

Unleash the Entrepreneur in your Employees

You know where you would like to see your firm in the future, but what's the best way to get there? Whether it's continuous improvement like lean product innovation or identifying new ways in helping you to grow, the biggest hurdle you may face is cultural. Successful company-wide initiatives start with the alignment between leadership and staff, based on a solid understanding of company goals. This year more than ever, employees want (and need) to understand where you are going and how they fit into helping you get there; communication is key.

To truly unlock superior performance from their staff, top companies turn their employees into entrepreneurs by communicating the profit drivers of the business and helping them to understand how each are accountable in their specified areas. Employees need to know where they are starting from, where they are going and require feedback on exactly how to get there. Remember however, that financial understanding does not come easily to many. Helping them to better analyze becomes part of the goal. This can perhaps be achieved by a CFO or Controller with great presentations skills or an external training approach suited for the initial meeting on finance management.

You can choose from various communication formats, the most common of which are goal setting, town hall meetings, department communication and private conversation. Now is a good time to begin sharing information since employees won't expect everything to be rosy in this economy. They need to know they have a solid future with your organization or an honest assessment if they don't. We recommend team meetings because it is possible to establish a culture of teamwork this way. You can establish, with the help of the team, the key drivers for the organization. These metrics should include key performance indicators as well as historical data. Each team can then move forward to set goals and review progress on a regular basis.

Routine meetings with management should occur to review financials and discuss opportunities through collaboration. Causes and issues of poor performances should be examined. Participants should consider all possibilities in a non-judgmental way, leaving no stone unturned. As long as action items are reported back to the group, the expectation should be one of finding areas for improvement. No one should be embarrassed if assigned a task – only to not find a solution or ask for help.

If these steps are followed it will result in operational teams implementing the action plan. Follow-up is continued at subsequent meetings to ensure sustainable improvements. The process is disciplined and based on the famous and proven method of the Deming Cycle: Plan, Do, Check, Act.

In closing, it's about facilitating managers and employees to better understand the issues, become accountable and take action. The results will be increased ownership at all levels that will lead to better financial performance and sustained gains for your business over time.

HRadvantage is a key resource for clients in the Human Resource arena. Feel free to reach out to Lori Kleiman, SPHR (lori.kleiman@hradv.com) and her team at 847.904.1290.