INDEX

A
Absenteeism, 20
Academy companies, 212
Accenture, 115, 160
Accountability, 175
Agility, 232–234
Airline industry: high-involvement organization in, 26; strategies in, 39; talent management in, 20–21
Alignment and fit: of competencies/capabilities with strategy, 42; of decision processes, information processes, and structure, 149; of employee with employer, 63, 73–74; of organization with strategy, 35; of people, with whole system, 58–59; of reward system, 53; in Star Model, 38, 52, 222
Ambidextrous organization, 226–228, 229, 231
American Airlines, 39
American International Group, 210
American Motors, 222
American Standard, 130–131
Analytics: for board, 186–190, 195; decision science and, 202; as HR capability, 165–166, 170–171, 173; in human capital information system, 11, 135–138, 149
Annual reports, 139–140, 141–142
Annual review cycle, 118
Antoine, D., 213
Apple, 29, 40
Arthur Andersen, 5
Asia, 28
Assembly lines, 16
AT&T, 14
Attention, of managers, 199–200
Attraction and recruitment: challenges of, 6, 8; critical skills identification and, 82–84, 97; of current employees, 95; employer brand management and, 68–76; mismanagement of, 7; perquisites and, 71; processes of, 84–88. See also Selection and hiring
Audits, talent, 188
Automation, 17, 238
Automobile industry: assembly lines in, 16; greenfield approach in, 226–228; labor costs in, 21; talent-based competitor in, 17–18
Avatar, 86
Avon, 40, 41

B
Bain, 44
Balanced scorecard, 112–113, 135, 189
Bank of America, 66
Barry, R. G., 140
Baseball teams, 113, 114, 137. See also Sports teams
Basketball teams, 113. See also Sports teams
Beane, B., 113, 114, 137
Benefits: in low-cost-operator organizations, 21; in structure-centric versus HC-centric organizations, 55. See also Perquisites; Rewards
Bennett, S., 115
Bennis, W., 199
Benson, G., 90
Best Buy, 100–101, 208
Blake, F., 210
BMW, 17–18
Board chair, 185
Boards, 175–195; and CEO performance appraisal, 107, 183–184, 185–186; chief executive officers (CEOs) and power of, 176–178; committees of, 191–192, 195; compensation of, 182–183, 195; conditions needed for, 176–192; creating opportunities in, 190–192; evaluation of, 183, 184–186, 195; of high-involvement versus global-competitor organizations, 194; human capital management knowledge of, 178–182, 195; HR function and, 154–155, 174; information requirements of, 186–190, 195; key issues for, 195; meetings of, 191; members of, 178–179; metrics and analytics for, 177, 186–190, 195; motivations of, 182–186; performance management of, 182–186; power and influence of, 176–178, 195; role of, in talent management, 11–12; survey of, about information sufficiency, 187; trends in, 175–176
Boeing, 42, 210
Bonuses: in global-competitor organizations, 28, 122–124; in high-involvement organizations, 23, 120–122; performance-based, 108–109, 117, 120–124; team-based, 56–57. See also Gain sharing; Profit sharing; Rewards; Stock ownership
Booz Allen, 44
Boudreau, J., 83, 164, 172
BP, 160
Brand. See Employer brand
Budgeting process, 50
Build strategy, 64, 88. See also Development; High-involvement organization
Bureaucratic organization. See Hierarchical bureaucracy
Burger King, 15
Business school education, 211–212, 221, 235
Business support, HR role in, 157, 161–164, 169, 170–172
Business understanding: development for, 145–147, 216; tracking, in information system, 129
Business units: decision making at level of, 148; metrics for, 130; performance of, sharing information about, 144, 145; rewards for, 55

C
Call centers, 159–161
Capabilities, defined, 41. See also Competencies and capabilities
Capital One, 116
Capitalism, 237
Career centers, 90–91
Career customization, 78–82, 117
Career development: counseling for, 87; as high-involvement organization feature, 25, 78, 122; of HR staff, 154, 167–170, 174; self-management of, 89–91, 98, 163. See also Development; Succession management
Carrot-and-stick approach, 103–104
Center for Effective Organizations (CEO), 90, 154–155, 187
Centers of excellence, 170–171
Change, organizational. See Organizational change
Change, pace of: as factor in organization choice, 33; flexibility and, 232–234; learning capacity and, 214; and need for HC-centric organizations, 12, 230,232–234; organization and, 7–8; performance appraisal frequency and, 110
Change capability, 8–9, 214, 223, 232–234
Change management, 224–228
Chicago Cubs, 137
See also Senior management
Chief financial officers (CFOs): board activity of, 180; survey of, on information system effectiveness, 127; survey of, on investor interest in human capital, 176
Chief human resource officers (CHROs), 178, 180. See also Human resource (HR) executives
Chief organizational effectiveness officer (COEO), 172
China, 18, 28
Chrysler, 89, 222, 237
Cisco Systems, 30; career development at, 90–91; egalitarianism at, 121; employer brand of, 74–75; key performance indicators at, 132
Citigroup, 30
Clarkson, W., 141
Cleaning and janitorial services, 16
Cleveland Indians, 64, 137
Comfort zone, 238
Commitment: career customization and, 80; in global-competitor organizations, 28, 218; in high-involvement organizations, 23, 33, 77, 121–122; meaningful purpose and, 39–40; reward discrepancies and, 207–208
Communications: about job openings, 68–69; executive, 210–211, 219; managerial, 200–201, 219; in structure-centric versus HC-centric organizations, 50–51
Community, sense of: as high-involvement organization feature, 23, 25; perquisites and, 71
Competencies, defined, 40–41. See also Competencies and capabilities
Competencies and capabilities (organizational): identification of, 133–134; link between strategy and, 40–44, 102; measurement of, 52–53, 130–131, 133–135, 149; in Star Model, 37, 40–44; talent implications of, 43–44; tracking, 133–135, 149; translating, into skills, 82–84
Competitive advantage: change capability as, 8–9, 214, 223, 232–234; with competencies and capabilities, 41–42; and critical skills, 82; customer service as, 4–5; employer brand as, 68; financial capital as, 3; HC-centric organization as, 12–13, 41–42, 232–235; information technology and, 3–4; for low-cost operators, 15, 16; managers and, 199; organization as, 6–8; of organizational change, 223; performance and, 8–9; performance management and, 99; talent as, 5–6, 21–22, 64; in talent-critical versus talent-intensive organizations, 30–31
Competitive landscape, factors in new, 2–9, 237–239

Competitors: information about performance of, 144, 189; organizational change and, 223; for talent, knowing and beating, 94–95

Consultants: for boards, 178, 180, 181; for HR function, 168

Contract and temporary employees: bonuses for, 122, 123–124; in global-competitor organizations, 28, 30, 78, 123–124

Core employees, in global-competitor organizations: decision making by, 148–149; employment contracts for, 27–28, 78; rewards for, 122–123

Corporate boards. See Boards

Corporations, large: broad-based involvement in strategy in, 43; failure of bureaucratic, 5, 14, 237–238; global-competitor, 27, 240; high-involvement, 240–241; HR staffing in, 168; pay-for-performance systems in, 121.

See also Global-competitor organization; Low-cost-operator organization

Cost-benefit analysis: analytics for, 136–138; to build talent, 27, 28; of low wages, 19–21; of perquisites, 71, 73; of turnover, 93–94

Cost management, of low-cost operators, 17

Costco, 17, 21, 26, 224, 229, 238–239; selection process of, 86–87

Costello, L., 130

Creative destruction, 237–238

Credibility, executive, 207–208, 219

Cross-calibration meetings, 116

Cross-ruffing, 67

Culture, defined, 60–61. See also Identity, organizational

Customer attraction, 75

Customer information systems, 131–132

Customer relationship management (CRM) software, 9, 107

Customer service and interface: analytics and metrics for, 171; board experiential data on, 189–190; critical skills and, 82; employer brand and, 69; executive involvement in, 211; as factor in organization choice, 32, 33–34; growth in service organizations and, 4; in high-involvement organizations, 33–34; in low-cost operators, 16; reward differences and, 208; as source of competitive advantage, 4–5

D

Dashboards, 189

Database of skills, 106, 117

David, G., 69, 211

DaVita Corporation, 205–206


Decision science approach, 130–131, 202–204, 218

Deep expertise. See Expertise, talent

Dell, 103

Dell, M., 103

Deloitte & Touche, 79–81, 117

Deloitte Touche Tohmatsu, 91
Delta Airlines, 39
Democratic tradition, 23, 33
Design, organizational. See
Organizational change;
Organizational design; Star
Model
Developing countries, offshoring to,
18, 28, 238
Development: analytics regarding,
137; approaches to, 88–93; board involvement in,
187, 189; buying talent versus, 33, 212; in
global-competitor organizations,
89, 163, 217; for group decision making,
145–147; in high-involvement organizations,
25, 64, 78, 88–89, 98, 116, 145–147,
212, 217, 240–241; HR role in,
161–164; of leaders, 211–216,
217, 219; of managers, 202–203,
211–216, 217, 219; managers’
role in, 202; organizational change and,
234; performance management and,
100, 102–103, 106, 116; replacement versus,
116; rewarding, 57–58, 122;
self-managed, 89–91, 98, 163;
separating pay-for-performance
discussions from, 106, 117, 125.
See also Business school education;
Career development;
Succession management
Digital Equipment Corporation, 5
Dilbert, 2
Distance management, 100–101
Diversity, in U.S. workforce, 6
Dot-com companies: layoffs at,
74–75; perquisites in, 70, 72
Due diligence, 182
E
eckert, B., 212–213
EDS, 115
Education, 6, 241–242. See also
Business school education;
Development; Training
Egalitarianism: as executive challenge,
207–210; as high-involvement organization feature,
23, 121; in rewards system,
55, 58, 120–122, 207–208
Electronic town hall meetings, 43
Eli Lilly, 158–159
Employee attitude surveys: frequency of,
131; including, in information system,
129, 130, 131; sharing, with board,
187, 188–189; sharing, with job applicants,
69; sharing, with public, 139, 140
Employee behaviors: in low-cost-operator organizations,
19–21; past, as predictors, 85; principles of,
202–203
Employee differences: in global-competitor organizations,
122–123; in motivation, 95–96,
97, 103–104; value proposition and, 95–96
Employee relationship management (ERM) system, 107–109
Employer brand, 10, 47, 68–76;
actions that hurt, 74–76; board’s knowledge of, 190; customer attraction and, 75; fit and, 73–74;
general factors in, 68–69; perquisites and, 70–73
Employment ads, 68–69
Employment contracts or deals: developing, 76–78, 97; in global-competitor organizations,
27–28, 58, 78, 81, 218; in high-involvement organizations, 27,
58, 77–78, 81, 121–122; individualized, 78–82; selling, to current employees, 95–96
Employment stability, 23, 27. See also Job security
Employment trends, 4, 238
Engagement, 131
Enrico, R., 212, 213
Enron, 5
Entertainment firms, 30
Environment: flexibility and, 232–234; monitoring, 199; new competitive landscape and, 2–9, 237–239; strategy choice and, 39
Equity and inequity: in compensation, 120–122, 193–194, 207–208; in employment deals, 81–82
Ethics, board, 175
Evidence-based management: corporate boards and, 179–182; HR function and, 162, 163–164, 173; senior managers’ knowledge of, 221
Executive searches, 181
Executives. See Chief executive officers; Human resource (HR) executives; Leaders; Senior management and executives
Experience, developmental, 88–89, 212
Experimentation, 214
Expertise, talent management: among board members, 178–182; among managers, 202–204, 218; in HR function, 167–169, 174
Exxon, 14

F
Facebook, 86
Fairness, 61–62, 81–82, 112
Farming, 16
Fast food business, 15, 230
Federal Express, 83
Feedback: for career self-management, 89, 91; to chief executive officer (CEO), 184; for internal motivation, 105; to job interviewees, 87; negative, 118–119, 204–207; ongoing and immediate, 106, 117–119, 125, 207; resistance to giving, 118–119, 204; truthful, 204–207, 219. See also Performance appraisal
Financial capital, availability of, 3
Financial information: to board, 187, 190; human capital information and, 51–52, 53, 128–129; public reporting of, 138, 140, 175; sharing, with employees, 23, 25, 142–147, 149, 150; on team performance, 120
Financial service firms, 30, 86
Fiorina, C., 210
Fit. See Alignment and fit
Flat structure, 24, 45, 46, 217. See also High-involvement organization
Flexibility, 232–234
Flexible work arrangements, individualized employment deals and, 78–82
Focus groups, 190
Followership, 46
Food production businesses, 5, 16
Food service organizations, 4, 15, 230
Football teams, 84. See also Sports teams
Forced-distribution approach, 115–116
Ford, 222, 228, 237
Fortune 1000 companies, 142–144, 145–146, 180, 183–184
Fortune Magazine, 5
Front-back organization, 170
Functional structure, 48

G
Gain sharing: in high-involvement organizations, 23, 120–121; in HC-centric organizations, 56–57
Gaines dog food, 227
Gaming, 120
Genentech, 40
General Electric (GE), 5, 42, 180, 212; CEO role at, 209–210; forced distributions at, 115; leadership performance matrix of, 111; manager development
Global-competitor organization: boards of, 189, 194; businesses appropriate to, 30; career self-management in, 89; characteristics of, 26–30; core employees in, 27–28, 122–123, 148–149; decision making in, 148–149; development in, 89, 163, 217; drivers of, 26–27; employer brand management and, 68; employment contracts/deals in, 27–28, 58, 78, 81, 218; examples of, 64; factors in choosing, 32–33, 239–241; high-involvement organization combined with, 34–35; high-involvement organization versus, 28, 29, 32–34, 58, 59, 60, 239–241; HR function in, 173; leadership in, 217, 218; low-cost operators and, 30; metrics for, 166, 189, 194; organization size and, 240–241; organizational change within, 234; pay-for-performance systems in, 122–124; replacement versus development in, 116; rewards in, 28, 122–124, 208; selection processes in, 86; senior managers’ preference for, 239–240; structure-centric organization versus, 30; talent management in, 59, 64–65; transformation from structure-centric organization to, 162–163; transforming to, from bureaucratic organization, 230–231, 239–240; transforming to, from low-cost-operator, 229, 230; types of employees in, 27–28; value proposition of, 60. See also Human-capital-centric (HC-centric) organization

Goal setting: effect of, on performance, 104–105; management of, 200–201; for performance, 106, 110, 125


Google, 224, 235; egalitarianism at, 121; hiring at, 72–74; perquisites at, 72; recruiting and selection at, 73–74, 82, 86

Google Lab Aptitude Test (GLAT), 73, 82

Gore, B., 46

Gore, W. L., 46–47, 224

Governance, 175–195. See also Boards

Governments, 240–241

Graphic Controls, 141–142

Greenberg, H., 210

Greenfield approach, 226–228, 231

Groupthink, in hiring process, 85–86

Grove, A., 118

Guzzo, R., 139

H

Harley-Davidson, 26, 224, 231

Harvard Business Review, 135

HC-centric organization. See Human-capital-centric (HC-centric) organization

Herman Miller, 188, 189

Hewlett-Packard (HP), 86, 90–91, 197, 210

Hierarchical bureaucracy: businesses appropriate to, 5; decision making in, 51, 147; failure of, to manage talent, 7; failure of large corporations and, 5, 14, 237–238; high-involvement organization versus, 23–24, 25–26; identity of, 61; prevalence of, 2, 14; rating systems and, 114–116; reward systems in, 53–54; structure of,
Hierarchical bureaucracy

*(Continued)*
44–45; transforming, to global-competitor organization, 230–231, 239–240; transforming, to high-involvement organization, 231, 239–240. See also Structure-centric organization

High-involvement organization:
boards of, 189–190, 194; business understanding in, 129, 150, 216; businesses appropriate to, 26; characteristics of, 22–26; compensation equity in, 120–122, 193–194, 208; compensation openness in, 55–56; decision making in, 22, 145–148, 150; development in, 25, 64, 78, 88–89, 98, 116, 122, 145–147, 212, 217; distance management in, 101; employment contracts of, 27, 58, 77–78, 81, 121–122; factors in choosing, 32–34, 239–241; global-competitor organization combined with, 34–35; global-competitor organization *versus*, 28, 29, 32–34, 58, 59, 60, 239–241; greenfield approach to, 226–228; hierarchical bureaucracy *versus*, 23–24, 25–26; history of, 22, 26; HR function in, 173; information sharing in, 23, 25, 55–56, 144–145, 150; knowledge for participation in, 145–147, 216; leadership in, 22–23, 25, 46, 197–198, 217; metrics for, 166, 189–190, 194; organization size and, 240–241; organizational change within, 234; pay-for-performance systems in, 120–122; performance measures in, 102–103; selection processes in, 85, 87; strategy-formulation involvement in, 43; talent management in, 59, 64; team structure of, 45–47; transforming to, from bureaucratic organization, 231, 239–240; transforming to, from low-cost-operator, 229; turnover costs to, 93–94; value proposition of, 60. See also Human-capital-centric (HC-centric) organization

High performers, retention focus on, 96–97, 98

Hiring. See Selection and hiring

Home Depot, 89, 207, 210

Honda, 237

Hoteling offices, 101

HR business process outsourcing space (HR BPO), 159–161, 164

Human capital: competitive realities and, 2–9; importance of, 1–13, 61, 64; knowing-doing gap and, 1–2, 8–9, 220–223; organizational identity and, 61–62; senior executives’ concern about, 1; tracking, 126–147, 186–190. See also Talent headings

Human-capital-centric (HC-centric) organization, 1; barriers to creation of, 220–223; choosing, *versus* structure-centric organization, 30–32; choosing high-involvement *versus* global-competitor, 32–34, 239–241; creation of, 223–232; defined, 9; design of, 36–62; features of, 9–12; future of, 241–242; governance of, 175–195; knowing-doing gap and, 1–2, 8–9, 220–223; leadership in, 196–219; managing change for, 220–235; need for, 12–13, 41–42, 220, 232–235, 237–242; for new companies, 8–9, 223–224, 235; new competitive landscape and, 2–9, 238; organization size and, 240–241; social perspective on, 238; Star Model applied to, 37–62; strategy and flexibility in, 232–234; structure-centric organization *versus*, 30–32, 36–62;
transforming structure-centric organizations to, 9, 162–163, 221–223, 224–232, 238–242; types of, 14, 21–30, 32–34, 239–241. See also Global-competitor organization; High-involvement organization

Human capital information system. See Information system

Human capital management committee, 192, 195

Human resource (HR) executives: boards and, 178, 179, 180, 192; as business partners, 155–156, 164–166; career paths for, 154, 167–170, 174; chief organizational effectiveness officer (COEO) and, 172; help-wanted ad for, 168; knowledge of, 202–203; replacement of, 152; survey of, on information system effectiveness, 126–127


Human resource information systems (HRISs), 91

Hurd, M., 197

IBM, 4, 5, 34, 160; broad-based involvement in, 43; as bureaucratic organization, 14, 29; development at, 92; HR reinvention at, 162–163; telecommuting at, 101; transformation of, to global-competitor organization, 29, 30, 162–163, 224, 230, 231

Identity, organizational, 35; culture versus, 60–61; defined, 61; in Star Model, 38, 60–62

Ideo, 40

Immelt, J., 65, 209–210

Independent directors, 178–179. See also Boards

India, 18, 28

Individual performance. See Performance, individual

Individualized employment deals, 78–82

Information sharing: about organizational performance, 142–143; to enable career self-management, 90; to enable group decision making, 145–147, 149, 150; public, 138–142, 149, 186. See also Financial information

Information system: analytics and, 135–138, 149; for board governance, 186–190, 195; decision
Information system (Continued)  
making and, 147–150; for HR administration, 157–160; human capital, 126–149; individual-level information in, 129–133; individual-level metrics for, 132–133; managers and, 201; organization-level information in, 133–135; overview of, 10–11, 126–128, 149; public reporting and, 138–142, 149, 186; in Star Model design, 49–53; overview of, 10–11, 126–128, 149; public reporting and, 138–142, 149, 186; in Star Model design, 49–53; survey of effectiveness of, 126–127. See also Analytics; Financial information; Intranets; Measurement; Web  
Information technology (IT): as driver of global-competitor organization, 26–27; for HR administrative tasks, 157–160; impact of, on new competitive landscape, 3–4, 238  
Innovation, 7–8, 41–42  
Intangible assets: board governance and, 175, 187; as factor in organization choice, 32, 235; trend toward, 4, 237. See also Human capital; Talent  
Integration, identity and, 61  
Intel, 29, 30, 116, 118, 224  
Intelligence testing, 85  
InterContinental Hotel, 135  
Internet, 3. See also Web  
Internships, 87–88  
Interpersonal skills, 200–201, 221  
Interviewing process, 85–86  
Intranets: career development systems on, 91, 109; skills database on, 117. See also Web  
Intuit, 115  
Investors. See Shareholders  
Involvement. See Decision making; High-involvement organization  

J  
Japan, 169  
Jet Blue Airways, 39, 211  
Job descriptions, 44, 48–49  
Job experiences, 88–89  
Job openings: external communications about, 68–69; internal communications about, 91–93  
Job rotation, into HR function, 169  
Job security, 77, 163, 240. See also Employment stability  
Jung, A., 40

K  
Kaplan, R. S., 134  
Key performance indicators (KPIs), 132, 138, 139  
Knmart, 238  
Knowing-doing gap, 1–2, 8–9, 220–223  
Knowing-Doing Gap, The (Pfeffer and Sutton), 215  
Knowledge: of board members, 178–182, 195; of business, 129, 145–147, 216; competencies and capabilities and, 40–41; development of, for group decision making, 145–147; of managers, 202–203; for organizational change, 221, 235  
Knowledge economy, factors contributing to, 2–9  
Knowledge work: career customization and, 80; offshoring, 18, 28  
Kodak, 222, 231

L  
Labor market research, 94–95  
Lafley, A. G., 213, 214  
Large corporations. See Corporations, large  
Lattice structure, 46, 47  
Lawler, E. E., 22, 141, 164  
Layoffs: approaches to handling, 74–75, 209; global-competitor organization strategy and, 194  
Leaders, 196–219; development of, 211–216, 219; evaluation of managers as, 110–111; in high-involvement versus
global-competitor organizations, 217–218; managers as, 110–111, 197–207, 211–216, 219; obstacles of, to creating HC-centric organization, 220–223; organizational effectiveness and, 196–197; recognition of, 216; skills required of, 218–219. See also Chief executive officers (CEOs); Managers; Senior management and executives

Leadership, shared, 12; creating, 215–216; in high-involvement organizations, 22–23, 25, 46, 217; as HC-centric organization feature, 60; virtuous spiral of, 215–216. See also Self-managing teams

Leadership moments, 217

Leadership performance matrix, 111

Learning: leadership and, 214; rewards that encourage, 57–58. See also Development

Legal issues, 153–154, 175

Lewis, K., 66

Lilly, Eli, 158–159

Linblad Expeditions, 68

Line managers, 152, 164–165. See also Managers; Supervisors

Listening to employees, 76

Low-cost-operator organization, 14–21; businesses appropriate to, 15–16, 238; cost benefits of, 17; definition and features of, 15; factors in choosing, 30–32, 238; global-competitor organization and, 30; hidden costs of, 19–21; transforming, to global-competitor organization, 229, 230; transforming, to high-involvement organization, 229. See also Structure-centric organization

Low-value-added jobs, 5, 238

Low wages. See Wages, low

Loyalty, 23, 29. See also Commitment

M

Mackey, J., 56, 194

Malaysia, 28

Management field, 237, 241–242

Managers, in HC-centric organizations: challenges facing, 207–215; development of, 202–203, 211–216, 219; evaluation of, 109–111; evidence-based expertise for, 162, 163–164, 173; future orientation of, 198–199, 218; HR role of, 152; HR support for, 161–164; job experiences for, 88–89; job transfers and, 92–93; as leaders, 197–207, 211–216, 219; performance management role of, 200–201, 204–207, 218; performance-problem-handling by, 204–207; rating systems and, 115–116; resistance of, to giving feedback, 118–119, 204; skills required of, 218–219; talent management capability of, 12, 110–111, 201–204, 218. See also Leaders; Line managers; Senior management and executives; Supervisors

Manufacturing organizations: employment trends in, 4, 238; greenfield approach in, 226–228, 231; high-involvement, 26, 226–228, 231

Marriott, 34

Mary Kay, 40

Mass career customization, 79–81

Matrix structures, 45

Mattel, 213

McBassi & Company, 130

McDonald’s, 4, 15

McJobs, 15

McKinsey, 44

McNerney, J., 42, 210

Meaning, sense of, 39–40

Measurement and measures: analytics and, 135–138, 165–166, 170–171, 173; for business units, 130; of competencies and capabilities, 52–53, 130–131, 133–135, 149; for high-involvement versus global-competitor organizations,
Measurement and measures  
(Continued)  
166, 189–190, 194; human capital  
information system and, 128–138;  
HR capability in, 165–166,  
170–171, 173, 174; importance of,  
52, 134; individual-level, 102–103,  
132–133; managers and, 201, 202;  
motivation and, 134; objective,  
112–113, 114; overview of, 11; of  
performance, 102–103, 106–120,  
132–133; public reporting of,  
138–142, 149, 186; strategic,  
113–114, 135, 165–166; in  
structure-centric versus HC-centric  
organizations, 50, 51–52; for suc-  
cession planning, 158–159; to sup-  
support board role, 177, 186–190; to  
support HR strategy role,  
165–166. See also Information  
system; Performance headings  
Medical care, 71, 72, 75  
Medtronic, 40, 206  
Merrill Lynch, 30  
Metrics. See Measurement and  
measures  
Micromanagement, 186, 192  
Microsoft, 29, 30, 40; Google’s loca-  
tion near, 73–74; hiring at, 85–86,  
87  
Mirvis, P., 141  
Mission, strategy choice and, 39–40  
Mohrman, S., 90, 164  
Moments of truth, 206–207  
Money motivation, 96, 123–124  
Moneyball, 137  
Monsanto, 40  
Motivation: of board members,  
182–186; employee differences  
in, 95–96, 97, 103–104; in global-competitor organization, 30,  
123–124; in high-involvement  
organization, 24; information  
tracking on, 129; internal,  
104–105; loose job descriptions  
and, 49; metrics and, 134; for  
organizational change, 221–223,  
225; pay-for-performance systems  
and, 120–121, 123–124; perform- 
ance management and, 100,  
103–105; rewards and, 103–105,  
120–121, 123–124  
Mulcahy, A., 170, 231  
Multifunctional teams, 48  
Mystery shoppers, 190  
N  
Nalbantian, H., 139  
Nardelli, B., 89, 207, 210  
New York Stock Exchange, 180  
New York Yankees, 64  
Newman, D., 211  
Northwest Airlines, 74  
Norton, D. P., 134  
Nucor Steel, 26, 224, 238  
NUMMI, 226  
O  
Oakland A’s, 64, 113, 114, 137  
Objectives, performance appraisal  
and, 108, 110–111, 125. See also  
Goal setting  
Offshoring, 17, 18, 28, 238  
Oracle, 108, 109  
Organization charts, 44  
Organization size: and choice of  
HC-centric approach, 240–241;  
pay-for-performance systems and,  
121. See also Corporations, large  
Organizational change, 220–223;  
ambidextrous approach to,  
226–228, 229, 231; barriers  
to, 220–223; capability of,  
8–9, 214, 223, 232–234; conditions for, 224–225; employee  
involvement in, 225, 228; in  
high-involvement versus global-competitor organizations,  
233–234; within HC-centric orga- 
nizations, 232–234; literature on  
large-scale, 224–225; manage- 
ment of, 224–228; organizational  
features that support, 233; of  
structure-centric to HC-centric
organization, 9, 162–163, 221–223, 224–232; types of, 228–232. See also Organizational design
Organizational competencies and capabilities. See Competencies and capabilities
Organizational design: as competitive advantage, 6–8; decision making and, 148; designing, 36; employer brand and, 69; factors in choosing, 14, 30–35; HR function and, 161, 170–172; pay-for-performance systems and, 121; processes and, 50; relationship of strategy to, 44; talent-critical versus talent-intensive, 30–31, 32; types of, 14–35. See also Global-competitor organization; Hierarchical bureaucracy; High-involvement organization; Human-capital-centric (HC-centric) organization; Low-cost-operator; Organizational change; Structure-centric organization
Organizational effectiveness: board committee on, 191–192, 195; board governance for, 175–195; HR role in, 11, 152, 153, 155–156, 161–164, 166, 172; knowing-doing gap and, 8, 215; leadership and, 196; measurement and tracking of, 133–136; rewards and, 70, 71. See also Performance, organizational
Organizational effectiveness unit, 170, 172, 173
Organizational performance. See Performance, organizational
Orvis, 110
O’Toole, J., 22
Outsourcing: of educated workers, 6; as factor in organization choice, 32; of HR administration, 152, 159–161, 164
Overstaffing, 20
Oxford English Dictionary, 15

P
Participative management, 22, 25, 121–122, 148, 217–218. See also Decision making; High-involvement organization; Leadership, shared
Parties, 71
Paulson, H., 215
Pay-for-performance systems, 120–124, 125. See also Rewards
PECO Energy Corporation, 116
Peer assessment, 119–120
People, in Star Model, 58–60
People Express, 39
PepsiCo, 160, 212
Performance, organizational: in global-competitor organizations, 28; in high-involvement organizations, 23, 24–25; individual performance and, 31, 113–114; information sharing about, 142–145; knowing-doing gap in, 8–9; of low-cost operators, 19–21; measurement of, 52–53, 133–135; public reporting on, 138–142; rewards based on, 23, 25, 28, 55, 56–57, 58, 120–124; skills and, 102; in talent-critical organizations, 31; tracking, 133–135; virtuous spiral of, 24–25. See also Organizational effectiveness


Performance management, 99–125; board role in, 192; of boards, 182–186; challenges of designing, 105–106; criteria for effective, 106; design features of, 106; development and, 100, 102–103; in high-involvement versus global competitor organizations, 116; human capital information system and, *chap 6*; managers’ role in, 200–201, 204–207, 218; motivation and, 100, 103–105; objectives of, 99–100; overview of, 10, 99–100, 124–125; pay-for-performance systems in, 120–124, 125; performance definition in, 99–102; retention and, 96; in structure-centric versus HC-centric organizations, 53, 114–116; system design, 105–120; virtual, 100–101

Performance problems, confronting, 204–207

Performance variance, 82–83

Perquisites: in dot-com companies, 70, 72; employer brand and, 70–73, 76; executive, 207–208; in structure-centric versus HC-centric organizations, 55. See also Benefits; Rewards

Personnel administration, 154. See also Human resource (HR) function

Pfeffer, J., 215

Physical assets reporting, 128

Pilferage, 20

Pivotal jobs, 83–84, 136–137; HR jobs as, 167

Polaroid, 5, 222

“Popcorn stand” management experiences, 88–89

Power: of chief executive officers (CEOs), 176–178; of corporate boards, 176–178, 195; of senior managers in structure-centric organizations, 222

Pratt & Whitney, 91

Pricewaterhouse-Coopers (PwC), 90

Processes: in Star Model, 49–53; talent implications of, 53. See also Decision making; Information system

Procter & Gamble (P&G), 26, 213–214, 226, 228, 231

Professional service firms: as global-competitor organizations, 30; job information systems of, 92; senior management priorities in, 65

Profit sharing: in global-competitor organizations, 28; in high-involvement organizations, 23, 120–121; in HC-centric organizations, 56–57. See also Stock ownership

Project work, career customization in, 80

Promotion: in global-competitor organizations, 30; in high-involvement organizations, 23;
importance of, to employees, 96; in structure-centric versus HC-centric organizations, 54, 55
Prudential, 160
Psychological testing, 85
Public reporting, 138–142, 186
Pulse surveys, 131, 188–189
Purpose, organizational, 39–40

Q
Quality: as organizational capability, 42; as source of meaning, 40; of work life, 141–142

R
R. G. Barry, 140
Radio Shack, 74
Rankings, 113–115
Ratings, 106; meaningful, 114–116; objective, 112–113
Realistic previews, 68, 73; internships as, 87–88
Recognition, for leadership behavior, 216
Recruitment. See Attraction and recruitment
Reliability, measurement of, 112
Replacement decisions, 116, 151, 152, 230
Reporting: to board, 186–190; to public, 138–142, 186
Resistance: to giving feedback, 118–119, 204; to high-involvement, 229; to organizational change, 221–223, 225
Restructuring, 49
Results-Only Work Environment (ROWE), 101
Retailers: growth in, 4; low-cost operator, 15–16; selection processes of, 86–87
Retention: approaches to, 93–97; of high performers, 96–97, 98; perquisites and, 70. See also Turnover
Retreats, board, 191
Rewards: for board members, 182–183, 195; as deterrent to change, 221–222; employee differences and, 95–96, 97, 103–104; employer brand and, 70–73; executive, 55, 154–155, 181, 193–194, 195, 207–208, 221; external, 104, 105; in global-competitor organizations, 28, 122–124, 208; in high-involvement organizations, 23, 25, 120–122, 208; in HC-centric organizations, 54–55; internal, 104–105; for leadership behavior, 216; line of sight and, 104, 120–121; managers and, 201; motivation and, 103–105, 123–124; for organizational performance, 23, 25, 28, 55, 56–57, 58; performance-based, 54–55, 104–105, 108–109, 117, 120; retention and, 70, 95–97; separating development discussions from, 106, 117, 125; in Star Model, 53–58; in structure-centric versus HC-centric organizations, 53–57; talent implications of, 57–58; for team performance, 55, 56–57. See also Benefits; Bonuses; Compensation; Perquisites
Role modeling: of leadership development, 212; of performance appraisals, 107
Russia, 18, 28

S
SAIC, 224
Sales force continuity, 33–34
Sam’s Club, 20, 238
Sarbanes-Oxley regulations, 175
SAS, 20, 34, 117, 224
Saturn, 17, 226
Scandals, 175
Selection and hiring: approaches to, 84–88, 97–98; senior
Selection and hiring (Continued)
management involvement in, 66–67. See also Attraction and recruitment
Self-managing teams: as high-involvement organization feature, 22, 55; as structure for HC-centric organizations, 45–47. See also Leadership, shared; Performance, team; Teams
Semiconductor firms, 28
Service economy, 4
Service-oriented organizations, 4. See also Food service organizations; Professional service firms; Retailers
Session C meetings, 65–66
Shared leadership. See Leadership, shared
Shareholders: board oversight and, 175–176; reporting to, 138–142
Shell, 40
Short list, 199–200
Siebel, T., 107, 108
Siebel Systems, 107–109, 110
Singapore Air, 75
Site visits, 190
Skills: analyzing, 136–137; assessment of, 102–103; database of, 106, 117; identification of strategy-critical, 82–84, 97; interpersonal, 200–201, 221; manager-leader, 218–219; organizational change and, 225, 234; rewards based on, 54–55, 57–58, 122, 124; tracking, in information system, 129–133; Web-based profiles of, 92. See also Competencies and capabilities
Small-business-unit model, 48
Smallwood, N., 135
Social perspective, 238
Social values, 39–40
Soft skills, 200–201, 221
Sony, 40
Southwest Airlines: employer brand of, 69, 75; executive involvement at, 211; high-involvement management in, 26; strategy and purpose at, 39, 40; talent management at, 20–21
Sports teams: measures and analytics for, 113, 137; pivotal jobs in, 84; purpose of, 40; staffing responsibility in, 152; talent management in, 30, 64
Star Model, 37–62; big-picture approach of, 38, 52; classic, 37; competencies and capabilities in, 37, 40–44; identity in, 60–62; organizational change and, 222; people in, 58–60; processes in,
49–53; revised, 37–38; rewards in, 53–58; strategy in, 37, 39–40; structure in, 44–49

Starbucks, 20, 26, 40, 208, 224, 229, 235; employer brand of, 69; selection process of, 86–87

Status differentiation, 23, 209–210, 213, 221–222

Stock ownership: of board members, 182–183, 195; broad-based, 120–122, 207–208; discrepancy between executive and employee, 207–208; employer brand and, 71, 72; in high-involvement organizations, 23, 120–122; in HC-centric organizations, 56–57

Strategy: broad-based involvement in, 43; decision making about, 147, 149, 203–204; in HC-centric organizations, 232–234; HR role in, 155–156, 157, 164–166, 170–172, 173, 174; metrics relevant to, 113–114, 135, 165–166; organization choice and, 35; organization design and, 44; performance measures based on, 113–114; relationship of competencies and capabilities to, 40–44, 134; relationship of talent to, 9–10, 30–31; sharing, with employees, 144, 216; skill requirements based on, 82–84; in Star Model, 37, 39–40

Strategy maps, 134

Strategy Maps (Kaplan and Norton), 134

Structure: in HC-centric organizations, 45–49; organic approach to, 45–47; in Star Model, 44–49; in structure-centric organizations, 44–45, 48; talent implications of, 49

Structure-centric organization: attachment to, 221–223, 239; characteristics of, 14–21; creative destruction of, 237–238; factors in choosing, 30–32, 230, 238; global-competitor organization versus, 30; high-involvement organization versus, 23–24, 25–26, 239; HC-centric organization versus, 30–32, 36–62; identity of, 61; organizational change within, 234; prevalence of, 2, 14, 239; processes in, 50, 51, 53; rating systems in, 114–116; rewards in, 53–54, 57; strategy in, 43; structure of, 44–45, 48; transforming, to HC-centric organization, 9, 162–163, 221–223, 224–232, 237–242. See also Hierarchical bureaucracy; Low-cost-operator organization

Subject-matter experts, HR, 167–169, 174

Success, 134, 196

Succession management: board role in, 177, 192; HR role in, 154–155, 158–159; information technology for, 158–159

Sun Microsystems, 30, 101, 160

Supervision: costs of, in low-wage organizations, 20; requirements for, 32, 44; virtual, 32, 101

Supervisors, 196, 198. See also Line managers; Managers

Sustainability annual reports, 139–140

Sutton, R., 215

T

Tackle positions, 84

Talent: audits of, 188; buying, 27, 28, 33, 124, 212; competition for, 63–64; as competitive advantage, 5–6, 8–9, 21–22, 64; degree of criticality of, 30–31, 32, 82–84, 94; in global-competitor organization, 27–30; in high-involvement organization, 22–26; in low-cost-operator model, 15–16, 17, 19–21; offshoring, 17, 18, 28; organization design and, 58–60. See also Human capital
Talent management, 63–98; board role in, 11–12, 175–195; critical skills identification and, 82–84, 97; decision processes for, 130–131, 147–150, 186–190, 202–204, 218; elements of, 59, 97–98; employer brand and, 68–76; employment contracts and, 76–82; failure of, 6–7, 64, 74–75, 237–238; in global-competitor organizations, 59, 64–65; in high-involvement organizations, 59, 64; information system for, 126–147; managers’ role in, 12, 110–111, 201–204, 218; obsession with, in HC-centric organizations, 10, 58, 63, 67; performance management and, 99–125; processes and, 53; rewards and, 57–58; senior management role in, 59, 65–67; in Star Model design, 58–60; strategy and, 9–10, 30–31, 43; structure and, 49. See also Attraction and recruitment; Development; Employer brand; Employment contracts; Retention; Rewards; Selection and hiring

Talent scarcity, 32, 83

Teams: multifunctional, 48; structure based on, 45–47. See also Performance, team; Self-managing teams

Technical excellence: critical skills and, 82; employer brand and, 69

Technology change, informing employees of, 90, 144

Telecommuting, performance management with, 100–101

Temporary employees. See Contract and temporary employees

Thiry, K., 203–206

Three-tier rating system, 116

3M, 40

360-degree feedback, online, 91

Time constraints: of boards, 180–181, 190–192, 195; to giving feedback, 118–119; HR administrative demands and, 153; of managers, 199–200

Time Magazine, 3

Times-Mirror Corporation, 142

Toyota, 40, 41, 226, 237

Training: for board members, 180–181; company-sponsored savings accounts for, 163; HR role in, 161–164. See also Business school education; Development

Transactional businesses and jobs, 5, 172, 238

Transfers, internal, 91–93

Transparency, 105

Trust and mistrust, 40, 105

Truth telling, 105, 204–207, 219

TRW, 178

Turnover: among senior executives, 177; in boards, 183; costs of, 19, 21, 93–94, 136; in low-cost-operator organizations, 19–20, 230; reasons for, 94, 96; tracking and reporting, 139, 140, 189. See also Retention

U

UBS, 30

Ulrich, D., 135

Union organization: high-involvement organizations and, 26; HR function and, 153; low-cost operators and, 20, 230

United Airlines, 20, 39

United Auto Workers, 17, 226

United Kingdom, corporate boards in, 177

U.S. Steel, 222

United Technologies, 68–69, 91

University of Michigan, Institute for Social Research, 141

UPS, 26, 178

Urgency, 223
Value proposition: knowing employees’ values and, 95–96; statement of, 60
Vietnam, 28
Virtual career centers, 91
Virtual job fairs and interviews, 86
Virtual performance management, 100–101
Virtuous spiral: forced distributions and, 115; in high-involvement organizations, 24–25; of performance, 24–25, 72, 238; recruiting advantage of, 87; of shared leadership, 215–216
Volkema, M., 188
Volvo, 17

W
W. L. Gore, 46–47, 224
Wages, low: cost-benefit analysis of, 19–21; in low-cost-operator organizations, 16, 17, 19–21
Wal-Mart, 4, 229; employer brand of, 75–76; global-competitor aspects of, 30; labor cost analysis of, 19–20, 21; as low-cost operator, 15, 16, 19–20, 21
Walking the talk, 219
Wall Street Journal, 49, 115
Web: career development on, 91, 109; employee attitude surveys on, 131; HR administration on, 157–160; internal job postings on, 91–92; interviews on, 86; town hall meetings on, 43. See also Internet
Welch, J., 63, 65, 115, 180
Westfield Corporation, 84
Westinghouse, 5, 222
Weyerhaeuser, 139–140
Whole Foods, 26, 55–56, 194, 208, 224, 235
Willingness and unwillingness, 221–222
Winning, 40
Work, nature of: in high-involvement organizations, 22; internal motivation and, 105; in low-cost-operator organizations, 15–17
Work-life balance, 71, 80, 96
Workforce trends, 4, 6, 238
Worksite services, 71
World Wide services, 71
WorldatWork, 167
WorldJam sessions, 43, 163

X
Xerox, 170, 231

Y
YouTube, 86