



# JOBSmart



THE NEXT BIG STEP

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helps employees. "It leads to increased productivity, faster decision making and less internal conflict," feels Phukan. "OE helps in developing a strategic and cultural framework to integrate vision, strategic goals, performance measures, guiding principles and competencies, leading to self-motivated employees," she says. Sonpal believes that without aligning employee functions and growth with the company's goals, OE cannot be reached. "This could result in alienating employees professionally and personally. This may develop a lacking-sense-of-achievement for the employees and it influences the firm's success," he explains.

How does OE help increase performance? "An assessment of organisational strengths and weaknesses, allows decision makers to focus on areas of improvements," says Srinivasan. "It allows organisations to measure and track progress, and improve the line-of-sight between people processes and organisational goals," he adds. For Sonpal, OE brings in structure in a systematic manner. "Because of OE, every employee knows precisely what he/ she is expected to do, and is also aware of how it is projected to impact the growth of the organisation," he asserts.

And how do companies measure OE? "At Nous, OE is measured by a continuous and dynamic tracking of the goals and objectives that are drilled down to the function and business units," says Srinivasan. "Coupled with this analysis, periodic customer and employee feedback drives also help understand and track performance and progress towards achieving the organisation's objectives." Red hat aims at creating a culture which also includes a lot of fun activities. "Fun activities act as a stress buster in the hectic work schedules," says Phukan. "Our goal is to convert each engagement to a long term relationship with our customers—both internally and externally." In 4004 Incorporated, the firm adopts a 'Key Result Area' (KRA) approach to employee effectiveness. "Here, every employee is assigned a set number of tasks that align with the company's goals. These

KRAs are re-visited on a quarterly and half-yearly basis to ensure proper execution, to identify roadblocks or hindrances if they exist," elaborates Sonpal. In Travel Port India, an HR manager interacts with the employees to help them do the job better. "And once in a month the employees are given answersheets and are asked to write what they feel about the company," says Rao. In this way, the management gets to know what the employees think and feel.

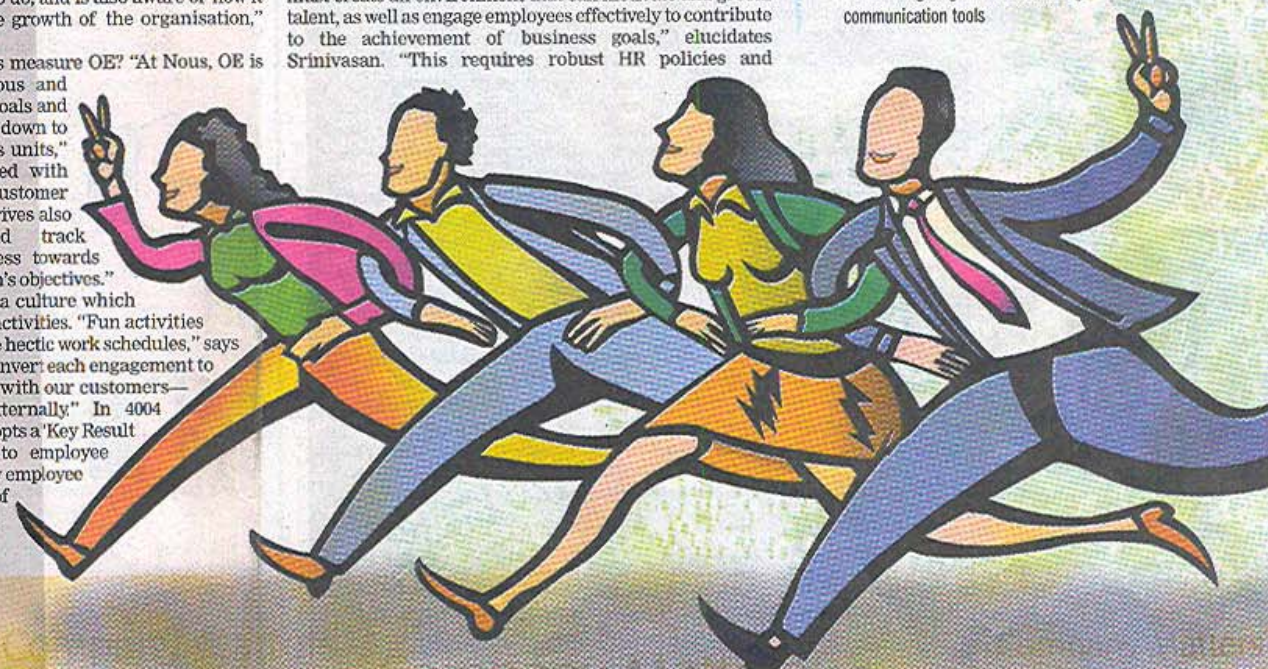
Many firms also concentrate on being internally or externally effective. "External effectiveness is perceived by business and financial success, value driven business practices, in-depth domain expertise, establishment of a brand identity and contributions to the society at large," says Srinivasan. Phukan believes that a sense of commitment and ownership to continuously deliver high standards of performance would transform all short term engagements to life-time relationships. "Customers should register the experiences as 'memories to be cherished'," she adds. "For being internally effective, an organisation must create an environment that can motivate and groom talent, as well as engage employees effectively to contribute to the achievement of business goals," elucidates Srinivasan. "This requires robust HR policies and

processes that align the efforts of people towards the goals, as well as supports them in the quest for excellence." Phukan feels that efforts for self development would ensure meeting expected results and would also build an appetite for doing things better.

"An effective organisation is one in which every employee is happy," says Rao. "There should be no fear in the organisation and everyone should be confident to talk to his senior and voice his opinion," he signs off.

#### Methods used by firms to measure OE

- Balanced score card,
- The Goals and Objectives method
- Customer, stake holder, and employee feedback surveys
- Evaluating the suitability of processes and practices
- Evaluation of communication and patterns of decision making
- Bell Curves systems
- Evaluation of an employee's performance
- Re-inforcing long-term vision through internal communication tools



In today's times when competition is at its peak, it's essential that the employee's goals are aligned with those of the firm's. To measure and keep this in check, firms are incorporating Organisational Effectiveness (OE). "OE is when every employee within a company is aware of the company's long and short-term goals and feels that his individual job function is positively impacting the same," explains Avirat Sonpal, managing director, 4004 Incorporated India. For Nabanita Phukan, head, HR, Red Hat India, OE is the ability to maximise results in the competitive external environment. "Maximising results is nothing but meeting customer expectations," she says. "It is the ability to serve customers successfully and tackle competition." For Manu Srinivasan, senior manager, Human Resources, Nous Info systems, Bangalore, OE is an indicator of how well or optimally the organisation's resources are utilised to achieve the firm's objectives. "It helps track, plan, forecast and strategise," he says.

According to Venkatesh Rao, CEO of Travel Port India, OE is very important for an organisation. "An organisation functions because of its people," he says. "If the firm is effective, there are better growth opportunities for its employees. They get a feeling of security and a sense of belonging and this brings out the best in them," he explains. OE signifies high performance organisations and

## Company Matters

It is important for a firm to be effective internally and externally. **Kavita Krishnamurthy Madiyal** talks to professionals in the field to find out how and why they measure the effectiveness of their employees