

Using Workforce Performance Models

HR can achieve higher levels of successful workforce performance by adopting an integrated approach to five key elements. By doing so, it can deliver significant value and establish its strategic role in the organization.

Introduction

HR has expended considerable energy in recent years searching for organizational relevance and a strategic role at the management table. One commonly stated objective for implementing many of HR's initiatives has been to increase workforce productivity.

Improved employee performance holds the potential to be one of the most powerful ways in which HR can demonstrate its unique capability for contributing to the organizational bottom line. Even modest improvements in workforce productivity can far outweigh the economic value of incremental HR operating cost reductions (management's most prevalent HR tactic.) Such performance improvements can be, however, an elusive target that seems to demand different solutions than have generally been delivered thus far. In fact, the few organizations that have been able to hit the performance bull's-eye are usually heralded in "*Top 100 Lists*" and in management literature as examples for everyone.

To date, most of HR's efforts to enhance employee performance have been narrowly focused on individual, specific program areas – a new performance management program, increased training, a "pay-for-performance" compensation system, etc. While directionally correct, these singular initiatives generally produce only limited performance improvement results. They frequently miss the opportunity to capitalize on the full potential that exists in most organizations. As a result, there remains unrealized value for the organization and HR misses yet another chance to create strategic impact.

The Need for an Integrated Approach to Performance

The real key to achieving exemplary workforce performance seems to be an integrated approach that leverages certain key factors and stakeholder groups. In addition to linking critical processes supporting enhanced employee performance, a successful performance improvement plan must continuously link together the groups and individuals necessary to actually achieve greater performance results. In this regard, HR must marshal not only its own efforts, but

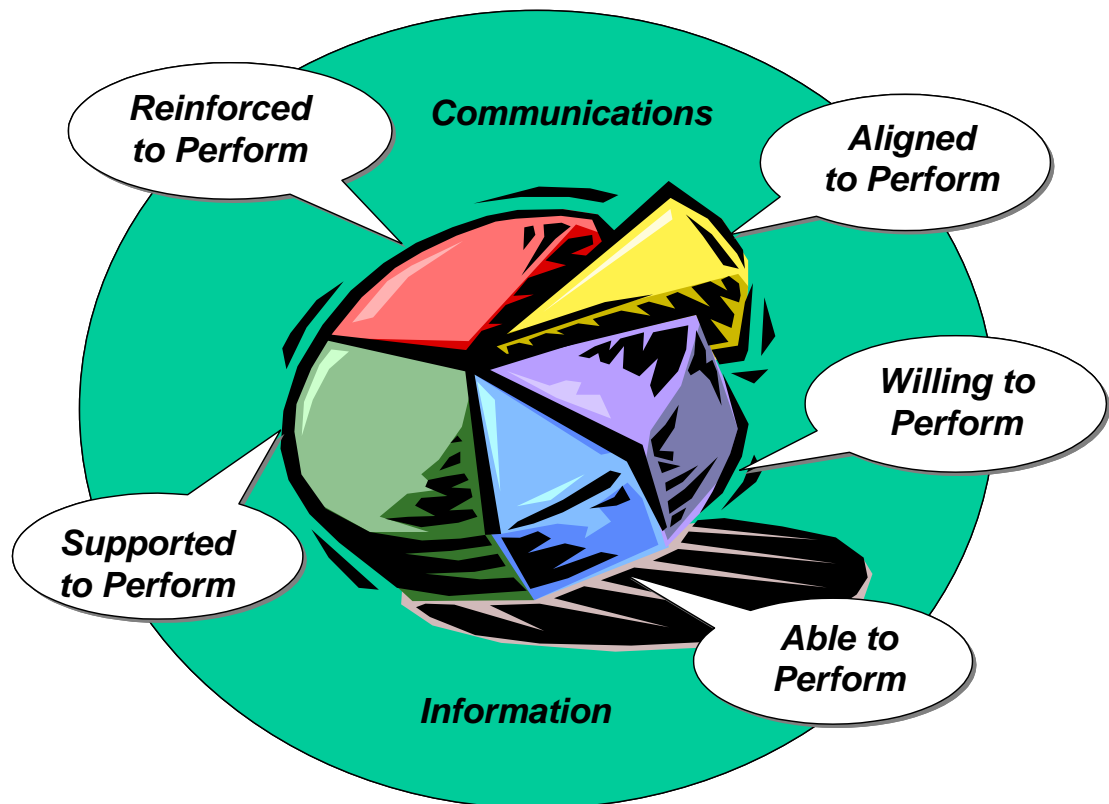
also those of management and employees themselves, establishing a consistent way of working together using a set of performance-enhancing practices that have been developed to fit the organization's unique needs.

HR can facilitate this complex organizational development process by deploying an integration framework that defines the key elements underlying successful employee performance and provides a roadmap for applying them in everyday work. The model can then represent the organization's broadly understood approach for consistently operating to produce high levels of employee performance. And, as a result, it will become a part of the management lexicon and the organization's culture.

An Integrated Workforce Performance Model

Figure 1 identifies five primary dimensions that form the foundation of an effective, integrated employee performance model. Each of the individual elements in the model is defined by its own characteristics and potential contributions to successful workforce performance. The entire model operates on a foundation of consistent communications practices that not only connect all of the parties together, but also supports effective information flow between them.

Figure 1 – Integrated Workforce Performance Model



The individual elements of the integrated performance model are:

Aligned to Perform The workforce understands the organization's strategy and objectives and their impact on employee performance expectations. Line of sight from strategy to individual performance provides effective navigation for planning and objective setting and a context for performance assessment and feedback. The workforce is deployed into an effective organizational structure that facilitates successful alignment and collaboration of effort.

Willing to Perform The organization's culture supports a motivational environment that solicits discretionary effort from the workforce. Performance is at the center of the organization's values and practices, and provides a focal point for its decision-making and actions.

Able to Perform The workforce has the composition and competence required, and is organized effectively, to meet the organization's performance objectives. The organization develops and manages its talent to build performance capability.

Supported to Perform Resources and tools, performance feedback, coaching and mentoring, and communications are adequate to support the performance efforts of the workforce. Improving employee performance provides the rationale for much of the organization's people management practices.

Reinforced to Perform Reward and recognition programs are correlated with performance results to establish a reinforcing linkage for employees. Recognizing the impact of employee contributions to the organization's objectives is a visible and valued management practice.

For each organization, the exact form and content of this model will likely vary according to its specific needs and management priorities. Some elements may be stronger and more complete than others, but all will be present to some degree.

Underlying the commitment to improved performance, the organization's communications practices provide the foundation for applying the performance model. Through various culturally responsive channels, communications both informs and engages the stakeholders with the elements of the model and with each other. Achieving higher levels of workforce performance can only be accomplished with an explicit and purposeful communications strategy that highlights the initiative and supports its ongoing efforts.

Conclusion

Sustaining improvements in the performance of the organization's workforce is a potentially very valuable undertaking that demands a comprehensive approach to be successful. By applying an integrated performance model to the process, HR can establish an actionable framework that will facilitate the focused engagement of all key stakeholders in the process.

The Performance Model in Action

A consumer products company that planned to implement a broad-based incentive arrangement to reinforce its *pay-for-performance* philosophy and to get employees focused on critical organizational objectives realized that a single point solution was not going to be sufficient. As a result of its application of an integrated workforce performance model, the company eventually developed and implemented the following:

- A performance scorecard that translated broad business objectives down into the organization to facilitate performance objective setting and alignment for managers and employees
- Competency models that defined the critical performance-supporting capabilities that employees throughout the organization would need to be successful
- New candidate selection and employee development programs based on the competency models to ensure that employees were building valuable performance capacity
- A multi-step performance management process that established a communication system between managers and employees to support performance planning, feedback, coaching and assessment

In addition to the new incentive plan, these initiatives supported management's intention to emphasize performance as a key element in the company's culture, and provided an integrated set of performance improvement tools for managers and employees.

All of the elements of the model were introduced to employees with a communications program that was based on the theme of *Passion for Performance*. This reinforced not only the new performance concepts, but also linked to one of the company's existing values – passion.

*Greg Ross
Mellon
Human Resources & Investor Solutions
July 2003*