

THE 6 KEYS TO BUILDING AND GROWING A HIGH-PERFORMANCE CULTURE



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According to Gallup research¹, too many companies continue to rely on rigid, archaic management models instead of harnessing modern principles to build and grow a high-performance culture.

The following six keys are explained in more detail further down:

- 1. Implement an effective performance management process.**
- 2. Create empowerment and authority.**
- 3. Increase leadership capability at all levels of the company.**
- 4. Develop a customer-centric strategy.**
- 5. Increase communication and collaboration.**
- 6. Enhance training and development.**

To investigate how managers create high-performance cultures in the GCC region, Gallup studied 3,477 managers from companies in the oil and gas, banking and finance, property development, tourism, automotive, and telecommunications sectors. The results show that the best managers in the GCC region create high-performance cultures by setting clear expectations, defining employees' roles, creating a trusting environment, and encouraging employees' growth and development. And they continuously raise the bar by encouraging higher performance from themselves and from their teams.

But achieving sustainable growth requires commitment from the whole company to build a culture that can adapt to ongoing changes in a competitive environment. Right now, many companies in the GCC region (and presumably other regions too) are failing to identify and act on opportunities for change.

The crucial components of a high-performance company

In addition to its manager study, Gallup analyzed data from more than 30,000 employees in the GCC region from organizations in the oil and gas, banking and finance, property development, tourism, and telecommunications sectors. This analysis revealed six crucial components that determine a company's ability to create a high-performance culture -- one that improves top- and bottom-line business metrics.

1. Implement an effective performance management process. This creates the biggest impact on sustainable growth in companies across the GCC region. Unfortunately, too many companies continue to rely on rigid, archaic management models. The region's leading businesses, by contrast, create performance management processes that:

- use a merit-based system to differentiate between high and low performers.
- clearly define standards and expectations at the individual, team, departmental, and organizational level.
- develop transparent reward systems.
- articulate shared goals and objectives.

These elements don't just bring an increased level of equity and inclusivity to the company; they also have a direct impact on shaping the organization's culture.

2. Create empowerment and authority. Implementing an effective performance management process allows companies in the GCC region to strengthen empowerment and authority at all organizational levels. Gallup's research finds that empowerment and authority are lacking in companies where trust and accountability are weak or absent. In organizations where trust and accountability are strong, empowered employees are more likely to:

recognize and respond to changing information from the marketplace.

develop innovative ideas to meet market demands and stay ahead of the competition.

connect with customers to create a branded experience.

Companies that decentralize the decision-making process and allow employees to contribute benefit from multiple perspectives. They gain greater depth and breadth in how they recognize and respond to changes in the marketplace.

3. Increase leadership capability at all levels of the company. Gallup's analysis shows that companies with the highest levels of employee engagement share a common mission and purpose, from the top of the business to the bottom. Their leaders are accessible and visible, and they:

- inspire employees with consistent and regular communication -- both company-wide and individually -- about the organization's future
- connect today's work, initiatives, and changes with where the business is heading.
- provide employees with a unified message that bolsters the company's mission, and they show employees how to "live" that mission.
- inspire trust and respect throughout the organization.
- involve all employees in developing strategy, especially field experts and high-potential and future leaders.

The real vision of the company begins to crystallize only after leaders create organization-wide buy-in from and engagement among employees.

4. Develop a customer-centric strategy. The true test of whether a company's leaders have successfully created a customer-centric strategy is how well they can connect their company -- their brand, people, mission and purpose -- with their customers and the community. Gallup's research shows that organizations that accomplish this goal are more likely to stand out in a marketplace that is increasingly congested.

Before companies can create and implement a customer-centric strategy, they must first ensure that employees understand why they are doing it -- and that employees understand their individual and collective responsibilities in meeting customer needs and expectations. This process, although easier when employees are already engaged, can create opportunities to increase employee engagement.

Asking front-line employees to actively listen and respond to customers, for example, provides opportunities to increase their sense of authority and empowerment and to anchor their actions in the company's mission, purpose, and customer service values. Sharing stories of how front-line employees have demonstrated customer service values to engage customers can bring those values to life and make them more than an abstract concept or a poster on the wall of the reception area.

5. Increase communication and collaboration. Integrating customer service values, mission and purpose, leadership visibility, and authority and empowerment into a comprehensive performance management process will be successful only if companies communicate these initiatives in a coordinated way. Gallup's analysis shows that companies in the GCC region must improve their communication and collaboration if they aspire to be high-performance organizations. This is a complex challenge for any business, but it is complicated further by the tapestry of diverse societies and cultures in the GCC region. The most engaged organizations in the region overcome this challenge by:

- selecting leaders and managers who have the potential to be top performers based on the right balance of talent, skills, knowledge, and experience.
- ensuring that leaders and managers understand their role in the communication process, both within the company and with external audiences
- scheduling regular and open one-on-one conversations to disseminate and individualize key messages, and following up as needed to ensure employees understand and absorb those messages.
- using a collaborative approach to resolve problems and pursue opportunities as a team and across departments and divisions, which is key to developing and maintaining high levels of responsiveness and quality.
- creating strong levels of trust among a diverse workforce, which is particularly crucial in a region where many may be working without citizenship or lack a sense of community or belonging.

6. Enhance training and development. As noted in a prior article about creating high-performance cultures, many companies in the GCC region don't invest in their employees. However, Gallup's research suggests that the region's most engaged organizations recognize that setting up their employees for success is vital to ensuring continuous improvement and growth for employees and for the company. These companies don't relegate employee development to managers. Instead, they view talent as a corporate asset and support it at all levels. This ensures that high-potential employees have greater internal mobility and opportunity; it also prevents "talent hoarding," which frustrates employees who find themselves at a career dead end.

The analysis also suggests that the most engaged companies align customized training and development plans with the organization's overarching objectives and direction, providing employees with a clear career pathway.

From intention to action

How can executives move their company toward high performance and sustainable growth? The six components outlined above provide some guidance. However, leaders may struggle to decide which changes to implement first, as all six must be integrated effectively to ensure success. Gallup's analysis reveals that there is room for improvement even in the region's highest-performing businesses. The key differentiator among the most engaged companies is a heightened intent to change -- and that commitment to change has enhanced their brand with employees and customers.

Economies in the GCC region have experienced an unprecedented boom for more than 25 years, and companies in the region must evolve if they are to keep up with the pace of change. The region is at a crucial intersection, given its changing local and global competitive environments. Businesses that are serious and honest in their desire to create high-performance cultures -- and that are attuned to the needs of their employees and customers -- will be best able to capitalize on emerging opportunities now and in the future.

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