

LAWSON: MAXIMIZING PERSONNEL POTENTIAL

Tegan Jones

What separates a company's top talent from its low performers varies by organization. All companies share the desire to close the gap between these two groups, but their success ultimately depends on their ability to align business strategies with the individual needs of their workforce. By identifying the behaviors that separate the best from the rest, leaders can adjust their learning programs to improve performance across the board.

This method has worked particularly well for Lawson, a global provider of software and service solutions. By identifying the "what" and the "how" of performance, Lawson can see who its top employees are and find out what puts them at the head of the class.

"The 'what' of performance is really goal attainment," said Larry Dunivan, vice president of human capital management. "And the 'how' of performance is essentially how you do the work. That is based on observed behaviors and the behavioral measurements we conduct each year."

Lawson uses a product called TalentView of Performance, developed by Personnel Decisions International (PDI), to identify the competencies and behaviors that best measure performance and analyze which behaviors, if

any, are more indicative of higher performance.

In its last evaluation, Lawson found four optimal behaviors that corresponded with high performance and adjusted its training and hiring processes to focus on these traits.

"We immediately changed our screening interview to go after those four behaviors that we knew were indicative of higher utilization and weighted it very heavily in our evaluation criteria for candidates," Dunivan said. "Then we looked at the training programs for consultants, and we identified a unique unit of training in each of those four behavior categories and made sure that the demonstrated proficiency for that portion of the training was mandatory.

"We said, 'We are going to guarantee that every project manager in our service organization has been screened for these behaviors and has demonstrated proficiency before we put them out in the field.'"

The financial rewards of this kind of alignment can be great, as the Lawson example shows. Dunivan said the average consultant performing in the lowest 25 percent grossed an average of \$252,000 per year for the company. Those in the top 25 percent, he said, averaged \$311,000.

"That difference corresponds to over \$60,000 in revenue per employee," Dunivan said. "So, when we brought this data back to our leadership, of course their eyes perked up because not only is that incremental revenue, but it's incremental revenue with very low incremental cost. So, the margin on that revenue is very, very high."

Lawson won't be able to tell whether its realignment is producing financial gains for another year, but Dunivan is confident that implementing these changes will improve performance. He said the key to long-term growth is to measure the changing influence of these behaviors each year and continue to adjust talent management solutions accordingly.

"What we intend to do is, a year from now, measure utilization again and see if we've seen an overall improvement. We'll continue to monitor whether those behaviors are still the ones that make the difference," he said. "As the workforce matures, different behaviors will become more predictive, so we're not going to assume that next year, that same behavior will be the most important one, but we will be able to measure from year to year whether the utilization improvements were achieved." **TM**

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