

High-performance Strategy (P. 115)



HIGH PERFORMANCE WORK SYSTEM

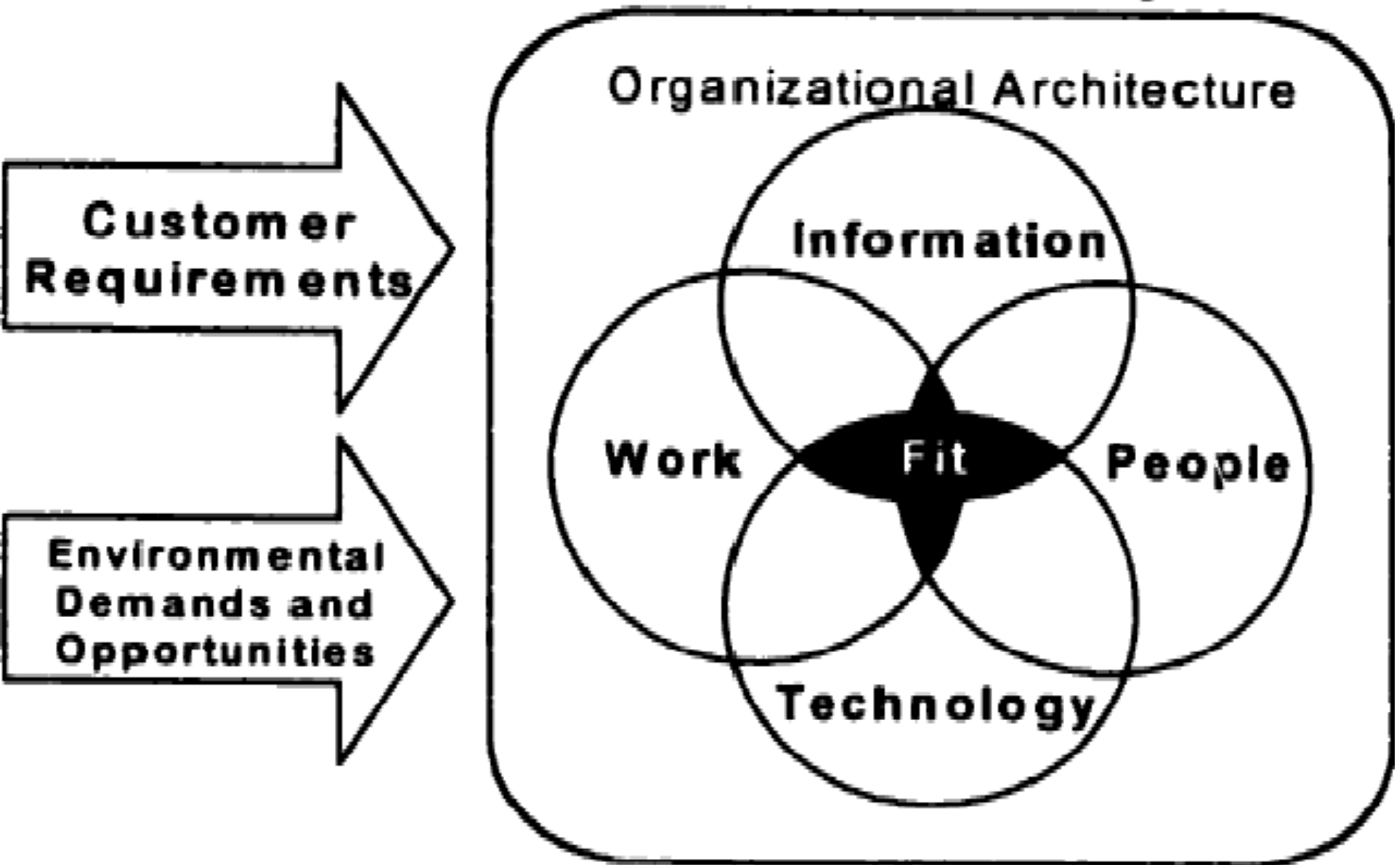


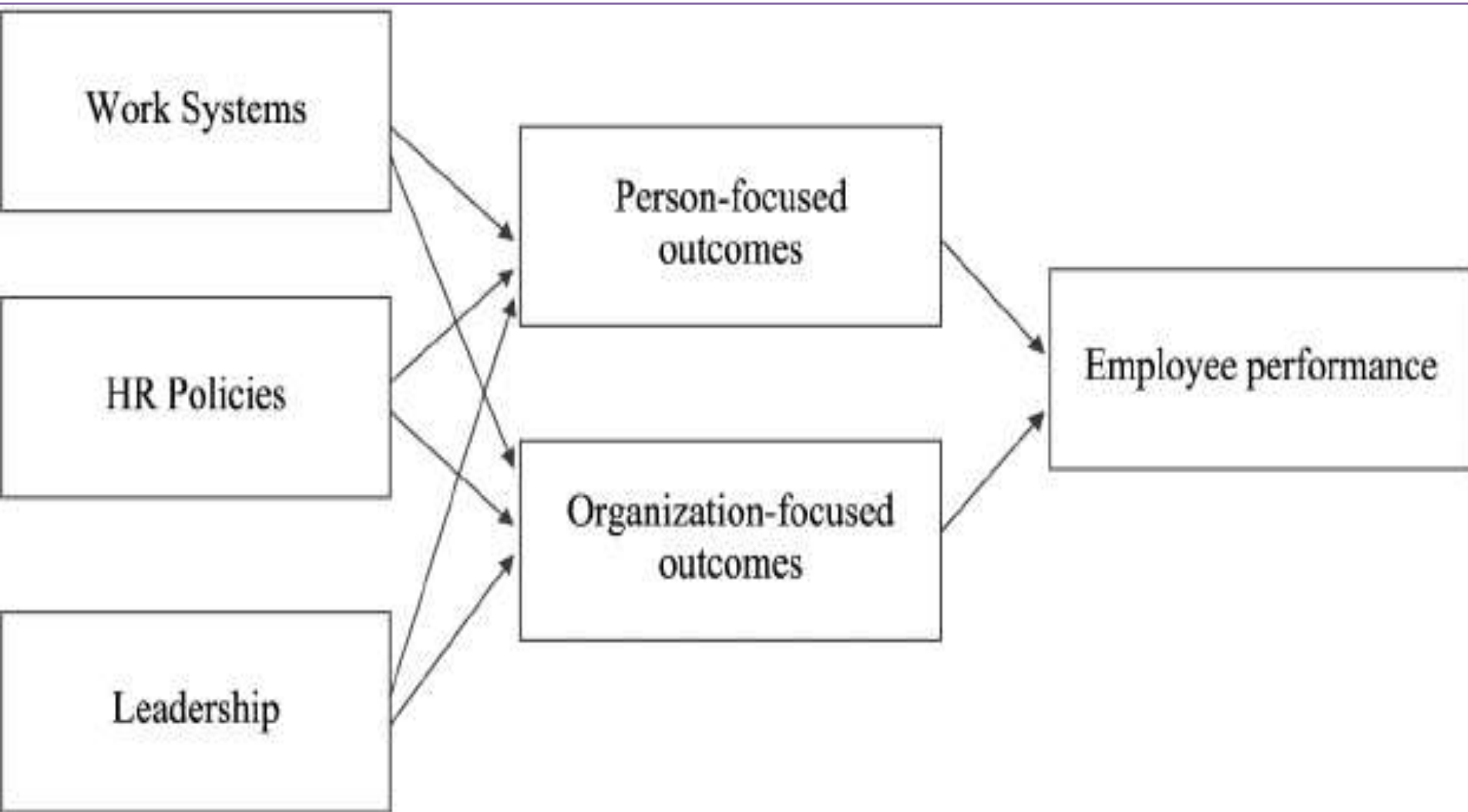
What is a high-performance work system?



- The right combination of people, technology, and organizational structure to make full use of resources and opportunities in achieving organizational goals

High-Performance Work System





High-performance Work Systems (P. 115)

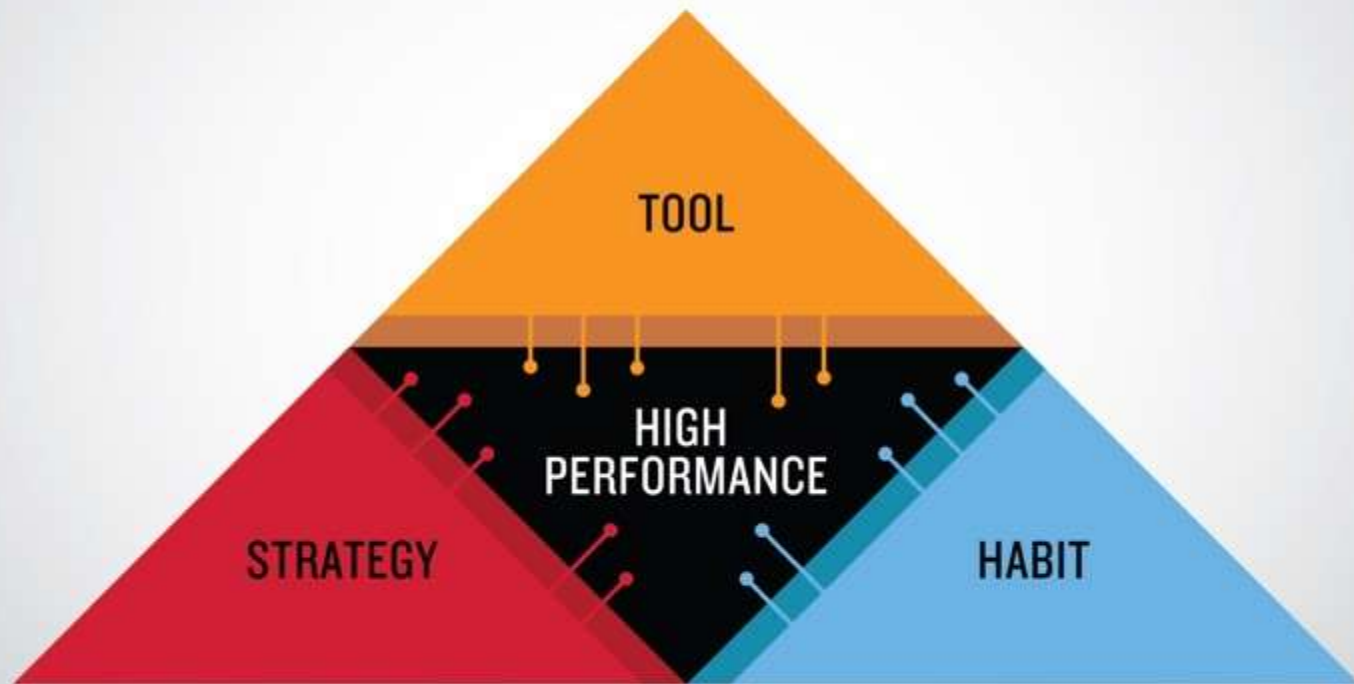
High-performance Work Systems (HPWS) is such systems to develop a 'high-performance perspective in which HR and other executives view HR as a system embedded within the larger system of the firm's strategy implementation that are deliberately introduced in order to improve organizational, financial and operational performance.

High-performance Work Systems (P. 115)

High-performance work systems are also known as high-performance work practices. As high-performance work organizations, which invest in the skills and abilities of employees, design work in ways that enable employee collaboration in problem-solving, and provide incentives to motivate workers to use their discretionary effort.

HIGH-PERFORMANCE STRATEGY (P. 122)

THE HIGH-PERFORMANCE TRIANGLE



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High-performance Strategy (P. 115)

A high-performance strategy sets out the intentions of the organization on how it can achieve competitive advantage by improving performance through people.

The aim is to support the achievement of the organization's strategic objectives.

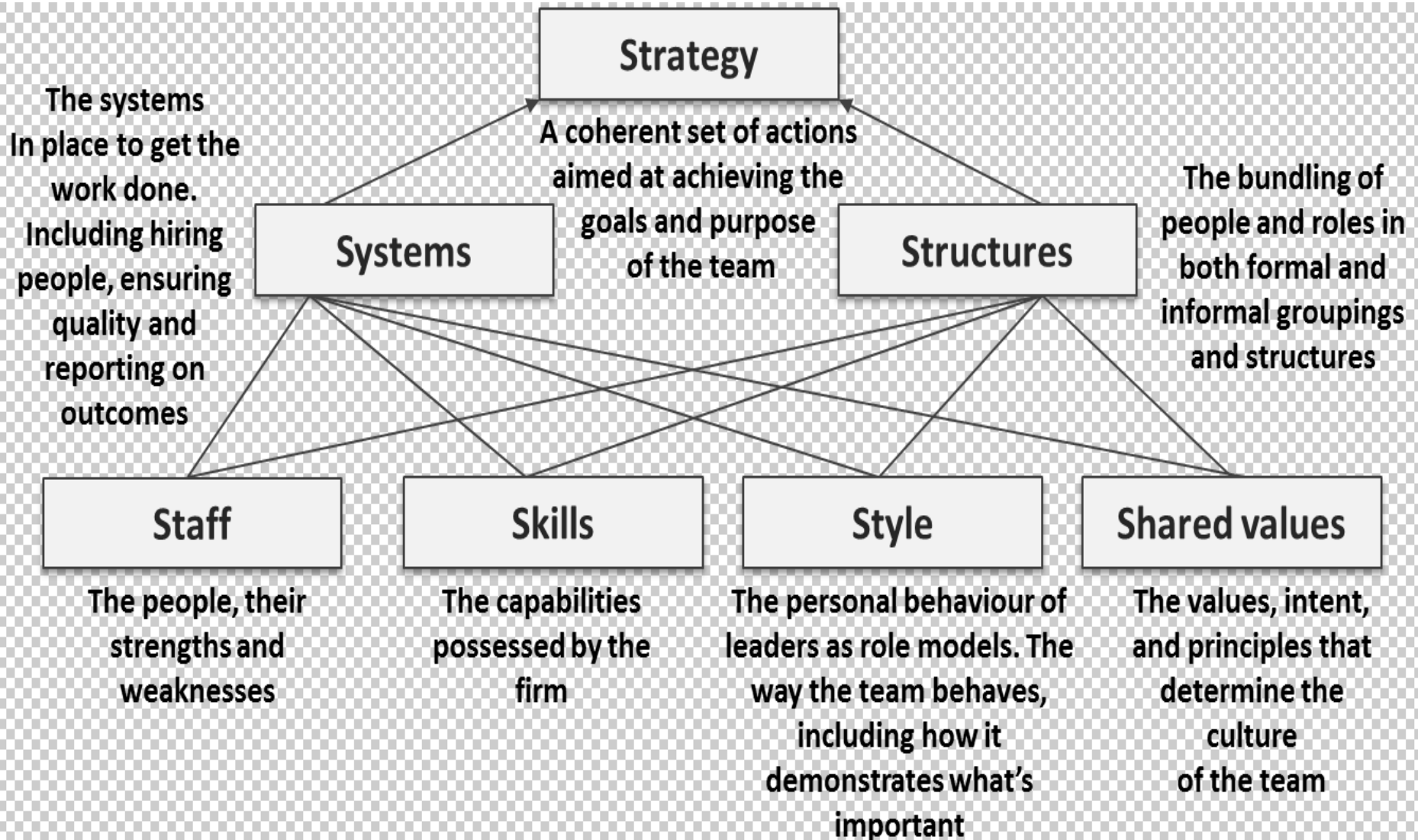
HIGH-PERFORMANCE STRATEGY (P. 122)



High-performance Strategy (P. 115)

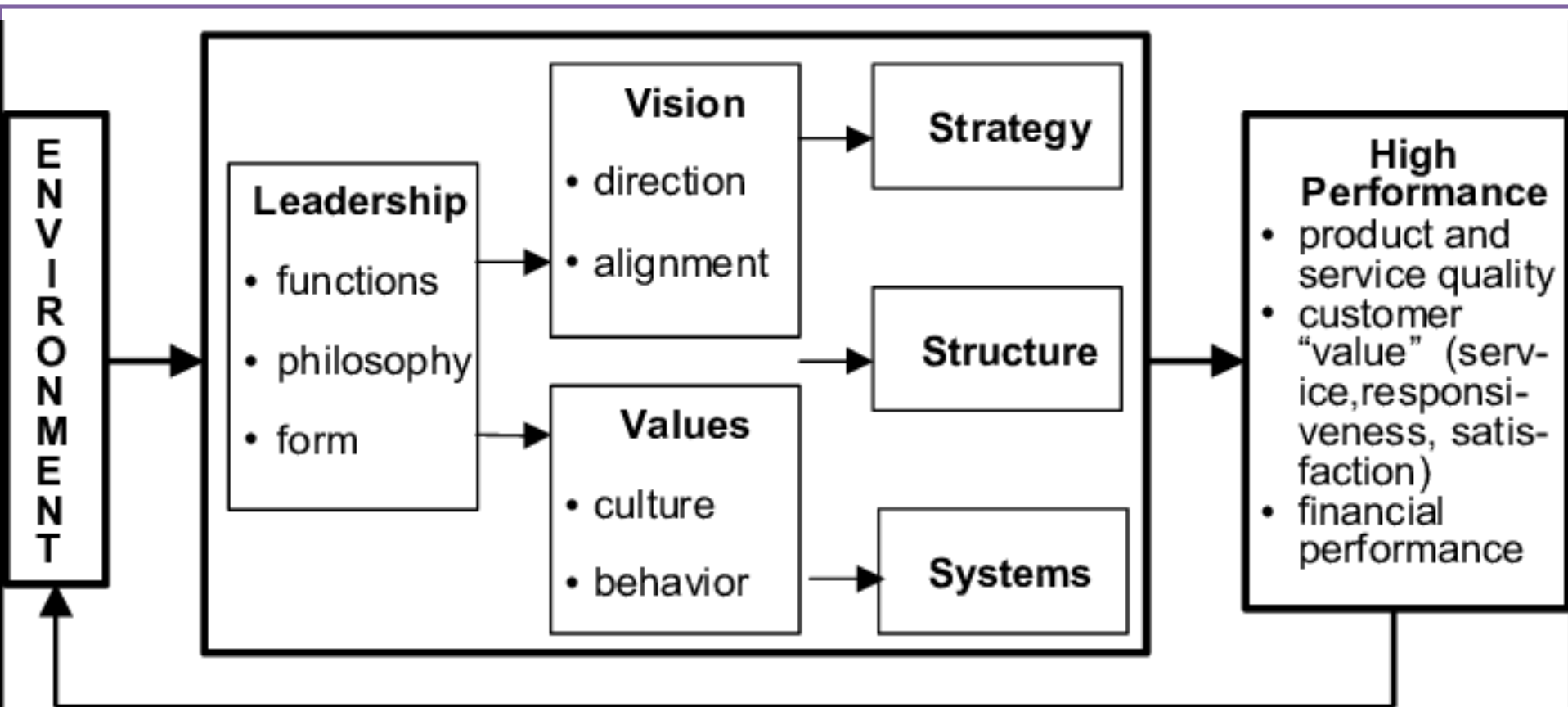


High-performance Strategy (P. 115)



Change should always be aimed at **aligning** the behaviour and activities of the team to its strategy

High-performance Strategy (P. 115)



DEVELOPING A HIGH-PERFORMANCE STRATEGY (P. 122)

The characteristics of a high-performance culture

- ❑ a clear line of sight exists between the strategic aims of the organization and those of its departments and its staff at all levels;
- ❑ people know what is expected of them – they understand their goals and accountabilities;
- ❑ people feel that their job is worth doing, and there is a strong fit between the job and their capabilities;

DEVELOPING A HIGH-PERFORMANCE STRATEGY (P. 123)

The characteristics of a high-performance culture are that:

- ❑ people are empowered to maximize their contribution;**
- ❑ management defines what it requires in the shape of performance improvements, sets goals for success and monitors performance to ensure that the goals are achieved;**
- ❑ there is strong leadership from the top, which engenders a shared belief in the importance of continuing improvement;**
- ❑ there is a focus on promoting positive attitudes that result in an engaged, committed and motivated workforce;**

DEVELOPING A HIGH-PERFORMANCE STRATEGY (P. 123)

The characteristics of a high-performance culture are that:

- ❑ performance management processes are aligned to business goals to ensure that people are engaged in achieving agreed objectives and standards;
- ❑ capacities of people are developed through learning at all levels to support performance improvement and people are provided with opportunities to make full use of their skills and abilities;
- ❑ a pool of talent ensures a continuous supply of high performers in key roles;

DEVELOPING A HIGH-PERFORMANCE STRATEGY (P. 123)

The characteristics of a high-performance culture are that:

- ❑ people are valued and rewarded according to their contribution;
- ❑ people are involved in developing high-performance practices;
- ❑ there is a climate of trust and teamwork, aimed at delivering a distinctive service to the customer.

High-performance work systems provide the means for creating a performance culture.

STEPS OF DEVELOPING A HIGH-PERFORMANCE WORK SYSTEM (P. 124)

1. Analyze the business strategy:

- Where is the business going?**
- What are the strengths and weaknesses of the business?**
- What threats and opportunities face the business?**
- What are the implications of the above on the type of people required by the business, now and in the future?**
- To what extent does (can) the business obtain competitive advantage through people?**

STEPS OF DEVELOPING A HIGH-PERFORMANCE WORK SYSTEM (P. 124)

2. Define the desired performance culture of the business and the objectives of the exercise.

3. Analyze the existing arrangements.

- What is happening now in the form of practices, attitudes and behaviors?**
- What should be happening?**
- What do people feel about it?**

STEPS OF DEVELOPING A HIGH-PERFORMANCE WORK SYSTEM (P. 124)

- 4. Identify the gaps between what is and what should be. Clarify specific practices where there is considerable room for improvement.*
- 5. Draw up a list of practices that need to be introduced or improved. At this stage only a broad definition should be produced of what ideally needs to be done.*
- 6. Establish complementarities. Identify the practices that can be linked together in 'bundles' in order to complement and support one another.*

7. *Assess practicality*

- Is it worth doing? What's the business case in terms of added value? What contribution will it make to supporting the achievement of the organization's strategic goals?**
- Can it be done?**
- Who does it?**
- Have we the resources to do it?**
- How do we manage the change?**

STEPS OF DEVELOPING A HIGH-PERFORMANCE WORK SYSTEM (P. 124)

8. Prioritize

In the light of the assessment of practicalities, decide on the priorities that should be given to introducing new or improved practices. Priorities should be established by assessing:

- the added value the practice will create;
- the availability of the resources required;
- anticipated problems in introducing the practice, including resistance to change by stakeholders (too much should not be made of this: change can be managed, but there is much to be said for achieving some quick wins);
- the extent to which practices can form bundles of mutually supporting practices.

STEPS OF DEVELOPING A HIGH-PERFORMANCE WORK SYSTEM (P. 125)

9. *Define project objectives. Develop the broad statement of objectives produced at stage 2 and define what is to be achieved, why and how.*

10. *Get buy-in. This should start at the top with the chief executive and members of the senior management team, but so far as possible it should extend to all the other stakeholders.*

STEPS OF DEVELOPING A HIGH-PERFORMANCE WORK SYSTEM (P. 125)

11. Plan the implementation. The implementation plan needs to cover:

- who takes the lead: this must come from the top of the organization; nothing will work without it;**
- who manages the project and who else is involved;**
- the timetable for development and introduction;**
- the resources (people and money required);**
- how the change programme will be managed, including communication and further consultation;**
- the success criteria for the project.**

12. Implement

Too often, 80% of the time spent on introducing an HPWS is spent on planning and only 20% on implementation. It should be the other way round. Whoever is responsible for implementation must have very considerable project and change management skills.