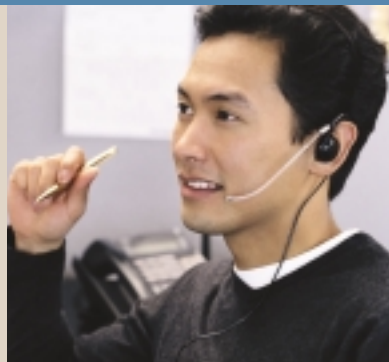


HUMAN PERFORMANCE IMPROVEMENT

CONNECTING PEOPLE AND PERFORMANCE TO BUSINESS STRATEGY





“There is a world of difference between compliance and commitment. The committed person brings an energy, passion, and excitement that cannot be generated if you are compliant, even genuinely compliant.”

— Michael De Kare-Silver

Author, *Strategy in Crisis: Why Business Urgently Needs a Completely New Approach*

STRATEGY EXECUTION IS EVERYONE'S JOB

Today's competitive realities make it imperative that strategy execution be a shared responsibility, not just the charge of an organization's leaders. A workforce that performs in harmony with well-crafted organizational goals becomes a powerful force in the marketplace. Yet how to align employees' priorities and work behaviors with overarching business strategy remains one of the great leadership challenges of our age.

Often, new business strategies are launched to employees without helping them set new priorities for their jobs and for themselves. To close this alignment gap, leaders frequently turn to a time-honored remedy: employee training events.

High-performing organizations have long used well-targeted training to close skill or knowledge gaps crucial to executing business strategy. At the same time, organizations implement training and development activities without showing employees the connection to business strategy. These independent activities collide, leaving employees to their own interpretation about how they need to perform or how they might improve their personal capability to execute strategy.

Many studies show that implementing training in isolation of other influences on employee performance delivers only limited results. What does result are organizational goals and behaviors that land wide of the strategic bull's-eye, diminishing the return on time and dollars invested in change.

The new challenge for today's leaders is to understand how to fortify and align development initiatives like e-learning, classroom training, management coaching, or improved recruiting and selection processes with other workplace supports so they can create more than fleeting improvements in organizational performance. Organizations that generate strong return on learning investments understand that the key to enduring performance improvement is how the skills or knowledge imparted during training events are reinforced or assimilated once employees return to the job. These organizations also grasp the vital importance of linking training and development activities directly to business strategy.

The objective is to move an organization from a traditional training mindset to one that uses a Human Performance Improvement framework to create more consistent, sustainable, and easily replicated business results. The truth is that only those organizations that transform learning from an event into a system create lasting performance improvement.

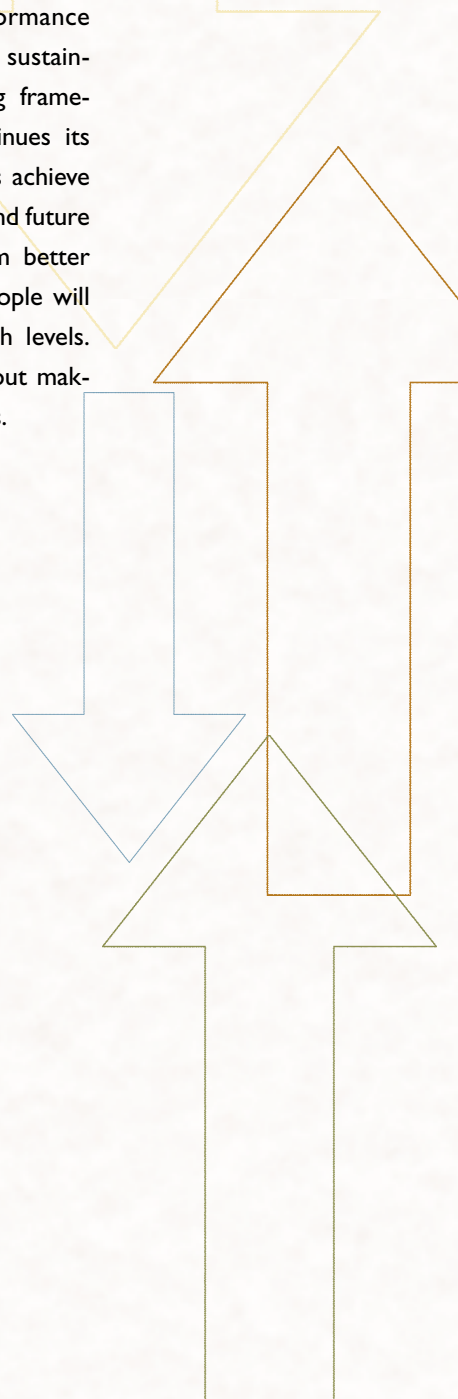
While lack of employee know-how often is a cause of substandard or mediocre performance, it rarely is the only issue involved. Three factors combine to affect performance improvement: the worker, the job, and the workplace environment.

For example, research shows that one of the biggest predictors of performance improvement is how employees accept new performance requirements. Some may feel they know all they need to know and that “no trainer is going to tell me anything different about how to sell, manage, or behave,” while others doubt their ability to learn new concepts or practices.

Effective performance improvement goes beyond building new knowledge or skills to first building within workers a belief that new learning is not only possible, but also critical to organizational success. Indeed, many workers equipped with the skills and knowledge to perform at high levels — those who score well in selection processes or pass training certification tests with flying colors — can still perform below an organization’s expectations. That’s because other factors often influence their job performance: the existence of well-designed work processes, the alignment of performance measures or incentives that support rather than undermine corporate objectives, thoughtful integration of tools and technologies that facilitate workplace tasks, and timely management feedback to ensure progress. Implementing training programs independent of these factors, rather than in an interdependent fashion, invariably leads to disappointing results.

Wilson Learning Worldwide’s approach to Human Performance Improvement moves organizations from a training-event orientation to a systematic approach to improving the human capital component of business performance. The truth is that ad hoc training of employees rarely works, and that today’s organizations — facing unprecedented competition and bottom-line performance pressures — can ill afford the traditional returns on isolated investments of the past.

With more than 35 years of experience in adult learning and employee skill assessment and testing, we have found that a clearly aligned and systematic approach to Human Performance Improvement is the optimal path toward sustainable business results. With this planning framework, Wilson Learning Worldwide continues its mission to help people and organizations achieve performance with fulfillment. Our legacy and future reside in our belief that people perform better when their work is fulfilling, and that people will be more fulfilled if they perform at high levels. Human Performance Improvement is about making this an everyday reality for our clients.



“Any time we try to improve an individual’s output solely by changing the input of knowledge or information or skills to the individual, we are making the naïve assumption that the person exists in a performance vacuum isolated from and immune to the rest of the organization. We are ignoring the performance environment. That environment — that ‘system’ — has an enormous impact on the way people do their jobs and on the results the organization achieves.”

— Gary Rummler and Alan P. Brache,
“The Systems View of Human Performance,” *Training* magazine

THE HUMAN PERFORMANCE IMPROVEMENT APPROACH

Connecting employee capabilities to business strategy today requires that organizations view the development of their people as only one of the critical links in the performance improvement chain. Other links, of course, are equally important to driving business strategy: aligned work processes and performance measures, integrated workplace tools, new technologies, and management support of new knowledge or skills.

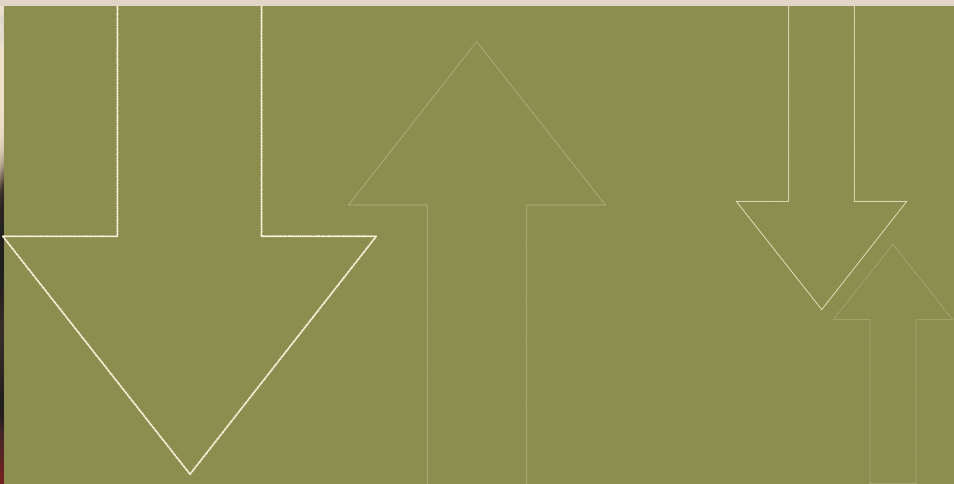
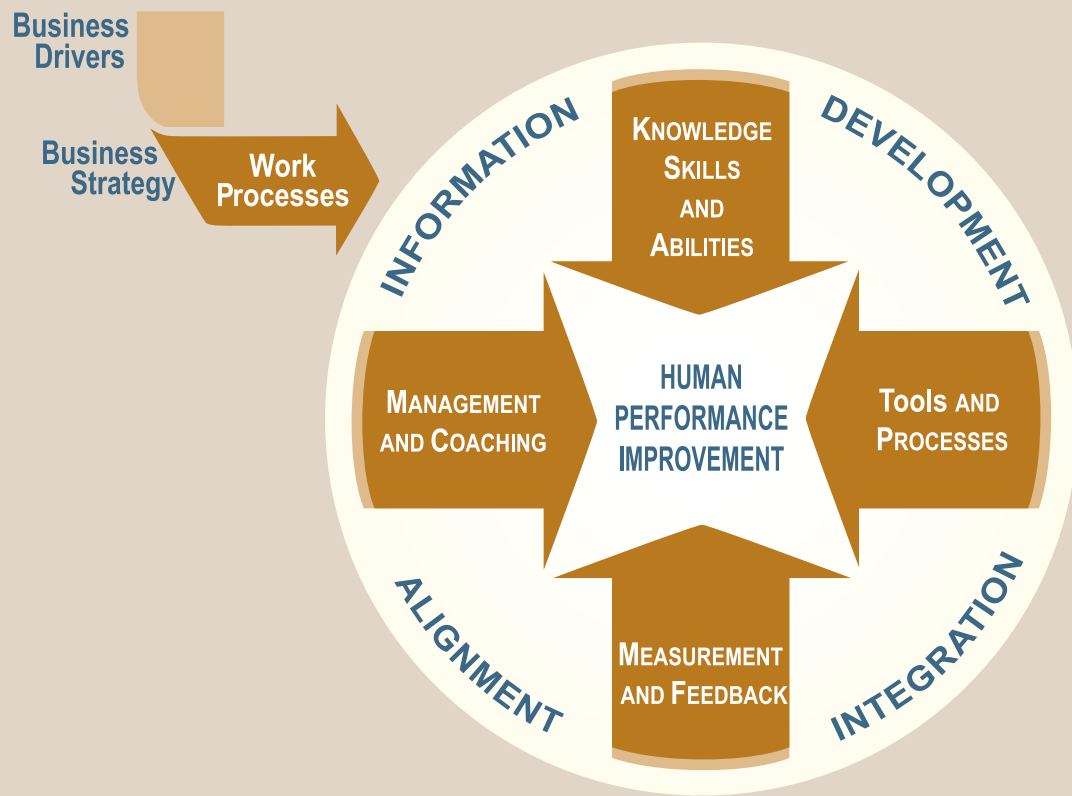
Wilson Learning Worldwide has focused on creating a practical approach for developing employee capabilities that drive business strategy. This comprehensive planning framework — the Human Performance Improvement approach — creates a system for the consistent and easily replicated development of human capabilities that support critical business strategies. It is a mechanism for ensuring an integrated approach to performance improvement across an organization, business unit, division, or work team. It is a principle for creating deeper individual understanding of an organization’s business drivers, processes, and priorities.

The Human Performance Improvement framework has three major components:

ESTABLISHING
A BUSINESS CASE

UNDERSTANDING
THE CHALLENGE

CREATING
INTEGRATED SOLUTIONS



ESTABLISHING A BUSINESS CASE

A desire to improve organizational performance stems from real-world challenges in executing business strategy. This “call to action” creates the rationale and context for applying the Human Performance Improvement approach — where there is pain there is compelling need for change. For performance improvement initiatives to be adequately funded and supported by top levels of an organization, they must be tied to strategic imperatives. When organizations implement training or other performance improvement actions without directly connecting goals to business strategy, and further fail to provide the necessary organizational support and reinforcement, overall performance impact is jeopardized.

Establishing a business case for Human Performance Improvement requires addressing three core elements:

a) Identifying external and internal business drivers. Forces external to an organization shape and influence internal business strategies and management mindsets. These external influences can include the state of the economy, increased competition, growing commoditization of products or services, downward price pressures, technological innovation, government regulations, and more.

Internal business drivers represent organizational conditions affected by these external drivers. Internal drivers include: an organization’s core competencies and core business processes; the requirements of stockholders, customers, and employees; financial conditions; culture; and other forces that define the company’s current state.

b) Developing the connection to business strategy. From analysis of external and internal business drivers emerge new or amended business strategies. These strategies can be developed at the organizational, divisional, business unit, or work team level. For example, an organization facing increased



competition and difficulty distinguishing its products in the market (external influence) might move from a product- to a solutions-based sales approach (internal strategy). By drawing additional connections between business strategies and employee performance, organizations can develop critical success factors for executing projects or supporting strategy.

c) Identifying work processes affected by business strategy. When business strategy changes, work processes across an organization need to be re-evaluated and aligned to support the new approach. Depending on the strategy being implemented, one or more of these processes could be impacted: research and development, manufacturing, sales, marketing, customer service, legal, human resources, or others.

A change in one process often triggers the need for change in another. If sales strategy shifts, for example, marketing tactics may need to be repositioned to support the effort. An organization would need to redefine its offerings and communicate those changes to its own channels as well as to customers. Similarly, manufacturing processes would have to shift to account for a new product mix or new specifications. Realigning processes to support business strategy is a major focus of the Human Performance Improvement approach.

UNDERSTANDING THE CHALLENGE AND CREATING INTEGRATED SOLUTIONS

We believe that it is important for the Human Performance Improvement planning process to begin with a holistic understanding of the multiple factors that influence human performance in the workplace. There are four interdependent concepts crucial to connecting workforce development to strategy execution:

- Information
- Development
- Integration
- Alignment

Information and Development — These represent the power sources for executing business strategy; they are used extensively for developing people.

Integration and Alignment — These represent the steering and reinforcement elements crucial to helping strategic change take root and blossom in organizations.

With this conceptual framework in mind, we introduce four tactical approaches organizations can use to propel behavior change. These areas of implementation are the driving forces behind systematic Human Performance Improvement:

- Developing critical knowledge, skills, and abilities (KSAs) in the workforce
- Implementing workplace tools, technologies, and processes as the “scaffolding” that supports performance improvement
- Creating effective performance measures
- Using management coaching and feedback to reinforce KSAs

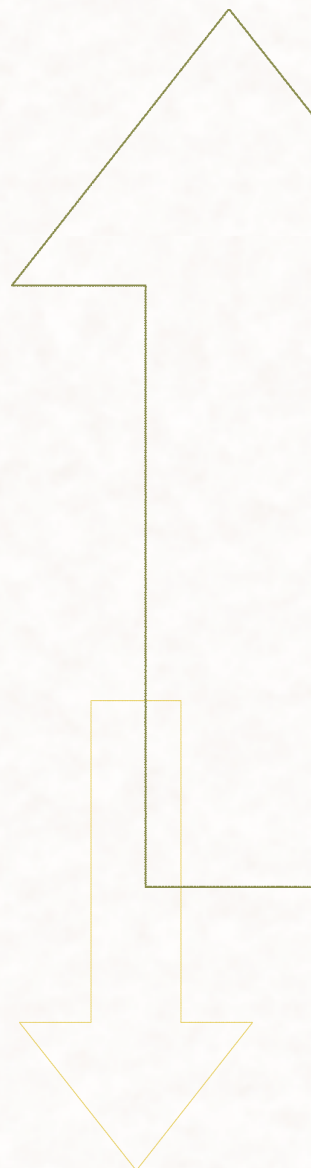
When fully aligned and integrated, these concepts and tactics create the kind of systemic solutions to human performance challenges that stand the test of time and generate true return on investments in human capital development.

Information encompasses the assessment and data gathering necessary to plan, launch, reinforce, and evaluate Human Performance Improvement initiatives. As a business strategy changes, so does the need for information about the current and future states of the organization, its people, and its work processes.

Organizations will need information, for example, to help redefine what high performance looks like under a new business strategy. On an individual performer level, this requires identifying any gaps in the KSAs employees currently possess and those they’ll need to execute a new strategy in the future. Leaders also will need information on best practices and tools available to quickly close identified performance gaps. Those strategies may include improved hiring processes, just-in-time alternative training methods, or on-the-job performance improvement metrics.

In the absence of such information, investments in Human Performance Improvement are guided more by hunch or organizational habit than by accurate data, leading to new performance measures or training activities that have no direct bearing on business strategy.

Development involves making informed decisions about the best methods for closing the identified performance gaps of existing personnel, hiring new employees, or both. It also means ensuring that developmental tools are tied to strategic imperatives, integrated with day-to-day work processes, and reinforced by management.



When it comes to developing specific employee segments, for example, organizations must make decisions about how to design and deliver performance improvement interventions in a way that maximizes learning retention and application while offering the greatest flexibility for learners. With the advent of e-learning and other technology-based delivery vehicles, training options are more numerous and flexible than ever. Choices rest on answers to key questions, such as:

— Which identified performance gaps should we focus on first? Which employee population segments, or specific competency areas, deserve highest priority and largest allocation of resources? How should we sequence learning activities?

— Given specific performance improvement objectives, the size and location of potential learning audiences, budget parameters, and available learning technologies, what delivery methods will create the greatest return on the amount invested? Is the traditional classroom, self-paced Web tutorials, online knowledge sharing, on-the-job learning, or electronic coaching — or some “blend” of these varied learning formats — the best option?

— How will we determine whether learning is proactively and accurately applied on the job? The ultimate question to ask about training isn’t whether employees “learned” as a result, but whether they have retained what they learned so performance continually improves once they return to the job.

Integrating training activities with other performance improvement supports, such as workplace tools and technologies, efficient work processes, performance measures, and management coaching, is essential to the success of this approach. When integration of these efforts isn’t proactively managed and the individual tools are applied in isolation, a Human Performance Improvement initiative loses cohesiveness and power. It is tantamount to an otherwise sturdy table with one wobbly leg — one weak link endangers the entire supporting structure.

Work tools and processes are the scaffolding that supports employee learning and facilitates time-to-proficiency on the job. Sales processes with observable and measurable segments, for example, keep salespeople focused on correct selling behaviors. And workplace tools like sales call planning templates or questioning protocols provide methodologies for planning as well as embedding the learning into the fabric of the organization.

The integration of performance measures with other supports is equally important because people do what they’re measured on. We are not, however, referring to measuring the effectiveness of training, or whether employees pass end-of-class tests. This approach is about measuring on-the-job performance required by business strategy.

When strategy changes, and new knowledge, skills, or work processes are required to support that shift, performance measures must change as well. For example, 360-degree feedback surveys can help measure sales force performance against the new behavioral dimensions of effectiveness required in a revamped selling process. These new performance metrics can be formally integrated with the old to concentrate salespeople’s attention and drive desired behavior change.

Integrating and embedding all such facets of a performance improvement initiative into daily work routines gives the effort enhanced meaning and greater staying power.

Alignment means getting all key stakeholders on the same page in support of a Human Performance Improvement approach. When executives, managers, key influencers, and frontline employees are all “rowing the boat in the same direction,” the strategy is propelled forward. Conversely, sustained resistance or indifference in the ranks can stop such initiatives dead in their tracks.

WILSON LEARNING

WORLDWIDE'S

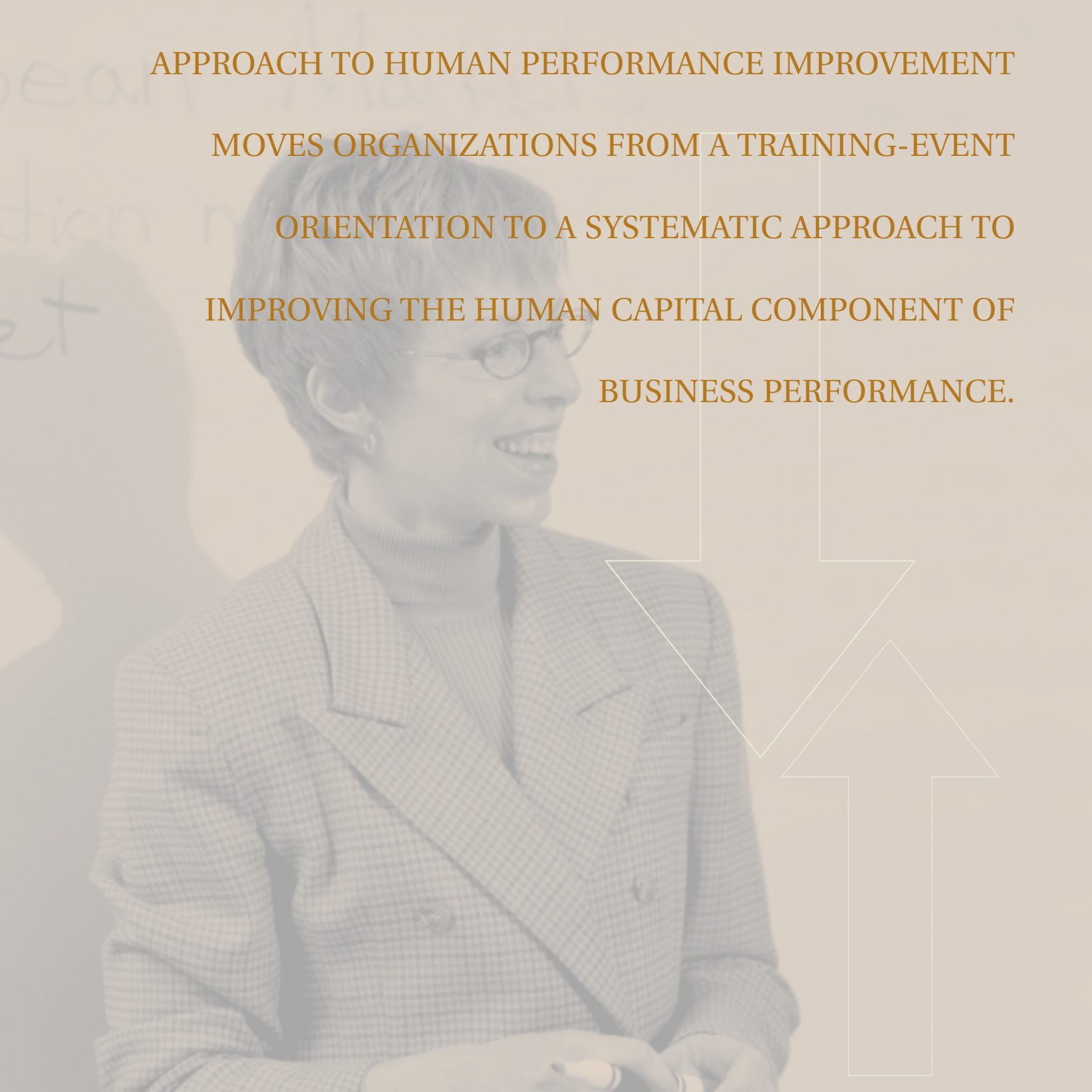
APPROACH TO HUMAN PERFORMANCE IMPROVEMENT

MOVES ORGANIZATIONS FROM A TRAINING-EVENT

ORIENTATION TO A SYSTEMATIC APPROACH TO

IMPROVING THE HUMAN CAPITAL COMPONENT OF

BUSINESS PERFORMANCE.





REALIGNING



PROCESSES TO SUPPORT BUSINESS
STRATEGY IS A MAJOR FOCUS OF THE
HUMAN PERFORMANCE IMPROVEMENT
APPROACH.

“Major change is usually impossible unless most employees are willing to help, often to the point of making short-term sacrifices. But people will not make sacrifices, even if they are unhappy with the status quo, unless they think the potential benefits of change are attractive and unless they really believe that a transformation is possible. Without credible communication, and a lot of it, employees’ hearts and minds are never captured.”

— John P. Kotter
Author, *Leading Change*

Lack of alignment can impair otherwise promising performance improvement initiatives. For example, we have seen efforts to improve customer service performance in call centers fail for such reasons. In these cases, frontline call center representatives receive extensive classroom or online training to master new customer service skills tied to business strategy, only to find that their managers continue to focus on efficiency measures (e.g., time-on-call, number of calls per hour, etc.).

Service managers are dismissive of new skills learned by service representatives because they themselves are still evaluated on efficiency measures, not on satisfaction measures, nor have they been provided with the coaching skills and knowledge to effectively integrate the two business objectives. Lacking supportive managers or supervisors, customer service reps have little incentive to apply their new skills on the job.

Credible managers and influencers will usually support a new strategy if a strong enough case is made for the change, and if they are provided with the skills to support the new performance standards. When executives stress the personal as well as organizational benefits of change to managers — clearly highlighting the risks of not changing — odds increase that they will commit to the new direction.

How line managers support and reinforce the new skills or knowledge employees acquire as part of Human Performance Improvement initiatives is crucial to whether those changes take root and bear fruit, or quickly dry up and blow away.

We recommend holding “management engagement” sessions with leaders in which their role in supporting change before, during, and after implementation is made clear. These briefings provide a clear picture about what managers can and should do to support performance improvement within the context of their daily work responsibilities.

It is also important that leaders receive the additional knowledge, skills, processes, or tools to thrive in their new role. It is a good idea, for example, for managers to attend most formal training with their employees. An extra dose of training also keeps managers one step ahead, providing additional content and ideas on how to coach and reinforce what their own people are learning. Managers should be as comfortable in this reinforcement role as possible, since it is their coaching and on-the-job support that is key to unlocking the true power of performance improvement initiatives.



HUMAN PERFORMANCE IMPROVEMENT IN ACTION

Consider a large office equipment manufacturer that Wilson Learning Corporation helped to implement a new sales strategy. The new strategy required salespeople to shift from selling stand-alone products to selling integrated solutions, and meant that the sales force would have to start calling higher and wider within client organizations. They would have to create more compelling financial arguments for their solutions, and develop a deeper understanding of customers' key business needs and critical success factors. They would also need team-based selling acumen, since they'll rely more heavily on other experts in their organization to develop arguments and customize solutions.

Sales managers would need new KSAs as well. They would have to be able to paint a clear picture for the sales force of what new performance standards look like in practice, and deftly coach and support their people in the daunting transition to calling on upper-level decision makers for what may be the first time in their careers.

In preparation for the change, salespeople were first educated about the business rationale for the new strategy (selling the business value of a solution rather than being the low-cost provider), since many didn't see compelling need to alter a sales process that had "made the company millions." Salespeople then participated in a formal blended learning process designed to help them master the new sales process, kicking off with a computer-based sales simulation that tested their ability to plan for and execute a call on a major client organization's CEO. Simulation outcomes identified additional knowledge, skills, or abilities needed by the sales force. Following this initial engagement, salespeople participated in e-learning and classroom-based workshops that taught the financial acumen, executive calling, and business process analysis skills necessary to sell at an executive level, rather than at an operational one.

Still, many of the salespeople were uneasy about calling on top executives for the first time. These were uncharted waters, requiring them to move outside of their normal contact and comfort zones. To gain commitment rather than mere compliance to the new strategy, management had to make a persuasive argument about why such change is necessary. Using a risk/benefit approach, company leaders stressed that developing new strategic selling skills will enhance salespeople's career prospects, build a broader network of relationships in organizations and, last but not least, create opportunities for greater compensation. The salespeople quickly began to see that the risks of not calling on top executives are greater than the risks of calling on them.

CASE STUDY

Implemented on its own, this comprehensive new training had little lasting impact on job performance. True performance change only occurred when Wilson Learning Corporation also introduced new account planning and sales process management tools to the workplace, the organization modified incentive plans to fairly reward salespeople for proficiency in these new behaviors, and sales managers were trained in how to coach and support the sales force on the use of the new strategy in the field. In the absence of appropriate incentives, management, and systems support, the sales force had little motivation to apply its newly acquired skills on the job.

For example, the organization's current sales account planning tool was based on selling individual products to MIS directors and other buyers at the operational level of a business. Since the new sales approach required calling at higher levels of the organization with an integrated solution, the tool was restructured to reflect strategy for calling upon top executives.

With salespeople now regularly asked to sell to top-level decision makers, new metrics also were introduced to measure their performance against that goal. In addition, sales managers now have new performance measures of their own linked to strategy execution, including how effectively they provide the coaching crucial to helping sales staff execute the new sales approach.

Today, applied in concert, the new skills training, electronic performance support tools, ongoing performance coaching from sales managers, revamped account planning tool, and augmented work processes allow the organization's sales force to reach deeper within client organizations to establish long-term, win-win relationships with key decision makers. And it has made all the difference, as evident in increased overall sales, incremental sales, and add-ons, as well as an organizationwide shift from simply making transactions to truly adding value for clients.





THE TECHNOLOGY ADVANTAGE

A systematic approach to performance improvement is not a new concept. So why have so few organizations adopted such an approach? For many, it comes down to one concern: perceived complexity. Managing the multiple components of a Human Performance Improvement approach — skill assessment, e-learning or classroom workshops, workplace tools, application support, and management coaching — is often seen as challenging by both an organization and individual learners. The personal costs in time and effort to coordinate these activities can be viewed as too much effort for too little return.

But the emergence of innovative new online technologies, coupled with Wilson Learning's streamlined approach to Human Performance Improvement, has simplified the process so that the return on performance improvement initiatives now exceeds the perceived administrative burden.

For example, by applying computer- and Web-based technology to centralize and deliver performance improvement components, organizations can deliver just-in-time learning applications to employees' desktops, allowing line managers or training directors to focus more on improving performance and less on coordinating those activities. A technology-enabled Human Performance Improvement initiative positively impacts many key business drivers: time-to-proficiency of new employees, efficient and effective just-in-time learning, decreased costs, increased revenues, and more.

Today's new performance improvement systems, for example, feature personalized Web portals with the following advantages to organizations and learners:

- Administrators can easily manage and customize performance improvement solutions for various development or learning needs across an organization, business unit, or division.
- Employees can track their own development needs and schedules across multiple performance improvement areas, including skill assessments, e-learning courses, classroom workshops, and performance support tools. The change shifts more of the burden for managing personal development from the human resources department to the employee.
- Line managers have easy online access to coaching and support tools, can track employees' progress through assessments or e-learning courses, and are able to provide their own assessments of learners' skills.

These cost-efficient systems significantly reduce the time required by managers or training directors to coordinate Human Performance Improvement efforts, allowing organizations and learners to spend more time on improving performance and less on administering or managing such efforts.

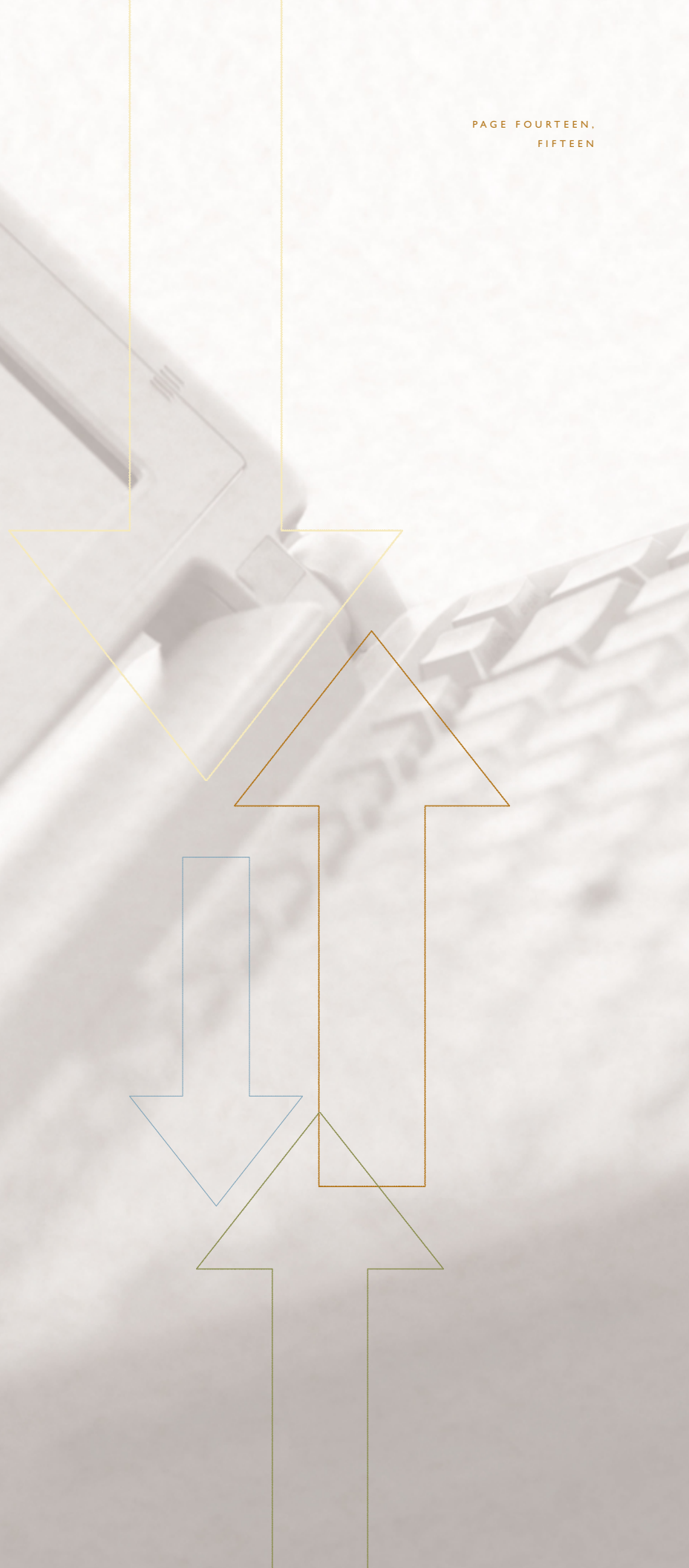
MAKING HUMAN PERFORMANCE IMPROVEMENT WORK FOR YOU

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A Human Performance Improvement approach to strategy execution differs from a traditional training approach in the same way a weight loss program that relies on sustained diet modification, peer support, and exercise differs from one that pins its hopes to diet pills. While training events can increase employee awareness and deliver short-term results, they rarely produce enduring behavior change when implemented in isolation of other organizational support systems. That is because newly learned skills do not automatically transfer to job performance. Many students do well in training exercises, for instance, because they have an instructor's guidance. But when they return to the job, the instructor isn't there. Others emerge from training fully capable and highly motivated, only to return to managers or supervisors who don't practice or support their newly learned skills. Because employees often adopt their managers' behavior and follow their edicts, newly acquired skills frequently wither and die.

A Human Performance Improvement approach, one that forges closer links between employee training and workplace tools, processes, performance measures, and management coaching, is a more powerful and proven means for driving business strategy. Only when training events are viewed as one part of an employee development continuum, and as but one piece of a larger performance improvement puzzle, does true organizational improvement move from wishful thinking to realized goal.

Such an approach is critical to delivering the kind of return on investment today's organizations demand from employee development initiatives, and to moving an entire workforce in lockstep toward achieving strategic goals.





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