

An Overview of the People Process in an Execution Environment

The people process in a typical business environment is often completely divorced from the strategic planning process and the operating and budgeting process. Surveys tell us that organizations are poor at shifting people across units to support strategic priorities, fail to align rewards with meeting their strategic priorities, are slow and inconsistent in addressing poor performance, and their leaders and managers feel they would suffer if they pursued a novel opportunity or innovation but failed. You have likely experienced these problems. An execution environment overcomes these problems and others. An execution environment is an environment focused on getting the things done that a business needs to do, and this changes the way we do things. In this paper we describe how the core business process for People functions an execution environment.

The **People Process** in an execution environment broadly solicits and proactively uncovers talent to recruit, effectively screens candidates, establishes meaningful performance metrics and evaluates performance skillfully and fairly, and provides a framework for developing people and advancing them. Al of these functions are informed and infused by the strategic plan and operating plan in an execution environment.

A major problem with the people process in a typical business environment is that we hire or promote people for what they have done, but they fail and we fire them for who they are. The wrong people are hired, or allowed to continue in a job because of lack of courage by their leader or manager, their leader or manager is confortable with them, or there is a lack of personal involvement by the leader in selection, assessment, coaching, and retention decisions. People problems are hard to deal with. Surveys say that about a third of companies delay action in dealing with poor performance, a third are inconsistent in dealing with it, and over 10% tolerate poor performance. The real "underlying problem is that typical people processes and HR functions give little if any consideration to peoples' behaviors. Behaviors are the basis for what people do, so assessing and selecting people with the right behaviors is central to people processes in an execution environment.

A close friend, Ed Ryan, who founded Marketing Personnel Research (MPR, Inc.), recognized that "Who people are" is encapsulated in their behaviors, and he devised



a highly successful system based on behavior traits for identifying the right person for the job. Ed's system is fundamental to the people process in an execution environment. His system works by first benchmarking the behavior traits that make people successful in that type of job. This involves business leaders fully and clearly defining the essential requirements for being successful in the job, and studying people who have been successful in that type of job and industry. This information defines a set of behavior traits that are essential to achieving superior performance in that type of job and industry.

Behavior based interviewing is then used to assess the fit between job candidates and the behavior traits required for superior performance in that specific job. A person's behaviors cannot be changed to any great degree, so behavior based assessment is far more predictive of what a candidate will do in your situation and environment than is their past performance in different situations and environments that may have little in common with your situation and environment.

What HR has to get done in an execution environment is to help the operating groups achieve business objectives and implement strategies, i.e. get done what they have to. Utilization of a system like Ed's is central to achieving this role for HR in an execution environment. Key advantages of getting the HR function right are much more than just controlling the high cost of recruitment and turnover. It's a better way to assess whether a new hire will be successful, and your outcomes are the total of each person's success. This also measures performance of employees against the firm's best and helps focus training programs.

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