

HUMAN CAPITAL
MANAGEMENT



JABIAN CAPABILITIES

**REINVENTING WORK:
UNLOCKING THE POWER OF YOUR WORKFORCE**

jābian
consulting

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UNLOCKING THE POTENTIAL OF YOUR WORKFORCE

Can you reinvent the way your employees approach work?

That's the fundamental question behind our Human Capital Management offerings at Jabian. Today's workforce wants more than a paycheck. They want to find meaning in the work they do. They want to know how their work contributes to the bigger picture. By aligning the goals and objectives of your organization with the needs and aspirations of your people, you can unlock the potential within your workforce. Jabian's Human Capital Management offerings can help you structure your organization, develop your people, create leaders, raise performance, create an environment where people want to excel, and lead change.

Every new initiative taps the energy and know-how of people. A deliberate focus on the human factor supercharges productivity, builds cohesive teams, helps individuals engage with their work, and reduces risk in every strategy, process, technology, and organizational undertaking. Ultimately, only people who are highly productive and fulfilled generate exceptional results.

Productivity and fulfillment don't come from leadership clichés, lip service, and cheerleading. They come from a well-architected approach that seeds growth, fosters relationships, builds security, allows autonomy, and enables well-being. Jabian's Human Capital Management offerings will help you ignite your people practices.

JABIAN'S HUMAN CAPITAL MANAGEMENT OFFERINGS

Jabian's offerings are the keys to addressing the most complex challenges organizations face.

Our Engagement Framework, described in the following pages, is the common thread that ties all of our offerings together. It ensures that the practices throughout your organization drive the energy, productivity, and fulfillment that make up engagement within your people. Building upon the engagement framework, Jabian's offerings include Change Management, Organization Design, Culture Change, Leadership Development, Learning and Development, and Performance Management.

INFLUENCING AND DRIVING ENGAGEMENT

A consistent understanding of, and focus on, the drivers of engagement are the keys to an effective human capital infrastructure.

At its core, engagement is the key. You can only be successful long-term with engaged employees. Many national surveys confirm there is an acute engagement issue in corporate America and it is only getting worse.

The challenge is that people are motivated by different things. Sure, raises, bonuses, and monetary incentives provide a temporary boost, but after a few months the bar is reset and you're back to where you started. Great cultures are built on a shared foundation of purpose, not just fleeting extrinsic rewards.

Help your employees discover what it is that they love to do, and then work with them to align their goals and aspirations with the purpose of your organization. Truly great companies inspire their employees to work for something bigger than themselves. Discerning the true drivers of motivation in your workforce gives leaders important insights to understand the right levers to improve morale, improve employee engagement, and drive positive culture change.

Jabian conducted a survey of hundreds of corporate employees to gather perspectives and insights on human capital practices.



of those surveyed feel that when major change occurs, their organization rarely or never seeks to understand the impact of the change on each stakeholder group.

CHANGE MANAGEMENT

People are the most important part of any initiative. If employees, vendors, or customers haven't adopted a new tool, process, or behavior, your change will fall flat. That's why it's vital to proactively engage those affected by the change before it happens, manage through the change, and provide ongoing support. Integrating change with the process, strategy, and technology program, balancing influence with mandate, and personalizing the change drives adoption.



of those surveyed believe their organization lacks the right skill set to meet the strategic goals of the company.

ORGANIZATION DESIGN

Organization design is about more than just an organizational chart. It aligns processes, structures, and talent to ensure people with the proper skills are matched to the right role. This fosters collaboration and innovation that achieves strategic objectives and drives career growth.



believe that their company hasn't articulated or doesn't live its defined culture.

CULTURE CHANGE

Culture can be hard to define, but it's obvious when you're faced with a difficult one. Most people only talk about culture when it's a problem and few companies celebrate positive culture. How can you institutionalize the positive components of your culture and identify triggers that are causing problems? Purpose, norms, behaviors, leadership style, values, beliefs, reinforced by history, stories, rituals, routines, and symbols make up culture. Over time, changes to those elements influence the organization's culture.



of those surveyed are not aware if their company's strategic direction has been shared with the organization.

LEADERSHIP DEVELOPMENT

Great organizations place an emphasis on growing leaders at all levels of the organization. Great leaders are self-aware, foster strong internal and external relationships so that they can define strategy, build the right team, and drive execution.



of those surveyed never or rarely have the opportunity to develop the right skills and knowledge for their functional domain.

LEARNING AND DEVELOPMENT

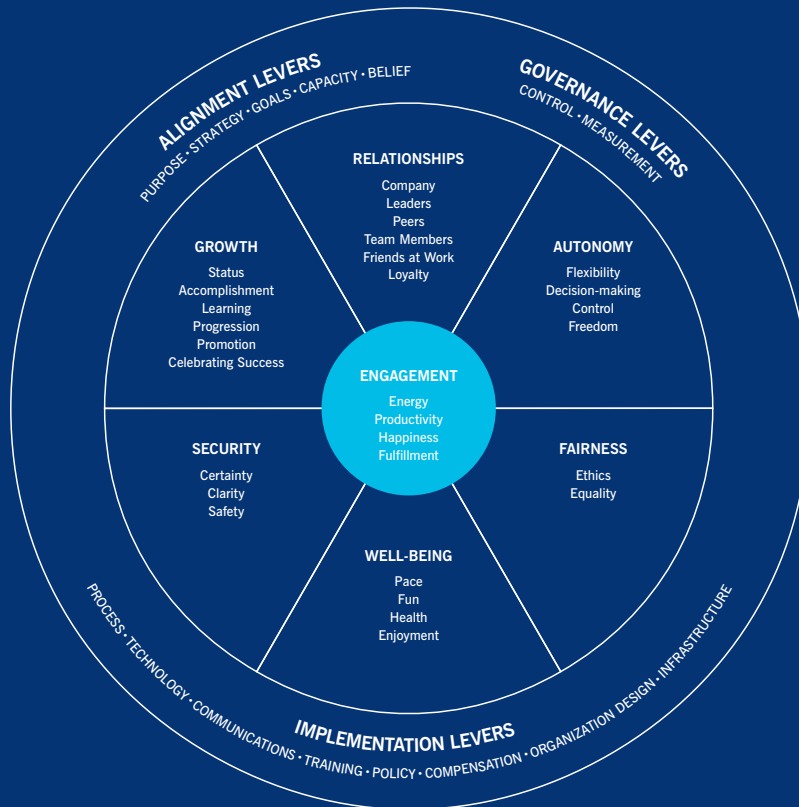
To be most effective, learning must be aligned to each employee, their passion and interests, organization culture, and organization goals. In addition to traditional classroom learning, mastery progresses across a spectrum of mediums that includes reading, online video, job shadowing, and eventually teaching others.



of those surveyed do not receive a performance review once per year and 11% never receive a performance review.

PERFORMANCE MANAGEMENT

Creating a customized and adaptable performance process drives individual motivation, engagement, and business results. A tailored process that is aligned to your culture and addresses both employee and organizational needs will result in a more fulfilled and productive workforce.



ENGAGEMENT FRAMEWORK

Engaged employees are more productive, more loyal, and ultimately take accountability for the bottom line.

Jabian's Engagement Framework is used to assess the human capital aspects of an organization to identify actions you can take to drive improvements.

While we use the word "engagement" at the center of our framework, other words like productivity, fulfillment, happiness, and energy also apply. This framework can apply to an individual team, or organization, even an entire society.

So what engages people?

Growth, relationships, autonomy, fairness, well-being, and security are the drivers of employee engagement. Shown at the center of the Engagement Framework, these drivers are applicable to individuals, teams, or organizations. Examining each of these engagement drivers provides important insights on motivation and resistance.

Drivers of Employee Engagement

GROWTH

People receive a rush from learning something new, meeting a goal, achieving a personal best, or moving up the ladder in relation to peers. Any time you recognize accomplishment or give people an opportunity to grow, you drive engagement.

RELATIONSHIPS

Social relationships are a key source of engagement. Any time you can bring people closer together and build relationships, you enhance the engagement of the organization.

AUTONOMY

Allowing individuals or teams the ability to choose what they work on, who they work with, when they work, or make decisions that matter, increases engagement.

FAIRNESS

Fairness is a very strong engagement driver. Eliminating unfairness increases engagement, and introducing anything that is perceived as unfair decreases engagement.

WELL-BEING

This driver encompasses health, both in mind and body, and incorporates rest and fun.

SECURITY

When individuals are secure about the future and their environment, engagement increases.

Influencers of Engagement

ALIGNMENT

Alignment of purpose, goals, strategy, capacity, and belief is the first key to maximizing engagement. Deliberately addressing these key elements prior to starting any endeavor will help maximize successful outcomes. Purpose is the “why” behind what you do. Strategy builds on purpose and lays out the higher-level, long-term mission and vision. Goals define what you are working toward in the shorter term. Adequate capacity and resources are, of course, critical but often not prioritized. And finally, the people that make up the organization must believe that success is possible. Aligning these elements maximizes intrinsic motivation and creates coherence.

GOVERNANCE LEVERS

Governance provides the control and measurement to ensure that key decision-makers are actively engaged in the pursuit of any endeavor. At the individual level, governance is about self-regulation, mindfulness, and reflection. At the team and organization level, it's about execution discipline, focusing on goals, managing toward milestones, overcoming obstacles, mitigating risk, and coordinating decision-making amongst key stakeholders.

IMPLEMENTATION LEVERS

The implementation levers at the bottom of the framework are the tools available to support the people who do the work in an organization. Process, technology, communications, training, policy, compensation, organization design, and infrastructure are all levers that you can use to maximize the engagement drivers.

Jabian's Engagement Framework lies at the core of everything we do around people. The framework is the tool we use to diagnose the issues facing an organization and develop solutions across all of our human capital offerings. As you can see, Jabian's Engagement Framework is a comprehensive tool that can help you understand what drives engagement and resistance in any situation, along with the levers you can use to influence those drivers.

CHANGE MANAGEMENT

Executives almost always say that change management is a critical part of any change.

Despite that, most organizations underutilize change management tools to reduce risk and drive a smooth transition. In fact, the number one reason projects fail is lack of adoption—meaning the solution is not fully integrated into the daily lives of users. To ensure stakeholders not only adopt the change but are engaged, they must be invested from the beginning, brought along the journey, and have long-term support. Change is deeply personal. Organizations don't change; people change.

Our approach to managing change has three phases:

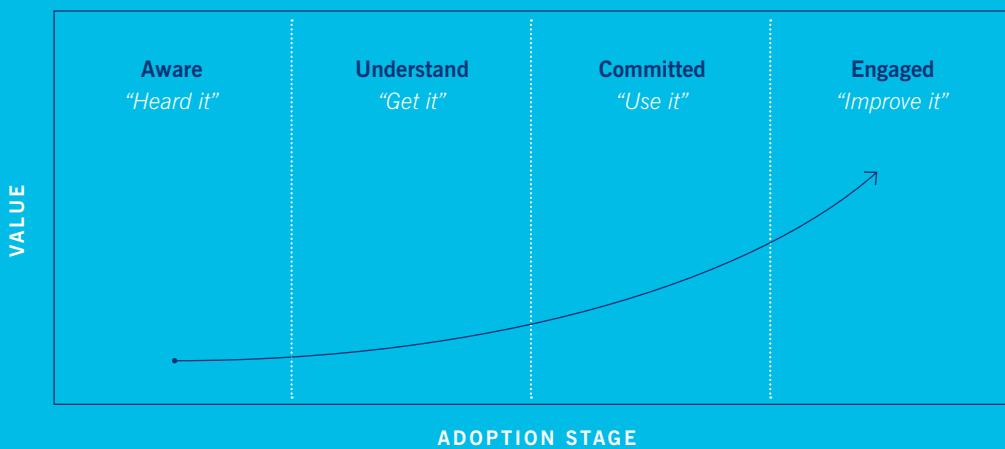


Most change management methodologies only focus on the middle phase, managing the change, or even worse, focus only on training. By defining the change up front and supporting the change once it occurs, you can further reduce risk and drive the kind of adoption that leads to extraordinary results.

JABIAN'S CHANGE MANAGEMENT FRAMEWORK



Change is a journey, but there is a predictable path that people follow when going through a change. Use these four stages to proactively manage and track adoption. The real value associated with a change is realized once people are committed and engaged. You know you are there when people use and improve upon the change and make it their own.





ORGANIZATION DESIGN

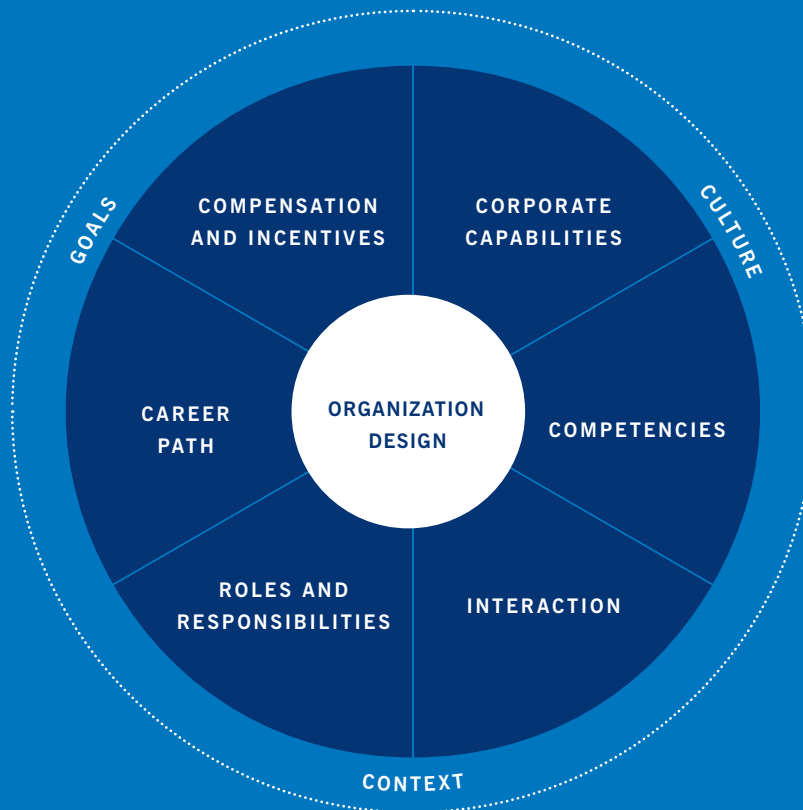
Organization design is more than creating a structure of boxes connected by lines on a page.

It's about building a foundation that fosters collaboration, enables communication, builds strong relationships, and enhances productivity.

A common misconception of organization design is that it's a simple exercise; when it comes down to it, the process of shaping a well-designed organization is delicate and requires a deliberate approach. A typical first reaction of leaders is to build the new organization chart around the people and capabilities of the existing organization. It's important, however, to get the design right first, taking into account your business processes, desired outcomes, and purpose.

Jabian's approach starts with understanding your business strategy and goals. Then focus on gaining a deep understanding of the current state of the organization, from the internal interactions and styles of the existing team to how the entire organization interfaces with other teams and organizations within the enterprise.

From there, identify the opportunities for improvement that a new organization structure can address, and begin to map out the functions the team will perform and the interaction model with other teams. Only then do we start to consider individual roles, reporting relationships, incentives and compensation, and the potential career path. Any reorganization requires a thoughtful approach to change management, including the right leadership messaging and communications to keep the organization as productive as possible through the transition.



High-performing organizations drive exceptional outcomes for all of their stakeholders.

Jabian's Organization Design Framework outlines the key concepts that must be taken into account to create a high-performing organization. Fundamentally, organizations exist to drive results. The key to a well-designed organization is to align the roles, responsibilities, incentive structure, and interactions of its people and capabilities with its business context, goals, and culture. That kind of alignment creates collaboration, innovation, productivity, fulfillment, and outstanding outcomes.

CORPORATE CAPABILITIES:

Independent of specific roles, understand the business capabilities required of the organization to support its purpose.

COMPETENCIES:

Define the skills and behaviors needed to deliver the corporate capabilities.

INTERACTION:

Define how individuals, teams, and groups work together to make decisions and execute corporate capabilities.

ROLES AND RESPONSIBILITIES:

Establish clear role descriptions that align to the purpose and goals of the process or function that they support.

CAREER PATH:

Define the career path within a specific set of roles and the potential progression from one role to another, taking into account the complete employee lifecycle from selection and hiring, to growth and development, to separation and alumni engagement.

COMPENSATION AND INCENTIVES:

Develop an incentive structure that aligns with the goals of the organization, the market, specific roles and responsibilities, and the organization's career model.



CULTURE CHANGE

Changing an organization's culture is one of leadership's most difficult and ambiguous challenges.

It's also one that organizations typically deprioritize because there's no common approach to culture change and the outcomes of improvements are difficult to measure.

Having a leadership team that is smart, strategic, and able to execute are table stakes for running a great company. The biggest differentiator of great organizations, though, is culture. Cultures are made up of purpose, values, beliefs, and leadership styles that are reinforced through rituals, symbols, history, social norms, and behaviors.

When Jabian works with an organization that needs to define, clarify, or reengineer its culture, we assess who we want to be both top-down and bottom-up. We work with leadership to answer the questions why we do what we do, what we do, and who is responsible for doing it. It's also important to understand how work is done, which is best gleaned from a bottom-up approach. The gap between the existing culture and the vision for the updated culture helps define the actions to take. Once those changes are identified and implemented, sustaining a culture change requires reinforcement and leadership visibly living the new culture.



What exactly makes up culture?

Culture is defined by the organization's purpose, values, beliefs, and leadership style, bolstered by social norms, behaviors, rituals, routines, symbols, stories, and history.

PURPOSE:

Why your organization exists and what you do for the world

SOCIAL NORMS AND BEHAVIORS:

The ranges of preferred and acceptable interactions within the organization

LEADERSHIP STYLES:

Leaders' way of providing direction, influencing, and motivating others

RITUALS, ROUTINES, AND SYMBOLS:

The habits and traditions that anchor the workforce to its past

VALUES AND BELIEFS:

The guiding principles and guardrails that influence and define how you operate

HISTORY AND STORIES:

The inspiring folklore that is repeated often and passed down through the organization



LEADERSHIP DEVELOPMENT

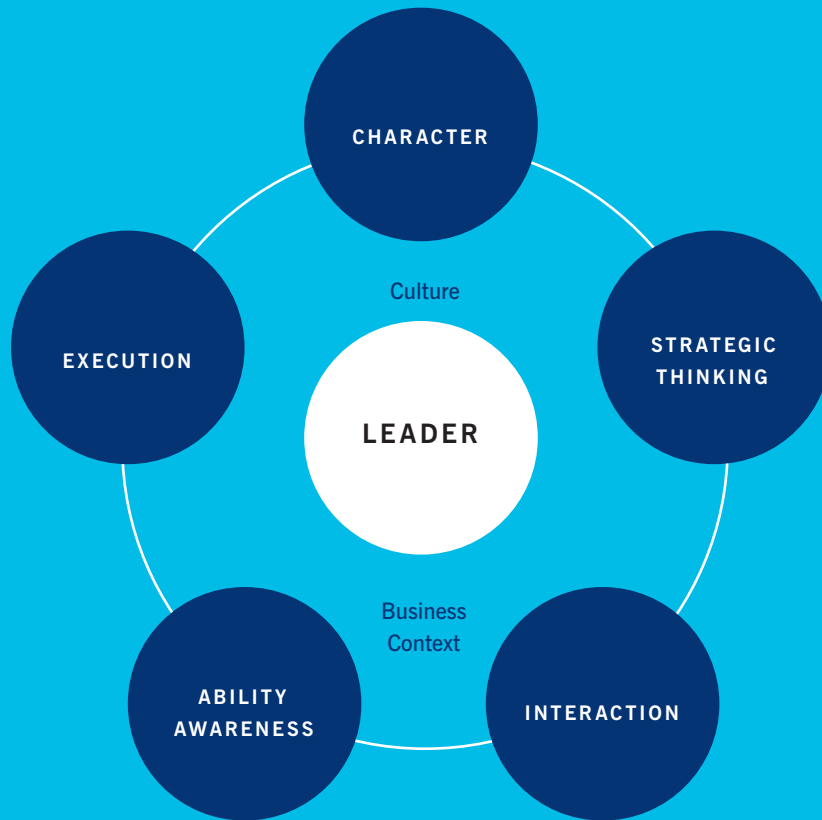
When you think of great leaders, what is it about them that makes them great?

It's not just the ability to create a problem-free environment that makes a great leader, but in many circumstances, that's what the leadership role is reduced to. Great leaders inspire the people in their organizations to be exceptional, to get to a place where people are engaged and consistently outperforming their competitors.

Great leaders, of course, need to develop sound strategies and execute on the tactical business functions that contribute to the bottom line. They also need to have the character that others want to follow, create an environment where interaction throughout the organization is healthy and productive, and have the ability to identify talent and align individual motivations with the needs of the business. Great leaders can be developed. Good leaders can be transformed into great. Leadership development goes beyond fixing what's broken. In addition to the bottom line, great leaders must understand the impact their work has on their employees, customers, and other stakeholders—and they help their employees see how their work does the same.

Cultivating leadership in the next generation is an often overlooked yet critical element that can affect the organization for years to come. Unfortunately, organizations sometimes forget to address this either early or often enough. This lack of succession planning results in a shortage of good leaders, which only hurts the long-term performance of your organization. Groom young leaders now, and everyone benefits.

For a leadership development program to be successful, the sponsors must be on board and realize a need to address leadership challenges, invest in creating exceptional leadership, or both. To develop leaders, we begin by assessing the leadership team. We then review the outcomes and build a customized roadmap that uses tools, programming, and other interventions to drive the desired outcomes. Finally, we reassess to measure progress, identify follow-on initiatives, and provide coaching.



The five key characteristics of effective leaders.

How people, or organizations, define each leadership characteristic varies depending on the culture and organizational purpose. Our framework and detailed leadership diagnostic highlights questions leaders at all levels of the organization need to be able to answer within the context of their role. Below are examples of these questions from our detailed leadership diagnostic tool.

CHARACTER:

Do you understand how your behaviors affect others? Do others want to follow you?

STRATEGIC THINKING:

Do you anticipate the future and provide a compelling vision?

INTERACTION:

Do you work well and communicate effectively with others?

ABILITY AWARENESS:

Do you understand and develop your own talent and the talent of others?

EXECUTION:

Do you achieve desired results?

These leadership characteristics are both influenced by, and in turn influence, the culture and business context of the organization.



LEARNING AND DEVELOPMENT

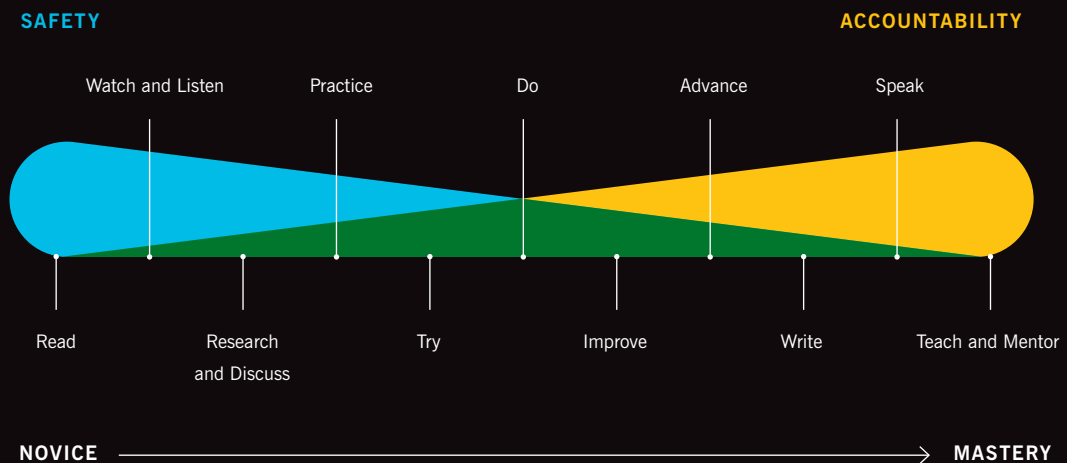
Any time leaders give their employees an opportunity to grow, they drive motivation and engagement.

People feel a rush from learning something new, meeting a goal, achieving a personal best, or progressing in their careers. Organizations must provide the opportunity for employees to grow in areas that support their career goals and passions as well as align to company objectives. Ultimately, creating a skilled workforce not only increases individual engagement, but it also enhances an organization's capabilities and leads to improvement of the bottom line. Although this is a logical consideration for organizations, 41 percent of those surveyed rarely have the opportunity to develop their skills and knowledge.

A successful learning and development program is tailored to the organization's goals and culture; it focuses on building knowledge and provides continuous learning opportunities for employees. In addition, a complete program leverages a variety of learning mechanisms, is customized to the workforce, and produces measurable results.

Organizations that provide this broad view of learning and development—incorporating a breadth of information and learning mediums while steering their workforce toward a mind-set of growth—can improve both employees' productivity and fulfillment. That's good for everyone: customers, shareholders, suppliers, and employees.

JABIAN'S LEARNING AND DEVELOPMENT FRAMEWORK



Tracking progress toward mastery.

Organizations can use our framework to help their people think through their progression toward mastery in a given domain.

Our Learning and Development Framework shows a continuum of learning, based on the activities people do while learning: from reading, listening, watching, and discussing, to doing, advancing the craft, and eventually giving back. The far-left side of the continuum takes place in a relatively safe formal learning environment. The vast majority of learning comes from the middle of the continuum, which involves experiential and on-the-job activities where more experimenting and accountability starts to take hold. At the far-right side of the continuum, learners take on more accountability as they progress toward mastery. The unfortunate reality is that most learning and development programs focus predominately on classroom training (left side) and therefore do not make significant strides to developing mastery and driving results.



PERFORMANCE MANAGEMENT

Performance management is more than an annual review process.

It's about creating the kind of environment that employees value: one that develops, engages, and inspires employees to achieve high performance throughout their career.

The key to creating value is to develop more than just a check-the-box mentality around performance management. Instead, you want a process that helps employees meet their goals through career-by-design. Most organizations miss the mark and rely solely on reviews, ratings, and extrinsic rewards, such as raises and bonuses, as their primary means of motivation. Reviews often fail to capitalize on the innate human desire to do good, grow personally, have meaningful relationships, maintain control, and do work they enjoy, all while providing clear expectations. The best companies find ways to enable employees to grow their careers through focused direction and real-time future-facing feedback.



Rethinking the feedback process.

A core objective of performance management is to motivate employees for success while aligning to their team's and organization's purpose and goals.

PLANNING:

Align, understand, and adapt employee career goals.

PERFORMING:

Execute employee plan based on goals and organizational expectations.

MONITORING:

Continuously track progress, recognize accomplishments, and create accountability.

COACHING:

Offer real-time, customized feedback to support adaptive planning and development.

DEVELOPING:

Empower and engage employees to build on their strengths and cultivate new skills.

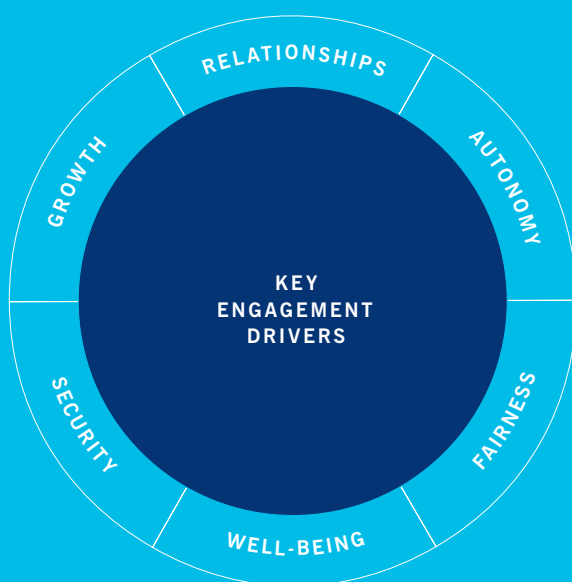
EVALUATING:

Baseline employee performance using meaningful and transparent evaluations that outline growth objectives, while gathering data to make decisions and improve.

SURVEY RESULTS

Jabian surveyed hundreds of employees to gather insights on human capital practices. Below is a summary of results highlighting the need and importance of improved human capital management techniques.

ENGAGEMENT AND CULTURE



Different people are motivated by different things.

EMPLOYEES' rankings of the six engagement drivers resulted in a roughly equal distribution across all six engagement drivers. In other words, while each individual ranked drivers differently, collectively these drivers are all important.

LEADERS, when asked to rank what their team members valued most, believed autonomy was the most important driver to their workforce.

This discrepancy highlights the need for leaders to understand each individual's specific engagement drivers to effectively engage and motivate their teams.

33%

of employees feel their organization doesn't articulate or live its defined culture

CHANGE MANAGEMENT AND COMMUNICATIONS



38%

of employees don't believe or don't know if the organization's strategic goals have been shared broadly

55%

of organizations rarely seek to understand the impacts on all stakeholder groups during major changes

76%

of companies don't have clear communication on major changes

53%

of people do not feel actively engaged with how their organization makes decisions

LEARNING AND DEVELOPMENT

PERFORMANCE MANAGEMENT

41%



of employees rarely or never have the opportunity or resources to develop knowledge or skills in their functional area



22%

of employees, in their current tenure have never received a performance review

CONCLUSION

Successful organizations understand that they need great people.

To recruit and retain great people, they need strong human capital practices to create a highly productive and fulfilled workforce. Companies that are willing to make this leap will see improvement to their bottom line through increased productivity, higher quality, more satisfied customers, and the ability to attract and retain the right employees.

If you want to move your organization to the next level, understand what motivates your people. Survey results and research are great, but understanding the emotions at play in the workforce and taking action to capitalize on what's important to your employees will drive exceptional results. If you want great results, take a holistic view of the pieces of your human capital puzzle to structure your organization, develop your people, develop leaders, recognize accomplishment, manage through change, and create an environment where your people want to excel.

So, are you ready to transform the way you view your people functions? We can help. Each of our Human Capital Management offerings can stand alone or build upon another as we work with you to develop a workforce of engaged and fulfilled people who drive great results.

Want to keep reading? Check out more articles on www.jabian.com/insights/human-capital-management-insights/



About Jabian's Human Capital Team

Jabian Consulting provides strategic human capital management consulting services to leading companies across multiple industries. Jabian's Human Capital Management group houses experts with many years of experience leading transformational change programs and driving improvements to organization design, culture, leadership, learning and development, and performance management.

For more information, visit www.jabian.com/insights/human-capital-management-insights

About Jabian

Jabian Consulting is a strategic management and technology consulting firm with an integrated approach to creating and implementing strategies, enhancing business processes, developing human capital, and better aligning technology—ultimately helping clients become more competitive and profitable. Jabian blends functional expertise, industry knowledge, and senior experience to think strategically and act practically. It's a Strategy that Works.®

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