

Beyond 'Good to Great'

Once you've got the right people on the bus, inspire them

Question:

At my last networking meeting, we spent a lot of time talking about how to get the most out of our employees. One of the references was to the line from "Good to Great" about "getting the right people on the bus." My issue with the conversation was that it was too simple. To me, hiring the right people is only the beginning. Plus, it makes it sound like the people sink or swim on their own, without any help from the company. Aren't managers supposed to provide some help, too?

Answer:

This is a great question. "Good to Great" is a tremendous book, and Jim Collins sold a lot of copies. However, like so many books that become "the buzz," what often emerges are a few snippets, a phrase or two, etc., and the core message gets lost.

Your reference to the line about getting the right people on the bus is a great example of this. Collins does emphasize that getting the right people on the bus (and the wrong people off) is very important. But

this discussion takes place within the larger context of his proposition that it is the combination of disciplined people, disciplined thought and disciplined action that allows good companies to become great companies.

Playing off of your observations stemming from your networking meeting and Collins' findings, let me affirm your thought that getting the right people on the bus is an all-too-simple formula. A lot more has to happen to truly harness the full potential of your people. And, within the economic context in which we currently operate, let me suggest that harnessing the full potential of your people just may be your most important pursuit as a manager.

After all, we live in an era characterized by global competition, fast-paced change, and unrelenting pressure to offer better goods, products and services less expensively while exciting our customers along the way. That is a lot to ask from your employees. But, ask you must. If you don't, rest assured that somewhere on the planet, a manager is asking his or her employees to step up to the plate and put you out of business.

Your people, then, are a most precious asset. In today's lexicon, your people represent the human capital of your enterprise—the contributions that employees offer to the productive capability of an organization.

Yes, it is important to get the best people on board. But, once they are on board, what are you doing to increase your return on that investment? Are your people a depreciating asset? Or, are they adding value and increasingly greater returns to the bottom line? For most companies, merely having employees on the books accounts for 40 percent or more of operating overhead. In a service-based organization, that figure is even higher. It is obvious, therefore, that the capability of your employees goes a long way toward determining how successful your company is going to be.

So, let's say you really want to get serious

about your "people practices." Let's say you want to do more than simply hire good people and turn them loose (as you mention in your question). What are some practices you can engage in? Here are some brief suggestions:

1. Identify core competencies

Foundationally, you must specify the knowledge, skills, abilities and behaviors that you want employees to exhibit. These need to be attached to each job in the company in ways that can be observed and measured. And, they need to be modeled from the executive suite.

2. Develop a program of talent assessment

With the competencies established, efforts in recruiting, selecting and placing employees should use these factors as "targets" at which to aim. In this way, the predictive power of interviews, tests, etc. can be enhanced. You will make fewer hiring mistakes and increase the odds of getting better matches between the person, the job and the organization.

3. Develop a performance management system

In order to make sure the talent you have acquired is yielding the desired results, you must track their performance. This includes looking at what (e.g., tasks, outputs, deliverables, etc.) they are doing and how (e.g., methods, processes, techniques, etc.) they are doing it. To be most effective, a performance management system should be regular (i.e., predictable), ongoing (i.e., systematic) and participative (i.e., incorporating multi-level feedback).

4. Offer learning and development opportunities

As we all know, we live an information age. Futurist Alvin Toffler says that the illit-

erate of this era will not be those who cannot read or write, but rather those who cannot learn, unlearn and relearn. Lifelong learning is, therefore, essential if employees are to know more, be more, add more, etc. To the greatest extent possible, then, unleash learning relative to the core competencies of the organization, so that all members have all the tools.

5. Engage in career pathing activities

Employees today are increasingly mobile and autonomous. A question asked more frequently by employees these days is, "What's in it for me?" You need to find a way to get ahead of the curve on this one. Find out where employees want to be and help them get there. Career development today needs to involve more than vertical growth. It can also involve horizontal growth, too. Help your employees put more work-related tools in their career "tool kits." You may not keep them for an entire work career, but you may keep them longer than average. and this will return money to the bottom line. Along the way, your company's bench strength will be enhanced, and its succession planning clarified and augmented.

6. Pay for performance

You have to let your employees see that you value their contributions. Asking them to develop a broad-based set of competencies that deliver better results must also include the message that their efforts will be rewarded. Use the competencies as a means of evaluating jobs or as compensable factors. Employees who occupy more significant roles and/or demonstrate greater proficiency relative to the competencies should benefit

economically. With the operationally defined competencies as anchors, this becomes a more objective method for compensating employees.

7. Evaluate your results and fine tune your approach

By gathering evaluative data for the activities that attach to Nos. 1-6, above, you are, in essence, building a human resources scorecard that can be part of your company's balanced scorecard (with operations, customer satisfaction, and financials rounding out the critical domains that need to be measured). Analysis of the data will provide an opportunity for programmatic fine-tuning. What should we keep doing? Stop doing? Start doing? And so on. In this way, the process becomes dynamic and adaptive.

In the final analysis, my message to you is, yes, by all means, get the right people on the bus. Then, make sure they know where the bus is going, how it's going to get there, what their roles will be, etc. In this way, over time, your people will become "high performance bus riders" and your company a "high performance transit system."



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