

Sustaining Productivity and Positioning for Growth

Today's greatest organisational challenge is to restructure, control costs and prepare for the next phase in the business cycle. As we read about the rising unemployment rates, organizational cost reductions and the first contraction of the global economy since World War II, it comes as no surprise that most employees are worried about the state of the economy. But what is encouraging is the fact that most employees don't yet feel that their concerns are impacting their job performance.

Employees and managers recognise that in difficult times it is important to pull together to deliver on what needs to be achieved to keep their organisations moving forward. Great news for employers, but is it sustainable, and does it build a foundation for growth? The challenge for leaders and HR professionals is to keep up productivity beyond the current crisis and position their organisations for accelerated performance and competitive advantage when the economy turns around. Research on the 1991-1992 recession shows that the organisations that positioned for and built a competitive advantage were able to maintain that lead for a number of years.

ECONOMIC CONCERNS AND EMPLOYEE PRODUCTIVITY

Right Management recently conducted an Omnibus telephone survey of a large sample of employees. Eighty percent of respondents said they were concerned about the economy (35% very worried and 45% somewhat worried). While 16% of respondents are distracted at work as a result of their worry, the majority (84%) say they don't feel it is impacting their current job performance.

With job losses continuing to mount, unemployment reaching new heights, and organisations struggling to meet profitability goals, employees are working hard and staying focused on getting the job done. In April 2009, Right Management completed research with 21 organisations in Australia and New Zealand, and found that most had potential weaknesses related to the "After" phase of restructuring; execution and follow through of structural change. Leaders and HR professionals need to look for new opportunities to improve capability, performance and productivity with fewer resources.

SUSTAINING PRODUCTIVITY AND POSITIONING FOR GROWTH

Businesses are being forced to make tough decisions impacting their workforce. Leaders and HR professionals should not lose sight of the effort put forth by employees as many are working harder to meet performance goals. With fewer resources and increased responsibilities due to layoffs, cutbacks and restructurings, managers and employees are being asked to contribute at higher levels. But it is in times like this that leaders need to invest more in engaging their managers and employees to reap the utmost commitment, productivity and focus. **Failure to do so may result in higher turnover once the economy rebounds and opportunities open up. Are you positioning your organization for the next business cycle?**

It is a leader's responsibility to ensure their workforce is capable and motivated in order to stay competitive and perform – both today and while also positioning for future success. Leaders can't afford for their workforce to become complacent, stagnant or sustain 'quit and stay' employees – those who are disengaged but won't leave.

Many people feel vulnerable now and it is an opportune time for employers to deepen loyalty. Find ways to demonstrate to managers and employees that they are valued – ways that don't have to come with a hefty price tag. Create a workforce strategy that focuses on the skilled talent needed to meet business goals – now and in the future. Here are five practical approaches to reinforce the skills and value of managers, employees and their efforts:



1) Track the impact of change through pulse check surveys.

During and after any major change, organisations need a way to gather relevant information, quickly and cost effectively, so that critical issues can be identified and addressed. Annual employee surveys can be replaced by, or supplemented with smaller pulse check surveys. These use an evidence based approach to monitor progress, understand impact of change, identify the problems and target the solutions.

2) Strengthen the skills and capabilities of people managers.

Now more than ever, line managers have to step up to lead and manage their people during volatile times. The successful shift, from an individual contributor to a people leader is significant for the organization. The transition to full people leader requires a shift in mindset, skills and a clear understanding of their work and expectations as leaders. This is the time to strengthen the direct role and impact of managers by building their capability and skills to lead and drive change.

3) Ensure role clarity through clear accountabilities.

Successful restructuring requires realignment and role clarity. Any major change can create a change of accountabilities and authorities, in individual roles and relationships with other roles. Successful organisations, positioning for growth, act quickly to clarify the accountabilities, especially in key roles and relationships, so that confusion, frustration and bad habits are minimised. Clarifying key role relationships, vertically and horizontally will make a direct hit on productivity and the bottom line.

4) Reinvigorate your coaching and performance management processes.

People perform better when they understand what is expected of them, participate in the establishment of their individual goals, and receive ongoing coaching and feedback. Once clear on accountabilities, the managers and employees want to know how they are performing, with feedback to help them adjust and improve. Performance management is returning as a key process which ensures that managers and employees have a solid understanding of how their individual performance is aligned with and contributes to organisational results

5) Invest in building a career development culture.

During times of change, every employee wants to be clear on where they are headed. Organisations can help by creating and supporting career management and development, which balances the business objectives with the individual career goals of employees. Such investments will capture the very best of employees' contributions in the 'here and now' while also establishing an environment that can focus their contributions across a much longer and more strategic timeline as the company returns to growth.

History provides countless examples of people that found opportunities during adversity, reframed it or rose above it. This is also true of organisations. Now is the time to invest in positioning for competitive advantage for when the economy turns around. The best organisations will find ways to harness the motivation, commitment and contributions that their employees are providing today and sustain them in improved times. Organisational growth and performance will accelerate as they reap the benefits of the internal investments they make now. Remember, workforce capability, productivity and engagement is what will make the difference in an organisation's competitive position and success during crisis times and beyond.

Tim Corcoran