

Peak Performance Cultures *A Sustainable Competitive Edge*

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Every one of our clients is looking for sustainable competitive advantages that are not easily replicable by their competitors. Porter (1980) grouped the typical competitive strategies into three fundamental methods of outperforming competitors:

- Cost leadership
- Differentiation (uniqueness)
- Focus (market segment)

Unfortunately, each of these strategies is transparent to our competitors and, therefore, a convenient and visible target. While competitors may have more or less difficulty in matching your strategic success, they will always know exactly what the target is and where the bar is set. Peter Senge has persuasively presented the argument that innovation is the only true competitive advantage since it powers the continual re-invention of the organization (its strategy, products, services, methods, etc.). If you need any greater impetus, Gary Hamel's recent *Fortune* magazine article goes even further by issuing a warning:

"Any company hoping to survive the tsunami of innovation and change that the web threatens to unleash will need more than a digital business plan. It must mirror the internet itself – to be open, democratic, tightly networked, non-hierarchical, experimental, endlessly adaptable and utterly restless. 'Clicks and mortar' doesn't begin to capture it. Try 'habitual and radical innovation'."

Faced with this escalating need for innovation and adaptability, many of us are trying to infuse dynamism into our organizational cultures.

However, most of us are frustrated by our inability to translate the concept of a learning organization into reality. There are many attempts to explain the how-to's of building and re-inventing organizations but given the failure rate, it appears there is a large disconnect between the vision and its implementation.

At BHI, we believe that this disconnect occurs between the creation of corporate initiatives and the day-to-day

behaviors of leaders and team members. Unfortunately, most managers do not have an effective road map for building teams that naturally produce creative solutions. Research shows that organizations that teach the fundamentals of building peak performance teams and then support this initiative with structure and rewards develop a sustainable competitive advantage.

THE LEADERSHIP CRISIS

The war for talent is in full force and we are all trying to attract and retain effective employees. Nowhere else is this battle as evident as it is for executive and managerial talent. Every major company has invested significant amounts of time and money in trying to increase their competitiveness in this war. Despite all this effort and expense, most companies still have an enormous gap between their present leadership and the leadership capacities necessary to reach their goals. In some industries there are bidding contests for talent that are dramatically increasing operating costs and making profitability less and less possible. What if there is a method of breaking this vicious cycle? Can we create a sustainable competitive advantage by increasing the effectiveness in our current leadership and employees? What if you could produce a 10% increase in performance across the organization using your present talent?

THE HUMAN PROBLEM

Even with our investment in leadership training and development, a significant number of our employees feel disenfranchised, powerless, and unmotivated. These disenfranchised employees do not feel connected to the organization or to their team. Many of these individuals yearn to experience the enthusiasm, dignity and pride in productivity that comes from involvement and commitment to their work. Our human nature has within it a predisposition toward achievement and actualization (Maslow). However, either the organizational system or the leadership is ineffective in empowering these employees and building the necessary trust that propels a creative culture. Rigid procedures and untrained bosses can erect big barriers

between the employees and their peak performances. It appears that the human need factors are forgotten in our rush toward efficiency and task accomplishment. Some companies have created innovative programs to increase the involvement and growth of their team members and have been very successful (see *Fast Company* magazine for some excellent ideas). However, for most employers, reaching the empowerment goal has been very elusive.

BHI PEAK PERFORMANCE PHILOSOPHY

Years of observation have led us at BHI to the conclusion that the empowerment failure problem is due to two factors:

- A lack of an actionable understanding of the basics of human motivation
- The pressure to develop a simplistic solution that fits all employees

Since there is a complex interaction between each individual's needs and his/her job circumstance, simple solutions have little long-term impact. What really works is the same process that works in all effective empowerment cultures: Give each manager/leader the basic understanding and a set of tools to create unique solutions that fit the specific employment situation. That is, arm each manager with a powerful, actionable empowerment philosophy and a map and let them choose the exact route to reach peak performance with their team. This philosophy and process itself exemplifies the key factors underlying self-motivated creativity: meaningful work and respected participation. Herein lies a sustainable competitive edge for your company. An excellent example of empowerment propelling innovation is an article in *Fast Company*, titled Bonuses Aren't Just for the Bosses.

PEAK PERFORMANCE: A PHILOSOPHY OF CREATING PEAK PERFORMING ORGANIZATIONS*

A nutshell description of the philosophy is in the three cornerstones that drive peak performance. Every successful team must have high levels of:

1. **Talent:** The *abilities* and *knowledge* necessary to reach our unique vision. This may seem so elementary that everyone should not only know it but already be implementing this fundamental cornerstone in building a peak performance culture. Unfortunately, many organizations are not effective because they either do not understand what aptitudes and skills are critical, or they do not have an effective process for hiring and development of the necessary competencies.

2. **Energy:** The intensity, urgency and enthusiasm that fuels productivity. Without this driver of peak performance, teams will find it almost impossible to gain a sustained competitive advantage. From this energy flows passion and innovation. Two fundamental building blocks lie at the root of creating maximum organizational energy:

- Meaningfulness: All of us want to find purpose and fulfillment in our jobs. When we do find it, we become involved, inspired, and energized.
- Respect: All of us have a fundamental need for a confirmation of our importance. For some, this comes through respect of their individuality; others gain it through contribution or expertise. Whatever the individual's respect need, it forms the foundation of trust in the team and organization.

Both of these human needs are the underpinnings of developing an empowered culture that re-invents itself consistently.

3. **Focus:** The target of all the organizational *Talent* and *Energy*.

- Goal clarity (short and long-term) provides not only inspiration but also priorities and critical feedback to the team on its performance. Most teams need the following types of goals:
 - Mission
 - Vision
 - Values
 - Strategic Plan
 - Tactical Plan
- Role definition and role clarity is the other half of Focus. A thorough analysis of tasks and capabilities with an effective distribution of labor is a key to productivity. Poor role definition gives rise to other significant problems such as personality conflicts, ego-driven turf battles and, surprisingly, low self-esteem. Some of the dimensions that need to be dealt with in clarifying roles are:
 - Major Team Priorities
 - Individual Responsibilities
 - Task Accountability
 - Responsibility for Decisions
 - Responsibility for Quality

Research has shown two major reasons for team failure are: Lack of a clear, elevating goal or a Distraction from the goal.

PEAK PERFORMANCE PROCESS: THE MAP FOR TRANSFORMATION

Not only do manager/leaders need an understanding of the basic philosophy, but they also need guidelines that enable them to diagnose issues, develop plans and create implementation steps. A clear, powerful and straightforward team transformational process allows each leader to develop a unique approach to peak performance that fits their team's needs.

Each manager and executive must be able to guide his/her team through the following transformational process:

STEP 1. TARGET

- Define "Excellence" by developing a clear strategy, mission and vision.
- Identify the team member competencies necessary to successfully realize this strategy.
- Define measures for evaluating, recognizing and rewarding.

STEP 2. EVALUATE

- Assess current performance.
- Diagnose problems and barriers.
- Identify strengths and key opportunities.

STEP 3. ACT

- Determine action steps that create more *Talent, Energy & Focus*.
- Implement these steps.
- Set priorities for continued improvement.

STEP 4. MEASURE

- Track progress.
- Identify opportunities for improvement.

By imbedding this process and learning system into the organization and unleashing the reservoir of energy almost any team can increase their productivity by 10%.

BHI provides materials, tools and systems to ensure that each team member is able to develop a dynamic and custom solution for creating a peak performance culture. By empowering team members, each manager/leader is building a piece of a sustainable competitive edge.

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a leading resource of
assessment & development experts
who partner with organizations to
achieve growth & increase profitability.

We do this through customized,
cost-effective systems to
select & develop the best **talent**,
tap organizational **energy &**
focus teams on business results.

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