

CLIENT / CONTACT BULLETIN 8-20

Just in case it matters to you:

- WHEN EMPLOYEES FOCUS ON 'HOW BIG IS MY BONUS?' rather than 'Do I deserve a bonus?' it's usually because company expectations have not been effectively communicated (if communicated at all). A bonus should represent "additional compensation to reward a level of performance that goes beyond mere satisfaction." Absent a clear awareness of the benchmarks for measuring 'beyond,' a bonus not only loses its impact, but often results in adverse responses: "(a) It doesn't register, because the employee cannot relate personal effort to it; (b) It creates a feeling of entitlement, because the employee has nothing at risk; and/or (c) It becomes an ongoing entitlement mentality." The approach which has been most effective for DCG clients over the years involves developing comprehensive job descriptions with key tasks and performance standards, which promote consistency and objectivity in determining a measurable degree of 'above and beyond' performance, which then correlate to incremental value of the employee's work contribution. [LEGAL MANAGEMENT – Mar/Apr 08]
- AMERICAN JOB ROLES THAT CONTRIBUTE TO A PERSON'S "OVERALL HAPPINESS all involve helping others, technical and scientific expertise or creativity." According to a Univ. of Chicago study, those occupations where over 50% of respondents claimed to be "very happy" were: firefighters, architects & engineers, travel & reservation agents, special-education teachers, actors & directors, pilots & navigators, science technicians, auto mechanics or clergy. [PAYSCALE.COM – 2008]
- MEANWHILE, WE'RE LOSING THE GLOBAL TALENT WAR thanks to the 'idiocracy' of Congress. The Labor Dep't forecasts over 2M job openings in science, technology and engineering within the next six years, while "the number of Americans graduating with degrees in those subjects is plummeting... as our politicians are pursuing a policy of national self-sabotage... – more interested in bellowing about building walls to keep illegal immigrants out...in order to (theoretically) keep American jobs for Americans...even though Bill Gates calculates, and responsible economists agree, that every foreigner who is given an H1B Visa creates jobs for five regular Americans." The foreigner-friendly technology sector has contributed more than half our country's overall productivity in the last decade, provided a quarter of our Nobel prize winners, founded over a quarter of the Silicon Valley (including Sun Microsystems, Intel and Google) and created the technology for some 40% of all U.S. patent filings. However, today's foreign-work-visa system is completely dysfunctional – quotas are so low (presently around 85,000/yr) that "the annual allotment is taken up as soon as applications open April 1. The mismatch between supply and demand is then dealt with in the worst possible way, by lottery. The result is that hundreds of thousands of highly qualified people" are turned away – while the influx of low-skilled workers who provide relatively insignificant benefit and sap the country's social services are allowed to (illegally) enter America by the millions. [THE ECONOMIST –Apr 12, 08]
- THOUGHT FOR THE WEEK: [INTERNET LORE OR NOT?] **A Japanese company (Toyota) and an American company (Ford) agreed to a canoe race, which the Japanese won by a mile. The Americans, very discouraged and depressed, investigated the reason for their crushing defeat and determined that the Japanese had 8 people rowing and 1 person steering, while their team had 8 people steering with only 1 rower. Feeling a deeper study was in order, American management hired a consulting company (at big money) for a second opinion, who confirmed these facts. So, wanting to prevent another loss, the American row-team management structure was reorganized to 4 steering supervisors, 3 area-steering superintendents and 1 assistant superintendent steering manager. They also implemented a new performance system that would give the one rower greater incentive to work harder: the 'Rowing Team Quality First Program,' which included meetings, dinners and free pens, as well as new paddles, canoes and other equipment, plus extra vacation days for practices and bonuses. The next year the Japanese won by two miles. Humiliated, the American management laid off the rower for poor performance, halted development of a new canoe, sold the paddles, and canceled all capital investments for new equipment. The money saved was distributed to the Senior Executives as bonuses and the subsequent year's racing team was out-sourced to India. Sadly, The End! Here's something else to think about: Ford has spent the last thirty years moving all its factories out of the US, claiming they can't make money paying American wages, while Toyota has spent the last thirty years building more than a dozen plants inside the US. Last quarter's results: Toyota makes \$4 billion in profits while Ford racked up \$9 billion in losses. And Ford execs are still scratching their heads...**

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