

# Training and Risk Management Newsletter

Harvey B. Lermack & Associates

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- What are the top five issues facing learning departments in 2000?
- What are the four levels of training evaluation, and how can you gather that information?

Help your training to “stick” with ...

## Performance Management and Behavioral Safety

A student in a recent train-the-trainer session asked me, “How can I do a better job of making my training stick?”

To ensure that training is effective, we must help the desired behaviors we teach in the classroom to replace undesirable behaviors at the workplace.

Performance management is a process by which that may be accomplished. It also gives us a means for third level training evaluation.

Behavioral safety is the scientific application of psychology

in the workplace. It improves safety performance by replacing at-risk behaviors with safe ones. This approach applies also to environmental, damage prevention, security and other areas of performance.

Any specific and proven implementation process follows the following steps.

- Identifies the current problematic as well as the desired behaviors, and the consequences that reinforce each.
- Trains the entire workforce to observe and measure cur-

rent behaviors, and to provide consequences and feedback to reinforce the intended behaviors.

- Stresses the power of positive reinforcement, as well as the appropriate use of other types of reinforcement, to successfully transform behaviors and improve organizational performance. Such an approach leads to improved levels of safety, productivity, communication, and other positive performance consequences.

Students want to know ...

## What Do We Mean By “Strategic Focus”?

Students often report that their managers expect them to develop a more “strategic focus”, but are not able to explain what they mean by the term. The most frequently asked question—what is a strategic focus, and how is it acquired?

I usually approach this by asking the student to identify someone they look upon as a “strategic thinker”; and to identify the characteristics that make that person unique. The following are frequently cited, and agree with the research.

**Strategic thinkers envision the long term.** While many of us spend the majority of our time thinking in the short term—about tactics and resource allocation—strategic thinkers focus on long term objectives, and how day to day activities support their attainment. For one frequently cited example, Newt Gingrich followed a four level approach to organizing and acting—vision, strategy, projects, and tactics. He

tried to link every daily activity to fulfill the vision, and gave this model much of the credit for his political success. According to Gingrich, his approach was patterned after Dwight Eisenhower’s system during World War II.

**Strategic thinkers work from the outside in, rather than from the inside out.** They focus on things that are happening in the world around them, outside of the organization; then on how those things may impact the long term success of the organization.

**Strategic thinkers are networkers.** This is how they gather external information. While many of us tend to network (and surround ourselves) with people who have ideas and views similar to our own, strategic thinkers surround themselves with people who have different backgrounds and views. In this way, they may acquire more knowledge and insight about the future.

**Strategic thinkers are continuous learners.**

In this new world of business, all of us must continually refresh and update our knowledge. It has been reported that a majority of the knowledge gained in college today is obsolete within two to three years after graduation. Strategic thinkers know that the only way to compete is to continually reinvent their knowledge base.

In my experience, strategic thinkers are inherently curious. That is what makes them effective continuous learners. And they are usually courageous about delving into new areas where they have limited experience—including some of the key driving forces for change in the external business environment such as globalization, and Information and technology. They are the exceptions who disprove the rule that “you can’t teach an old dog new tricks”.

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*Harvey B. Lermack & Associates is a professional education, training and consulting firm. Our mission is:*

*•To help organizations improve risk management, environmental, health and safety performance through innovative training and education programs. The key result—your employees know how to identify, assess, and manage the risks at their workplace, reducing incidents and costs and improving productivity.*

*•To help organizations develop leaders at every level by delivering effective professional development training. The key result—leaders who bring a strategic focus to their daily and long-term activities.*

*•To ensure the success of these and other training and development efforts by utilizing innovative performance management techniques, working with individuals and small groups to ensure changed behaviors. The key results—safer operations, better performance, and reduced costs.*

*My associates and I bring extensive industrial, academic, training and consulting experience to this unique mission.*

### *Graduate Business Schools Are Focusing on Global Issues*

## Philadelphia University MBA Trip to Europe

### Harvey B. Lermack & Associates

#### Training and Consulting Services

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Developing & Delivering Effective Training Programs  
Balancing Work, Family and Career, and Time Management  
Personal Skills Development

In the last issue, we pointed out some key trends in management education. The first— from a domestic to global focus— is reflected in our MBA Program at Philadelphia University.

During March, a group of students and professors traveled to Europe to visit company and government offices in London, Brussels, and Paris.

In London, my team visited Jaguar Motorcars, Salomon Smith Barney and the London Metals Exchange. In Brussels, we learned about the status of the European Union at the offices of the EU Council, Parliament and Commission, and visited IBM Belgium. Finally, we traveled to Paris to visit Deloitte Touche Tomatsu, Honeywell and the Paris Bourse. Throughout, we were struck by the overwhelming integration tasks faced by EU country organizations— especially those in the “Euro Zone”. Here are a few issues and impressions gathered during our visits.

Each country has its own set of regulations and task deadlines. One example—some countries require that all prices be posted in both Euros and local currencies, even though Euro currency will not be available until 2002.

The transition to the Euro will occur over a three year period, with each company deciding whether to be an early, middle or late “adapter”. Each potential strategy carries its own set of risks and benefits, with the final decision resting first on impacts and needs of the customer; and second to internal considerations, including the company’s information and accounting systems.

The most frequently cited impact in the retail arena is cost and price transparency issues. Once prices are quoted in Euros in every country, consumers will identify discrepancies and demand they be reconciled to their favor—possibly erasing some of the favorable margins in certain countries.

Our hosts did not appear overly concerned with the weakness of the Euro since its inception.

All of the Euro Zone currencies are now pegged to the Euro. Since about 90% of Euro Zone members’ trade is with other zone members, much of their currency exchange risk has been eliminated.

The linked currency arrangement has also resulted in changing capital investment patterns. Foreign countries now

feel free to invest in countries based solely on strategic (versus financial) risk / reward considerations. This benefits countries such as France, at the expense of others including Germany.

Merger mania is being felt on the continent as well, with several industrial and financial mergers announced while we were there, or just before. Overall, companies are trying to work through the cultural, legal and environmental differences to develop more integrated activities around Europe. Implementation of the Euro is proving a convenient vehicle to help integrate their activities.

At the European Union, we learned that their key focus is on expansion— specifically, how to digest the next batch of EU countries. Within the next decade, the EU may grow from 15 to 25 countries, adding enormous complexity as well as opportunity.

Another interesting note—they are just learning how to deal with the influx of lobbyists into Brussels. While we in the U.S. take this for granted, it is new to the Europeans.