

## ***So You Want to Build a High-Performance Organization***

*By Jackie Freedman*

What is it about the current interest in building high-performance organizations that scares me? People who know me, know that I am an ardent believer that the key to great profit, stellar customer service, innovative thinking, etc., can be achieved by focusing on the most basic, the most important relationship a company has – the one with its employees. So why would I be so skeptical about the drive to build high-performance companies?

It's not that I don't believe in high-performance organizations, nor do I question their value. What I am questioning is the ability and desire of most executives to successfully implement such a program. I see three main obstacles that prevent the creation of a high-performance organization at many of today's companies: the lack of true understanding and vision surrounding the definition of a high-performance organization, the unwillingness to make the necessary sacrifices and the absence of skills for managing and leading this new and improved organization.

At companies across the globe, top-level executives are coming to their executive teams and announcing that "we want to be a high-performance organization". Doesn't that sound great? Just the phrase "high-performance organization" sounds so energizing, so exciting. Of course, we want to do that, who wouldn't? However, what's missing is the quiet voice from the back of the room who says, "Yes, that sounds great but what, exactly, does that mean?" Or the even more important, "Exactly what does that mean *to us*?"

Before a single action is taken and before any announcements are made, top-level executives need to invest a tremendous amount of time discussing, thinking, analyzing and strategizing. Without a thorough understanding of what we want to look like as a high-performance organization, of where we are now, of what strategy we are going to enlist and of how we are going to measure our progress, we will never be able to translate that concept into actions, expectations, policies, etc., that are visionary enough to inspire and specific enough to be understood by everyone.

This process cannot be shortchanged nor can it be outsourced to other managers or outside consultants. Announcing that we will now be a "high-performance organization" is not going to be successful. Such an approach will be seen by employees and managers as the management flavor of the month, especially if the company has a track record for embracing each new fad as it sweeps through the business community. I am doubtful that most executives recognize the need for this kind of in-depth

inquiry or its relationship to the ultimate success of the initiative and am even more skeptical that they are willing to dedicate so much of their time to the process.

Let's assume that management does go through an exhaustive inquiry/strategy process during which top-level executives come face-to-face with several major issues including questions like "Why do we want to be a high-performance company?", "Why aren't we a high-performance company now?" and "What will be necessary to transform us into a high-performance company?" Once the executives have a clear picture of what will be required, they can reflect on what these changes will mean to them and determine whether they are ready, willing and able to undertake a change management initiative of this magnitude.

Building a high-performance organization takes hard work. It challenges management on so many levels and ultimately affects every interaction, every transaction, every communication and every process. Management's role could (in fact, should) change drastically – are managers truly behind this effort or will they feel conflicted knowing the effects it could have on their jobs? Are they really ready to sacrifice the stability of the status quo?

On a macro level, the company will need to be prepared to entertain changes to virtually every process, every policy and every tradition. As the process progresses, the organization will need to drill deeper and deeper in order to ensure that nothing is standing in the way of creating a high-performance organization. Is the organization willing to revisit its promotion policy? Its structure? Its budget and approvals process? Nothing is sacred until the company can confirm that all internal processes, policies, etc., are contributing to the creation of a high-performance organization and are not acting as obstacles to that goal. Some of these issues may surface immediately and some further into the process. I don't think that many companies are truly willing to go the distance nor do I believe that they understand why this is so critical to success.

Fundamentally, what differentiates a high-performance organization from any other company, are its people. A high-performance company is a collection of engaged and energized people working towards a common goal and vision. They are passionate about their purpose, committed to achieving their goals and eager to get to work. They are inspired and dedicated to the company's mission and goals. These employees require much more than good management (which is a rarity in itself); they require exceptional managers and great leadership. Rather than babysitting or micromanaging, managers need to understand how they can best serve these employees and how profound an effect they have on an employee's ability to stay focused, productive and motivated.

Many companies already employ plenty of exceptional employees but they are wholly ignorant when it comes to assessing the effectiveness and competence of their management. It's not intentional, but it may as well be as the effects on the workforce are devastating and difficult to reverse. I know of an instance where a manager was assigned the task of developing a quarterly training session for his division. This assignment was completely outside the scope of his job, but he took it on with excitement and eagerness due to the possibilities that he saw for the program. After doing some preliminary work,

he went to the powers that be and presented his ideas along with cost information (the total cost can best be described as less than a rounding error for this particular organization). After all of his work, he was told that he should just use programs that were already available through HR (none of which would truly accomplish the original goals of the program) in order to keep the cost down. Needless to say, this response took the proverbial wind out of his sails. He did what was asked but his eagerness for the program was greatly diminished as it was no longer the informative, thought-provoking program he had envisioned. By the way, creating a high-performance organization is a goal of this company.

I'm not suggesting that budget considerations disappear at high-performance organizations. I am suggesting that managers at high-performance companies need to be far more aware of the consequences of their decisions and the manner in which they implement those decisions. In the preceding example, the manager struck out. First, any restrictions or limitations should have been spelled out at the time the task was delegated. Second, the manager sent the message that management development was not worth even a small investment and that keeping costs down was more important than the quality of the program. Lastly, the manager completely failed to acknowledge the initiative and creativity of the employee's effort. Even if you begin with the most qualified, exceptional employees, management can quickly destroy their energy and motivation. Managers at high-performance organizations learn to make more balanced decisions by looking at not just at the bottom line but also at the goals of the company, the impact on employees and clients and the long-range vision. They recognize that energized, passionate employees are the key to creating and maintaining a high-performance organization and they make decisions with that in mind.

Building a high-performance organization is a laudable, worthwhile goal and will create tremendous benefits for the company, its employees, clients, management, stockholders, etc. However, top-level management cannot underestimate the importance of their role in preparing the company to undertake such an endeavor. Their participation and dedication in the initial stages, and throughout the process, will be challenging and time-consuming but the advantages will surely justify the investment.