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# DIAGNOSING YOUR ORGANISATION'S PEOPLE PRACTICES



## Diagnosing your Organization's People Practices

Good human resources practices go a long way in helping build a business, ensure employee satisfaction, and even boost employee productivity. This document is a tool that has been put together by Aspen Network of Development Entrepreneurs member organizations in India, to support the ongoing efforts of the Talent Learning Lab to help organizations conceptualize a big picture review of their strengths and weaknesses in people management. The results of the questionnaire can assist in identifying priorities and changes that are most needed to support your company's growth.

The tool includes **five areas for assessment**:

1. Company performance management
2. Organizational design and human resource management
3. Leadership, governance, and ethics
4. Company culture
5. Gender-inclusive business

## How to Use This Tool

1. Identify the appropriate functional leads on your team to participate in this assessment. Review the statements to be evaluated; feel free to remove any statements that do not apply or add additional statements that would help in your organizational analysis.
2. Share the assessment worksheet with identified participants, clearly explaining your goals.
3. For each question, participants should evaluate whether the organization operates more like the "weak" or "strong statement" by checking a number between 1-7 reflecting the extent to which behavior exists.
4. Collect and consolidate responses to determine where along the spectrum participants believe your organization falls for each metric.
5. Review the results of the survey together, making sure to discuss both statements where most participants agreed on the company's performance as well as differing opinions.
6. Create an action plan to address the areas of greatest weakness.

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The **Aspen Network of Development Entrepreneurs (ANDE)** is a global network of organizations that propel entrepreneurship in emerging markets. ANDE members provide critical financial, educational, and business support services to small and growing businesses (SGBs) based on the conviction that SGBs will create jobs, stimulate long-term economic growth, and produce environmental and social benefits. Ultimately, we believe that SGBs can help lift countries out of poverty.



# People Practices Diagnostic Tool

## 1. Company performance management

	<b>Weak</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>Strong</b>
1.1	Our company sets objectives every now and then. They are not formally tracked or consistently tied to the company's performance.								Our company performance is managed through setting and tracking both financial and non-financial goals and objectives which are specific, measurable, delegated and have due dates. These goals are ultimately tied to the company's financial performance.
1.2	Our company measures its performance only by financial metrics and these are reviewed by senior management only.								There are visible metrics within our organization. Employees know the status of products/services quality, delivery timelines and cost targets.
1.3	The senior management team is assessed and compensated only on the performance of their functional area.								The senior management team's performance and compensation is based upon overall company financial performance.
1.4	Our company has not instituted a system of performance metrics.								Our company has performance metrics across the organization that capture financial and non-financial measures.

## 2. Organizational design and human resource management

	<b>Weak</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>Strong</b>
2.1	The positions in the company are generic and not documented or communicated internally.								Our organization has specifically designating positions and clear reporting relationships which are documented in an organization chart shared with all employees. Each role has a written job description.
2.2	We manage strategic initiatives through our individuals. Our organization design is generic and not linked to any strategic initiatives.								Our company's organization design reflects our company's strategy. (eg: if strategy is to consistently innovate, we have an R&D function.
2.3	Although our organization has grown, we have not considered restructuring.								We change our organization structure as needed.
2.4	Hiring employees at our company happens as needed. Process is dependent on the situation and hiring manager and CEO.								Talent acquisition at our company is thoughtful and structured, and documented. When gaps in critical skill sets are identified, there is a consistent method for sourcing, recruiting, interviewing and making hiring decisions. For most part, methods are documented.
2.5	There is no formal performance review process for employees at our company.								Our company conducts an annual performance review process for all employees. The review is based upon preset goals and/or measurable performance indicators. Both positive and constructive feedback is delivered by the manager to the employee verbally and documented in writing.
2.6	We do not offer any training or only offer on the job training by a co-worker, when a new employee is hired.								We have processes in place for identifying employee gaps in skills and offering the necessary training through in-house as well as external experts such as consultants and certified trainers.
2.7	Leadership rarely communicates information about strategy, goals, personnel changes and achievements to employees.								There is a deliberate communication scheme within our organization. Employees are kept knowledgeable about company strategy, goals, achievements, and personnel changes through all-hands, staff, one-on-one meetings, or email.
2.8	There is a clear disconnect between the organization culture and the company's mission and values.								The organizational culture aligns fully with the company's mission and values.

### 3. Leadership, governance, and ethics

	<b>Weak</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>Strong</b>
3.1	Employees at our company understand the aspect of the business where they contribute, yet not necessarily share the same view of where the company is going.								Our CEO's vision for our company is well communicated throughout the organization. It inspires and aligns employees across the organization.
3.2	Our management team members' experience varies by function. Individuals cover their functional area, yet cross-functional management is limited.								We have a capable management team. Our leaders consistently demonstrate both leadership as well as functional area expertise.
3.3	The company leadership is primarily the company owners, who wear many hats interchangeably.								Our company has separate representatives for Marketing / Sales, Operations, Finance, R&D (if applicable), and HR.
3.4	Most important decisions at our company are made by the CEO.								Decisions are made at all levels in the organization. When issues arise that require senior leadership to engage, they are escalated.
3.5	It is not clear what would happen to our company if our current leader departs.								Our company has a sound succession plan in place.
3.6	Our company doesn't have a board of directors or the one we have does not actively contribute to the well-being of the company.								We have an active, independent board of directors which holds management accountable for the company's well-being.

#### 4. Company culture

	<b>Weak</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>Strong</b>
4.1	Our company's communication style is closed, guarded and does not support employees speaking their minds freely. Employees are afraid to speak to each other or call each other out when behavior detrimental to company culture is displayed.								Our company's communication style is open, honest and supports all to speak their minds. Anyone can communicate with anyone freely without fear of reprimand.
4.2	Our company approaches decision making in a closed, hierarchical way.								Our company approaches decision making in a consensual and inclusive way.
4.3	Our company has no formal reward and recognition scheme for employees.								Our company has a formal reward and recognition scheme that encourages employees to deliver excellent work.
4.4	Our company is highly bureaucratic in terms of policies, procedures, appraisal cycles and speed in decision making.								Our company is lean and exceptionally efficient in terms of policies, procedures, appraisal cycles and speed in decision making.
4.5	Our key values are unclear (not explicitly spelt out) and not well internalized by our employees.								Our key values are explicitly spelt out, known by all employees and reinforced by our leadership.
4.6	Failure is not tolerated in our company and employees are afraid to take risks for fear of reprimand.								Tolerance for risk and failure are embraced in our company. Lessons learned are collated and shared within the company - with no fear of reprimand.

## 5. Gender-inclusive business

	<b>Weak</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>Strong</b>
5.1	Our company has not taken any actions to promote gender equality or women's empowerment within our own workforce								Our company has a company-wide strategy for gender equality and/or women's empowerment that includes time-bound, measurable goals and has assigned human and/or financial resources.
5.2	Our company does not have any specific activities to recruit, promote, and/or retain women								Our company has specific goals for women's representation in different levels of the organization, takes proactive steps to recruit women and offers professional development opportunities to build the pipeline of qualified women for management/senior leadership level positions.
5.3	Our company does not have non-discrimination, equal opportunity or sexual harassment policy in writing [for guidance this can be either stand-alone or clearly included in a broader corporate policy								Our company has a visible and actionable non-discrimination and equal opportunity policy in writing that identifies specific procedures for how to investigate and follow up on reports and has been communicated to all employees.
5.4	Our company does not have any specific actions to promote an inclusive and diverse work environment.								Our company promotes an inclusive work environment through policies and actions such as work-life balance policies, support for employees as parents and caregivers (e.g. paternity/maternity leave beyond national regulatory requirements), telecommuting or flexible work arrangements.

## Results

Use the below worksheet to tally participants' results. This will give you a visual picture of which areas scored as strengths or weaknesses.

Statement	Score						
	1	2	3	4	5	6	7
<b>1. Company performance management</b>							
1.1							
1.2							
1.3							
1.4							
<b>2. Organizational design and human resource management</b>							
2.1							
2.2							
2.3							
2.4							
2.5							
2.6							
2.7							
2.8							
<b>3. Leadership, governance, and ethics</b>							
3.1							
3.2							
3.3							
3.4							
3.5							
3.6							
<b>4. Company culture</b>							
4.1							
4.2							
4.3							
4.4							
4.5							
4.6							
<b>5. Gender-inclusive business</b>							
5.1							
5.2							
5.3							
5.4							