A tool for reviewing **HR.**

The human side of business:
An assessment framework

Your people management assessment framework:

This tool identifies five major sets of activities that combine to provide a comprehensive framework for thinking about the people side of high performance. Overall they address strategy, implementation and accountability. Each category first sets out an explanation of what 'good' looks like, followed by questions that allow you to explore the detail of how these ideas can be embedded in practices. Although this assessment is structured across five parts, these are, of course, interconnected, and what should be kept in mind across all elements is that:

- Genuine attention to the people side of the business has to be ongoing. To be effective, strategic leadership requires the sustained commitment and attention of leaders and managers at all levels, continually monitoring and refining the way they approach this to ensure ongoing effectiveness and continuous improvement.

- Trust is the bedrock of relationships and that requires honesty and transparency. To pursue shared purpose effectively, requires earning trust by involving your people in any planning processes and ensuring those processes are transparent – that is, consistently making it real that shared values, purpose and vision are the genuine basis for any actions and decisions being made.

- Fact-based leadership depends on good data. Best practice benchmarks and clear metrics need to be in place to assess the effectiveness of your policies, systems and practices – thereby improving overall organisational abilities to maximise the impact and value of your human investments while managing related risks.

A note about risk

Valid and reliable data described in these assessments is crucial, not just for maximising the human experience of the organisation, or the value people deliver to the business, but also for managing risk. The kinds of data highlighted can be used specifically to underscore risk factors – such as dangerously high turnover among employees in critical roles or low acceptance rates among job candidates to whom positions are offered – which can alert you to the need for action. It is vital to ensure you have data covering the key aspects of people management and employee experience that is available, updated regularly and used consistently for assessing and managing risk.

A note for small businesses

This tool can be used flexibly and although some questions clearly refer to a level of scale or to processes that would exist only in a larger organisational context they can still be used to think about strategic leadership and management of people from any business perspective.

Assessment part 1:
The Role of Strategic Planning

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Strategic Planning:

Establishing the organisation's vision for the future: Your purpose [your 'why' plus the specific value you offer your customers], core values you will be driven by, and strategic goals and objectives.

High-performance organisations are clear about why they exist, what they want to accomplish and what

kind of organisation they want to be. They will have a well defined 'shared vision' – i.e. a statement of purpose, absolute clarity about customer value, core values, a pathway for the future that includes clearly defined strategic goals and objectives – and will then communicate that shared vision clearly, constantly, and consistently through actions and behaviours as well as messaging. Your shared vision should provide the standard for assessing the appropriateness and

effectiveness of everything the organisation does. In the area of managing people, for example, the organisation should develop strategies to optimise the employee experience, to enhance the value of employees and to focus people's efforts on the organisation's vision and goals. The net effect should be in the best collective interests of organisation and employee alike. Done well, the capacity to achieve a shared vision will increase, while the people involved will benefit from the incentives – both tangible and intangible – of working for a high performance organisation.

Strategy assessment question A:

Shared vision. Does your organisation have a clearly defined and well communicated 'shared vision', by which its direction has been defined and expectations set for itself and its people?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Do you have clear and coherent description of your shared vision in a strategic plan, or other guiding documents?					
Has the shared vision been developed with the involvement of employees, customers and other stakeholders – and in line with robust reviews of internal and external environments?					
Is the relevance of this shared vision communicated and reinforced among all employees/stakeholders and have, as appropriate, effective strategies for managing change been created to achieve it?					

Strategy assessment question B:

Does your organisation have a coherent people leadership strategy? That is, a framework of policies, programmes, and practices designed specifically to steer the thinking, actions and activities of the people in the organisation toward achieving the shared vision. Has this strategy for the human side of the business been integrated with the organisation's overall strategic planning?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Are strategies for your people part of strategic plans?					
Have all projects, goals and strategies been assessed for their specific human impacts that must be addressed if desired outcomes are to be accomplished (e.g. change management in place for new systems, or skills development planned for new activities)?					
Has the people side of the business been given high priority, and have employees (at all levels) been involved in creating this focus?					
Are efforts to assess and improve the organisation's people management part of a continuous effort to evaluate and improve all systems, as opposed to being a one off?					
Do measures exist to provide meaningful data on the full range of people management policies and practices and how well these actually work to promote the achievement of strategy?					
Have best practices or benchmarks been identified for any people management/development/learning activities?					
Has there been evaluation of the information system/s used with your people and its capacity to provide relevant and reliable data for fact-based decision-making?					

Assessment part 2:
Achieving Organisational Alignment

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Organisational alignment:

Integrate people management strategies with the organisation's strategy.

High-performance organisations align people management systems in all areas with strategic planning. As with any investment, the goal is to maximise value while managing risk. In the people management area, this requires workforce planning that is linked explicitly with vision and strategic objectives. It also requires that any 'HR' activities have a fundamental orientation, across all processes, to developing and supporting delivery on strategy. The people involved need appropriate preparation and experience, not just to provide effective strategic support, but to participate as collaborative partners with managers and employees in developing, implementing and assessing the organisation's people management approaches.

Organisational alignment assessment question A:

Workforce planning. Does an explicit workforce planning strategy exist, linked with strategic planning, to identify current and future needs, including the size of the workforce; its organisation across the business; and the knowledge, skills and abilities needed to pursue objectives?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is workforce planning addressed in strategic plans, or a separate workforce-planning document linked back to strategic and project planning?					
Does data exist on key indicators like distribution of employees by pay level, attrition rates, retirement rates and projected eligibility by pay level, and ratios of managers to employees?					
Have roles and core competencies needed to support goals and strategies been identified?					
Does a knowledge and skills inventory exist, identifying current and future skills needs and gaps, and that includes information on knowledge and skills by demographic group?					
Are industry benchmarks known and used to assess areas like skills, education levels, and geographic and demographic trends?					

Organisational alignment assessment question B:

Integrating the work of people management. Does the organisation rely on people management professionals to (1) contribute a perspective to the broader strategic planning process; (2) provide integrated strategic support and participate as partners with managers; (3) lead or assist in workforce planning efforts and in developing, implementing and assessing whether the people management policies and practices will help the organisation achieve its strategic objectives?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Are people management professionals meaningfully involved in helping develop the organisation's shared vision and in aligning the organisation's people management strategies with strategic, programme and project planning?					
Is there a reflection in the organisational design of the people managers' 'place at the table' among leaders?					
Is there evidence that people management skills are appropriately covered – in assessed skills, qualifications and experience?					
Are there opportunities for academic training, professional certification, or professional development of people management skills?					
Is there evidence that people management roles effectively leverage external sources of expertise/insights as needed?					

Assessment part 3:
High performance leadership

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Leadership:

Foster a committed, high performance leadership team and continuity succession planning.

A fully engaged and committed senior team is essential to achieving common purpose. To become high performance, leaders need to possess values and approaches that are consistent with the organisation's values, to be resolute about aligning all levels of activities to strategy and committed to continuous learning and improvement. To create a workforce that shares in the vision and is aware of the contribution that each person can make towards achieving it, all leaders must work as a cohesive team to offer a clear and consistent portrayal of purpose throughout the organisation in their messaging, actions and through the example they set. Strategic goals can take years to achieve, so there needs to be a succession planning strategy that ensures a sustained commitment and continuity of leadership, even as individuals come and go.

Leadership role assessment question A:

Right fit. Has the organisation defined the kind of leaders it wants (i.e. their roles, responsibilities, attributes, competencies and values) and the broad performance expectations it has for them in light of the shared vision?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there explicit alignment of leaders' performance standards with the shared vision that is also set out in their role/ performance agreements?					
Are leadership standards used when making executive hiring or development decisions?					

Leadership role assessment question B:

Teamwork and communications. Do senior leaders pursue an explicit strategy to promote teamwork, communicate the shared vision in clear and consistent terms to all levels of the organisation, and receive feedback from employees?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Are there visible efforts by leaders to promote teamwork, reinforce a shared vision and to integrate other leaders into a cohesive leadership team?					
Is there an organisation-wide communications strategy, including opportunities for honest feedback from employees?					
Are results of internal focus groups or employee surveys used in planning and executive performance assessments?					

Leadership role assessment question C:

Ensuring continuity. Does the organisation take steps to ensure reasonable continuity of leadership approaches through executive succession planning?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there a formal succession plan, or a discussion of succession planning in strategic documents, which includes a review of the current and emerging leadership needs in light of objectives and that identifies sources of executive talent both within and outside the organisation?					
Are there selection criteria for executive candidates that are linked specifically with the shared vision and the competencies and broad expectations it has for its leaders?					
Are there investments in executive development programmes that include developmental opportunities, learning experiences and ongoing feedback?					
Is there data from internal information systems on attrition rates, retirement eligibility and retirement rates of executives?					
Are there statistics on the percentage of leaders brought in through external recruitment versus internal promotion?					
Is there evidence of an active internal executive development programme supported by existing leaders, through activities like mentoring and shadowing?					

Assessment part 4: Managing Talent

Talent:

Recruit, hire, develop and retain employees with aligned values and skills matched to strategic objectives.

A high-performance organisation needs a dynamic, results-oriented workforce with the talents, multidisciplinary knowledge and up-to-date skills to ensure that the organisation is equipped to achieve its goals. Because strategic requirements, customer demands, technologies and other environmental influences can change rapidly, a performance-based organisation must monitor its talent needs continually, being alert to the changing characteristics of the market. It must identify the best talent strategies, from recruiting and hiring through to investments required to develop and retain the best possible workforce. Compensation, facilities on offer and work/life arrangements should be viewed from the perspective of how well they help to compete for and retain the best talent available. In addition, talent must be developed continuously through education, training and opportunities for continued learning and growth. The organisation must match the right people to the right jobs and, in the face of finite resources, be prepared to employ matrix management principles, maintaining the flexibility to redeploy people and realign structures and processes to maximise economy, efficiency and effectiveness. Structures and work arrangements must be designed to avoid 'silos' and to draw upon the strengths of the various organisational capabilities. Cross-functional teams, including 'just in time teams' and 'virtual teams', whose members may not work in the same physical location, can be used as a flexible means of focusing talent on specific tasks.

Talent strategy assessment question A:

Recruiting and hiring. Is there a recruiting and hiring strategy targeted to fill short- and long-term people needs and, specifically, to fill any gaps identified through planning?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there a formal recruiting/hiring plan and/or discussion of recruiting and hiring in strategic documents?					
Is there an explicit link between the organisation's recruiting efforts and the skill needs identified?					
Is there an active recruiting programme featuring the involvement of leaders and managers, and making use of strategies like campus visits, internships and outreach to colleges and universities?					
Are there indications that recruits attracted are high quality and that they are on-boarded/inducted in a timely and effective fashion?					
Are there feedback mechanisms from new talent on the effectiveness of induction and first impressions of the organisation and its processes?					
Are there statistics on the average time taken to recruit and hire and are they compared against industry benchmarks?					
Is there evidence that recruiting and hiring programmes are fair and unbiased?					
Are there demographic statistics on the organisation's diversity profile over time?					

Talent strategy assessment question B:

Training and professional development. Are appropriate investments made in learning, education, training and other developmental opportunities to help employees build the skills and competencies needed to achieve the shared vision?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there a formal training and professional development strategy, or any discussion of training and development in strategic documents?					
Are there individual development plans for employees at all levels?					
Are there adequate opportunities for career advancement, an equitable promotion system and career ladders that take into account the organisation's technical and managerial needs?					
Is there an explicit link between training o erings and the competencies identi ed as required to achieve the vision?					
Are there fact-based determinations of the impact of training and development programmes and, where possible, are there measures for return on investment [ROI measures can be quite varied]?					
Are employees encouraged to identify and take advantage of training and development activities and has the available training been identi ed as relevant and rewarding?					
Is a percentage of the operating budget spent on training? If there are comparable industry benchmarks, are percentages assessed against these?					

Talent strategy assessment question C:

Workforce deployment. Is the deployment of the workforce appropriate to achieving strategic objectives and keyed to efficient, effective and economical operations?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there discussion of workforce design and organisation in a workforce plan or other strategic documents, with decisions based on ensuring that design meets strategic aims while optimising employee engagement?					
Has strategic consideration been given to use of contractors, including management of the cost and quality of any outsourced activities?					
Are there flexible options that help put the right employees in the right roles according to their skills, allowing for employees to be drawn from various organisational activities and functions to work on 'just in time' or in 'virtual' teams to allow a focus of the right talent on specific tasks?					

Talent strategy assessment question D:

Compensation. Does the compensation system help attract, motivate, retain and reward the people needed to pursue the shared vision?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Has the compensation system been examined and considered in light of people needs, including skills-based compensation, and identified relevant constraints and flexibilities?					
Has consideration been given to the various opportunities for making packages more competitive, such as repayment of student loans and financing of education while on the job?					
Is feedback from recruits to whom hiring offers have been made, recorded and used?					
Are results of employee focus groups or surveys on compensation recorded and used?					
Is there organisational data on the number and amount of bonuses given; number and amount of spot awards; availability of promotions?					
Are industry benchmarks on compensation for given occupations known and used?					

Talent strategy assessment question E:

Employee-friendly workplace. Are flexibilities, facilities, services and work/ life programmes in place to help enhance employee experience, satisfaction and commitment?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Are there visible efforts to promote a more flexible workforce, including consideration of flexible schedules (i.e. part-time work arrangements, job sharing and flex-time), flexi-place and business-casual dress?					
Are physical facilities safe, secure and healthy?					
Is there access to career counseling or development services?					
Are results of employee focus groups or surveys on compensation recorded and used?					
Have services and amenities been considered or arranged for employees who may need them e.g. childcare, fitness activities, parking or subsidies for using public transport?					
Is benchmarking data on these practices from high-performing organisations known and used for comparison?					

Assessment part 5: Performance Culture

Performance Culture:

Empower and motivate employees while ensuring accountability and fairness in the workplace.

High-performance organisations foster an engaging environment in which people are empowered and motivated to contribute, and provide both accountability and fairness for all employees. A high-performance approach is inclusive and draws on the strengths of employees at all levels and from all backgrounds. It maintains honest two-way communication and fairness as a hallmark, perceptions of unfairness are minimised and workplace disputes are resolved by fair and efficient means. Leaders and managers who have decision-making authority in a performance environment must be sufficiently prepared and appropriately trained to be accountable for their decisions. High-performance organisations also recognise that all employees – those involved directly in strategy and those involved in supporting it – help create value, and that job processes, tools, and support arrangements must be tailored to support the accomplishment of goals. A dedication to continuous learning and improvement can help an organisation to not only respond to change but to anticipate it, create new opportunities and pursue a shared vision that is both ambitious and achievable. Incentives are important in steering the workforce; they must be results-oriented, customer-focused, realistic and subject to balanced measures that reveal the multiple dimensions of motivation and performance. Any incentives should be aligned with goals, and personal accountability for actions and performance reinforced by rewards and consequences. Because organisations are increasingly technology-driven and knowledge-based, high-performing companies ensure that employees have the right information technology resources to do their work and have good opportunities to gather and share information.

Performance culture assessment question A:

Performance management. Have roles and systems been designed to motivate and improve individual and team performance and to support people towards embodying values and pursuing shared vision effectively?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there a description in policy of the design and intent of roles and systems, with explicit emphasis on engagement, motivation and improvement, and linking individual and team performance to the shared vision with consideration of various impacts such as customer demands, resource limits, technology use, and level of effort?					
Are there descriptions of the organisation's means of: 1 Aligning employees' roles and expectations with the competencies and performance levels needed to support goals, objectives and strategies. 2 Establishing valid, reliable, results-oriented measures of individual engagement and group performance. 3 Providing feedback that differentiates meaningfully between employees and provides the basis for effective feedback loops and incentives. 4 Indications that employees who are not committed to upholding values or commitments are held accountable and that organisational leaders support managers who give employees frank, constructive feedback and take actions where appropriate.					
Are feedback processes in place for employees at all levels and positions transparent and available?					
Does the organisation use analysis of performance data from its information systems?					
Is feedback from managers and employees obtained on the meaningfulness and effectiveness of any feedback systems in place across the organisation?					

Performance culture assessment question B:

Performance incentives. Are meaningful incentives in place to support performance? [Reward and recognition]

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Performance incentives operate at the organisational, team and individual levels.					
Incentives are linked clearly and meaningfully to performance and incentives are results-oriented, customer-based, realistic and subject to balanced measures that reveal the multiple dimensions of performance.					
Feedback from managers and employees is assessed on the equity, adequacy and effectiveness of the incentives system.					
Data is captured on investments in any awards and/or other tangible incentives over time and this is benchmarked against high-performance organisations.					

Performance culture assessment question C:

Continuous learning and improvement. Does the organisation encourage and motivate employees to contribute to continuous learning and improvement?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there a statement in the strategic plan or other documents of the value placed on continuous learning and improvement?					
Are there training and mentoring programmes aimed specifically at promoting continuous learning and improvement?					
Is there evidence of an active knowledge management effort featuring programmes and tools for sharing information and creating institutional knowledge that can be readily retrieved by or disseminated to employees?					
Are there ongoing opportunities, such as through employee suggestion programmes, for employees to contribute their views on the organisation's shared vision and strategies for achieving it, including innovative ideas and process improvements?					
Do leaders visibly act on employees' suggestions?					
Are employee initiatives to build institutional knowledge encouraged? Examples might include a level of participation in professional organisations, or incidence of speaker programmes organised by employees to raise knowledge of key issues.					
Is feedback sought and used from employees on their perceptions of the organisation's learning environment?					
Are efforts made to identify and benchmark to best practices among high-performing organisations in continuous learning and knowledge management?					

Performance culture assessment question D:

Leaders and managers. Are managers expected, prepared and trained to help steer their teams towards the pursuit of the shared vision?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Are there indications in role descriptions that feedback and evaluations of performance are based on the skills and competencies needed to support the shared vision?					
Is there availability of training in people skills, such as employee motivation, conflict avoidance and conflict resolution?					
Is feedback from employees obtained as to the extent to which leaders show support for the organisation's shared vision and motivate and enable employees to pursue it?					

Performance culture strategy assessment question E:

Role processes, tools, and support for strategy. Are role processes, tools and strategic support structures tailored to help employees pursue their work effectively, economically and efficiently?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Are core business processes, strategies, and tools designed to support quality, productivity and accountability?					
Have alternative approaches and tools drawn from 'best practice' organisations been considered?					
Are there objective measures of quality and productivity in place and is there anecdotal evidence from employees that the processes and tools they use support their efforts effectively?					
Are there visible dashboards that recognise the contributions of all organisational activities and employees in building the value of the organisation to its customers?					

Performance culture strategy assessment question F:

Digital technologies. Are employees able to make best use of digital technologies to do their work and to gather and share knowledge?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there a coherent organisation-wide digital technology strategy that emphases alignment of all technology programmes and projects with purpose, goals and strategies?					
Does feedback from employees identify that they have the opportunity, incentives, support and training to make appropriate use of technologies to do their work and to acquire and share knowledge?					
Are there objective measures of quality and productivity in place and is there anecdotal evidence from employees that the processes and tools they use support their efforts effectively?					
Are there visible dashboards that recognise the contributions of all organisational activities and employees in building the value of the organisation to its customers?					

Performance culture strategy assessment question G:

Inclusiveness. Does the organisation maintain an environment characterised by inclusiveness, a variety of styles and personal backgrounds, and that is responsive to the needs of diverse groups of employees?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there policy or discussion of inclusiveness in the organisation's plans and other documents?					
Is there training for employees on values, in team building, in effective communication, and conflict avoidance and resolution?					
Is there employee feedback on the benefits and encouragement of diverse styles and personal backgrounds in the workplace, as well opportunity to hear about perceptions of unequal treatment?					
Are there statistics on any grievances and/or complaints and subsequent findings over time?					
Is there an alternative dispute resolution programme that draws upon internally- or externally-based mediators, or other trained professionals to help resolve workplace conflicts?					

Performance culture strategy assessment question H:

Employee and labour relations. Are relations between the workforce and leadership grounded in a mutual effort to achieve the shared vision?

Questions. Scoring 1 = non-existent. 5 = 100% there.	1	2	3	4	5
Is there feedback from employees on their commitment to the shared vision and their views of leaders' and management's efforts at communication and coordination?					
Is there feedback from managers and employees on the extent to which they agree on the organisation's shared vision and the means of achieving it?					

An assessment framework: how are you doing?

	Assessment part	Score
1		
2		
3		
4		
5		
Total		

Average Scores	Initial estimates of your position
Below 200:	You really need to get to work on the human side of the business. Without a real focus on the basic systems you need to manage and develop your people, your organisation is headed for trouble. It may be a good idea to get some external advice or support to help you set up a planned strategy and programme of activities with your teams going forward.
200 and above:	Not a bad score – you obviously have a base from which to work. With additional focus your people management practices can become more effective and put you in a position to be more successful with a better return on your human investment at all levels for you and your people. You do need to get to work though – and you definitely don't want to slide backwards. Look at the low scoring areas and, with your teams, determine your priorities for action going forward.
300 and above:	Your organisation clearly has some good systems and practices in place but they need strengthening. Take action by focusing on at least one of the key areas where you see the lowest scores. Set some benchmarks and timelines with your teams and then reassess. You should be aiming to hit the 450 score level within an agreed timeframe.
400 and above:	At this level yours is an organisation whose leaders have an exceptional commitment to their people, with robust systems and processes in place to ensure that their commitment translates into action. Assuming this was 100 per cent accurate and everyone in the organisation would agree with you, then you are well set to be successful and your employees represent the sort of high-performing, well-motivated community others should be benchmarking against.

Keep it up. However, if you did this assessment on your own we highly recommend you have your teams take it as well, to validate the view. |

This assessment tool has been prepared with inputs from this research project, and also draws on the work of the US GOA self-assessment tool and the McBassi Human Capital Systems self-assessment tool [1, 2].

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