

Key enablers for a high-performance organization

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While we have been constantly talking about high-performance culture in sports and higher education, taking these to an organizational context has remained fuzzy and patchy at best. We all agree that volatility and change have become such an integral part of our business environment and that we require a high-performance organization. But, how do we create one?

Before embarking on that discussion, here are my thoughts on what actually is a high performing organization. These are organizations that are not only on a solid journey of growth while preserving margins and markets, but, are also social systems that have the psychological investment of its employees. The same manifests not only on indicators like market share, market price, valuation, PAT, EBITA etc. but also reflects in the day -to-day actions, behaviours of employees and eventually leads to a highly energised work environment.

This is equally applicable for both the new-age businesses and more traditional businesses like ours. We are a power utility company which is now transforming into a dynamic, customer-centric power solutions company. In our industry there are big shifts – right from changes in operating and commercial models, dynamism in the regulatory environment, rapid digitisation and also new talent & skill requirements. These big shifts in our industry is straining the existing operating models, processes and talent requirements. We must transform now! And to support this transformation, HR must change as well.

In order to build up the transformational journey to a high-performance organization, we require both vectors - the “hard”- structural, processes, frameworks etc. and the “soft”- culture, engagement, motivation etc. Let me detail out some of these elements that are key enablers!

- ***Strategic Direction and Alignment*** - Clarity of vision and the strategic direction is almost the foundation of creating a high-performance organization. How does the organization and across levels understand its primary task and the means to achieve it? This is at one end almost commonsensical to expect but very difficult to implement across a large organization. The clarity of the “what” and “how” and its articulation in its simplest form will pave the way for any transformation exercise.
- ***Managing growth*** - In our industry there are certain segments that are growing at a relatively modest pace and some segments are in a dramatic growth phase. This balance of managing investment in high-growth areas and managing cost in mature business lines, is the kind of fine balance required for an organization’s vitality and sustainability. High-performance organizations rapidly generate value in the “new streams”, which is faster than the depleting value in the more traditional part of the business.
- ***Incubating with the right model*** - Building out new areas of growth requires careful incubation of these ideas into smaller pockets within the organization that often run differently from traditional businesses. It is almost like running many operating models within the same company as the new businesses need to be optimised for speed and market responsiveness. The balance lies in how an organization manages these boundaries. If you make the boundary too tight, these new entities might become too isolated and rigid and might have issues of “organ-reject” from the main parent. Also, if the boundaries become too porous, we are likely to lose the strategic value of creating separate entities as the strong culture of the parent might just take over.
- ***Managing the interfaces*** – Increasingly, our front-end (customer and markets) and the back-end (supply chain, technology and delivery mechanisms) are becoming “less vertical and insulated” across the businesses and we need to increasingly collaborate across businesses and functions to put together the right offering or a solution to the customer. In a high-performance organization these interfaces are managed well through integrated structures and collaborative frameworks that prevent “silo” thinking.
- ***Inclusion as a culture*** – Given the hybrid nature of our employee mix and increasing “Millennialization” of our workforce, being inclusive and open to new ways of working and operating models is necessary. Diversity and inclusion are at the heart of any high-performance company.

Then the question is does HR lead and manage all of this? This throws new challenges to existing HR frameworks and tools and this function clearly needs to go beyond being mere keepers of processes like PMS, compensation, recruitment etc. and explore how they can partner with business and enable a deeper understanding of value drivers and challenges.

Having understood the new paradigm of learning and recognising that the diverse workforce has different preferences of learning styles, it has been very encouraging to see that organizations have started embracing this change. It is important to understand that engaged employees invest more of the discretionary energy in company success than just merely satisfied employees.