving from newly learned skills to new ways of doing things.

2. Providing access to coaching and other types of support

Coaching is a key element of ongoing support in building/improving emotional competencies. Coaches spend time with an individual, giving them feedback and offering tips on developing the needed skills. Coaches listen to an individual's issues; and help them deal with relapses, again offering feedback and tips for moving forward.

An additional type of support we have used is to choose a 'learning partner', someone else that is also going through a building/improvement program – someone to team with for continued encouragement over a period of months back on the job. We suggest that these partners meet regularly to discuss whatever habit they are trying to change and give each other advice and feedback.

Provide these types of support properly and you will see the learnings from workshops transfer to an individual's work.

Feedback and Re-evaluation

1. Providing feedback

As stated previously, feedback lies at the heart of change. For people who are ready and interested to change, getting feedback on how they are doing is something they strongly desire.

Accomplished correctly, feedback should be both formal and informal, and be provided on a timely basis. As with other parts of the support system, supervisors, coaches, and learning partners can all come into play.

Informal feedback can occur from any of the support providers and should happen as close to a positive or negative event as possible. Pointing out situations where new competencies are displayed provides the individual with the confidence that their efforts are showing results. Providing feedback on negative, or relapse, situations (done correctly) gives the individual a learning experience for future improvement.

Formal feedback should be provided on a periodic basis and include enough detail on both positive and negative situations to ensure the guidance, support and encouragement needed to keep an individual going. Here, the individual's supervisor is normally the key person involved. A good support program ensures that the supervisor provides feedback in a timely, positive manner.

An additional form of feedback is to re-administer the assessment which was done during the Assess & Prepare step. In order to maximize the value of the feedback of the individual’s progress, it is best to include the same rating team used in the original assessment.
4. Re-evaluating and changing as necessary

Since change is not static, neither should a building/improvement plan be.

Based on the results of the feedback, the individual’s building/improvement plan should be reviewed and updated as required. This could include additional workshops, changes in coaching/support, new job responsibilities, and/or changes in timeframes and expectations.

The key here is to use the insights and information from the feedback and support to reflect the pace of growth in competencies.

4.3 Does It Work?

As stated earlier in this paper, several research studies have shown that EI competencies can in fact be developed and improved. Guiding an individual through a process similar to the one described above can turn an average performer into a star. Our work with clients has shown this to be true. A few examples:

• Client A is like many business executives. He possesses wonderful technical expertise, but had had little leadership experience when he was put into a position responsible for a team’s performance and bottom-line results. This was so out of his comfort zone that he considered changing jobs. By following the 4-step ELITE process outlined in this paper, he was able to measurably strengthen his EI competencies. His team’s performance dramatically improved, and his annual evaluation went from and overall “poor performance” to “above average” in the period of one year.

• Client B was in a similar point in her life. She had entered a career field not expecting to be called upon to be a leader but she found that leadership was a critical component to the successful accomplishment of her mission. She was a people-pleaser which prevented her from being an effective leader. Through the ELITE process, she honed her EI competencies, especially self-confidence. As a result, she has become a strategic leader of an organization that is experiencing growth and improved financial performance.

• Client C had a company that had plateaued. He and his team had undergone a great deal of training that had cost his organization a significant amount of money, but which had had little impact. He made a bold decision to put his entire team through the 4-step ELITE process to build their competencies. Many of the individuals were hesitant because it would require them to change. By creating a safe environment that allowed them to grow without changing the essence of who they were, everyone embraced the process. In fact, the team grew the company significantly. It became the benchmark in its industry for the region and was “the place to work” in the area. Revenues and profits increased by a substantial percentage each year. Every member of the team took on new responsibilities and became strategic thinkers contributing to the continuous improvement of the company. While client satisfaction had historically been high, as a result of the ELITE process there was a marked improvement. Both clients and competitors inquired what the company had done to accomplish such outstanding results.

It does work! These are just a few of the many examples that demonstrate that this process does work.
5. Conclusion

You can turn average performers into star. You just need to remember a few key things:

- The real difference between average and star is not technical smarts, it is the competencies dealing with the emotional side that we have outlined in this whitepaper.
- EI competencies can be developed and improved upon.
- Like anything really worthwhile, building/improving emotional competencies doesn’t happen overnight, you have to look at it as a process and different than cognitive learning.
- Since it is a process, it is an investment of time, energy and money on the part of the company (and the individual).
- You need to invest wisely by following a program like the one described above.
- Work with a partner that understands the difference between emotional and cognitive learning and has experience utilizing a proven process for turning average performers into star.
- It takes commitment and patience. Thus, it isn’t for everyone. However, for those willing to take the necessary steps, the results will far outweigh the investment.

6. Next Steps

If you are interested in turning the average performers into stars by enhancing their EI competencies, please contact Pinnacle Management Group. We will schedule a time to discuss your specific objectives and assist you to develop and implement an effective process to build your star. For additional information, please contact us at ral@pmginternational.net.

Also, please visit our website at www.pmginternational.net to learn about our diagnostics, workshops, and services. If you have any questions, please contact us at 573-747-1951.