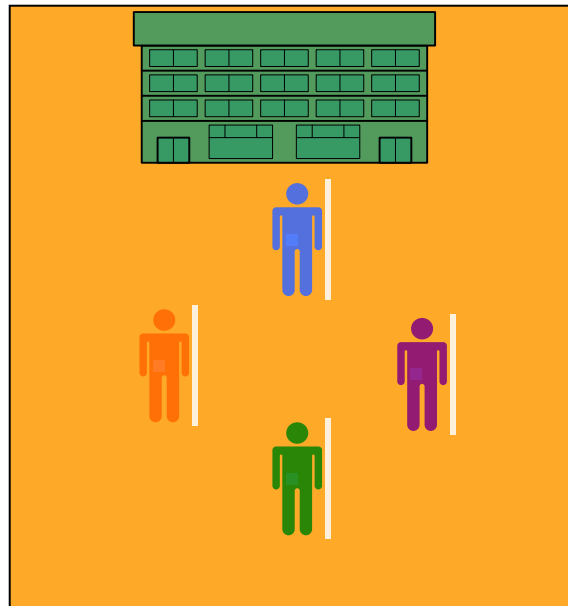


VAIM Framework

For People Practices Deployment



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VAIM Framework for People Practices Deployment

Introduction

'Take care of your people, for they would take care of their customers', has been a mantra that has remained a pillarstone for many successful organizations over the years. Right from the days of Industrial revolution to today's people fuelled Information Technology era, it is not just the 'King' customer who had dictated business growth and success but the other key stakeholder in determining the success have been the Employees or people in an organization. The success or failure is the outcome of the effort and attitude of the people in the organization.

That's the reason one could find that people and their related processes have always figured as a critical piece in any strategy framework or business excellence model.

People Management figures as a strategic quadrant in Balanced Scorecard framework and is present as a key enabler in EFQM Model (European Foundation of Quality Management).

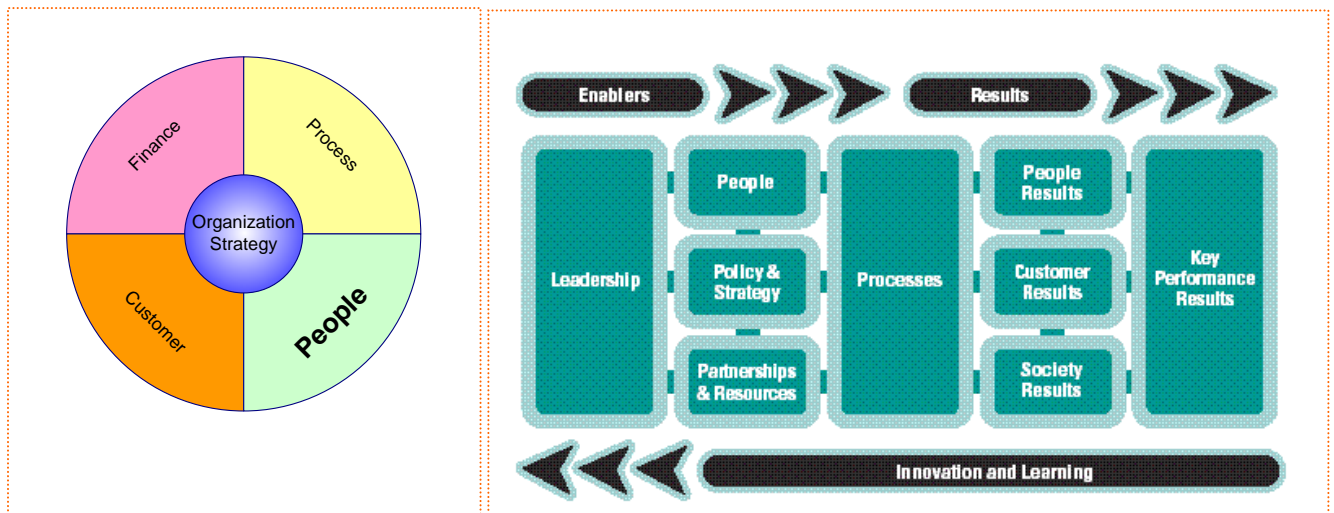


Fig 1: Balanced Score Card Framework (Left)

EFQM Model (Right)

Thinking Strategic

Every organization would admit the fact that their annual budgets and strategies always have a share for people and related initiatives. However, in most of the cases it boils down to the regular activity of - Manpower planning, Training, Performance Management and few people policies. Thus human resources initiatives ends up in the last section of annual strategy plan with just changes in few numbers year after year, making it more perfunctory rather than strategic!

Looking at broader picture, absence of a clear framework to align people practices to Organizational business objectives and goals could be one of the reasons why people related initiatives have always taken a backseat. The scenario has been changing with lot of organizations investing heavily on people practices. Gaining acceptance of international frameworks like EFQM, MBNQA, Balanced Score card and PCMM stand testimony to this fact.

In this context, to facilitate organizations to better appreciate their people practices and gain rich dividends a people practice deployment framework is discussed below.

My Employee is my Internal Customer!!

The framework is built upon the basic assumption that every employee becomes an internal customer for the Human Resources function of the organization. Like any business, understanding the customer's requirements and satisfying the customers is the fundamental essence of business success. It remains the same when it comes to People practices definition and deployment.

This clearly sends the message 'Managing People' indeed is a serious business.

VAIM Framework

VAIM (could be stated as V-AIM) is a four phased framework, which helps organization to lay down a strong foundation for people practices, align them to business objectives, implement the processes and measuring them to sustain, improve and innovate.

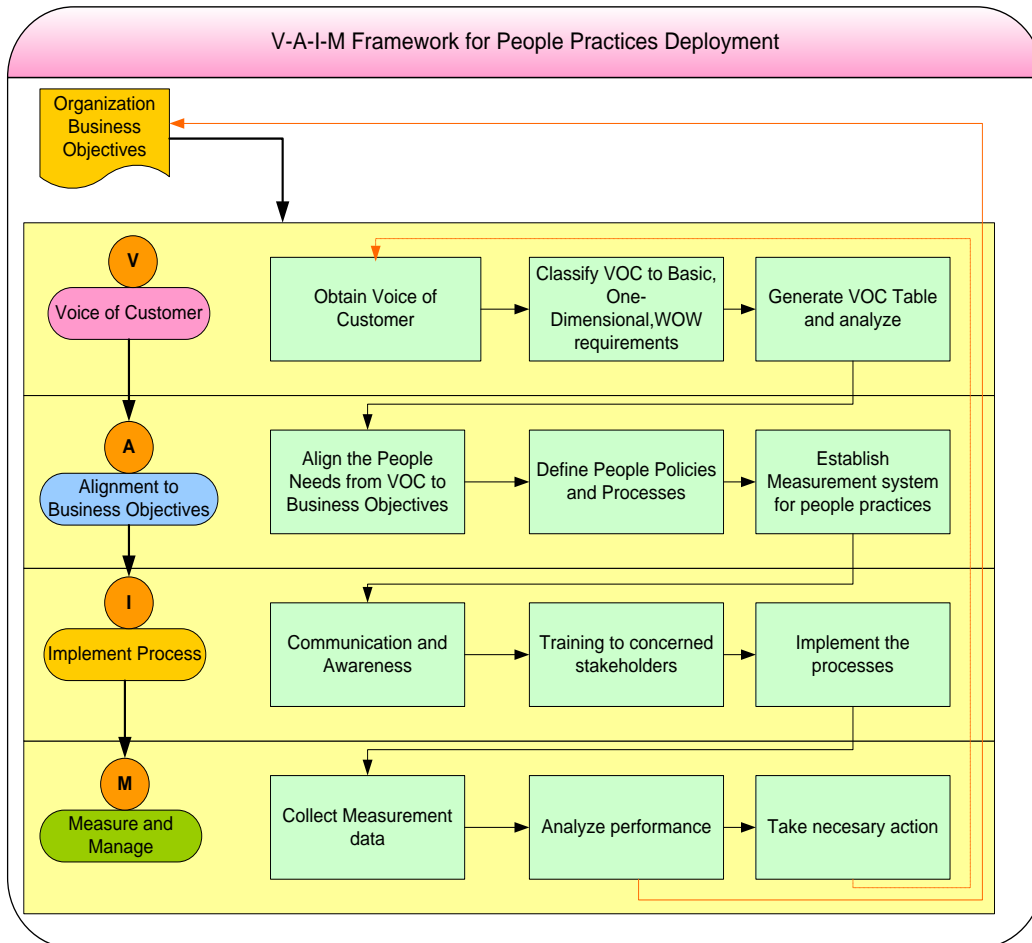


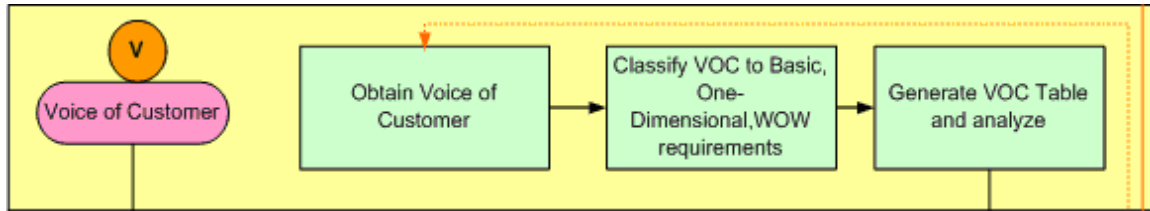
Fig 2: VAIM Approach

V-A-I-M Framework for People Practices Deployment			
Index			
1	Voice of Customer Table		
2	Business-People Matrix		
3	People Practice Dashboard		
4	People Practice Reportcard		

Fig 3: VAIM Framework



Voice of Customer



Obtain Voice of Customer

The first activity in this phase to understand the voice of customers - primarily the employees' perception of people practices in the organization. Employee Survey, Focus groups or Questionnaires are effective means to obtain this information.

Classify Requirements

The next step is to classify the requirements to Basic, One-Dimensional and WOW requirements as shown in *Fig 5*. At this stage evolving WOW requirements could be bit primitive. This sets the tone for capturing the pulse of the employees.







Generate VOC Table

Employee perception is one major input for generating the VOC table. However equally important is unearthing other requirements based on:

- Organization Vision and Mission
- Business Strategy
- Competition
- Budget for people practices initiatives
- Trends of HR practices in the community
- Organization specific innovative policies

Kano Model for capturing requirements

One of the well adopted models for understanding the customer requirements has been the Kano Model. This works on the principle that customer requirements could be classified into three categories:

Requirement Type	What it Mean	Customer Satisfaction	Example
 	Implicit Requirements - Not stated explicitly by customers. These requirements are basic and implied for any product or service.	Meeting these requirements does not delight customers but not fulfilling them triggers high level of dissatisfaction. Level of dissatisfaction is exponential when not met.	Friendly service in a restaurants, airlines, etc
 	Explicit Requirements - Requirements that are expected to be fulfilled as specified or requirements where value for money is expected.	Fulfilling them as specified / expected satisfies customer. Failing to meet those, results in dissatisfaction. Level of satisfaction or dissatisfaction is linear or One-dimensional to level of fulfillment.	Properly working car, music system After Sales service as specified
 	Value Added Features/ Services - Requirements not stated by customer but when delivered delights the customer. Key differentiators from competition that produces customer delight and loyalty.	Fulfilling them delights customer, satisfies customer exponentially. Failing to meet them does not result in any dissatisfaction to customer	Free valet parking to customers coming to shopping center Serving free Ice-cream for kids walking into a showroom

Using Kano Model for capturing requirements for people practices

Basic reasons of adopting a Kano Model based approach for people practices is to drill down to the basic need for people practices, areas which are critical, value adds and differentiators.

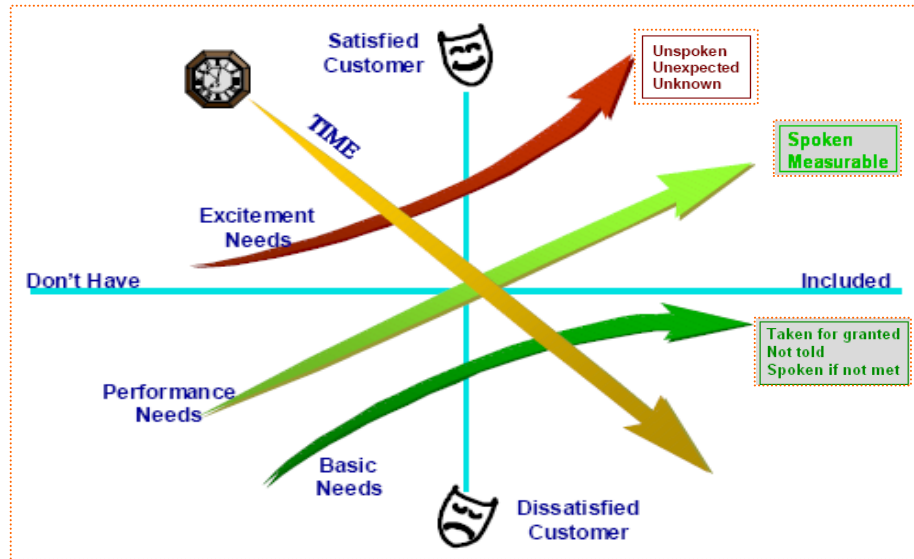


Fig 4: Kano Model

Making of the ‘Voice of Customer’

Benchmarking, Industry Surveys and participation in industry forums could act as source for getting the VOC table for the organization.

This stage is of critical importance as it tantamount to finalizing what is in offer for our employees through people practices. This stage needs participation from key decision makers and leadership team apart from a core group who shall take onus for defining and maintaining the people practices.

Voice of Customer Table					
ID	Basic	ID	One-Dimensional	ID	WOW
B-1	Competitive compensation	O-1	Challenging work assignments	W-1	Special Bonus for project completion
B-2	Training opportunities	O-2	Rewards and Recognition for good work	W-2	International Conference sponsorship
B-3	Career growth	O-3	Good Work environment	W-3	
B-4	Proper communication of Organization policies	O-4	People friendly policies	W-4	
B-5	Easily approachable and responsive HR department	O-5	Role Clarity	W-5	
B-6		O-6		W-6	
B-7		O-7		W-7	
B-8		O-8		W-8	
B-9		O-9		W-9	
B-10		O-10		W-10	

Fig 5: Example VOC Table

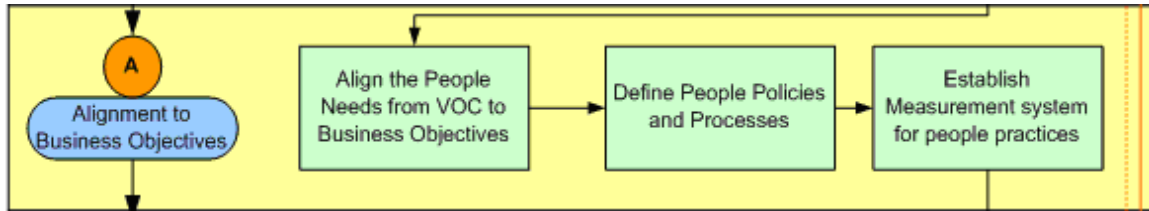
WOW requirements: That's not easy Job!!

To come up with WOW requirements is not easy as it would call for brainstorming and determining policies and practices that could be a real differentiator that would delight employees.

Once defined, it is the organization's call to disclose the WOW policies or keep it as a surprise element to disclose whenever such events are triggered.

A

Alignment to Business Objectives



Align People practices to Business Objectives

Another key activity that most organizations fail to do is establishing a clear correlation between the people practices and business objectives. Here the ORAT approach (Objective – Results – Application – Technique) is adopted to ensure that alignment to business objectives is clearly established. This is laid down in a Business – People (B-P Matrix) as shown in *Fig 6*.

Establish Policies and Procedures

The next major activity is to define the policies and procedures in line with the VOC table and business alignment established in earlier stage. This is the stage where the inputs of models like PCMM could be of great use to establish a robust people process framework.

Establish Measurement System

‘What does not get measured does not get managed’ is no exception to people practices. Establishing measures and metrics will help in a great extent to establish the extent of effectiveness and success of people practice deployment. All the Metrics are mapped internally to which requirement of VOC it addresses. The weightage given metrics are in descending order of Basic, One –Dimensional to WOW respectively.

Business - People Matrix


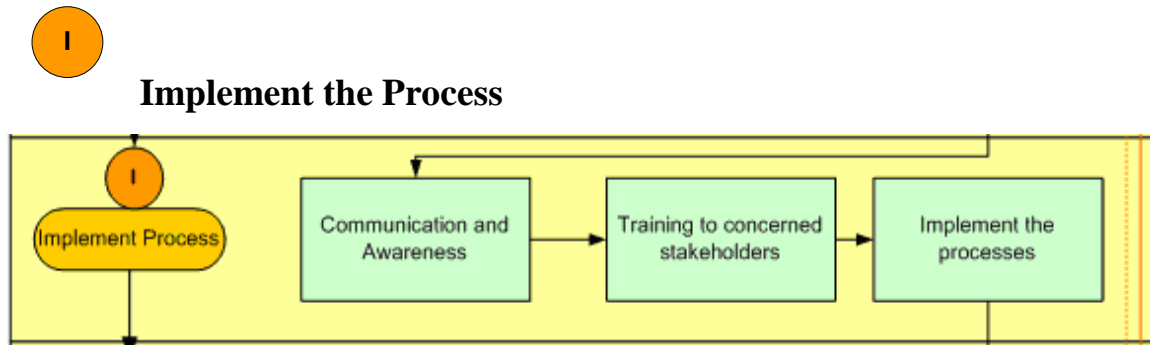
					
VOC	VOC Category	Alignment to Business Goals and Objectives	What should we do : Organization Policy/Process	Employee: What is in it for Me	Metric
Competitive compensation	B	Reduced Training Cost New Business through enhanced capability Repeat Business opportunities	Compensation - Band Wise, Performance Based, Merit Pay revisions	Status in Peer circle within and outside organization	a. Compensation growth trend b. Compensation Vs Markets by position c. Compensation Vs Organizational Performance
Training opportunities	B	Quality of Deliverables New Business through enhanced capability New Service Lines	Training - Technical, Managerial, Leadership Competency Development programs	Learning and Growth Better performance level	a. Training completion rate against stated Training Needs b. Competency improvement rate c. Distribution of competency development methods
Career growth	B	Better Management Controls Strong Leadership Team New Service Lines Execution efficiency Retention of Quality Workforce	Performance Management Career Development Succession Planning	Higher roles and responsibilities Visibility in the organization	a. Career development rate b. Attrition rate
Proper communication of Organization policies	B	Motivated Workforce Quality of Deliverables Retention of Quality Workforce	Corporate Communication Awareness Programs Senior Management Meet	Transparency in Organization policies Clarity on expectations	a. People participation index
Easily approachable and responsive HR department	B	Retention of Quality Workforce Quality of Deliverables	HR Service Level HR Meet	Better Service Levels Professional-Personal activities balance Clarity on expectations	a. Help desk issues / grievance resolution efficiency b. HR SLA compliance
Challenging work assignments	O	Retention of Quality Workforce Quality of Deliverables New Business through enhanced capability New Service Lines	Workforce Planning Performance Management	Learning and Growth Better performance level Self Satisfaction Motivation to improve /innovate	a. Percentage of performance objectives accomplishment b. Performance profile across departments / functions
Rewards and Recognition for good work	O	Customer Satisfaction Retention of Quality Workforce Quality of Deliverables New Business through enhanced capability Build 'Organization Brand'	Rewards and Recognition Scheme	Visibility in Organization Self Satisfaction Motivation to improve /innovate	a. People coverage in reward programs across functions
Good Work environment	O	Retention of Quality Workforce Quality of Deliverables	Resource Management	Better Comfort level for working People relationship	a. Complaint resolution %
People friendly policies	O	Retention of Quality Workforce Build 'Organization Brand'	HR Policies Employee Satisfaction	Clarity on expectations	a. Employee Satisfaction index
Role Clarity	O	Retention of Quality Workforce Build 'Organization Brand'	Career Development Performance Management	Better performance level	a. Distribution of people at Graduate career levels b. Employee Satisfaction index
Special Bonus for project completion	W	New Business through enhanced capability Innovation Motivated Workforce	Rewards and Recognition Scheme	Motivation to improve /innovate	a. Budgeted Vs Actual Cost of Bonus / Incentives
International Conference sponsorship	W	New Business through enhanced capability New Service Lines Innovation Build 'Organization Brand'	Rewards and Recognition Scheme Career Development	Better performance level Self Satisfaction	a. Budgeted Vs Actual Cost of Sponsorship

Fig 6: B-P Matrix



Communication and Awareness

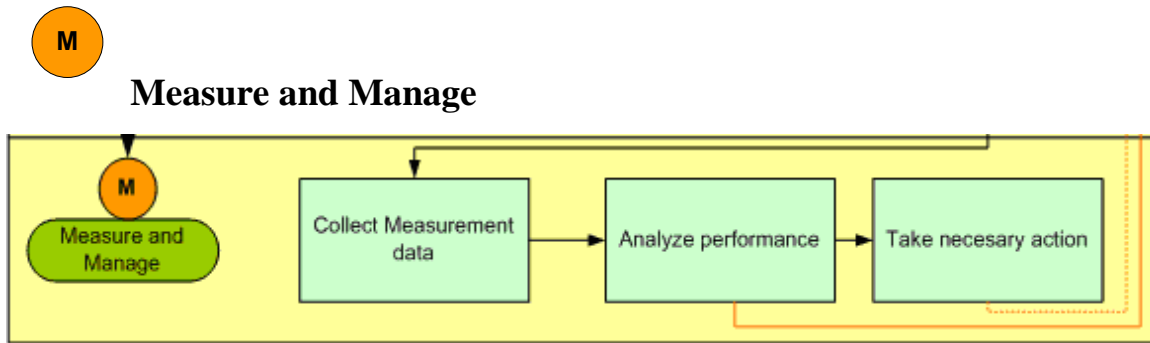
Most challenging of all the phases in the framework is the implementation of all people processes. Communication and awareness of all practices is highly critical. The intent is to drive in the message hard to each employee that 'Organization cares for them'. Various avenues to do it could be through: Workshops, Leadership meetings, Town Hall gatherings, Quiz, Outbound outings, etc. Though it may call for extra efforts and investment the diligence showed in this phase shall be the differentiator for success or failure of a people deployment program.

Training to Stakeholders

Once the communication and awareness are set in, the key stakeholders generally the Supervisors and Managers need to be trained thoroughly on the various practices and tools. As they act as touch points with their subordinates on a day to day basis, they form the conduit to percolate all the practices down the lane.

Implement the process

This is primarily the stage to ensure practices are well understood and institutionalized. Constant support and monitoring would be needed to ensure the practices are well institutionalized.



Collect Measurement Data

Measurement program needs to ensure that measurement data is collected periodically and analyzed. The objectivity in measuring all people practices helps to understand the level of implementation and opportunities for improvement. Organizations could define their own analysis guidelines to measure the performance levels as shown in *Fig 7*.

Analyze performance

This activity emphasizes in generating a People Practices report card to correlate all people practices and present it to Management. As the metrics be gauged based on their performance in categories of Basic, One-Dimensional and WOW. Based on the performance in each category, Criteria are defined to declare the overall performance of People practices as shown in *Fig 8 & Fig 9*.

Take necessary action

This stage primarily aims to analyze the performance and take necessary actions. This sets the platform to re-look at the VOC table and redefine the requirements as Kano model states with time One-Dimensional requirements becomes Basic and earlier defined WOW moves to One-Dimensional. Both external and internal forces play a role in triggering this change. Thus the framework helps organization to continuously improve and innovate on people practices acknowledging the universal fact '*Only certainty in business or life is change*'.

People Practice Dashboard				
				
Metric	VOC Category	Target	Actual	Scoring Grid
Compensation growth trend	B	20%	18%	3
Compensation Vs Markets by position	B	-10%	-20%	3
Compensation Vs Organizational Performance	B	90%	95%	5
Training completion rate against stated Training Needs	B	80%	75%	3
Competency improvement rate	B	60%	70%	5
Distribution of competency development methods	B	40%	20%	0
Career development rate	B	60%	50%	3
Attrition rate	B	8%	9%	0
People participation index	B	0.60	0.50	3
Help desk issues / grievance resolution efficiency	B	60%	50%	3
HR SLA Compliance	B	100%	80%	3
Percentage of performance objectives accomplishment	O	90%	95%	3
Performance profile across departments / functions	O	90%	95%	3
People coverage in reward programs across functions	O	90%	60%	0
Complaint resolution %	O	60%	50%	1
Employee Satisfaction Index	O	0.80	0.90	3
Distribution of people at Graduate career levels	O	20%	17%	1
Budgeted Vs Actual Cost of Bonus / Incentives	W	20%	20%	1
Budgeted Vs Actual Cost of Sponsorship	W	20%	17%	0.5

Fig 7: People Practice Dashboard

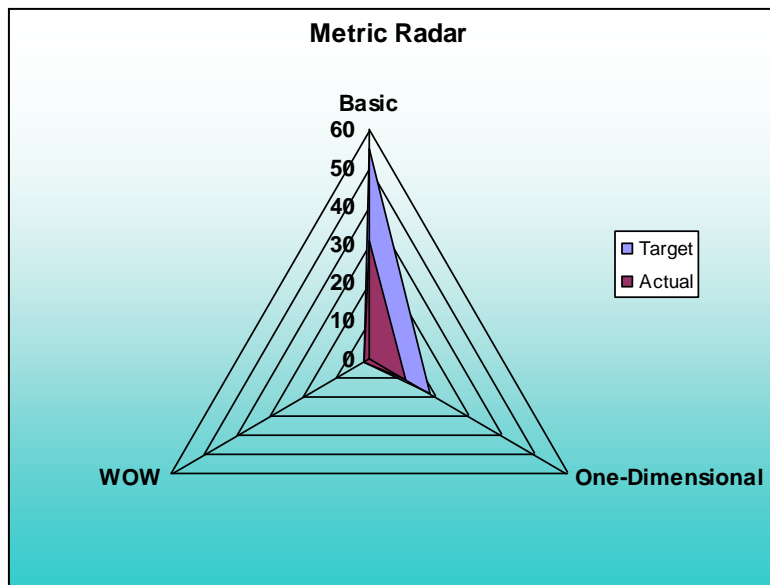


Fig 8: People Practice Metric Radar

People Practice Reportcard		
Basic	One-Dimensional	WOW
☹️	😐	😊
56%	61%	75%
Overall		
👎	Oops !Get the Basics Right. People practices needs serious relook	
Icon	Rule	Inference
👍	If Basic =100 %,One Dimensional > 80% and WOW >70%	That's Nice! Innovate and excel in people practices
👉	If Basic > 85 % and One -Dimensional > 70 %	Looks Fine ! Sustain and Improve people practices
👎	If Basic < 85 % (or) If Basic >85 % and One Dimensional < 70 %	Oops !Get the Basics Right. People practices needs serious relook

Fig 9: People Practice Report Card

Benefits of VAIM framework

Key benefits what VAIM framework delivers to any organization:

- ⊕ Helps an organization to drill down to the all aspects of people practices
- ⊕ Develop meaningful and effective people policies
- ⊕ **Push –Pull effect** –Clearly demonstrate what people expect from organization and what organization looks from people
- ⊕ Use ‘WOW’ aspects as differentiators and tools for employee retention
- ⊕ Strong alignment to business objectives and goals
- ⊕ Looking ‘People practices’ as integral part of strategy framework
- ⊕ Build a strong Brand for the organization
- ⊕ Become a ‘Employer of Choice’

Conclusion

For every organization apart from the top-line and bottom-line growth in terms of financial measures, good performance in people measures is definitely a pleasant news. Being proclaimed as ‘Employer of choice’, figuring in top lists of ‘Best place to work’ not only builds a brand equity for the organization but gives a strong message to all stakeholders that for the organization ***‘People practices means business’!***

VAIM framework would facilitate any organization to deploy people practices effectively and leverage on the power of people.