

Not Everybody is a Star

Written by Nick Sanders
Monday, 28 August 2017 00:00

Netflix famously published a 120-slide PowerPoint manifesto on its innovative approach to managing Human Resources. We wrote about it [here](#). Netflix approached personnel hiring and retention decisions like a professional sports team: it wanted stars at every position. (It's HR metric was called "talent density.")

In contrast, my old boss Bill – who was the best boss ever, because whatever I did wrong he was doing it wronger than I was – had a different HR philosophy. Bill stratified his employees into one of four categories: (1) stars, (2) cows, (3) losers, and (4) TBD. Bill's HR management philosophy was that a team did not need—and *did not want*—stars at every position. He believed such a team was too contentious. There were too many chiefs and not enough Indians (to use the politically incorrect phrase that Bill would have used). You could say that Bill's approach was more diverse, was more inclusive. And I'm thinking you would be right in that assessment.

In [another article](#), we touched on workforce diversity, noting that the Big 4 environment wasn't quite as diverse as it claimed it was. Sure, every characteristic protected by Federal or State law was included, but beyond that there was a sameness—*an intentional sameness*—to the individuals slotted for practice roles. We wrote—

Those firms say that they are inclusive and focused on diversity, but the kind of diversity they welcome is not unlimited. If you are in a practice role (as opposed to a support role), it is highly likely that you are well-educated, smart, ambitious, and driven. We're talking 'Type A' personality all the way. ... Doing whatever it takes because if you don't there are many others who will! It's a system intended to weed out people who don't fit—those who don't have the right 'chemistry'—because every year another class of Associates joins the firm, and some of them may make Partner one day if you can't (or won't) do what it takes to make it. ...

People are different and they have different skills and different motivators. The Briggs Myers folks claim there are 16 different personality types. I don't know about 16, but I know there is more than one type. But in the world of the Big 4, there really is only one type that succeeds—and that is the type that is driven to succeed.

Thus, it seems that the Big 4 professional service firm environment is not unlike that of the

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Netflix environment: both are seeking “high performers”—stars—at every position. Yet, Bill wasn’t all that concerned about having enough stars. He thought a workforce comprised of 10 to 20 percent stars was good enough. Those would be the leaders and the “cows” would be the followers.

In Bill’s mind there was nothing wrong with being a cow. If Bill called somebody a cow he meant absolutely nothing derogatory by that comment. In Bill’s view, a cow was dependable. A cow showed up on time and left on time. A cow did what was asked of them, and a cow did it well. A cow wasn’t ambitious and wasn’t seeking glory; a cow just wanted to be told what the expectations were so that they could be met. Cows received “meets” performance reviews and cows received the median merit increases. There was nothing wrong with being a cow. In fact, they were necessary because Bill believed that too many leaders created conflict.

There were positive attributes about being a cow. First, you generally had a long-term employee. You didn’t have somebody who was going to jump ship because they had been passed-over for promotion or because somebody else had received a bigger raise. Generally, cows were content. And a content employee is a good thing if you have a lot of people to manage. So that was the second positive attribute associated with cows: they were easy to manage. They didn’t complain and they didn’t call HR about every little thing. (Which was good because there were already too many people calling HR about Bill.)

In a nutshell, “cows” were the ones who produced the milk, each and every day. Bill depended on that production.

In contrast, “losers” were problem employees destined, sooner or later, for the exit. Whereas Netflix sought to separate the stars from the rest, retaining only the stars, Bill was focused on separating the losers and finding ways to move them out from his organization. In Bill’s philosophy, “losers” didn’t meet performance expectations. Losers didn’t deliver a day’s worth of work for a day’s pay. Perhaps most importantly, losers lacked integrity and you couldn’t count on them to do what they said they would do. Losers were on the fast track to gainful employment elsewhere. Bill figured he had about five percent “losers” in his organization, if only he could identify them.

We all know those people, right? They are not fun to work with. Indeed, they are disruptive to the smooth functioning of the workforce. Bill’s management goal was to identify them as early as possible and show them the door as soon as HR would let him. Building on that, I would

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say that one important attribute of a company's culture is how quickly HR will let a manager get rid of such people. Some companies require a ton of paperwork and a Performance Improvement Plan and they delay and delay the final decision, trying to avoid a lawsuit claiming wrongful termination. Other companies move more quickly. Which company do you want to be working for?

I remember this one person at a large defense contractor who was one of those people that Bill would have labelled as being a "loser." On paper she was top-notch but in reality she was a pain to work with. Literally *nobody* wanted to work with her. She didn't report to me but her boss took unexpected medical leave and I was asked to step in on an interim basis. Unfortunately there was no documentation in the employee file about the myriad problems and complaints associated with this individual, so my first order of business was to start documenting and to start discussing "performance concerns" with her. (Discussions that were later characterized as being "ambushes" because I made sure to have a witness present.) Long story short: she received a "Needs Improvement" rating and was denied a bonus, and then she complained to HR and suddenly *I* was the problem. It took me a long time to wash away the "bad supervisor" stigma. Fortunately, a year later her group transferred out of state, and she said she would only go if she received a promotion. The boss (not Bill) asked around and found out that literally *nobody* wanted to work for her, or even with her. They said they would quit if they had to report to her. When the boss told her that she wasn't getting her promotion—and why—she quit that very same day in a huff. Problem solved, and my reputation was restored.

So how do you deal with "cows" and "losers" (or whatever you call them)? Do you seek only superstars or are you happy with a staff of productive, content, employees who produce the expected amount each day? And if you want to get rid of a problem employee, how easy is that to accomplish? These questions matter because they reach into the heart of Human Resource management, company culture, and personal management style.

Before you can be a leader, you have to figure out how you are going to lead.

Bill would have called Harvey Wong a cow. You probably don't know Harvey because he didn't have any LinkedIn connections. He didn't write any articles and, to my knowledge, he never appeared on any panels. He was a member of the (E&C) Compliance Roundtable—perhaps a founding member—but he never sought a leadership role, preferring instead to handle the administrative tasks while others took the spotlight. After he left DCAA, Harvey worked for the same company for the rest of his life. When that company moved him out of state, he went. He

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didn't look for another job because he was content with his current job, regardless of where the company located him geographically. He wasn't a supervisor. He wasn't a leader. He was in no way a star. He just showed up and did what he was told to do. And he did it well. For a very long time, right up until he passed away in December, 2015.

The world needs more people like Harvey Wong. Perhaps more importantly, people in charge of establishing teams and hiring people need to be okay with hiring people like Harvey Wong—people who are not superstars but who show up each day and do a full day's work for a day's worth of pay. If you only search for stars, you are going to miss a lot of cows. And I strongly suspect your workforce is going to suffer for it.