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A common theme I hear in talking to my clients is how to attract and retain employees and how many of them are turning to strategic HR initiatives to do this. Ensuring that your employees are properly focused as well as motivated provides a win-win – for both the employee and the company. I recently found this article that should provide you some food for thought in this area...

Changing the Game... 3 Ways to Unlock Your Employees' Performance Potential

A powerful transformation is underway: more successful businesses are embracing "strategic HR" to drive higher performance, productivity and profits. But you probably know, it hasn't always been this way...

That Was Then

Historically, HR has not been viewed as a key business driver, unlike "vital" functions such as sales, marketing, or operations. It's no wonder, then, that HR unfairly earned a reputation as a tactical back-office task, or worst case, completely unrelated to the overall health and success of the company.

...This Is Now!

Today, the role of HR has been radically redefined and more emphasis has been placed on effectively managing every aspect of the employee lifecycle, from talent acquisition to performance measurement, to employee compensation.

This amazing shift in HR starts at the most fundamental level: helping raise the bar on individual performance not only helps employees realize their full potential, but also the company as a whole. In other words, strategic HR is ensuring that companies aren't leaving huge amounts of money on the table in the form of missed profits due to unrealized performance and productivity.

Based on insights from HR experts, following are three revolutionary ways that you can use to develop a strategic approach to HR and unleash the true potential of your company.

1. Make Sure Employee's Daily Efforts Contribute to Your Company's Business Objectives

The first step in unlocking your company's true potential is ensuring your employees understand how their specific job/ role contributes to achieving your company's business objectives. Without a consistent process of setting goals for each individual employee that map directly to your company's objectives, they may be spending too much time on the wrong activities.

In fact, leading industry analysts estimate nearly 95% of workers are unaware of their company's top objectives. And that's often because an effective process to communicate and track progress against these objectives does not exist. So how can your company expect its people to work toward a shared vision – and deliver bottom-line results – if they're unclear what's expected of them?

Establishing a formal process for creating relevant goals for each employee, and monitoring/ measuring performance against company objectives, unquestionably result in both individual and company success. The benefits of this approach deliver a host of positive results, such as:

- Employees and managers achieve more – through greater visibility into both individual and company-wide goals.

- Employees and managers see the goal plan – and understand how the individual goals fit into the company’s business objectives.
- Creating shared employee responsibility – by cascading his or her goals with others in the company.

Keep in mind your success in aligning employee and company goals depends on an open and ongoing dialogue with management. This is the only way to ensure business strategy is woven into all HR efforts.

2. Keep Employees Energized and Engaged

Jack Welch, former CEO of GE – and one of the most respected business leaders of our time – wrote the book on motivating people. One of his key insights to driving phenomenal performance shows how much faith he had in the power of engaging and inspiring people. In a nutshell, he believed the ultimate goal of managing is not to get an employee to perform as expected, but to have them willingly go above and beyond the call of duty – because they want to.

Building a culture in which employees are energized and engaged to perform at maximum levels (and beyond) requires both strong management skills and a consistent process for providing accurate, quality feedback. There are now effective means that can significantly improve the overall quality of feedback and help managers provide more relevant reviews, more meaningful feedback, and stronger, more relevant coaching.

Ultimately, quality feedback is what keeps your employee’s head in the game and can be used to inspire and fire them up. It also increases job satisfaction and reduces turnover – two critical factors that most businesses say they are concerned with on a daily basis.

3. Develop, Implement and Reinforce a Pay-for Performance Culture

The importance of having the best people in key areas is critical to the success of your business. It’s no secret the key to retaining the best and brightest talent is recognizing and compensating top performers. According to Giga Information Group, retention can be improved by meritocratic management – or pay-for-performance – by up to 27%.

Establishing a pay-for-performance culture is considered the #1 tool for achieving financial results by senior executives. Today’s HR systems now give managers easy access to all the information they need to reward individuals for actual performance – 360 degree feedback, goal alignment metrics, performance review data taken throughout the year,.... These tools allow managers to make consistent, quantifiable and fair decisions, and avoid compensating the wrong people. Other positive benefits include:

- The ability to track employee progress against performance goals
- Identify who is delivering against expectation, and contributing the most
- Improve ongoing job satisfaction, productivity and retention by recognizing and rewarding exceptional effort

A final thought to help you raise employee (and overall company) performance: HR professionals in organizations of all sizes consistently report that providing their management with visibility into HR achievements is essential. Your managers need quantitative and qualitative information to support your strategic

decisions about human capital. And just as sales or marketing must justify investments in light of business strategy, HR must also learn to do the same.

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