

Why we need more PIMS

A Guest Article by Bryan Duggan
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The fundamental skills gap in UK business management

You might have heard that there is a skills shortage in UK business management. Is it a shortage of technical skills? Well partly, but there is already an impressive array of training and development possibilities to deal with this.

The more fundamental skills gap is in personal and interpersonal management skills, or PIMS for short. This is all about how we deal with people to get the best response.

So why do we need more PIMS? Here are a few reasons:

- greater influence with other internal stakeholders
- more effective selling
- strategic supplier relationship management
- negotiating
- staff management, motivation and development
- team building
- change management
- improved personal relationships.

Effective PIMS here leads to:

- better integration of functions in the overall business strategy
- better customer relations
- better performing external suppliers
- better deals that are more sustainable in the medium to long term
- more effective, better motivated staff and lower staff turnover
- teams that deliver more than the sum of the parts
- enabling change that is effective and lasts
- improved personal relationships and home life – yes, really!

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How can we get more PIMS?

Every human being is made up of two fundamental sources of influence. First there is genetics: the hardware of our personality that we have inherited and cannot change. Second is the totality of our life experiences so far: the software of our personality that can be rewritten by newer and better experiences.

In fact, although we cannot change the hardware of our personality – our inherited traits – we can learn to understand and manage it much better once we have understood how other people are likely to react to it.

Understanding behaviour

The first part of the process, then, is to delve into psychology and understand how we behave ourselves, and come to understand how this affects other people. Then we can learn the different ways that other people behave and how best to deal with these behaviours.

By taking people through a few carefully selected and thoroughly researched psychometric tests, we can unravel enough of the common threads of people behaviour to gain an astonishing fresh insight into why people do what they do.

The shock revelation is that most people do not get up in the morning and decide to make life as difficult as possible for everyone they come across that day. It only seems that way sometimes.

In general, people act on a mix of rational and emotional input, and almost invariably do what they honestly think is best at the time according to the knowledge and skills that they have available.

PIMS training enables us to see better why people do what they do. In being able to see their view of the world as well as our own, we have the beginnings of a dialogue that will lead to cooperative behaviours. We can also learn to adopt more effective views of how the world works, adapt our behaviours, and become more successful as a result.

Where should PIMS start?

PIMS should start right at the beginning of the first meeting. Advanced sales training stresses how critical the first five minutes of an initial meeting is to the development of a good relationship. Using some simple behavioural techniques, we can show people how to make this first five minutes highly effective. In fact, we can show people how to handle the first five seconds, which is the most important time of all.

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Gaining influence with other stakeholders

The key techniques here are:

- initial greeting techniques
- questioning and listening
- bridge building.

All of this can be taught.

Initial greetings

There is a right and a wrong way to make that first moment of contact. Before any words are even spoken, we can, by our body language, create a good impression that will subsequently stick with the other person. It sounds simple – a three-point plan: good handshake, good eye contact, and – guess what? – smile!

We have found, though, that many people do not do this well, usually because they are a little nervous about meeting new people – even if they do not acknowledge this to themselves. The answer is to reverse your feeling: understand that the other person is probably feeling a little nervous too, and make it your job to set them at ease.

Questioning and listening

By developing our questioning and listening skills, we can uncover areas of common interest or concern that would otherwise remain hidden to us. We need to fully understand the other person before we can hope to influence them. Our questions will uncover the areas where we can build the bridges between us and the other person that are the start of real dialogue and relationship development.

As Stephen Covey set out so well in his bestselling book *The 7 Habits of Highly Effective People*, “First seek to understand and then seek to be understood.”

This is also the basis for a highly successful sales approach: first get to know your customer and their needs by questioning and really listening, before trying to sell them anything.

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Supplier relationship management

Supplier relationship management (SRM) is a fashionable phrase at the moment. However, it is also one that is often misplaced. Efficient businesses now recognise the need to manage strategically critical suppliers closely. For many, though, SRM is seen as a mechanistic, systems-driven management tool, a sort of “manage the supplier by numbers” approach using key performance indicators (KPIs).

This seems to be the approach taken by the providers of leading enterprise resource planning (ERP) systems, promoting their “SRM modules”, which focus on a numbers and tick-box approach. But there is much more to it than that.

In practice, SRM requires four things to be successful:

- a clear, jointly developed plan on what the relationship needs to deliver to both businesses
- creation of mutual trust to enable the full benefits of collaborative working
- fully developed communication and feedback channels
- a will and motivation to work on the relationship so that it delivers value to both parties.

Effective SRM is therefore mostly about the human interaction between a business and its suppliers. It lends itself to the application of PIMS to gain significant improvements in supplier performance. It is not really surprising that the same techniques of questioning and listening are the foundation stone of building excellent supplier relationships and gaining stellar performance from those suppliers.

The following two examples illustrate the difference in approach.

- Individual A sends the new supplier a standard 90-page contract, complete with all the predetermined KPIs written in, and uses a highlighter pen to draw attention to the liquidated damages clause section at the end.
- Individual B sits down with the new supplier and starts off with something like this: “Now first I want to understand your business, and then you can tell me how you think we might work best together.”

Generally, both the customer and the supplier will have a common interest in having the business relationship working well. Mistakes, misunderstandings, reworking, poor planning and communications and missed deliveries all cost

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money – for both parties. Mutual profitability hangs on a good working relationship, and that in turn starts with good personal relationships. More PIMS then!

Also, have you ever noticed that if a big problem does arise, it is the supplier with whom you have a good relationship who is most likely to help you out if they can?

Negotiation

Effective negotiation can be broken down into five key behaviours:

- organisation and planning
- acquiring relevant knowledge
- toughness
- fairness
- warmth and friendliness.

Warmth and friendliness? Where did that one come from? Yes, it is right, but most negotiation trainers neglect to teach this.

The ability to remain warm, friendly and fair while driving a tough bargain is the mark of a top-flight negotiator. This requires a change of mindset and approach, and you have to learn why an abrasive approach is counter-productive.

After that, PIMS training shows you the techniques that make this apparent paradox of “tough but warm and fair” perfectly possible and more likely to lead to a good, sustainable deal commercially.

Motivating and retaining staff

This is easy, isn't it? Just pay them more money.

Actually no, it is not that easy. The psychologist Abraham Maslow demonstrated that money in itself does not motivate. He worked out what were the universal underlying motivators of all human beings. Understanding these enables us to know how to fire our staff up to peak performance and keep them interested in their role.

Maslow held as his core belief that most people want to be successful and will work hard and effectively towards that if they are properly motivated. Of course

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we all need money, but this is only used to satisfy our underlying motivators, which vary in different circumstances. Understand these and we unlock all of human potential.

- **Question:** What is the single most effective motivator?
- **Answer:** Praise for things done well and recognition of effort.

How about applying this, though? Try changing your mindset from supervisor mode, trying to catch your staff doing something wrong, and switch to motivator mode and try to catch them doing something right.

When you are ready for the advanced stuff, why not try implementing 360° feedback to find out what else you can change about your management style to be more effective?

PIMS training develops feedback skills so that those sometimes difficult areas of talking to colleagues about performance and working relationships become much easier and more productive.

Personal relationships

The unexpected side benefit of PIMS is that the same techniques and approaches work their magic in our personal lives and relationships as well, so that suddenly you will be getting on better with your partner, spouse, kids, relations – even ex-partners – as communication becomes easier.

A must in modern business

Developing our PIMS is a must to be fully effective in modern business. The great thing about improving PIMS is that, in practical terms, it has the potential to make business transactions both less stressful at a personal level and more profitable at a corporate level.

Now when did you last hear about a payback like that?

Bryan Duggan
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If you would like more information on any of the points covered in this Guest Article, please contact **TCii** on **020 7099 2621**.