

5 Qualities of a High Performance Organization

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What is a high performance organization?

Let's start with what is **not** a high performance organization. Have you ever watched a group of people try to row a boat, but they struggle to get anywhere because their rowing is out of sync, or everyone tries to steer? They expend a lot of energy, but their individual efforts end up hurting the group's progress. They go in circles or get passed up by other boats whose rowers who are in sync with each other. This boat is the equivalent of a low performance organization.

A high performance organization is like the boat whose rowers who are in sync with each other. It goes farther and faster in the desired direction because the rowers coordinate their movements to reach a common goal. Individuals do not get tired out as quickly because their hard work contributes to the group's efforts instead of working against them. There is a designated leader who steers the boat and always keeps an eye on what's ahead, but everyone plays a crucial role in keeping the boat moving forward. The rowers might even take turns paddling so that people have a chance to rest and renew their energy for the long haul.

Now imagine that you are "steering" or "rowing" in an organization that is known for infusing excellence into everything it does. People in the organization understand their roles and contribute to producing promised results. The organization stays true to its mission but adapts to the changing environment in order to remain viable. Open communication promotes harmonious working relationships and effective teamwork. Everyone believes that continuous learning fosters excellence. **You are working in a high performance organization.**

This kind of organization doesn't just happen by itself, though. By definition, **a high performance organization is intentionally designed to achieve excellence by bringing out the best in people, thereby increasing organizational capacity to deliver sustainable results.**

Notice how this definition applies to any type of organization, whether it's a business, non-profit, government entity, neighborhood association, etc. The exact terminology to describe standards of success may vary in each of these types of organizations, but the concept remains the same. Notice also how this definition does not state that organizations must have big budgets or a vast amount of expendable resources to achieve high performance. The key to high performance is the ability to make the best use of the organization's most valuable resource – its people – in order to deliver sustainable results.

Why does high performance matter?

In the business world, everyone understands the relationship between performance and the bottom line (profit). If customers are not satisfied with the organization's performance (results), they take their business elsewhere.

But in the non-profit world, the impact of performance on an organization's bottom line is often masked or delayed. Inefficient processes, poor service or difficulty delivering results – which would spell doom for a business – often persist in non-profits because there is a high demand for services and not enough time or resources to resolve the issues. Or so it seems.

The importance of high performance might be more apparent if you ask yourself, **“What is the cost of not building high performance practices into our organization?”** For example, think about what happens if your organization's leadership and management practices are rigid or do not help employees reach their full potential. Morale declines and employees show how unhappy they are through their body language, words and actions.

Unhappy employees have a hard time focusing on their work. They use their mental and emotional energy to express their unhappiness, resist the established way of doing business or influence decision-makers to make positive changes. They may show up to work and do what is required of them, but eventually the quality of their work declines, and they are less likely to deliver the results the organization has promised. **The cost of low productivity and providing intensive supervision may be the least of your problems if funders or donors become dissatisfied with your performance and decide to take their investments elsewhere.**

Or, employees may leave to find greener pastures, and you have to expend valuable time and money to recruit, hire and train new staff. And then there's no guarantee that they will stay for long, especially if the original problem with your organization's leadership and management practices was never resolved.

Now, this doesn't mean that leaders and managers have to be at the mercy of their employees in order to build a high performance organization. It *does* mean that leaders and managers have to *intentionally* develop the kinds of systems, strategies and skills that engage people in contributing to the organization's high performance.

5 Qualities of a High Performance Organization

While there are certainly more than five qualities that organizations must have in order to be considered high performers, the following qualities emerge as consistent themes in literature from both the non-profit and for-profit sectors.

I. Commitment to Excellence

Non-profits exist for the public's benefit and work to accomplish specific missions through their program activities. So if all non-profits exist to do good, why is it that some organizations are known for excellence, while others are better known for their lack of it?

High performance organizations integrate standards for excellence into their governance, management and program operations. People at all levels of the organization are introduced to the standards for excellence from the moment they express interest in joining the organization, and they make a commitment to meeting these standards. Standards are more than just nice words hanging on a wall or pretty documents that are handed out during new employee orientations (although it doesn't hurt to have

these things). Instead, standards are a dynamic *means* for facilitating growth and improvement.

It's not enough to just establish standards, though. **The organization's systems and procedures must be designed to foster excellence and promote accountability.** People must receive continuous support, coaching and freedom to act in ways that are consistent with the organization's standards. Without these things, standards are reduced to nice words on a wall or pretty documents that end up gathering dust on a shelf.

When people at all levels of the organization are committed to excellence and successfully implement systems for meeting high standards, problems such as poor performance, low productivity, complaints and conflicts become virtually non-existent. Even when these problems do arise, there are established methods for handling them proactively and effectively so that they do not turn into crises.

2. Clearly Stated Purpose and Desired Results

Can your Board, managers, staff and volunteers recite your mission statement on the spot (or at least a pretty accurate rendition of it)? If not, it may be a sign that either the mission is not communicated frequently enough or that it is too convoluted to remember. If either of these things is true, then people within and outside of your organization will have a hard time understanding the organization's purpose. And if they don't understand the organization's purpose, how can they be expected to understand the organization's desired results and contribute to achieving them?

High performance organizations have well-defined missions that convey the reason for the organization's existence and inspire others to join the cause. A high performance organization uses its mission statement as a tool for communicating with all of its customers (or stakeholders), for making management and policy decisions and for raising funds. Think of a well-defined mission statement as a powerful resource that, when used properly, acts like a magnet and attracts additional resources.

People in high performance organizations are not only clear about the mission, but they understand what results the organization is trying to achieve and what constitutes success. **They understand the connection between their individual roles and the organization's vision, mission, values and desired results.** When this connection is established and strong, everyone in the organization is "rowing" in the same direction.

3. Effective Change Management Processes

It's been said that the only constant in life is change. This is certainly true for people in non-profit organizations who always seem to have their hands full with changes in funding levels, new funding requirements, emerging community needs, staff turnover, new Board members, new policies...and the list goes on.

It's tempting to stick with "the way we've always done things" because dealing with constant changes can become tiring and overwhelming. **But non-profit organizations can't afford to stay static when so many things around them are changing.** If an

organization's leadership, management and program practices don't co-evolve with the environment in which they exist, the organization risks losing its "unique competitive advantage", or the factor that makes it stand out in a very crowded field. For a non-profit, that unique competitive advantage might be its reputation, method of providing services, funding source or relationship with a particular stakeholder group. Once lost, it will be hard to re-establish and regain momentum.

Non-profit organizations must not only be poised to adapt, but they must have leaders who can manage the change process effectively. This requires the ability to *anticipate changes* that will impact the organization's ability to fulfill its mission, to involve the appropriate people in *planning and implementing changes* in a way that is consistent with the organization's vision, mission and values and to clearly *communicate the reason and process* for making changes. Change can be hard regardless of whether it's perceived as good or bad, and strong leadership is essential to ensuring that change results in high performance.

4. Open, Multi-Directional Communication

Did you ever play the "telephone game" when you were young? One person starts the game by whispering a message into the ear of the person sitting next to him. That person whispers what she *thought* she heard to the next person, and so on and so on. The last person to hear the message says it out loud to the group, and then the person who started the game says the original message. Everyone laughs as they realize how much the message changed as it was relayed from one person to the next.

This game is amusing when you're young and intending to play. It's not so amusing when communication happens this way in the workplace. Ineffective systems and methods for communicating result in people not hearing the same information in the way it was intended to be delivered. It's frustrating for the person trying to communicate, as well as for the people who are expected to act based on the information they receive. It creates extra, unnecessary work for everyone involved.

In contrast, high performance organizations establish effective systems and methods for communicating, and everyone is expected to use them. Information is shared in a relevant and timely manner with the appropriate people so that they can make informed decisions. Communication flows from top to bottom, bottom to top, and across peer groups.

People in high performance organizations utilize cross-functional teams, in which a mix of managers and line staff from various departments work together to discuss issues or implement projects. This promotes a greater understanding of the whole organization by people at all levels. It also encourages open communication across traditional hierarchical or departmental lines.

Organizations that have open, multi-directional communication are better equipped to prevent or resolve problems effectively. Conflict prevention and resolution policies are established *before* problems arise, and people are trained to use them effectively. Rumors are quashed before they become destructive, and people feel

comfortable expressing their opinions to others in the organization. The absence (or minimized effect) of communication problems frees up people to focus on their mission-critical business.

5. Culture of Continuous Learning

The absence or presence of this quality says a lot about an organization's approach to high performance. An organization without a culture of continuous learning either does not value its people enough to support their ongoing development or believes that it is trying to reach a destination called High Performance, at which point the journey will end. As a result, the organization and its people never reach their full potential.

On the other hand, **an organization with a culture of continuous learning produces amazing results.** People continually seek out ways to learn new information and apply it in the work place. They gather and share information on best practices, trends and emerging needs. They acquire skills to become more effective in their current jobs or to move into higher-level positions. Perhaps the most important aspect of the learning culture is the recognition that building a high performance organization is a never ending process. This keeps people engaged in ongoing learning and the continuous journey toward excellence.

In high performance organizations, learning is encouraged at all levels of the organization and takes place through a variety of methods. Trainings, classes and reading are some of the more traditional methods of learning. People in high performance organizations also view everyday activities such as attendance at community meetings, supervision meetings and performance evaluations as learning opportunities instead of viewing them as burdensome tasks.

Technology is embraced as a vehicle that provides ongoing, flexible learning opportunities in high performance organizations. Web-based seminars (or "webinars") and other forms of on-line education allow people to learn at their own pace and at a time that is convenient for them.

People in high performance organizations assess their learning needs and create a professional development plan. This is their way of making sure their learning time is focused on areas that will build their capacity to perform well and that the organization's resources for professional development are utilized effectively.

Is Your Organization a High Performer?

Now that you've read about 5 key qualities of a high performance organization, review the checklist on the following page and assess your organization's ability to be a high performer. Use your responses as a starting point for a discussion with others in your organization about areas where performance could be improved.

Quick Assessment: Is Your Organization a High Performer?

Review this list and check the statements that you think are true for your organization.

Commitment to Excellence

- We have integrated standards for excellence into our governance, management and program operations.
- People are introduced to our standards when they express interest in joining our organization.
- People at all levels of our organization are committed to meeting our standards for excellence.
- Our organization's systems and procedures foster excellence and promote accountability.
- People at all levels of our organization act in ways that are consistent with our standards.

Clearly Stated Purpose and Desired Results

- We have a well-defined mission statement that clearly conveys our organization's purpose.
- People within the organization share a common understanding of the organization's purpose.
- People outside of our organization have an accurate understanding of our organization's purpose.
- People at all levels of the organization understand what results we are trying to achieve.
- People at all levels of the organization understand the connection between their individual roles and the organization's vision, mission, values and desired results.

Effective Change Management Processes

- Our organization is able to adapt to changes in the environment.
- Our leaders anticipate changes that will impact the organization's ability to meet its mission.
- Our leaders involve the appropriate people in planning and implementing changes in a way that is consistent with the organization's vision, mission and values.
- Our leaders clearly communicate the reason and process for making changes.
- Our organization's leaders manage change effectively.

Open, Multi-Directional Communication

- People make decisions based on information that is shared in a relevant and timely manner.
- Communication flows from "top" (Board/management) to "bottom" (line staff), bottom to top and across peer groups.
- Our organization utilizes cross-functional teams to discuss issues or implement projects.
- The communication systems and techniques used in our organization help prevent or resolve conflicts effectively.
- People at all levels of the organization feel comfortable expressing their opinions to others.

Culture of Continuous Learning

- People in our organization recognize that achieving high performance is a never ending process.
- People in our organization continually seek out ways to learn new information and apply it in the work place.
- People in our organization gather and share information on best practices, trends and emerging needs.
- People in our organization assess their learning needs and then create professional development plans.
- People at all levels of our organization are expected to continue their learning process.

Finding the Path to High Performance

If your organization wants to improve its performance, try following these steps.

- 1. Take an honest look at your organization's current level of performance.** Find out what your Board, managers, staff, volunteers and external stakeholders think about how the organization is structured and operated. Assessment data helps you identify what works well, what needs improving and whether you've achieved your desired results. There are a variety of organizational assessment tools available to help you gather input from people at different levels in the organization.
- 2. Determine what needs to be strengthened in your organization – systems, strategies or skills (or any combination of these three).**
Don't waste money by applying a wrong or incomplete solution to the problem. For example, training is more likely to produce *sustainable results* when done in conjunction with other improvement efforts. At the very least, you need to make sure that a lack of skills is the problem versus, say, a breakdown in communication. If you take the time to do your organizational assessment well, your results will point you in the right direction.
- 3. Develop a plan for making improvements in your organization.**
Be SMART about it. Develop goals that are Specific, Measurable, Achievable, Relevant and Timely – otherwise don't be surprised when you don't see lasting changes (or any changes at all). Create cross-functional teams with a mix of management-level and line staff from different programs in your organization. Give each team a specific area to focus on and ask the members to develop a plan for improvement. You will obtain greater commitment to implement the plans than if managers develop the plans on their own and inform everyone else what they must do.
- 4. Obtain support when and where you need it.**
There's no rule that says you'll be a failure unless you do this all on your own. In fact, it may be a better use of resources to bring in an "expert" or a neutral outsider to help with certain aspects of your organization's development. This allows you to stay focused on your mission-critical business instead of spending time learning how to become a trainer or finding the time to revamp your hiring procedures. A good consultant will help you build capacity to deliver sustainable results instead of creating ongoing dependence on him or her.

Optimal Solutions Consulting can help you improve the performance of your organization and achieve your desired results. If you found this information helpful and you're ready to improve your organization's performance, call us at (831) 594-1498 or e-mail nicole@opti-solutions.com to discuss your needs. To find out more about what we do and how we work, visit www.opti-solutions.com.

About the Author

Nicole M. Young, MSW knows the non-profit sector inside and out, having worked 17 years as a volunteer, line staff, administrator, board member and consultant. Throughout her years in the non-profit sector, she has studied, developed, employed and taught methods to improve organizational performance and achieve desired results. Nicole earned a BA in Psychology from UC Santa Cruz and a Masters in Social Work with an emphasis in Human Services Management from Boston University.