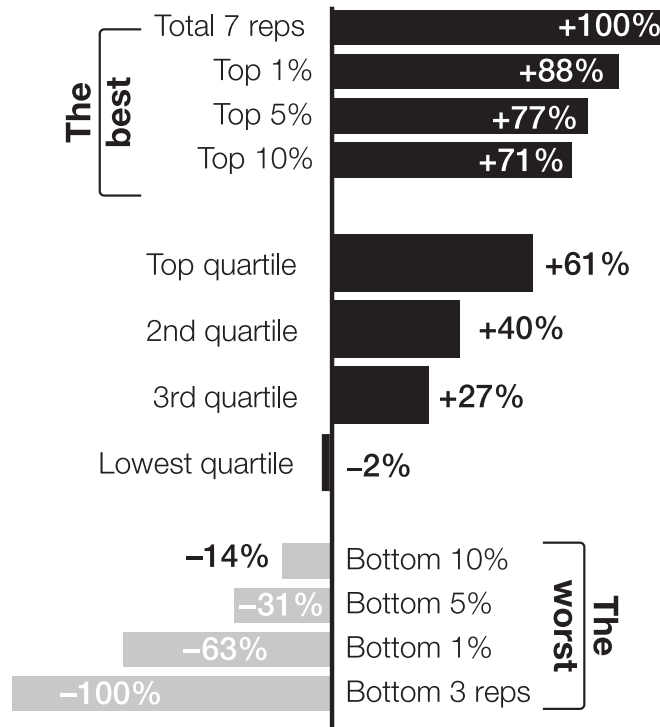


FIGURE 3-2

Performance variability is critical for a position to be strategic

Impact on customer attitude scores

This company, highly regarded for its customer service, surveyed about 45,000 customers to gauge the impact of its 4,583 service reps. It discovered that the top 10% had a positive effect on customer attitudes with 71% of the customers they talked to; the top seven reps created a positive effect with every customer. In sharp contrast, the bottom 10% had a net negative impact of 14% on customer attitude scores, while the bottom three employees alienated every customer they spoke with.



Source: Glen Phelps, "The Fundamentals of Performance Management," *Gallup Management Journal*, February 10, 2005:1-4.