Strategy, Leadership & Talent Edge

Sharing Point

Practical learning points for improved performance

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> *Welcome to the fifth issue. What you will find in this issue are (1) General principles that leaders in organizations' operating in competitive and dynamic environments need to work towards (2) A reference table outlining the high level roles of corporate centers, business units & shared service functions (3) People management practice section deals with Stress management and Effective employee Background checks.*

Strategy & Leadership Snips

Organization power is generated when people work in alignment, focused on the business and the customer, not on internal organizational demands. Leaders need to understand the drivers of their business and spend time putting the right people and processes in place. Fundamentals of superior performance in a dynamic environment require organizations to:-

1. Progressively work towards decentralized structures with talented leaders assigned with direct lines of responsibility.
2. Build the capabilities of the sales team to be both hunters and harvesters.
3. Design and deploy operating metrics that get people to focus on areas critical to business strategy effectiveness and efficiency.
4. Reward people for results that link to the overall business performance and goals and not the achievement of functional goals that while good to have do not add value to the business.
5. Avoid having tall structures that spend a lot of time trying to educate people so far away from the day to day business that timely decision making is sacrificed. Leaders need to be enabled and provided resources to act.
6. Spend time where the action is and talk to people that are able to shed light on what is going well and what is getting in their way.
7. Identify which processes and functions are best kept at a global level and which should be left at the local level.
8. Develop systems that help the organization get closer to customers, collect customer intelligence and develop competitive value-creating insight.
9. Establish effective co-ordination mechanisms that promote team-working across functions and locations, promote open information and knowledge sharing.

Strategy, Leadership, People, Processes and Customers need to establish strong links & alignment for success.

The table below provides a quick high level summary of the typical role of corporate centers, individual business units and shared service functions.

Roles of Corporate, Business Units and Shared Services

Corporate Center	Business Units	Shared Services
• Set overall strategy • Decide business / revenue stream portfolio mix • Define global performance measures • Define ethical business standards • Approve business unit strategy • Strategic financial planning	• Develop annual and 3 year business unit strategies • Manage business to deliver short and medium financial performance commitments • Understand the drivers of the specific business and establish the next level performance measures for focus and alignment	• Provide client driven and scale relevant expert service support • Run it like a business so that internal customers will be willing to pay • Seek to understand the client needs and not aim to apply blanket solutions • Seeks opportunities to leverage volume to get superior cost benefits.

People Management Practice

Workplace Stress Management – The number of articles on stress management at the work place have increased in recent years. This could be linked with the general directions of organizations that aim to do more with less. Managing stress at the workplace needs to be approached using a 3 step process of:

1. Identify the chief workplace stressors in employee's lives
2. Evaluate the current stress levels
3. Develop strategies that reduce or eliminate work-related stress
4. Monitor progress and adapt

The first step is to assess potential areas of work that create stress. A lot of stress at the work place relates to employees feelings that they have little control over their work. This is where organizations need to start attacking the causes of stress.

Not all stress is bad however because stress is very much an individual experience stress management efforts will only work when they involve a combination of employee + employer initiated strategies. Also not all sources of stress can be resolved by organizational programs. For example stress related to employees private lives are areas where the organization can do little to change.

Strategies to reduce stress can be broken down into two categories, employee take charge actions and employer support initiatives. Examples of approaches used to help employees take charge of their stressors include:

- Getting employees to write down what stresses them out to do a self diagnosis
- Arrange brown bag lunches seminars on stress management where they can learn about stress management techniques
- Provide training to help employees boost efficiency and performance
- Provide on-job-coaches that can help them through new experiences and situations.

Examples of approaches used by employers to provide a less stressful work environment include:

- Restructuring work to provide better work / life balance allowing for time-off, flexible working schedules, work from home arrangements, etc.
- Using teams to cover each person's work so that people are able to take compulsory time off, vacations and long weekends
- Provide employee access to assistance programs such as counseling, elder care, childcare, legal assistance, serenity rooms, massage therapy, food, wellness initiatives, etc.
- Arrange stress management training to help employees understand the root causes of their stress, how they react to stress and individual strategies to manage the stress.

Organizations need to develop programs that are suited their specific needs and are perceived as culturally relevant. Whatever strategies are deployed they need to be monitored for their effectiveness.

Employee Background Checks….guidelines to consider*:*

Background checks are a common component of the recruitment process. Their importance is increasingly recognized and in some locations there are professional firms that are certified to industrial standards and can be employed to carry out such task for organizations. But what about firms that want to do it independently and are there some general guidelines that should be kept in mind when performing background checks?

Some good practices that are observed:
- When developing the questions ensure that they do not ask for information that violates any local laws.
- Get the employee to sign off authorizing the background check. This can be done during the final process prior to making a formal offer.
- Let the employee see the questions that will be posed to the referee.
- Ensure privacy of reference checking contacts
- Ask for information that is factual and can be referenced back to. For example:
    o Questions about: Last position held, Last salary drawn, Reason for departure, Last performance grades, etc.
- Design questions and depth of background check to suit the position being applied for.
- When developing the background check tool, clarify the purpose of the check. For example is the check to support: Productive work environment, Safe work environment, Meet legal requirements, etc.
- Get the individual responding to complete the document and sign it rather than make some blanket comments.
- Where a person is only willing to respond over the phone ask very specific questions and probe for specific examples to support descriptions or evaluations provided.
- Seek to get a reference from a person that has actually worked with the individual in a similar work setting.

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Comments for Suggestions please write to: kfernando@strategy-oe.com