

# Business Resilience Toolkit

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## Performance drivers

Presented by Ellen Schuler, Business Consultant

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### Transcript:

What drives the performance of your organisation? Do you focus on and monitor your performance drivers?

Organisational performance is like physical health and wellbeing. There are many factors that contribute to your organisation's performance. These factors need to work together to ensure your not-for-profit is performing well.

Hello, I'm Ellen Schuler and I'm a business consultant at Community Business Bureau.

In this video we look at six areas that drive the performance and resilience of your organisation. Monitoring and measuring these areas will assist you to monitor how things are going. It will help you to notice early if you need to take corrective action. As with our health an ounce of prevention is better than a pound of cure.

#### Purpose

Business performance starts with your purpose – why your organisation exists and what difference you make. Your purpose provides the direction and engagement for everyone in your organisation. Your purpose should inform the decisions at all levels and what is critical for your organisation. It is why your people come to work and why diverse people can work together.

It can be really difficult to define your social impact targets and design measures, however measuring your social impact will help to monitor if you deliver on your purpose.

#### Leadership

Leadership will drive or hinder performance. Your leaders impact on every part of your organisation. If your leadership is incompetent it will flow through to your service, your customers, and your bottom line. Leaders ignite passion in people, open up possibilities and bring out the best in their team.

Developing and supporting your leaders is as important as developing emerging leaders. Having a learning and development register can help to encourage leadership development and continuous learning.

#### Culture

The culture of your organisation determines your success. Your organisation is full of unwritten ground rules and they are often not the values you have selected and stated on your website.

What principles would you like to embed in your organisation? How are they modelled by your leaders, by your managers and your supervisors? How do you acknowledge people who follow these principles?

Conducting regular staff surveys can help you diagnose if your culture is healthy and if your leaders are driving performance.

### **Reputation and Brand**

Your reputation and brand greatly impact on several aspects of your performance.

Your reputation assists you to attract your customers, to support your customers and to fulfill your mission.

Your reputation assists you to attract and engage the right staff.

And your reputation can assist you to attract funding from donors and governments as they trust you to use the funding well.

Reputation must be earned, and it takes time to develop a good reputation. Yet, it can be destroyed very quickly.

To measure your reputation, you need to seek external views, firstly from your customers. Conducting regular customer satisfaction and engagement surveys or interviews will give you an insight into your reputation. Would your customers recommend you to their friends?

You can also get an external view by seeking feedback from other stakeholders who are dealing with your organisation on a regular basis.

### **Employee engagement**

Your employees can come to work and give their best or just be at work. Motivation translates into performance, productivity, and customer satisfaction.

Employees are engaged when they trust their managers, when they feel valued and when they are encouraged to thrive. Your managers implement your strategy, manage the expectations, yet they need to motivate, provide role clarity and opportunity to perform.

Managers need to create the conditions for all staff members to give their best every day. Managers should invite everyone to contribute. Committed staff will be loyal and drive your organisation's performance.

High staff turnover will indicate low morale. Regular staff engagement surveys can highlight if staff are engaged and willing to go the extra mile.

Surveys can also provide some early warning if things are not going well. Unhappy staff are unlikely to provide a good service. A drop in employee engagement usually precedes a fall in customer satisfaction.

### **Processes and structure**

Failure to invest in improving your systems will cost you more than you think. Bad processes and ineffective structures impact on staff morale, impact the customer experience and increase nonvalue add activities in your organisation.

Having effective and efficient systems will allow your staff to focus their energy on your customers. Having a continuous improvement program can encourage staff to propose better systems. Once you have improved a process or system you should be able to measure an improvement in employee engagement and customer satisfaction.

Conducting regular customer satisfaction and engagement surveys will reveal if your staff is doing a good job but also if your processes and structures are customer friendly or unworkable. It will also reveal if improvements have translated into a better customer experience.

Paying attention to these six performance areas will assist you drive the performance and the resilience of your organisation. By establishing clear performance indicators in each of these areas you can monitor how things are going - not just in that area but as a whole.

Performance indicators will alert you and allow you to take corrective actions early. It will also help you to monitor if improvements are working out and where you should pay more attention.

Understanding and paying attention to your performance drivers will help you to understand your strengths and weaknesses. By taking corrective actions before things go wrong you will grow your organisation's resilience for the future

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