FOCUS: Preparing for an Improving Economy

As managers and executives, we constantly face a need to respond to changes in our local, national, and international economies. A few short years ago, many of us faced the need to limit our investments in new initiatives[1] and to consolidate resources; the risk of failing to do so was just too great, given the economic trends of the time. Limited growth or cutbacks were simply prudent during the economic down-turn.

Lately we have seen evidence of an improving economy. Again, corrections are probably needed. We must now ask ourselves, "What are prudent steps my organization can take to plan for an anticipated economic recovery?"

To be prepared for better days ahead, we should start planning now. Our organizations must consider revisiting strategic directions to identify potential new initiatives, and to insure that the new initiatives succeed by investing in our people. We can't afford to repeat the mistakes of the past; organizations often ignored their people when implementing new such initiatives as acquiring and merging organizations, product or service introductions and the like. They made the mistake of delaying the development or their people—treating that effort as something which could be handled later—rather than as a factor critical to the success of their new initiatives. Promising ventures, products, and services have failed because *people*—marketing staff, service staff, partners, and customers—were ill-equipped for *their* new roles in the realization of the organization's initiatives. We must never forget that the performance and productivity of an organization's people affect the overall success of initiatives—positively or negatively.

This issue of *Pathways* is the first in a series which will consider how organizations can invest in their people to ensure the success of their initiatives. The series focuses on preparing for an improved economy by planning in advance for

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[1] An "initiative" is any concrete step an organization takes to achieve one or more if its business goals. For example, if the organization wants to increase market share, it might invest in a new product or a new service. If successful, this new initiative would attract new customers from the total potential market.

performance support system[2] components. The series will address the following topics:

- When and under what circumstances must an organization develop new people knowledge, skills, and attitudes to ensure business success?

- What performance support system components should be considered?

- How do different organizational and initiative characteristics affect the decision to select different components?

- How can we ensure cost-effective delivery of performance support system components?

We hope you find this issue of *Pathways,* and the rest of the series, helpful in developing the skills your people (employees, partners, contractors, and customers) will need to make your organization even more successful as the economy improves.

John C. Wills
President/CEO

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[2] A performance support system, as used here, is a planned, organized collection of components needed to support an organization's people in the performance of their job tasks. Those components might take the form of print/non-print communications, documentation, training programs, job aids, and the like.

AT ISSUE:
Investing in People to Prepare for the Future

We would like to suggest that the performance development of its people[3] should be a standard component of an organization's strategic planning and the initiatives the organization implements. Whatever your new, strategic initiative may be, it will almost certainly require the development of new skills, knowledge, and attitudes among the people tasked with implementing the initiative.

The strategic plan focuses on anticipated initiatives that are designed to meet the organization's goals. In addition to all of the traditional aspects of such plans, they should also include a "template" of responses for the development of its people, including new roles required, expected gaps in skill, knowledge, and attitudes that will need to be addressed; implementation options; and budget ranges considered appropriate to each particular initiative.

Let's consider just a few possible organizational goals, initiatives, and proficiency gap areas. In the left column of the table [below] are listed some typical organizational goals. The second column identifies some typical initiatives organizations might implement to achieve the goals listed. On the right are typical information, skills, and attitudinal gaps that must be addressed for each goal and initiative to succeed.

Goal	Possible Initiative	Possible Gaps
Increase market share	Introduce new products and services	• Knowledge of, ability to describe unique features, functions, benefits • knowledge about the competition • Ability to provide customer support • Ability to use the product or to provide customer service
Reduce operating expenses	Business reorganization, process re-engineering	• Knowledge about changes and reasons • Acceptance of change justification • Management ability to support and assist

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[3] We are using the term "people" throughout to describe all the human resources impacted by an organization's initiatives. They may include not only the organization's employees, but certain contractor, partner, and customer personnel as well.

		employees
Enter new markets and industries	Merger/acquisition	• Management/staff comprehension and acceptance of the procedures and effort entailed in merging disparate systems • Understanding and acceptance of job procedure differences • Knowledge of benefits to customers, stockholders • Knowledge of organizational history and mission, and acceptance of corporate values • Understanding/acceptance of remuneration, benefits • Knowledge of and ability to address issues and questions regarding competitive products and services

Undoubtedly, you can think of goals, initiatives, and gaps other than those listed in the table. The point is that the success of any future initiative is dependent upon a plan to develop the people impacted—to ensure they understand their role, can perform their functions, and grow to accept the workplace changes entailed.
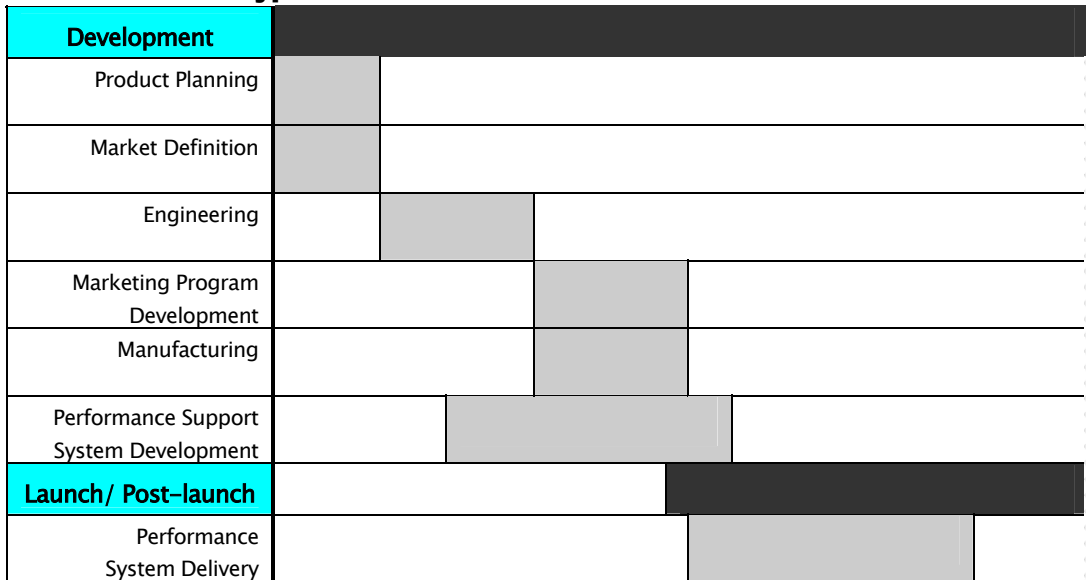
Performance Support Systems Development is a Critical Success Factor

There was a time when we could begin thinking about the development of performance support system components late in the initiative's implementation timeline. In today's competitive environment, we must do all we can to reduce time-to-results[4] since other, forward-looking competitors are likely to be planning similar initiatives. Like all the other components of today's typical initiative, the development of performance support systems must start early and occur concurrently with the development of other components. If not, we find ourselves playing "catch-up"—using crash tactics that tend to be "too little, too late." Just a few short years ago, the typical new product implementation timeline looked something like this:
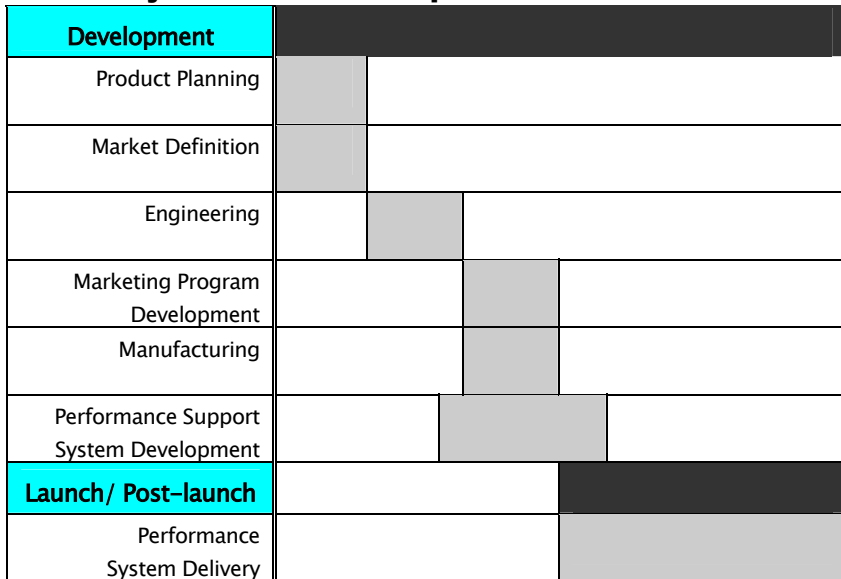
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[4] We are using the term, "time-to-results" here because it is no longer sufficient just to get an initiative launched. We must reach the point where the organization's desired goals are actually delivering value.

Typical New Product Introduction Timeline

Development	
Product Planning	
Market Definition	
Engineering	
Marketing Program Development	
Manufacturing	
Performance Support System Development	
Launch/ Post–launch	
Performance System Delivery	

Today's truncated timeline looks more like this:

Today's New Product Implementation Timeline

Development	
Product Planning	
Market Definition	
Engineering	
Marketing Program Development	
Manufacturing	
Performance Support System Development	
Launch/ Post–launch	
Performance System Delivery	

Many an initiative has failed, not because it was ill–conceived, but because the performance support system was developed too late and/or poorly supported. We have less time than ever before to identify the people who will need performance

support system components and to determine their specific knowledge and skills gaps.

What People Resources Must We Address?

Strategic planning for the needed performance support system components must take into consideration *all* the people who will require performance development assistance.

It probably won't be possible, early on in strategic planning, to specify the exact performance support system components needed by each group, but it is imperative that you identify all the people who are likely to need knowledge and skills in support of each initiative. You will need to identify the various people and groups who:

- Are involved in/contributing to the development of the initiative
- Need to know about the progress of the initiative
- Will be managing elements of the initiative and/or the people who will be making it happen
- Need to know about the new product, service, or business process change
- Will be contributing to the development of the initiative
- Will be using the product or service
- Will be selling any related product or service
- Will be maintaining or otherwise supporting the product or service.

The following graphic shows some of the groups you need to consider. Be sure to think about the needs of people both *within* and *outside* your immediate organization. Bear in mind that many of the audiences you identify will need somewhat different support solutions; this is a key reason for thinking in terms of a performance support *system*.

In the next issue of *Pathways* we will examine in more detail some of the knowledge/skill/attitudinal gaps each group shown is likely to manifest. We also will explore some of the alternative methods available for eliminating such gaps. Formal training is only one among many.

In Summary

As we begin to plan initiatives to take advantage of an improving economy, we cannot forget about, or postpone consideration of, the critical human factor. People performance development is a key element of successful strategic initiatives.

Van O. Wright, Ph.D. and
John Wills, President/CEO

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Quotation

> If you were surprised when the economic bubble burst … can you also allow yourself to be taken by surprise when the economy recovers?