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COVER STORY peak performance

High Performance

Much like the search for the elusive Holy Grail, the search for high performance at individual, team and organisational levels is rarely successful. Iain Hopkins asks why – and unearths some tips to get you to the chequered flag first

Has there ever been a more abused or misunderstood phrase than 'high performance team'? It's the lofty goal of just about every organisation, but few ever reach it – possibly because the definition remains infuriatingly fuzzy.

Rosemary Howard, executive director and co-joint Professor, AGSM Executive Programs at UNSW, concedes that the term does get bandied about with abandon, yet she has a surprisingly succinct definition.

"Someone colloquially expressed it as being a champion team rather than a team of champions. In other words, the whole has to be greater than the sum of the parts," she says.

Howard believes there are three crucial elements that make up a high performance team:

- » **Capability** – a wide array of capability in the team in terms of knowledge and skills
- » **Diversity** – ideally the composition of the group should represent and reflect the community that the team is going to serve
- » **Behaviours and ability to work as part of a team** – this means having the interpersonal skills and ability to have honest conversations

Karen Colfer, managing director at Kelly Services, says that many people assume high performance is just about the obvious – for example, productivity – but this is actually just part of it. "High performance is a principle; it speaks to engagement, organisational pride and personal and collective accountability. A high performing team or individual will always aim to achieve more than is expected. You do this because you believe in the company, its leadership and its long-term goals," she says.

Yet even with the definition clarified, there are other stumbling blocks preventing peak performance. Firstly, Howard maintains, life has become even more complicated: everyone is being asked to operate in a world where capital – human





and otherwise – is expensive. Organisations must be even more productive and efficient with what they have. “You’ve got people who are stretched and being asked to do too much, so you must have really good labour productivity, which means you must have good engagement of your people,” she says.

Secondly, people are managing in environments with more uncertainty and more global cross cultural issues – meaning clarity of goals and objectives has never been more important.

Thirdly, and perhaps most importantly, many organisations are operating relatively short term. “During the GFC companies of course had to survive, but if you’re just looking short-term what you’re doing is not necessarily systemic or sustainable,” says Howard.

Howard believes the top teams at the moment “can walk the walk and chew gum at the same time” – in other words, they ensure the short term fits into the long-term agenda.

Let’s take a closer look at some of the stumbling blocks preventing the high performance goal.

Team dynamics

Everyone in the workplace has at some time or another struggled to work as part of a team. Personality clashes and lack of leadership are often cited as the main reasons for the failure of teams to take flight. However, Edmund King, program director at Mt Eliza Executive Education, Melbourne Business School, has worked on a new theory called the ‘Hunting Territory’, which is a new way of defining relationships between team members.

“A meaningful conversation means concentrating on the task and not being torn apart based on personality”

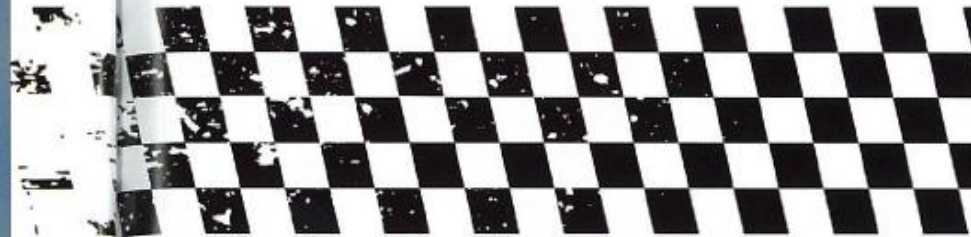
– Edmund King

King says that most team conflict is based around the structure of a team, or the overlap in roles between team members, rather than the different personalities of the team members.

“People tend to think that in order to improve relationships and cooperation between team members, all you have to do is to improve communication skills,” says King. “The Hunting Territory method recognises that we are territorial animals. The method helps to identify the territorial situation and strike an agreement around it, while also assisting in drawing up agreements regarding communication scenarios. We also identify the quality of communication, and the flow of information within the informal network of the team.”

For example, King recently worked with the state CEOs and general managers of a leading Australian sports body which was suffering from extensive in-fighting. King says that most conflict is healthy as long as it works in a particular way, but in this case conflict was occurring because job roles were only scantily covered in position descriptions and there was insufficient clarity around overlap in accountabilities. King’s solution for this particular team was to initiate meaningful conversations that clarified job roles and accountabilities.

“In-fighting naturally occurs around the territories, autonomies, the hierarchy and between sub-groups after the formation stage of team life. However, when the focus is on performance, conflict can be healthy, and can also help to identify and reward good performers. Healthy conflicts also pushes people to be creative,” says King.



Alongside clarification of roles and jobs, King says that meaningful conversations can help to remove the ‘personality’ from the equation to focus instead on the subject at hand (see page 19). “Often a lot of conversations have a subtext to them where it might be more about point scoring. The conversation becomes the sword and the shield, so to speak. A meaningful conversation means concentrating on the task and not being torn apart based on personality. Those prejudices will still be there, but it’s not a matter of having to be best friends or liking someone; it’s the level of respect that’s critical,” he says.

King says a fatal error for leaders is to assume the team dynamics are fine – especially in the early ‘honeymoon’ stage of new teams.

“It can be quite blinding in some ways because often when a team starts off there is a lot of positivity around the process, people are confident and socially quite happy to work with one another, and it’s a bit like people going to a dance for the first time – everyone is on their best behaviour. This could be misleading for a leader, thinking they’ve got everyone on board. It’s at that stage where there needs to be clarity of values, ground rules, behaviours that will be acceptable or unacceptable, and clarity of task and role.”

Does being too rigid around boundaries stifle creativity and innovation? King believes the opposite to be true. “Once you’ve built that in, that’s when you can start to move towards best practice benchmarks, and people become far more creative because they’ve built up the basis of their relationships – it’s built around respect and not necessarily just interpersonal skills,” he says.

Innovation

Once upon a time Australia was a breeding ground for innovation. Not so any more. In fact, the Society for Knowledge Economics* has pinpointed six

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HR on high performance



“For me the two [engagement and performance] are inexplicably linked. An organisation will never reach peak performance if we haven’t won the heads,

hearts and minds of our people. If all we’re looking for is the heads, and we constantly tell them what to do we’ll slip back to an authoritative style of management. No organisation in the 21st century will survive on that model”

– Dulise Maxwell, executive director, people and culture (corporate) QLD Health



“While the individual’s characteristics are an important factor in creating a high performing team, without the underlying dynamics to support the concept, it will ultimately

fail. We are well aware of this at Doltone House, and thus are constantly nurturing a positive and productive environment in which people can succeed in both an individual and team sense”

– Christopher Dan, group HR manager, Doltone House



“People can only sprint for so long. When you really get to know your people, you start to learn about their different strengths and also their desires and what drives them.

By setting them new challenges, new focuses – even if only one – and giving them different responsibilities/tasks regularly, you find they’re always on their toes as they don’t have time to get bored”

– Nic Monteforte, operations director for Fitness First NSW

A climate for innovation

Is it possible to create both a culture and a climate of innovation? Alison Tickner, partner at Oliver Wyman Leadership Development, provides six tips:

Tip 1: Make innovation a priority

Communicate clearly that innovation is critical to your organisation's success. Make it part of your vision and strategy. Develop a plan that outlines the processes, procedures and behaviours to ensure that support is provided for innovative ideas to be successful.

Tip 2: Develop a customer perspective

Encourage leaders and employees to view your organisation through your customers' eyes. Customer meetings, competitive analysis, industry events and awareness of how the wider public perceives you will challenge assumptions. Use this improved awareness to respond to customer needs in new and creative ways.

Tip 3: Idea generation

Empower and incentivise employees with developing new ideas and using their own initiative. Set objectives and goals to reach the new targets and deliver a clear sense that there is a new way of doing things.

Tip 4: Identify the big levers to pull

Innovation in most organisations is driven by clear 'levers'. These might be finance, core processes or product performance. These big levers accelerate the innovation process, so define what they are and focus on them to drive innovation.

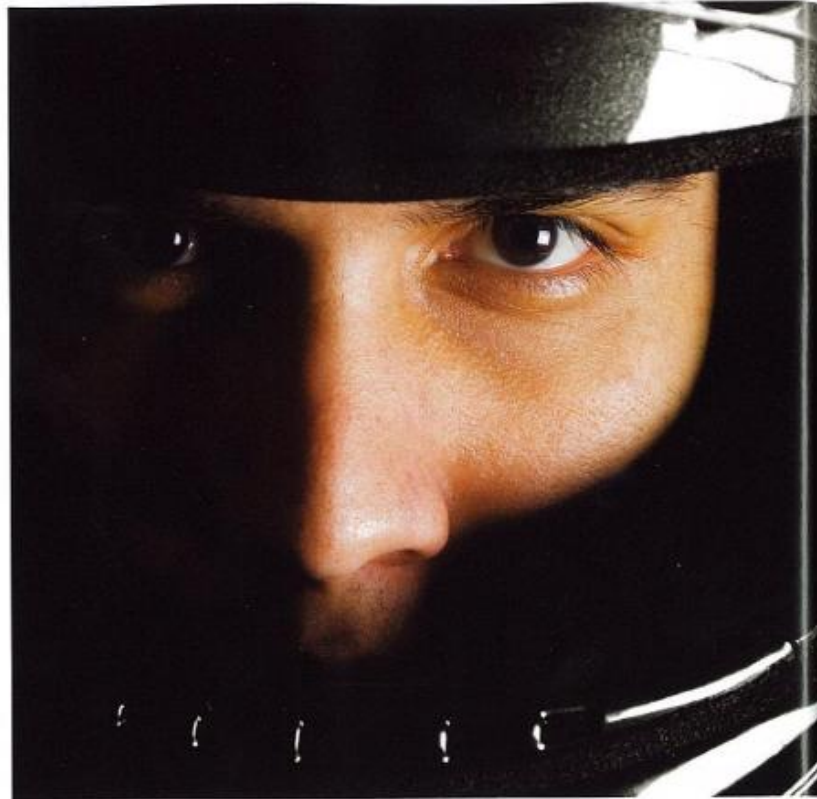
Tip 5: Create an open culture

Fear creates a destructive block for the act of communicating new innovative ideas. The most critical factor in driving out fear is the behaviour of leaders. Encourage leaders to create an open, supportive and trusting culture where risks can be taken and boundaries explored.

Tip 6: Recognise both successful and unsuccessful innovators

Recognising failure as well as success can be difficult to put into practice. However, it's important to understand why individual efforts may have failed – could they have done something differently, or did they fail due to circumstances beyond their control? Do not seek to apportion blame. Seek to understand what support people need to succeed, and then set clear parameters for how success will be celebrated so that this is equal and fair.

Eliminating fear of ridicule and creating an open climate where individuals feel free to raise new ideas through leader support can lead to a supportive and open culture for innovation.



"Employees can help with the 'how' once given the opportunity to buy into the 'where'"

– Rosemary Howard

categories where Australia is slipping in terms of global innovation:

- » Collaboration and value networks (notably between businesses and researchers)
- » R&D – notably business investments into R&D, as well as availability of scientists and engineers and the 'brain drain'
- » Public expenditure on education
- » Leadership, culture and management at the workplace level (specifically, the number of businesses that innovate, and their capacity for innovation)
- » Broadband subscribers and technological readiness
- » The business environment and regulation (specifically, the burdens of business regulation and total tax rate)

Howard is not surprised at these areas of weakness and points to the fundamental composition of Australia's economy as a contributing factor. "A large percentage of our economy is in the government sector, and governments are highly structured with lots of processes. Therefore they tend to be less innovative than private sector organisations. That's a massive generalisation but I think it's a fair one. Secondly, large Australian organisations tend to be fairly bureaucratic. Those organisations that are highly structured will not

foster high levels of innovation." Indeed, many of Australia's larger businesses are heavily skewed towards financial services and mining. Howard notes that those sectors, particularly mining, have a much lower level of research and innovation than is found in the sectors that flourish in Silicon Valley, for example.

What's the answer? What can individual organisations do? Howard believes it comes down to the level of 'loose-tight fit', of having processes but making sure they're no tighter than they need to be, so that innovation and creativity is not constrained for people at all levels. It also means leaving command and control leadership types in the past. "You must also have accountabilities that are delegated down the chain as far as possible so that everybody feels responsible for thinking out of the box, not only for the customer but for systemic innovation around how things can be done differently," she says.

There is also a trend towards open collaboration and using the internet and online forums such as 'crowdsourcing' to get clients and employees

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designing the products and services of the future. "In many fields, the product development is moving towards client interface and involvement – and that's very exciting. But that's another reason why Australia might be a little bit behind – the percentage of our economy online lags behind many other countries," Howard says.

Another possibility is utilising a halfway house – perhaps a business unit or division – to take chances and act as an incubator for the larger entity. For example, Telstra's broadband initiatives were led by Big Pond, which had a different culture towards development than the parent Telstra.

Engagement

All of the forementioned is null and void if employee engagement is low. Unfortunately, the situation is worsening. Every quarter, Hewitt gauges the percentage of organisations that have a greater than 4% increase in engagement versus the percentage that has a greater than 4% decrease in engagement. For the first time in a decade of measuring engagement, in the last quarter the percentage with

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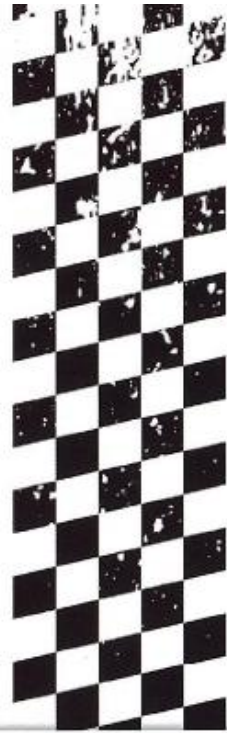
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declining scores was greater than the percentage with increasing scores.

"Intuitively, you could suggest that this result has something to do with the GFC, the way people view how change was managed, the way people feel about deals and promises being broken," says Jason White, Hewitt's head of HR excellence, leadership and talent management. "In concert with that, people are seeing and hearing about skills shortages and greater opportunities in the market. From an engagement perspective it means they are more willing to look at opportunities and consider movement."

The best employers, White says, are working towards the concept of 'authentic leadership'. Senior leaders in these companies are very visible, are active in being out and involved with their workforces, and communicate consistently about whatever changes are occurring. The best employers used the downturn as a chance to create

Traits of effective leaders

Dr Clark Perry, a director at rogenSi, says there are 11 common characteristics of leaders who develop high performing teams.

- Drives to **ENGAGE & CONNECT** their people with the team's overall mission. Develops a compelling emotional connection towards goal achievement. Connects people to that vision daily.
- Excites people to adopt **INSPIRING STANDARDS** of excellence. Encourage individuals to drive towards exceptional results rather than just 'good enough'. Promotes accountability among team members.
- Inspires the team to **MASTER** their inputs as a means to achieving the desired team results. Celebrates/rewards **MASTERY** as it occurs.
- Actively **RECOGNISES STRENGTHS** in people. Catches people doing well and openly recognises them for it.
- Demonstrates **TRUST**. Creates an environment of trust, where individuals feel encouraged, believed and empowered.
- Always **REFLECTS SUCCESS** back onto the individual efforts from the team. Builds self-belief in the team; actively attributes team success to the talents of individual team members.
- Displays **GENUINE EMPATHY**. Shows understanding and compassion with people and the challenges they face.
- Looks to **COACH PERSPECTIVE**. Coaches team members with the way they perceive/respond to pressure and change.
- Is **POSITIVE & OPTIMISTIC**. Listens to the language that their people use. Is on the lookout for opportunities to help them turn negatives into more empowering and positive perspectives.
- Develops **TASK INTELLIGENCE**. Purposefully looks to get their people involved in challenges they know will develop their task expertise.
- Sets **CLEAR GOALS** and expectations. Establishes and communicates clear/concise goals to help people maintain laser-like focus under pressure.

opportunities for high performers - for people to tackle new challenges, or work on strategic projects.

"In organisations where engagement has fallen, we've seen the emergence of the 'us and them' notion - the great divide is back. Quite interestingly, at the same time we've seen a reduction in the levels of senior leader engagement. If the senior leaders aren't engaged, whatever the score is for that group, typically you see a cascading effect down from there," he says.

What are the wider implications of disengagement? While there is no confirmed direct relationship between engagement and employee performance - there are other factors involved that will impact on performance - White says that all other factors being equal, high engagement has a positive impact on performance at individual and team level.

"We've done analysis on organisations in sales and service areas that shows that there are low performing groups with low engagement, and high performing groups with high engagement, but in some cases there are highly engaged groups that are underperforming. This is where you start to see other combinations of factors in the work environment that can dilute the conversion of engagement to performance. It can be things like capability, or systems and processes, or competitive activity. It's important to maintain a wider context when we think about engagement and performance," White explains.

One thing is certain - disengaged workers are disconnected, don't care, and will proactively work against the organisation.

It also doesn't require significant financial outlay to engage employees. White says that the key for those companies scoring low engagement is for people managers to focus on flawless execution of simple development strategies. "For questions relating to 'I have a performance plan' or 'I've had a career conversation' or 'I get regular feedback', some organisations only have one in four employees answering favourably. All that's required there is for people managers themselves to be engaged because they need to apply some discretionary effort to have that extra conversation or pat someone on the back. It's so important that the basic stuff gets done well," says White.

Leadership

A debate about high performance would not be complete without touching on leadership and the shared vision great leaders can create. Howard

believes strategy development should be shared because if people at all levels are passionate about where an organisation is going they need to have the opportunity to buy into that. "It does start with the top team - not just the leader - to lead the way and interpret the strategic direction. But then they must genuinely engage and consult with others. The people in the organisation know the details of their organisation better than anyone on the top team. That's the way to get people passionate about the future," says Howard.

There's also a trust issue at play. Leaders must trust their employees enough to consult with them and ask for their input. "Leaders don't have all the answers, and even if they know broadly where they want to go they won't know every detail on how to get there. Employees can help with the 'how' once given the opportunity to buy into the 'where'," Howard concludes.

"High performance cultures rely upon trust, robust dialogues, and an environment in which it's ok to challenge each other. All of that fosters an environment of innovation," says White. **HC**

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Removing the Interpersonal from work

Use the following simple conversation to prevent conflict from flaring and shifting back to the subject at hand. It involves three steps and can be used both at work and at home.

When you have a problem, stop and frame it in the following way:
"When you do [X - put in the issue], I feel [Y - put in the emotion]. Next time could we [Z - put in the future step]."

The language you use in those brackets is factual, emotionless language, almost like a police report.

For example: "When you e-mail the president of our company in New York with our problem, it makes me feel like an idiot and I'm embarrassed that he sees our problems. Next time, could you talk to me first before you e-mail outside of the country?"

*How Do We Fare? Barriers to Innovation in Australia produced by The Society for Knowledge Economics



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