

# RAJ REVIEW

Ideas

Insights

News

Monthly Briefing for the Business Professional

## A Message From RAJ

What a strange month it's been! First Mother Nature lashes out with hurricanes and floods and just as that settles down we're hit with a frightening financial crisis. So what are we supposed to do? Throw in the towel and watch things fall apart around us or grit our teeth and plow forward? One thing we know about the American spirit is that people can always find a way to not only survive the obstacles thrown in their path but to grow and prosper from adversity. We sincerely hope that you have not personally been severely affected by the latest setbacks. Try to use this time wisely – take stock of what is working and make a plan of action to remedy what is not. Whatever you do, try not to panic because, as the saying goes, this too shall pass. In the meantime, remember we are here to help with your business needs and will work with you (and within your budget) to help you achieve those goals which will help you stay ahead of your competitors.

### Seminar Update & Reminder

**Thinking Space for Business Leaders: Emotional Intelligence** will be held at the Mid-America Club on October 23rd, 2008 from 7:30 a.m. – 10:00 a.m. For more information, or to register, please give us a



## September 2008 Edition

### Reader Highlights

Seminar Updates: **Thinking Space for Business Leaders: Emotional Intelligence 10/23**

FEATURED ARTICLE: ***The Power of Older Workers***

TIP OF THE MONTH: ***Heartless Bosses***

FOOD FOR THOUGHT: ***Don't Reward the Wrong Kind of Behavior***

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## Featured Article

### **The Power of Older Workers**

Excerpted from Joyce Finn Article, Inc.com, 9/3/08

A surge of titanic proportions is about to sweep through American businesses as 80 million skilled and experienced baby-boomers reach retirement age. Departing the work force at a rate of 4 million per year until 2024, this loss of seasoned workers will create an undertow in every sector. Retirees will take with them networks of professional contacts, specific skill sets, and organizational knowledge. In ad-



dition, according to a July 2008 Bureau of Labor and Statistics report, employment numbers for the 16 to 25 age group are projected to decline between the years 2006-2016, and among those 25 to 54 there will only be a slight rise. This smaller labor pool will not be able to replace the huge flood of departing older workers. The good news is that 70% of employees nearing 62 and older plan to work well into their retirement years.

Companies such as R&B Network Services, No. 887 on the Inc. 5000 list, already hire workers who took early retirement from the top 500 publicly traded companies and are too energized to sit at home. Others search for employees with 25 to 35 years of specific subject matter experience that result in staff age ranging from the mid-50s into the 80s. According to Mark Claypool, President and CEO of Educational Services of America, older workers "offer a rich tapestry of experiences to the ... environment." Consulting and staffing companies are particularly well positioned

to fill vacated posts or find jobs for retirees. Patrick Jones, CFO of top-tier Addison Search, LLC in Chicago states, "Typically, the people who are retiring are the most productive, highly valuable employees. There's not a company that's not going to be impacted by this."

Some fear that seasoned workers will increase the cost of their benefit package, but Jones has seen no significant increase. Many former retirees decline retirement benefits because they already collect social security or receive retirement benefits from previous jobs. Nor has Jones seen any difference in time off for illness. "Older workers are our most reliable contractors," he says. If you tell them to show up at 8 in the morning, they're there at 7:45 a.m. with their sleeves rolled up. They need very little retraining." In relation to customer service, Jones claims, "Older workers have the maturity to handle the stress along with the different types of personalities involved."

Older workers have little interest in empire building or becoming competitors of other staff and are able to remain task-oriented. They don't need supervision or feel the urge to flit from employer to em-

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### **Article of the Month**

#### **Teaching Smart People How to Learn,**

by Chris Argyris, Harvard Business Review

If you would like a copy, please let us know.



*(Continued from page 2)*

ployer. According to MetLife, it is true that workers 55 and older are more likely to have disabilities, however most are chronic but controllable conditions. They may need additional time to complete some tasks due to a decrease in cognitive skills, yet they compensate with stronger decision-making abilities. They also take fewer absences than younger workers.

One major obstacle against hiring retirees is the perception that they will somehow become a liability. Statistics prove the opposite is true. When companies ignore mature workers with specific skill sets, business acumen, and intuition gleaned from years of experience, they handicap their future growth. This graying of the workforce won't go away, nor can it be ignored. With the economy dipping, and companies retrenching or moving overseas, those that recruit seasoned workers will sail confidently into the future.

### Tip of the Month

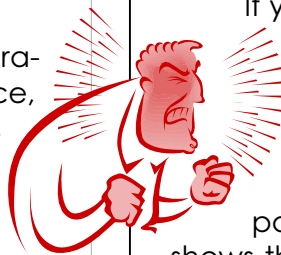
**Heartless Bosses** by Travis Bradberry and Jean Greaves, Harvard Business Review

Considering the mountains of literature about emotional intelligence, you'd think corporate executives would be pretty smart about it. But our research shows that the message still isn't getting through. During the past five years, we have measured emotional intelligence in more than 100,000 senior executives (including 1,000 CEOs), managers, and line employees across industries on six continents. For each respondent, we measured self-awareness, social-awareness, self-management, and rela-

tionship-management skills to yield a cumulative EQ (or "emotional intelligence quotient") score on a 100-point scale. The scores reveal: Managers 77.5, Supervisors 77, Individual Directors 74.5, Contributors 74, Executive/VP 72.5, Senior Executives 71, and CEOs 70.5. As these numbers indicate, EQ scores rise as executives climb the ladder, peaking at the manager level, falling off thereafter, and bottoming out, alarmingly, at the CEO level. (Though the absolute difference between the highest and lowest scores is only seven points, this is a highly significant statistical difference.)

How could it be that the very people who need emotional intelligence the most seem to have it the least? It appears that companies are still promoting executives principally on the basis of what they know or on how long they've served the company rather than on their ability to lead. Yet, for every job we've studied, emotional intelligence is a better predictor of performance than technical skill, experience, or intellect – confirming what psychologist Dan Goleman and others in the field of emotional intelligence have been saying for years.

If you're in the rarified ranks of C-suite executives, your subordinates are probably more emotionally intelligent than you are. That's not advantageous for you or your company. A decade of research shows that emotional intelligence can be honed – that's the good news – but first you have to recognize the need.



### On the Humorous Side

A frog goes into a bank and hops up on the desk of the loan officer. "Hi," he croaks. "What's your name?" The loan officer says, "My name is John Paddywack. May I help you?" "Yeah," says the frog. "I'd like to borrow some money." The loan officer finds this a little odd, but gets out a form. "Okay, what's your name?" The frog replies, "Kermit Jagger." "Really?" says the loan officer. "Any relation to Mick Jagger?" "Yeah, he's my dad." "Hmmm," says the loan officer. "Do you have any collateral?" The frog hands over a pink ceramic elephant and asks, "Will this do?" The loan officer says, "Um, I'm not sure. Let me go check with the bank manager." "Oh, tell him I said hi," adds the frog. "He knows me." The loan officer goes back to the manager and says, "Excuse me, sir, but there's a frog out there named Kermit Jagger who wants to borrow some money. All he has for collateral is this pink elephant thing; I'm not even sure what it is." The manager says, "It's a knick-knack, Paddywack, give the frog a loan; his old man's a Rolling Stone."

### Inspirational Thoughts

An executive is a man who decides; sometimes he decides right, but always he decides.-John H. Patterson

I learned that a great leader is a man who has the ability to get other people to do what they don't want to do and like it.-Harry Truman

### Food for Thought

#### **Don't Reward the Wrong Kind of Behavior.**

From *The Motivational Manager*, Adapted from *Management Review*

Too many companies reward behavior detrimental to the company – without realizing it. For instance, a manufacturing company rewarded maintenance mechanics for "wrench time" – the amount of time spent making repairs; which really meant the mechanics were being punished for time spent analyzing problems and performing preventive maintenance. A pizza delivery company focused its reward system on the on-time performance of its drivers, and in doing so inadvertently rewarded reckless driving. An insurance agency rewarded sales agents for the number of calls they made – and ended up with fewer actual sales and a larger telephone bill. And finally, a freight company that based its reward system on the number of packages shipped thought productivity was way up until an internal audit revealed that only 45% of the containers were being

### GET IN TOUCH

We love feedback. Let us hear from you about what's most useful in our newsletters, how we can make it better, and topics you'd us to tackle for you.

Call us to discuss your needs, explore how we can help, and learn more about our services.

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