

Strategies for mastering people potential and building a high performance culture



Philip Atkinson contends that the average organisation does not capture the potential of their people and needs to develop innovative strategies to achieve their outcomes. This huge waste in terms of energy, enthusiasm, commitment and drive, can be radically reduced by focusing on inspiring staff to move beyond their zone of comfort and commit to optimal performance. This article is about developing the strategies to achieve this outcome.

Maximising people potential

Our research suggests that few organisations understand that the true financial cost to their business of failing to master the potential of their people, is billions of pounds and dollars each year in wasted energy and enthusiasm which is displayed but never tapped, leaving many 'opportunities' for improvement lost. Even fewer organisations have come to terms with measuring this human cost and taking action. This article provides examples of clear strategies to maximise the potential of your most important asset or resource – your people.

We really should be designing strategies to make the most of our people, instead of applying archaic management principles. Many staff see their role as no more than a mundane 9-5 job which meets only their basic needs. So it's hardly surprising that the contribution and creativity displayed at work is not always the highest level.

Imagine the business in which you work belongs to you

The quality of the service you provide in business is determined by the quality of your people, and this in turn is determined by how they are managed. So now, just imagine that the business you work in belongs to you – the salaries and wages paid to the staff now come from your own pocket. Let's assume that as business expands and customer loyalty improves, your service is perceived as high 'value added', resulting in success reflected in increased profits, personal gain and satisfaction. Now consider that conversely, if the service you offer is less than attractive, resulting in poor customer retention, this would result in a contraction in your business, significant personal loss and perhaps even business failure. Bearing these scenarios in mind ask yourself the following questions;

1. Would you manage people differently if your personal circumstances were impacted directly by their performance?
2. What people management issues do you experience currently, that if resolved, would result in substantial business improvement?

The first question implies that staff would adopt a different and more effective managerial mindset if they were personally impacted. The second question implies there are issues that need resolution, but for whatever reason are still apparent.

To truly reap the benefits of getting the most from your people, the task is to get them to agree that they have some degree of responsibility for influencing how they undertake their work. Once we agree on the fact that people should help others, either in a managerial or coaching context, then we can start selling the idea that managing and leading people is a deliberate process – which can be learned and improved over time. More importantly, it is the responsibility of every manager to help each of his or her team to excel and achieve their best.

Teamwork: Achieving results through others

Of all the resources any organisation utilises, people are the most important. How people are managed or led is critical in generating value added to any business. I would like to think that the key role of anyone who manages people is to achieve

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results through the capabilities and skills of those people, and I wonder how frequently managers or the top team of an organisation really see themselves investing in the future of the business by developing their staff.

Investing in human capital and building a learning culture

Providing learning opportunities and improving the requisite skills, knowledge and attitudes of staff is critical for any business, but how often are people equipped with only the knowledge to perform the technical or administrative aspects of their work, to the detriment of being developed to create a climate of continuous improvement. Investing in people should be viewed as a capital investment to the business, impacting upon its results and customer service.

Consider the following to really get to grips with the potential issues

What do your staff do when they are not working for you?

Understanding the motivational drive of all staff who work with you and seeing the individual as a 'whole person' is extremely important. Individuals have a major contribution to make and can stimulate innovative solutions to improve current performance of any business. This means thinking of innovative ways to apply the repertoire of abilities and competencies of people at all levels within the business. It requires managers to deliberately focus attention on what drives each of their people to express innovative ideas and practices.

What concerns me most is that when running cultural change or continuous improvement sessions, selling the message of 'maximising potential', many managers are generally unaware of the abilities, experience, and potential of their staff.

Human potential inventory

Very few organisations actually undertake what we call a human potential inventory. Many undertake a 'competencies' review for assessing salaries and wage structures or job evaluation exercises to design a remuneration strategy. However, very few move beyond the numbers game of people planning and really value, map and document the current experience and potential of their people then plan to enhance it through a structured approach.

The top team in the average organisation would be shocked to find out what their organisations could achieve if their people were managed effectively and their potential exploited. The

results of such a survey or inventory are usually staggering, because they highlight the positive role that the organisation must take to harness the energy inherent within its people. This is becoming a crisis for some organisations who have difficulty retaining staff with special knowledge or skills.

Demographics

We are experiencing a crisis in some sectors related to changing demographics, the decline of 'baby boomers' in the market place and accommodating the needs, world perspectives and ambitions of Generation X, Y and Millennials in our workforce. Commercial organisations now want people who are specifically, rather than generally, educated. We currently have a huge technology skills shortage and this, coupled with a decline in educational standards in real terms, makes workforce planning a nightmare. So it makes sense to make the most of the existing staff, hold onto high flyers, and nurture those who need support to do an even better job.

Dearth of quality people – hire or don't hire

Employers now are increasingly more selective about employing people who don't quite meet their needs. Leading organisations would prefer not to hire people if they are not of the right calibre or meet their exacting standards. Some organisations would prefer interims rather than hiring staff that don't meet their requirements. One such client knew they would experience a shortfall and decided to only employ 80% of the required graduates for technical positions because the quality on offer was below their standard. They made a difficult choice by choosing to operate with fewer, quality, people than with a full complement of people with questionable ability and experience. This trend may be industry specific in this context, but increasingly, HR professionals are talking about the dearth of good quality candidates on the market for a variety of positions at different levels.

Recently, we were involved with aiding the recruitment and selection of an IT director for a major business. There were more than 120 replies with inputs from recruitment agencies, but too few of those applying had the qualifications, the experience and the personal drive and ambition to fulfil the role. The company was lucky to find four suitable candidates for interview and of these, only two showed up on the day because others had been offered positions in other companies.

This is a common occurrence in many organisations. There is a deficit between demand and supply for good quality staff and a pointer indicating that organisations need to develop innovative strategies to attract the excellent candidates – and develop their incumbent staff.

Demographics shaping organisational performance

There appears to be fewer people available in the market to choose from, so organisations and companies are competing head on for quality candidates. So there is a crisis in many sectors and many business sectors. Local authorities are having huge difficulties with recruiting qualified technical teachers. The NHS is having difficulty recruiting specialist doctors as well as GPs. In financial services there is a huge requirement for specialists in IT, audit and related technical fields.

The quality of the staff in critical positions in these businesses will determine the results they achieve. What must

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be remembered, is that organisations are not competing only in their own industry, but also with very many different organisations for the same people.

Generation 'Y' values

The typical employee belonging to Generation 'X' and 'Y' often portray strong environmental and ethical standards towards potential employers. The implication of this is they have the pick of the 'quality' employers. Increasingly, we are finding that the candidates for key positions in businesses are very demanding and will only commit to a organisation where they feel they will be able to enhance their experience and display their creativity, and be given opportunity to grow.

The recruiting companies have experienced major problems recruiting staff and the problem can be further exacerbated because of regional or commercial demand in one or several areas. This is a big issue which many organisations have not confronted.

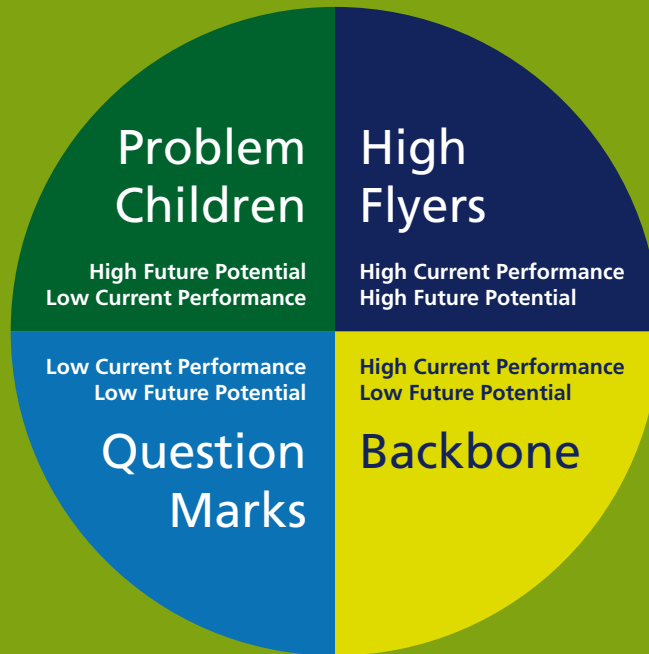
Currently, we see this becoming a major problem in organisations and becoming a critical issue as we move towards 2020. This trend is emerging throughout the UK, Europe and North America. What is very concerning is that there are several issues organisational teams need to address and they include:

- Many organisations are still not aware of the decline in the supply of good quality candidates available in the market.
- In some sectors, organisations are not aware of how to attract and retain the right calibre of people.
- Many have not grasped the opportunities and developed the organisational culture and conditions which have to be created in order for candidates first to be attracted to the business and retained.
- Retention through meaningful personal and career development is critical. If opportunities are not created for advancement and experience building, then candidates will find other employers who are willing to offer them such opportunities.

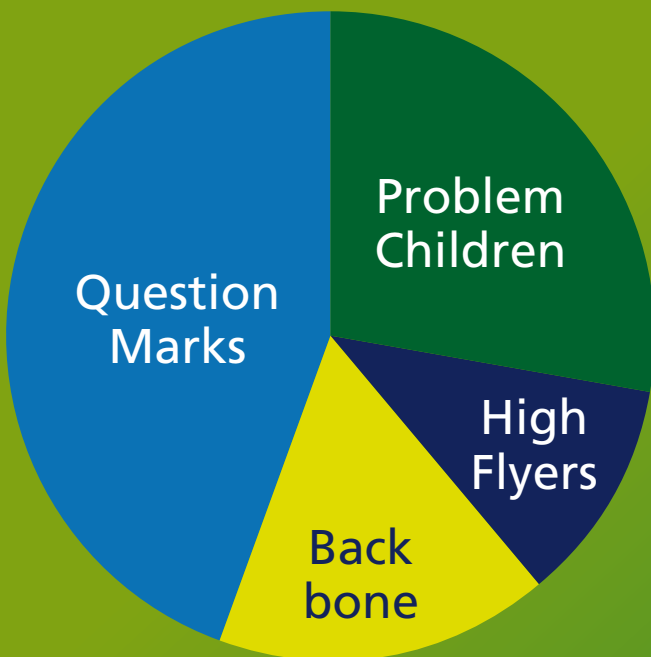
For instance, in recent years many employers are offering generous terms to new staff if they commit to the organisation. Some are offering opportunities to learn languages and undertake MBAs sponsored by the business. Some large engineering conglomerates offer employment terms to successful candidates of several overseas placements. This is to boost the international experience of their newly appointed graduate trainees – within the first 18 months of employment.

We can even witness this in the public sector where

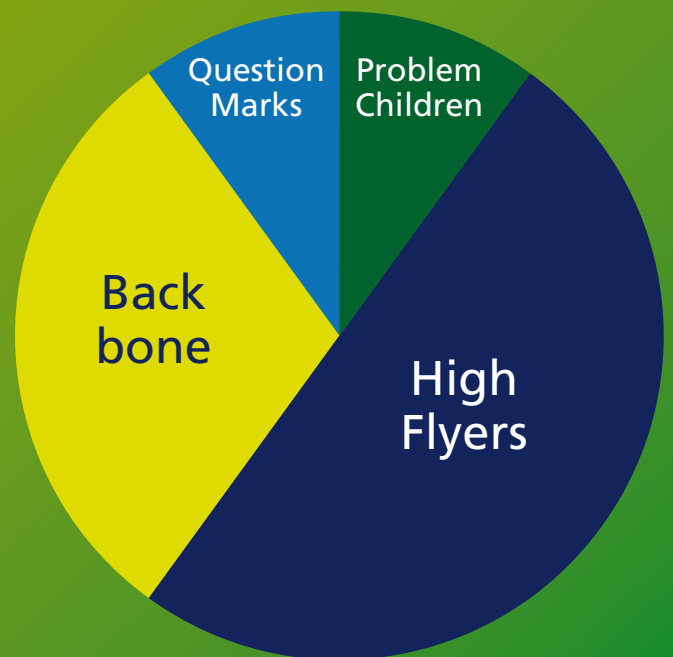
Performance Grid



BEFORE: Performance Grid



AFTER: Performance Grid





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graduates are offered enticements, and golden hellos' to those entering the teaching profession, especially for those trained in maths and science based subjects. We can also see many employers adopting a much more relaxed approach to flexible working; staff are working from home with the aid of PC, telecommunications and all required technology.

What is apparent is that those organisations who truly value the contribution of core staff, are embarking on developing innovative policies to generate sufficient interest in their enterprise – just to attract the attention of candidates especially as it relates to Millennials.

How well does your organisation build a culture where people want to work?

There are some key cultural issues which need to be resolved, in order to project the importance of tackling the issue of mastering the potential of staff. The analysis which follows is

critical for any top team to complete. I refer to the 'Performance Grid' on page 31. We use a variant of this analysis in many contexts, together with other behavioural tools and techniques, to generate some very powerful results for clients.

There follows an analysis that can be conducted on a variety of levels: organisational level, a functional or departmental or a team level. We have even used it when we appraised the gap between the competencies which are currently displayed in key organisational processes to help identify how to bridge the gap between those 'now' competencies and 'future' requirements.

The performance grid

You will have to decide which element of the staff you are going to analyse. You will have to form some judgements on the current capabilities of your teams rather than people individually, otherwise you may be employing too much subjectivity. You will not be able to avoid allocating teams to the four quadrants. People and teams who may reside in the quadrants do so because for whatever reason, the organisation has failed or succeeded in providing them with the core capabilities that assign them to that quadrant.

List all the teams you are going to assess and agree on the core competencies, expected capabilities and current deliverables in a general sense. This may include their current knowledge, their ability to develop the required experience, their current motivation and other factors. Now appraise them on a scale of current performance or capability, which is illustrated on the horizontal scale in the diagram on page 31.



You may want to rely on your judgement and use a 1 – 10 scale, with 10 as high degree of competence. You will be making a simple judgment – do they have the capability to deliver to expected performance standards?

Objective Assessments

Here you will have to make some objective assessments and discuss and test your experience and judgement, with those who know how well the team operates. You have to decide where you would place these same people in terms of their potential contribution to the business. Here the vertical scale runs up the page from bottom to top with the same 1-10 scale. Now you have two co-ordinates and can plot each individual on the grid. This is a very simple and also a subjective assessment. We are never going to be able to gain a truly objective assessment, but this analysis enables us to develop teams right across the business.

It starts with assessing where the teams are currently. Then the group of managers needs to identify the potential for learning, growth and their overall potential on the vertical scale, working on the 1-10 scale, with ten scoring highly. This approach is how managers can work together in the best interests of the teams and express their real views on staff within the business. Methodologically, it's better to discuss subjective perceptions and then agree objective criteria for further debate. We have now arrived at a method of assessing how people fit into the four quadrant model. This can be applied within an organisation at various levels, and promotes

some interesting questions and decisions about the action needed to go forward.

Question marks

This quadrant may imply a team is performing below requirements and does not appear to have potential for the future. Some issues are obvious, such as poor management, lacking focus and direction or not being trained and have the capability to achieve their goals. Many teams, through no fault of their own, find themselves in this quadrant. It could be they don't have the tools to do the job or that their role is beyond their capabilities.

It is not fair or reasonable to leave people in this quadrant. The organisation needs to develop their people so they are allowed to move towards the 'high flyer's' quadrant. If you have identified a sizeable number of such staff, why are they there and why has action not been taken before? What steps need to be taken to ensure that the team satisfies at least the basic criteria of the job? There are a variety of issues which must be debated. Does the team have the requisite administrative or technical knowledge and resources, but lacking in other skill areas? What specifically lets them down and what can you do now to help them meet the criteria of acceptable performance?

There is a further need to explore the perceptions shared by others and to agree objective criteria, which would indicate why the teams fits in the lower left hand quadrant. (Please note that this is important for all four positions of the grid).

The 'problem children'

The 'problem children' are usually people or teams who have moved to new roles but are not equipped to undertake their role to an acceptable standard. You may find that their role may have changed – but they have not. These people or teams may or may not realise that they can no longer depend solely upon their technical specialism or administrative capabilities – they may be lost in their role. Re-equipping staff with other capabilities to stretch beyond the 'technical' is the issue. So the signs to focus on are the staff who have not made the transition. This could include staff who have just been promoted or who have changed their job and are ill prepared to deal with their new role.

You may find that people or teams with a highly technical background sometimes fit within this quadrant, especially when they are given their first new managerial position. They may realise that they need to develop new skills and abilities but there may be a gap between the time needed to learn new skills and actually doing the job. The result is that they have to learn 'on the job' which can be extremely frustrating. This is also probably one of the most powerful stressors in modern life – ill preparing people for a change in their role. The abilities to do a new job or fulfil a new role well do not materialise by magic.

If time is invested in 'problem children', then they will flourish. If it is not, they may revert to the limits of their technical or operational background. If totally neglected, they will fall into the 'Question Marks' quadrant and perform at a minimum standard.

The majority of people want to do a good job

At this stage, people who manage others must realise that the skills and motivations displayed by their team are a reflection on

the management style of their boss. No one wants to be seen as 'question marks' or a 'problem child'. We believe this happens to people because others fail to clarify expectations and then resource their required development. We believe the vast majority of people come to work to do a good job. Managers have to take their role seriously in coaching their people, then staff who were under performing would be 100% aware of their development.

The backbone

These teams and people have often been forgotten and taken for granted for too long. These people have extensive experience which takes them outside of their technical comfort zone. They have stretched and work across boundaries. They have learnt to do things in different ways and probably work with others from different areas. There may never be real investment in their development, but just enough to do their job.

Undoubtedly, these people are dependable, trustworthy, and an asset to the business and their colleagues but they are forgotten and taken for granted. How they have developed is of high value, and if developed further, they could move up to the 'High Flyer' quadrant. In many organisations, teams and people fit in this quadrant and are sadly in need of support, coaching and development to move up a gear.

There are too many organisations where there are just too many teams on the cusp of this quadrant. It indicates that the organisation is not really moving forward. To move and compete in the future requires some new HR development a new way of thinking and developing new skills which can move everyone into the top right hand quadrant.

The high flyers

These teams and people are excellent at what they do. 'High Flyers' have perfected their ability to work with others and constantly look for challenges in what they do. Our belief is that all staff have the potential to become real 'high flyers' given the opportunity and learning. Being a 'high flyer' is about 'being all you can be'.

Now we have discussed the four quadrants, you can then decide what strategies you will commit in order to fill the top hand quadrant with as many teams and people as possible. That should be the goal of every manager and team leader.

You can see from the before and after performance grid that the movement is to equip the organisation with real people potential. The diagram and the four quadrants are specific to a current job or role, and it is the role of managers to resource and support the organisation so that they can move all their staff into the top right quadrant.

The determining factor about whether this is achieved is how well the organisation values its people and the direct action coming from managers to facilitate this and create an excellent organisation.

Commit to develop your most important resource – your people

Where is the real barrier to creating excellence in staff and corporations? It resides in the actions of the senior management team and their commitment to maximising human potential. The cause may be found in circumstances when they are afraid

to take the first step and consider the requirement to change the way they do things.

Summary

It is critical that organisations, both in the public and the private sector, take note of these issues because, if they fail to master the potential of their people, they are limiting the overall potential of their business.

People bring a host of talents, experiences, aptitudes, competencies and attitudes to their business each day. We work in a variety of client organisations and I can say that too much potential is wasted. I truly believe we probably only tap into 50% of people's potential with the other 50% being wasted – but expressed elsewhere, probably when pursuing other activities outside their full time employment.

It is the responsibility of the person who manages people to get the most from them, but this can only be done with top team commitment and says much about creating a dominantly, positive and deliberate coaching style of management.

About the author

Philip Atkinson specialises in strategic cultural and behavioural change. For the last 30 years he has been engaged as a consultant supporting organisations in strategic development, leadership, organisational design, post-acquisition integration, Lean six-sigma, quality management and culture change. He has partnered with a variety of blue-chip companies in industries ranging from pharmaceutical to genetics, the automotive industry to finance and banking and from NHS bodies to Local Authorities. He regularly presents at conferences and workshop sessions and has written seven books on change management. His articles and books accessed on www.philipatkinson.com Philip is Director Learning Strategies based in Edinburgh, Scotland. Tel 0131 346 1276 M: 07999 799286

