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Performance through People

Almost every organization says the same thing: People are our most valuable asset. However, when you see how people are actually managed, you have to conclude otherwise. Most organizations fail to manage their human assets for optimal performance.

"The performance challenge facing every organization is to develop management systems that make employees the organization's greatest assets."

- [The Performance Challenge](#) by Jerry W. Gilley, Nathaniel W. Boughton, and Ann Maycunich

The role of management is to find ways for getting people to perform. In the book *Performance Improvement Methods*, H. James Harrington and Kenneth C. Lomax outline ten barriers to performance:

1. Insufficient Time - Problems are not solved due to lack of time. However, the failure to solve a past problem creates a lack of time today.
2. Disowned - People fail to take ownership of a problem; i.e. it's not my job.
3. Not Recognized - People who deliberately go after problems are often not recognized. Instead, people are recognized for taking the path of least resistance.
4. Accepting Mistakes - The organizational culture may be too accepting of mistakes; i.e. everybody makes mistakes - this is normal. The mandate should be that when a mistake is made, we learn from the mistake so that the mistake is not repeated.
5. Ignorance - Lack of knowledge or awareness is not an excuse in today's competitive information age. Each problem requires some degree of attention or priority.
6. Impossible to Solve - People may conclude that the problem is impossible to solve. If this mindset grows, then more and more problems go unresolved.
7. Defensive - People will protect their turf, not assuming responsibility. People should respond by finding ways that they can contribute to resolving the problem.
8. Unrealistic Expectations - Management often imposes unrealistic requirements, usually in terms of time, quality or costs. Management must seek out realistic requirements by conferring with those who have to implement the decision.
9. Accepting Partial Solutions - People may accept a solution that partially solves the problem; i.e. it's good enough to get by. Instead, people should seek out the "best" solution and not the easiest.
10. Shifting Blame - People may target someone else as the source of the problem. The emphasis should be on trying to solve the problem and not pointing blame.

By removing these barriers, problems can be viewed as opportunities for value creation. Getting people into a problem-solving mode requires training and strong support from management. Additionally, the organization needs to be rich with performance improvement tools so that employees are empowered with the ability to solve problems. The list of performance improvement tools can be almost endless: Conflict Resolution Teams, Entrepreneurial Culture, Matrix Management, Strategic Benchmarking, 360 Feedback Systems, Risk Analysis, Competitive Research, Special Training Programs, Organizational Realignment, and so on and so on.

Improving performance is also a function of establishing standards and comparing actual results against these standards. This communicates "acceptable" levels of performance to employees. It can also push the organization towards "prevention" of problems. Programs like Six Sigma and Total Quality Management are often deployed for problem prevention.

Finally, one of the most potent tools for improving performance through people is to link performance to an employee's paycheck. Since people drive performance and the two are inseparably linked, you need to find some way of linking the two together (people and performance) through compensation. This leads to changing human behavior which is the ultimate goal of management.

"In the rush to change, many organizations have overlooked or mishandled what could be one of the most effective tools at hand - compensation."

[People, Performance, and Pay](#) by Thomas P. Flannery, David A. Hofrichter, and Paul E. Platten, The Hay Group