TRAINING AND DEVELOPMENT

INSTRUCTOR'S MANUAL

SHRM™

SOCIETY FOR HUMAN RESOURCE MANAGEMENT

New Kid on the Block: Diagnosing Organizational Development Issues Using Data

By Steve Weingarden, Ph.D.

PROJECT TEAM

Author:	Steve Weingarden, Ph.D.
SHRM project contributor:	Bill Schaefer, SPHR
External contributor:	Sharon H. Leonard
Copy editing:	Courtney J. Cornelius, copy editor
Design:	Blair Wright, senior graphic designer

© 2009 Society for Human Resource Management. Steve Weingarden, Ph.D.

Note to HR faculty and instructors: SHRM cases and modules are intended for use in HR classrooms at universities. Teaching notes are included with each. *While our current intent is to make the materials available without charge, we reserve the right to impose charges should we deem it necessary to support the program.* However, currently, these resources are available free of charge to all. Please duplicate *only* the number of copies needed, one for each student in the class.

For more information, please contact:
SHRM Academic Initiatives
1800 Duke Street, Alexandria, VA 22314, USA
Phone: +1-800-283-7476 Fax: +1-703-535-6432
Web: www.shrm.org/education/hreducation

09-0281

Introduction

This is a scenario-based case study about how to diagnose organizational issues, with an emphasis on talent management and organizational socialization/onboarding. It is intended for undergraduate students majoring in business or HR. Strong analytical skills are necessary to successfully participate.

LEARNING OBJECTIVES

By the end of the case study, students will be able to:

1. Judge the accuracy of opinions expressed versus analysis of corporate data.
2. Develop an approach to gather meaningful data that expands on available or convenient data.
3. Offer an appropriate organizational development solution while working in an ambiguous situation.
4. Understand the importance of having a strategy to develop a diverse talent pool of qualified candidates for a particular job family.
5. Learn the importance of familiarizing newly promoted and new employees to their jobs and the strategies available to accomplish the onboarding task.

CASE OVERVIEW

Your Role and the Organization

You are an organizational development consultant for a large operational division of a book and audio retailer customer service center that processes online and phone orders. While the majority of sales come from retail stores, a little more than one-third are made through the customer service center. In addition to sales, the customer service center is responsible for working with customers to ensure quality, market rewards programs and support customer needs. Among the key metrics for the organization are market share and profit.

© 2009 Society for Human Resource Management. Steve Weingarden, Ph.D.

The organization is composed of 30,000 employees, working at the more than 1,000 retail locations. Approximately 5,000 employees work at the customer service center, and nearly half of those employees are unionized. Operational supervisors, who are nonunion employees, manage most of the union personnel at the customer service center.

The Request

Directors from the customer service center have asked you to offer more training to the customer service supervisors. The directors suggested that supervisors are not managing properly, and as a result, customer service is not consistently meeting its goals or the organization's goals. The directors are concerned that the situation will escalate and negatively affect market share and profit.

The directors feel that the supervisors—particularly recently hired supervisors—do not have the skills needed to perform their jobs effectively. Apparently, the quality of the recruiting pool for supervisors has been weaker than the directors remember it being in the past. Currently, training for supervisors is inconsistent and may be lacking. There are existing training programs available to supervisors, but there is no requirement that they participate. Also, the training is designed for leaders across the organization and not specifically for the supervisors in the customer service division. Existing training delivery metrics are mostly composed of reaction measures (e.g., "Please rate how much you enjoyed this training session"), with a few learning measures included (e.g., "Please select the example below that represents a correct way to track attendance during a shortened workweek"). Learning outcome metrics specific to the operational supervisor job are nonexistent; no measure of the effect of training on job performance takes place.

Teaching Notes

Depending on the knowledge level of the class, it may be helpful at this point to note that the information presented so far represents the directors' perspectives. For some organizational leaders, perception is enough information to assess an issue; in organizations with leaders who favor a more science-based HR approach, additional information is probably needed to complete an assessment.

To determine what information to gather, a consultant may want to have a guiding model—for example, the action-research model is presented later in this case study. Students may find it useful to develop a hybrid model that incorporates the main components of data gathering but also includes additional steps that fit with their organization. A model may also help remind students to consider the sources of information.

The fact that the information in this case is from the directors' perspectives is subtly broached in the next section of the case.

 © 2009 Society for Human Resource Management. Steve Weingarden, Ph.D.

Ultimately, the consultant may wind up, without having as much data as desired, in a position of having to challenge the misperceptions of high-ranking officials in the organization. The instructor may find it useful to have a class discussion about how to challenge high-ranking officials. Possible ethical issues might arise if the high-ranking officials continue to insist on a solution that does not make sense for the organization or may affect individuals at the organization in an adverse manner. Alternatively, the consultant may need to consider the situation from a gap analysis standpoint. Perhaps the solution being called for by the high-ranking officials is not the optimal solution, but it might help bridge some of the performance gaps. In this case, compromise may be the best approach, with the hope of instituting improvements, additions or subtractions at a later time.

The Follow-Up

After meeting with the directors, you meet with the organizational development director. The organizational development director is your manager and is responsible for ensuring that consulting solutions are appropriate and will help the organization reach its goals. The organizational development director, who has been with the organization for eight years, tells you that the issues with the supervisors may relate to something different than training because training currently exists for supervisors. Directors expressed the same concerns almost five years ago and special technical training—highly encouraged but not mandatory—was created for the supervisors at that time. That training focused on tactics supervisors could use and seemed to resolve the performance issues over time. Slowly, new supervisors who had struggled at the outset improved their skills. The organizational development director also points out that the customer service center directors may not be close enough to the supervisors to provide full information.

The Assignment

Your assignment is to respond to the request made by the customer service center directors.

- Work in groups of three to five.
- Write a two- to four-page paper recommending what the organizational development department should offer as a consulting solution. Include a section that identifies the business need and a section that supports the suggested solution through an interpretation of the existing data.
- Develop a simple plan to design the solution.
- Present recommendations to other groups in the class.

Background Summary

Here is what you know as you begin preparing your recommendations:

- The customer service center directors are having trouble ensuring their units meet operational goals.
- Customer service center directors report that supervisors are the source of the issues.
- According to customer service directors, supervisors are not receiving enough training.
- Directors believe that the worst-performing supervisors are the newly hired operational supervisors.
- The organizational development director believes the source of the issue may not be the supervisors. If it is an issue with the supervisors, it may be something other than training.
- New training for supervisors was created approximately five years ago. Training was focused on tactics for frontline managers and was offered to all supervisors.
- Supervisor training is still available.

Contact your instructor as needed to obtain more information about the organization.

Teaching Notes

There are several plausible outcomes that can be inferred from the data. The goal is to have students analyze the data, discuss the data with each other and then draw inferences. After students have analyzed the data, a class discussion should be held. Questions could include:

What is different in the data from what you expected based on the interviews with the operational directors and the organizational development director?

Sample responses

- The selection system data provides no evidence of less-qualified candidates in 2008 as compared to 2003.
- The annual satisfaction survey data does not support the idea that supervisors hired in recent years are struggling more compared with supervisors hired earlier. Instead, the data seems to suggest that new supervisors, regardless of what year hired, struggle for their first 24 months compared with those supervisors in the job for 25 months or more.

 © 2009 Society for Human Resource Management. Steve Weingarden, Ph.D.

What additional data would you like to have had available?

Sample responses

- Knowing the market share and profit numbers is critical. At the beginning of the case, key metrics for the organization are identified as market share and profit. Yet, the only data shared is HR data. Students should always look at the business needs first and then connect HR to the business.

Note: The market share and profit information is purposefully omitted from the case text; however, it is supplied below. If a group asks for this information, the instructor should provide it. Alternatively, the instructor may wish to share it with the entire class prior to any request.

Gross Profit (in U.S. Dollars – in Millions)		
Last Year	**2 Years Ago**	**3 Years Ago**
874	943	952

Market Share		
Last Year	**2 Years Ago**	**3 Years Ago**
23% (Ranked 3rd in industry; top competitor has 60% market share.)	25% (Ranked 2nd in industry; top competitor has 58% market share.)	25% (Ranked 2nd in industry; top competitor has 57% market share.)

- Competitive intelligence information and expected industry changes would be helpful to determine the best organizational development solution.
- Detailed information about the training currently offered would be helpful to understand the content that is available to supervisors. Additionally, training records would allow for analysis of performance, comparing those attending training with those not attending training.
- Information related to other talent management processes, such as succession management and retention data, would help complete the full assessment of what is working well for supervisors and what areas are most important to address.
- Data demonstrating how each supervisor's group is performing in relation to the operational goals would allow for relating back the individual data to the organizational data and help identify the potential solutions with the most return on investment.

- A more precise job description, customized to the organization, or interviews with current supervisors would help to understand how the job is actually performed. This would also allow for a better determination as to the value of the current training.
- Data comparing the performance of supervisors hired from within the organization versus those hired from outside the organization would help identify any organizational culture issues.
- Summaries of findings from surveys or interviews with high-performing and low-performing operational supervisors would provide qualitative data that describes why new supervisors struggle during the first few months. This data might also help explain some of the numerical data. Ideally, a mix of quantitative and qualitative data should be collected to provide a holistic view of the working environment.
- Any data relating the supervisors to the unionized workforce would provide an additional data point with potential significant impact or implication. The fact that the workforce is partially unionized is noted, but not covered in full.

How are you connecting the data?

Sample responses

- There seems to be evidence that some form of intervention is needed related to role transition. It seems that new supervisors need some form of onboarding or socialization to their jobs.
- The current selection system does differentiate between applicants, although the structured interview may be worth reviewing—nearly everyone is successful in meeting that hurdle, so it provides little value.
- If the job description is accurate, then the selection system may or may not effectively measure the skills that are critical to job success and which cannot be easily taught.

Data

The following pages contain data that can assist in your assessment of the situation and the development of a recommendation.

SUMMARY OF CURRENT TRAINING FOR OPERATIONAL SUPERVISORS

Call Center Supervision Training

Purpose: To train operational supervisors on tactics that can be used in managing a call center.

Sample content: Managing call queues, reviewing call center reports, scheduling customer service representatives, monitoring calls.

Origin of training: Purchased from vendor with expertise in call center management.

Audience: Operational supervisors.

When to enroll: As needed; determined by operational supervisor and his or her manager.

When offered: Annually.

Frontline Leader Training

Purpose: Competency development for frontline leaders.

Sample content: Learn how to motivate others, give and receive feedback, be a better communicator, set goals, and build teams.

Origin of training: Purchased from vendor with expertise in leadership.

Audience: All frontline leaders in the organization, particularly those at the manager level.

When to enroll: Optional.

When offered: Quarterly.

© 2009 Society for Human Resource Management. Steve Weingarden, Ph.D.

HIRING DATA FOR OPERATIONAL SUPERVISORS

Job title:	Operational supervisor
Total number of employees in job title:	258
Salary grade median (annual):	$38,000
Number of hires in job category per year:	60
Number of hires in job category per year—promotions:	45
Number of hires in job category per year—hires from outside the organization:	15
Previous experience of hires in job category (out of 60)	
Supervisory experience:	30
Related technical skills:	54
Number of incumbents turning over from organization per year:	15

Number of incumbents turning over from job but remaining in organization per year: 5

Operational Supervisor Selection System

The operational supervisor selection system consists of resume screening, a structured interview and a performance test.

Percentage of applicants successfully completing selection system – 2008

Resume Screening	Structured Interview	Performance Test
55%	98%	16%

Percentage of applicants successfully completing selection system – 2003

Resume Screening	Structured Interview	Performance Test
64%	85%	23%

 © 2009 Society for Human Resource Management. Steve Weingarden, Ph.D.

JOB DESCRIPTION FOR OPERATIONAL SUPERVISOR

[Adapted from O*NET Online]

43-1011.00: Frontline Supervisors/Managers of Office and Administrative Support Workers

Supervise and coordinate the activities of clerical and administrative support workers.

Essential Tasks

- Resolve customer complaints and answer customers' questions regarding policies and procedures.
- Supervise the work of office, administrative or customer service employees to ensure adherence to quality standards, deadlines and proper procedures; correct errors or problems.
- Provide employees with guidance in handling difficult or complex problems and in resolving escalated complaints or disputes.
- Implement corporate and departmental policies, procedures and service standards in conjunction with management.
- Work with employees to identify causes and develop solutions to any job performance issues.
- Train and instruct employees in job duties and company policies or arrange for training to be provided.
- Evaluate employees' job performance and conformance to regulations and recommend appropriate personnel action.
- Review records and reports pertaining to activities such as production, payroll and shipping to verify details; monitor work activities and evaluate performance.
- Recruit, interview and select employees.
- Interpret and communicate work procedures and company policies to staff.

Skills Required

- Active listening
- Communication
- Reading comprehension
- Critical thinking
- Monitoring
- Time management
- Management of personnel resources

Education and Experience

- Bachelor's degree in related field
- Previous leadership experience preferred

AVERAGE ANNUAL SATISFACTION SURVEY SCORES OVERALL RATING—OPERATIONAL SUPERVISORS BY JOB TENURE

Job Tenure of Operational Supervisor (in Months)				
	0-12	13-24	25-36	More than 36
2008	2.3	2.7	3.8	4.6
2007	2.2	2.4	3.5	4.4
2006	2.8	3.2	3.3	4.9
2005	2.6	3.2	3.7	4.7

7-point scale; 1 = very dissatisfied, 7 = very satisfied

AVERAGE ANNUAL SATISFACTION SURVEY SCORES OVERALL RATING—UNION PERSONNEL CATEGORIZED BY JOB TENURE OF THEIR SUPERVISOR

Job Tenure of Leader Reporting to (in Months)				
	0-12	13-24	25-36	More than 36
2008	3.0	3.1	3.7	4.2
2007	2.7	2.9	3.5	4.1
2006	3.4	3.3	3.9	4.3
2005	3.0	3.2	4.6	4.2

7-point scale; 1 = very dissatisfied, 7 = very satisfied

AVERAGE PERFORMANCE MANAGEMENT RATINGS BY TENURE

Job Tenure of Operational Supervisor (in Months)				
	0-12	13-24	24-36	More than 36
2008	C	C	B	C
2007	C	B	C	C
2006	B	B	C	C
2005	B	B	B	C
2004	C	C	C	C
2003	C	B	C	C

5-point scale; F = unsatisfactory, A = exceptional

 © 2009 Society for Human Resource Management. Steve Weingarden, Ph.D.

Best Practices: Models for Diagnosing and Planning

When approaching HR requests such as the one described in this case study, taking a systems view can help uncover the root causes and guide the proper solution. Implementation of data-gathering and talent management models helps assess situations and provide appropriate recommendations.

Using a model ensures an objective approach to data-gathering and helps keep a needs assessment accurate. One of the more common models used in organizational development initiatives is the action-research model, which includes the following steps:

1. **Diagnose:** Identify and understand the issue or theme.

2. **Plan:** Propose actions that will affect the issue or theme.

3. **Act:** Implement the plan.

4. **Evaluate:** Monitor the changes related to the issue or theme.[1]

This cyclical model aids in the production of quality solutions to organizational effectiveness issues. At the diagnosis stage, the consultant may consider completing an initial diagnosis, but then gather additional data to fully understand the issue. Consultants should seek out data related to problems, causes and symptoms, and then consider the immediate and long-term issues and implications if the problem is not resolved. Decision criteria should be determined to help decide how to move forward. Once criteria are in place, alternatives are developed and recommendations selected. After due diligence in the first stages of the diagnosis process, the consultant meets with the client to provide feedback.

Viewing issues through the scope of talent management can help ensure a proper diagnostic approach and ultimately help guide the planning stage. Talent management is broadly defined as "the implementation of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs" (SHRM, 2008). In internal consulting initiatives, a review of all the relevant talent management processes (e.g., workforce planning, talent gap analysis, recruiting, staffing, education and development, retention, talent reviews, succession, and evaluation) as an integrated function is considered a best practice (McCauley & Wakefield, 2006).

Talent management models vary by organization, and for this case, all components are likely to be relevant, but the primary focus is on the processes around criteria definition, recruiting and selection, and onboarding and socialization. Some of the data provided fits into the category of performance management. In the current

[1] Adapted from French and Bell (1999).

context, a fully integrated solution would likely involve a review of the relevant HR processes, and an ideal solution would be fully integrated. Realistically, a partially integrated solution based on diagnosis that resolves the issues in the customer service center would serve as a bridge to the next diagnosis.

Data can be critical to an accurate diagnosis. Data can be used to analyze how existing HR processes are being applied by the customer service areas. Ultimately, the HR processes should be in place to help the organization accomplish its goals. If the application of the HR processes does not help employees achieve organizational goals, then changes to the HR processes may be needed.

When considering any work, including management-level work, defining the criteria for success is at the foundation of talent management. Success criteria will vary by organization according to the contextual factors of the particular organization (Cascio, 1998). It is critical to identify how the work of the manager is accomplished. The way the work is done in a particular organization drives the HR practices for managerial selection, another aspect of the talent management cycle.

Once HR staff members understand how the work is accomplished, a recruiting and selection system can be created. The system should correspond to the job criteria and context. Periodic review of the recruiting and selection strategy provides a measure of whether qualified candidates are being attracted to apply for positions and whether the selection system is screening out candidates who are less likely to be effective at performing the job. To measure the validity of a selection system, a comparison is made to predetermined criteria of managerial success (SIOP, 2003). Some of the methods for measuring this include performance reviews, productivity, surveys of managers and turnover.

Onboarding and socialization[2] are the next important aspects of the talent management system. Ensuring that transition to a new role goes smoothly is a critical responsibility for HR (Tyler, 2007). Several transitional tactics can help new managers improve their likelihood of success, including those tactics related to alignment, resource gains, networking and team-building (Watkins, 2003). Providing those new to a position with opportunities to learn job-related information prior to the time it is needed helps provide faster and more efficient responses. Consideration should also be given to the potential differing needs, if any, of those recruited from within the organization versus those who are hired from outside the organization.

[2] Onboarding and socialization are formally separated from job transition. Onboarding and socialization often refer to the process that new-to-organization employees engage in to shift from outsiders to insiders (Bauer et al., 2007). However, in practice, job transition—an insider moving to a new role—is often considered a special case of onboarding and socialization.

Teaching Notes

Onboarding is ultimately about adjustment to something new in an organization, whether it is a new job or the organization itself. The purpose of onboarding is to reduce some of the anxieties that emerge due to uncertainty. In practical terms, onboarding is the transition period for an employee. From the organizational standpoint, onboarding is most effective when it occurs early on during the new job, because the job should be linked to organizational results. Thus, an expedited transition to a new job should strengthen the organizational results, even if the particular job is a seemingly small portion of the overall organization.

For a detailed summary of research related to onboarding and a model, see Bauer et al. (2007).

Expectations for job performance should be included when developing an onboarding program separate from orientation. Clear expectations result from well-crafted job descriptions, consistency between job descriptions and instructions on how the work is actually performed. It is useful to interview job incumbents regarding job expectations and use that information to compare with the job description. Parsing out the essentials helps separate onboarding from a generalized training plan. Focusing on the most productive content sends a clear message to those new to the job about what they really need to know to be successful. Most important is to provide information related to organizational strategy and goals, social networking and resource awareness. These are the topic areas that provide the greatest return in performance, especially if the performance management system is built with a sturdy connection to goal alignment. Some tactic-specific material can be incorporated into onboarding, but tactic-specific material can also be included at later stages of transition to the job. Tactics can be taught through general training and as part of career development. Onboarding content is most effective when orienting a new-to-role individual toward the organizational-level needs.

Talent management models can be useful in helping apply a systematic approach to diagnosing and resolving organizational issues. HR professionals can work from the talent management model to determine what data is needed and then analyze the data to decide what processes should be adjusted.

References

Bauer, T. N., Bodner, T., Erdogan, B., Truxillo, D. M., and Tucker, J. S. (2007). Newcomer adjustment during organizational socialization: A meta-analytic review of antecedents, outcomes, and methods. *Journal of Applied Psychology, 92*, 3, 707-721.

Cascio, W. F. (1998). *Applied psychology in human resource management* (5th ed.). Upper Saddle River, NJ: Prentice Hall.

French, W. L., and Bell, C. H. (1999). *Organization development: Behavioral science interventions for organization improvement* (6th ed.). Upper Saddle River, NJ: Prentice Hall.

McCauley, C., and Wakefield, M. (2006). Talent management in the 21st century: Help your company find, develop, and keep its strongest workers. *The Journal for Quality and Participation, 29*, 4, 4-7.

Society for Human Resource Management. (2008). *Glossary of human resources terms*. Retrieved February 12, 2009, from www.shrm.org/TemplatesTools /Glossaries/HRTerms/Pages/default.aspx

Society for Industrial and Organizational Psychology. (2003). *Principles for the validation and use of personnel selection procedures* (4th ed.). Bowling Green, OH: SIOP.

Tai B., and Lockwood, N. R. (2006). *Organizational entry: Onboarding, orientation and socialization*. Retrieved February 12, 2009, from www.shrm.org/Research /Articles/Articles/Pages/OrganizationalEntryOnboarding, OrientationAndSocialization.aspx

Tyler, K. (2007). Helping employees step up: The promotion is done. Now what? *HR Magazine, 52*, 8, 49-52.

Watkins, M. (2003). *The first 90 days: Critical success strategies for new leaders at all levels*. Boston, MA: Harvard Business School Publishing.

Appendix

SAMPLE RECOMMENDATION PROPOSAL

The Operational Supervisor Onboarding Package will ensure that new operational supervisors are effective in meeting operational and organizational goals. Reasoning for this recommended package is provided herein.

Business Driver

Our organization currently exists in an industry with wavering consumer demand and intense competition over market share. Profitability depends on our organization being able to provide accurate customer service that is faster than our competitors and enhances the marketing and distribution of our products. Additionally, our industry is labor intensive, and so frontline leadership is critical to how we conduct our business and interact with our customers. Failing to continually address the need for superior leadership and efficient transactions with our customers will cause an erosion of market share and profitability.

Supporting Data

Our data analysis related to the operational supervisor job led to the following inferences:

- The job description for the operational supervisor job should be revisited and possibly reanalyzed to ensure it accurately portrays the relationship and leadership elements that are specific to our organization.
- Selection rates of operational supervisors have not varied much from 2003 to 2008. Thus, the quality of the operational supervisors has remained similar in the last five years.
- Some hurdles in the current operational supervisor selection system, such as the structured interview, are not providing the expected separation of candidates. These hurdles may need further review.
- On average, newly selected operational supervisors perform equal or better than longer-tenured operational supervisors, as demonstrated by our current performance management system.

- Current operational supervisor training provides operational supervisors with either (a) generalized leadership competency development or (b) tactical skill development. No current training provides operational supervisors the opportunity to develop role clarity, social networks or prioritization schemes that are needed when first beginning the job.
- On average, newer operational supervisors have low levels of satisfaction, and have lower levels of satisfaction than their peers with longer tenure.

Program Recommendation

Findings listed above support the development of a package that will:

- Occur when operational supervisors are transitioning to the job.
- Build awareness of available tools within our organization who are designed to support operational supervisors.
- Provide social network opportunities for operational supervisors who assist in successfully completing the work of the organization.
- Be required of all new operational supervisors.
- Be integrated with other portions of the talent management system, which should be reviewed on a regular basis.
- Change, as needed, based on changes to the job and to our organization.

The strategy recommended in this proposal should improve the consistency of work produced by those in our operational supervisor job. Consequently, organizational performance should also be improved.

 © 2009 Society for Human Resource Management. Steve Weingarden, Ph.D.

SHRM members can download this case study and many others free of charge at www.shrm.org/education/hreducation/pages/cases.aspx.
If you are not a SHRM member and would like to become one, please visit www.shrm.org/join.

1800 Duke Street
Alexandria, VA 22314-3499