



High Performance Organizations: Myth or Reality?

“Poor leadership, bad decisions, personal agendas, no teamwork, now let’s compete!”

As you think of your organization, does it have an effort oriented culture or a results oriented one? If you believe it to be the former, it probably lacks the characteristics of a high performance organization (HPO). Even if you are results-oriented, of itself that is not sufficient to turn your business into an HPO. There are many attributes of an HPO; an enterprise that aspires to be an HPO will require a combination of many features, and in addition, processes will need to be in place to ensure that these features remain genuinely competitive.

Let’s begin with the leadership. True, there are few true visionaries who have a clear long term vision for their company and can articulate where they want their company to go. Most, however, operate on a short term basis, concerned about the next quarter’s results or their image with the investment community. We appreciate the need to consider these aspects, but not to the exclusion of all else. It’s like being the captain of the Titanic wanting to make sure everyone on board is comfortable today, unconcerned about the icebergs of tomorrow.

The better CEO’s, with whom we have worked, have a vision and stick to it and ensure that ever major strategy the company deploys is designed to achieve that vision. They help the leadership team to embrace that vision and bring it to life. Part of being a strong CEO is to make tough decisions, pick great people, demonstrate leadership in the choices the company makes, deal with under-performing executives and also be compassionate. But really how many are like that? The answer in our experience is very few.

At the executive level, we have observed that weak executive teams make poor decisions based on limited knowledge, subjective opinions and dated experience. High performing teams want the facts, use the information prudently and deal with differences of opinion in a professional manner and avoid it becoming personal. In a weak team, there is always someone with a personal agenda, who is disruptive and does not care about how the team does overall. He only cares that his unit is fine or that his bonus is secure. High performing teams listen to one another, rely on one another, ensure they support one another and are genuinely delighted about each others’ success.

Strategic planning is one of those business disciplines that seems to receive a low priority among executive teams.

Some perceive it as painful, too long and of little value; perhaps as a result, few companies do it properly or have a working strategic plan as part of their mandate. High performing companies welcome the time to reflect on their business, on their performance, on their people, on their customers and look for ways to be even more competitive for the next two or three years. They are passionate about not losing ground.

High performance is rooted in the notion that we never have enough of the right information, that we are never complacent. It amazes us how little information is actually used in making decisions and guiding the direction of a company. Generally there is a lot of data in the various SBUs but it is often too detailed, tactical and not shared.

Environmental scanning, for example, seems never to be a major priority. By this we mean executive teams do not want to take the time to conduct a proper market review to understand trends, or determine where the under-belly of the competition might be or when there is an opportunity for competitive advantage. HPOs aim to know as much about their competition as they do about themselves.

In today’s business environment, it can be difficult to take the time and money to fully understand the dragons face you in the marketplace. But those HPOs that do make the effort, benefit from fewer restarts and the long term value of money spent against the right objectives.

Understanding customers is another huge point of difference between high and low performing companies. We are often dismayed about how little many major corporations really know about their customers. Many just don’t want to take the time or money to conduct the proper research, and others that commission the research don’t know how to use it effectively in building competitive strategies that will convert passive customers into loyal ones.

High performers never doubt the need to understand customer values, habits, shopping or buying characteristics and what delights their customers. Low performers get by on hearsay or what they want to believe about the market rather than what’s real. But in all types of organizations that we’ve encountered, there is often some executive who is impatient about this customer understanding and who questions its real value.



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STRATEGIC SOLUTIONS



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Let me turn to people and organizational structure. People are one of the most significant differentiators between high performing and low performing companies. We believe passionately that "Structure follows Strategy", but sad to say, we have found that many HR functions are not strategic enough to adequately deal with the future needs of the organization. Strategically oriented companies assess the skill-set needed for the future; they understand their current skill-base and know how to recruit the additional skills required to meet the future needs of their strategy. In an HPO all employees have job profiles, the best training and development programs, career progression plans and effective evaluation tools. Remuneration packages are targeted against the key strategic objectives. Low performers talk about all this, but don't put real processes into effect to ensure either action or results. For us, this still remains one of the biggest mysteries about larger organizations.

So our conclusion is that high performance is not a myth. It is elusive, however, even in the best of companies. There is a fine line between high performance and low performance. Even high performers can be dysfunctional sometimes, ig-

norning some of the attributes I have mentioned in this short essay. Equally we have seen lower performing companies wanting to improve and begin to install business disciplines and processes to improve.

So HPO are a reality but it takes the passion of a CEO to drive a better business model and build the right infrastructure. It requires an executive team that is just that - a team. It takes the right people with the right processes and tools and the motivation and drive to want to succeed. Its not a one-off activity, its not an agenda item to be ticked. If high performance is to be maintained, it needs to be woven into the fabric of the business.

We believe that if there is a will there can be a way. But unfortunately, we have to report that often the will is not there. The status quo becomes acceptable, getting by is fine and mediocrity rules. High performing Organizations aim high, stretch their minds about the possibilities, think creatively and innovatively about their business and never, never settle for good enough.

Because "good enough, never is."

About The Strategic Planning Group

The Strategic Planning Group (T.S.P.G.) is a **full service consulting firm** that can provide organizations with a wide range of advice, business tools and solutions. At T.S.P.G. our focus is on helping our clients solve their complex issues to realize their ultimate potential, whether we are assisting in a particular functional area or helping to set the overall strategy for the organization. Our full service approach combined with our commitment to helping clients realize their ultimate potential, results in an efficient and effective approach, creating great value for our clients.

We want to be more than just consultants. For us to be successful in helping you we need to understand how you operate and what challenges you are currently facing. We want to help you achieve your goals and your ultimate business potential. To accomplish this we must be trusted and objective advisors to our clients by contributing our knowledge, experience and thinking in ways that make a positive impact.

We are growing rapidly and on the leading edge of thought leadership with a goal to add value to our clients

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