Süleyman Demirel Üniversitesi İktisadi ve İdari Bilimler Fakültesi Dergisi Y.2010, C.15, S.1 s.155-174. Suleyman Demirel University The Journal of Faculty of Economics and Administrative Sciences Y.2010, Vol.15, No.1 pp.155-174.

CHARACTERISTICS OF HIGH PERFORMANCE ORGANIZATIONS

YÜKSEK PERFORMANSLI ORGANİZASYONLARIN ÖZELLİKLERİ

Yrd.Doç.Dr.Bünyamin AKDEMİR^{*} Orhan ERDEM** Sedat POLAT***

ABSTRACT -

Over the years, public sector and not-for-profit organizations have continued to struggle with the challenges of defining and managing their high performance. Many different definitions of a high performance organization can be found in the literature. However, there is not yet a consistent definition of a high performance organization. Definition of a high performance organization changes according to authors and their academic discipline.

The ideal or perfect structure of a high performance organization depends on the organization's context and focus, goals and priorities, skills and experience levels, and culture. Each of them is unique to any organization. Like definition, characteristics of high performance organizations vary according to researchers and scholars. To make this situation clear, this study outlines the most widely accepted characteristics of a high performance organization.

ÖZET

Organizasyonlar (işletmeler), uzun yıllardır performans tanımlaması ve yönetimi ile başa çıkmaya çalışmaktadırlar. Literatürde yüksek performanslı organizasyonun birçok farklı tanımını bulmak mümkündür. Ancak halen kalıcı ve yeterli bir yüksek performanslı organizasyon tanımı bulmak oldukça zordur. Yüksek performanslı organizasyon tanımlarının farklılığı bilim insanlarının ilgi alanlarının farklılığı dolayısıyladır.

Yüksek performanslı organizasyonların ideal ve etkin yapısı organizasyon alanı ve hedefine; öncelik, yeterlilik ve kültürüne bağlıdır. Bunların herbiri her organizasyon için vazgeçilmezdir. Tanımda da olduğu

^{*} İnönü Üniversitesi/İİBF/İşletme Bölümü

^{**} Polis Akademisi Başkanlığı/PMYO / Öğretim Görevlisi

^{****} Emniyet Genel Müdürlüğü/Emniyet Amiri

AKDEMİR – ERDEM – POLAT

gibi yüksek performanslı organizasyonların özelliklerine yaklaşım, bilim insanlarının bakış açılarına göre değişiklik gösterir. Bu durumu netleştirmek için, bu çalışma yüksek performanslı organizasyonlar için en çok onaylanan özellikleri vurgulamaktadır.

Performance, Organization, High Performance Organization, High Performance Criteria.

Performans, Organizasyon, Yüksek Performans Organizasyonu, Yüksek Performans Kriterleri.

INTRODUCTION

Because the organizations face competition pressure by the international market actors they started to revise their system according to new rules and regulations. Organizations want intellectual perspectives to overcome the problems that exist among the actors of markets. Addition to that same organizations use competition advantages such as; technology, strong capital structure, low cost, increasing quality, innovation, and similar factors. Human factors are the most important issue in high performance organizations. Globalization caused transformation of traditional organization structure and its process. These transformed organizations promoted knowledge and educated employees. This situation started to be very important competing advantage. Organizations tend to be high performance organizations (HPO) which are focusing on knowledge and human. Successful organizations understand and promote knowledge and human factors. These types of organizations have the understanding of reaching the level of HPO. From this point of view importance of HPO is not random result. Contrary to that HPO is the result of specific transformation of the competence.

A high performance organization (HPO) is defined by Development Dimensions International in Pittsburgh as "one in which the culture provides employees with the accountability and responsibility necessary to meet customer needs in a timely manner to ensure business success". Like this definition, characteristics of high performance organizations vary according to researchers and scholars.

This article aims to give direction to these researchers and scholars by discussing the HPOs. Aim of this article is to identify common characteristics that seem to be part of a high performance organization. Depending on this aim this study will focus on two formulated hypothesis which are shown below:

H0: High Performance Organizations do not require any specifications.

H1: High Performance Organizations require specific characteristics.

In that frame, this study will be trying to stress on the most widely accepted characteristics which were grouped into 26 categories as following: 1) Well-understood vision and values 2) Flexibility and proper use of

discipline 3) Set clear and specific goals 4) Strong communication.5) Trust and confidence 6) Fun 7) Decision making at the lowest level 8) Effective training 9) Performance feedback 10) A stronger, more consistent customer focus and total quality 11) Multiple methods of measuring improvement 12) Strategic change management 13) Encouragement of innovation and openness to technology 14) Team based work 15) Participative leadership 16) Effective incentive system 17) Recruiting and hiring the best talent 18) Work-life balance 19) Workplace diversity 20) Motivation 21)Compensation and Performance Appraisal 22) Knowledge Management 23) Meaningful Job 24) Effective Succession Planning 25) Effective Planning and Analysis 26) Ethical Decision Making and Peer Respect. These characteristics will help us understand what a high performance organization is and how it functions.

1. WELL-UNDERSTOOD VISION AND VALUE

To ensure a clear understanding of the organization's strategy and achievable individual goals, high performance organization should destroy the old form of policy manual and replaced it with a detailed description of well-understood vision and mission statement philosophy (Greenberg & Baron, 2003). A well-understood vision and mission statement that emphasizes the weight of the issue should include a clear declaration of enhancing organization's performance level. Expressing policy requirement is a very crucial stage for any organization that wants to create a high performance environment without any forms of workplace related failure.

Values are global beliefs that guide actions and judgments across a variety of situations. Both values and attitudes are beliefs about what is right or false. In terms of high performance organization, managers need to know two types of values: Terminal and instrumental.

According to Schermerhorn, Hunt and Osborn (1985), terminal values include a person's beliefs related to ends to be accomplished. For example, comfortable life, sense of accomplishment family security, selfrespect, and wisdom are among the terminal values. However, instrumental values focus on beliefs related to means for achieving desired ends such as ambition, courage, honesty, imagination, and independence. Additionally, organizational values involve the promotion of organizational interests in the decision making of those in the collectivity. Wearing a common uniform as do the police, firefighters, the military, is one way those organizations attempt to build common values among their workers.

2. FLEXIBILITY AND PROPER USE OF DISCIPLINE

In high performance organizations discipline is used properly. It is kept as positive as possible, and not used in a punishing way. Managers try to correct the problem, the action, or behavior, not the person. Managers want employees to obey regulations or guidelines in an organization, but they also are flexible. Because they know that discipline can be very demoralizing if it

is done incorrectly. But with positive manner, managers can help a person grow while also improving work flow. All employees are informed by managers about expected or undesirable behaviors. Also, all employees who violate a rule receive same disciplinary action. In the other words, discipline is consistent. In addition, an employer never use discipline as a power in the heat or emotion (L. Humphreys, 1988).

Based on our experience, we feel that managers' flexibility plays an important role in high performance. A flexible work place should be the goal of every organization for a higher performance. But the absence of strict, rigid rules does not mean that everyone can do whatever they want. In high performance organizations, there are discipline guidelines, but managers also have flexibility in the implementation of these guidelines. Poor handling of disciplinary action by managers can create serious performance problems that may result in decreased productivity.

3. SET CLEAR AND SPECIFIC GOALS

According to Greenberg and Baron (2003), when people determine the goals, they intend to achieve and as a result, these goals and intentions direct and motivate efforts to reach them. Thus, setting goals affects behavior of the individuals and their job related performance. Several factors can affect the relationship between specific and challenging goals, and high levels of motivation. Specific goals lead to greater performance than generalized and unspecific goals. Non-specific goals are vague, and they are expressed as do your best or work as hard as you can. Specific goals increase performance because they clearly describe the amount of effort needed for success and raise self-efficacy by providing a clear standard (Locke & Latham, 1990).

It is clear that people find the specific goals challenging than the general goals and they try to achieve these goals not only to meet the organization's expectations but also to see how good he has performed.

4. STRONG COMMUNICATION

High performance organizations consider communication as one of the most effective components of the organization which provides credibility and eagerness. Communication is the course of moving meanings and symbols from sender to receiver in order to provide an opportunity to express feelings (Hodgetts and Kuratko, 1991: 397). In a high performance organization, managers rely on their ability to communicate to obtain the necessary information to make an effective decision. Improving communication and providing feedback enable employees to raise their performance level (Greenberg & Baron, 2003: 200). Effective communication occurs if the desired meaning of the source and the perceived meaning of the receiver are same and efficient communication requires minimum costs in terms of resources expended. According to Schermerhorn et al. (1985: 502).), the classical organization theory's authoritarian leadership style, based on using labor as only a dynamic of production, reminds us a military structure which restricts the communication channels between levels. More than increasing the productivity level, these channels are used as a respond to the peer pressures and to meet the social needs As individuals seek for the satisfaction both on-work and off-work activities through the self-actualization, the communication channels between upper and lower level of the workforce are used broadly to satisfy both sides (Hodgetts & Kuratko, 1991).There's no doubt that employees who are aware of their good job performances can be more motivated to keep up their good performances because of knowing their company's satisfaction with the work they are doing.

5. TRUST AND CONFIDENCE

At the hearth of the high performance organization activities there is a trust and confidence. High performance organizations ensure an objective process of performance management for teams and individuals; and drive appropriate levels of participation and interdependence in the organization (Greenberg & Baron, 2003). As being very curious because of their humanistic nature, employees want to know the current distribution of their organization's resources by asking many questions to managers related to the equality (Culyer, 2001). In other words, employees want to assure the existence of organizational justice which refers to employees' perception of equity in terms of distribution of outcomes, procedures to determine them, and interpersonal relations (Greenberg & Baron, 2003: 201). In order to create a real climate of trust and confidence, high performance organizations should provide three types of justice within the organization: Procedural, interactional, and distributive justice.

Greenberg and Baron (2003) define procedural justice as employees' understanding of procedural process which is used to decide outcomes. Procedural justice approach assumes that having the chance to manipulate the decision process can affect perceptions of justice (Williams, 1999). Interactional justice refers to the perception of equality about the interpersonal treatment received from others (Greenberg & Baron, 2003). The interactional perspective examines the way of procedural justice's approach toward the reactions of employees to each others. It serves to improve perceptions of fair treatment, and gives a great deal of interest on the excellence of the interpersonal actions of employees with others (Williams, 1999). Distributive justice refers to methods that are used to allocate outcomes among employees by assuming that in perceived negative unfairness makes employees feel angry and a positive unfairness produces feeling of guilt (Greenberg & Baron, 2003: 201). Williams (1999) emphasizes that these two feelings produce two types of different consequences. In one hand, feeling of anger motivates employees to be less fruitful and less satisfied under underpayment conditions. On the other hand,

the strain resulting from the guilt will motivate employees to be more productive, but still less satisfied under overpayment conditions.

All these approaches declares that high performance organizations should provide an equal opportunity to all staff regardless of their racial, ethical, religious, regional, and social status. Managers and supervisors should take into account that none of these categories is blessed with the perfect hand. Each of these categories should be represented equally within the organization.

6. FUN

Most non-performing organizations think business first, fun last; however, according to Thompson (2004), if employees do not enjoy their jobs, they will be anti-productive. Research shows that when employees are having fun, they develop new neural cells in areas devoted to learning and memory. Initially, some employees may not want to participate in such childish activities; however, Thompson contends that childlike activity spurs creative thoughts and actions. Some ways to have fun at workplace include celebrating birthdays once a month, having holiday parties, company picnics. Also some extreme methods can be preferred by organizations to increase performance and productivity such as having rooms with video games and coloring books, and having friendly company competitions such as softball games.

It is very clear that fun at workplace increases productivity; increases profitability; increases morale; attracts talented employees; reduces turnover costs; retains and attracts new customers; facilitates communication; stimulates creativity; relieves stress, and all of them cause to high performance in the organization.

7. DECISION MAKING AT THE LOWEST LEVEL

Hankinson states that "managers empower employees to proactively participate in organizational management and promote a culture of openness and trust" (as cited in Wang & Pervaiz, 2003: 55). In a simple word, when decisions are authorized to lower organizational levels, it is decentralized. In contrast, when decision making is kept at the top level, the organization is centralized (Shafritz & Russell, 2003). Highly decentralized authority allows leaner organizations and fewer levels. It also allows those who are closest to problems and opportunities to make decisions (Greenberg & Baron, 2003). Decentralization allows organizations and their employees to develop programs that meet their own needs and interests. Employee involvement ensures that all interests are considered in the decision making process. It also promotes the programs success and performance through greater employee acceptance (Green, 2002).

8. EFFECTIVE TRAINING

Training and professional development are another crucial factor for high performance organizations. According to Hodgetts and Kuratko (1991), training is defined as a process of changing employee attitudes in a way that enhance the probability of goal attainment of high performance organizations. It provides an opportunity to stay abreast of the latest innovations brought on by the technical advancement and offers opportunities for employees to upgrade their skills to meet changing job requirements (Hodgetts & Kuratko, 1991: 329). In other words; training provides specific, identifiable knowledge and skills for employees' current job. Along with development, training also helps employees to gain new skills that can be useful for their both current and future job (Mathis & Jackson 2004).

According to Hodgetts and Kuratko (1991), the development of technology not only changes the jobs but also makes some of them redundant. Some skills get worse and can become out of date. With the training practices, organization can deal with the challenges of technologic changes. The training should be in such areas that can meet the needs of employees (Scully, 1995). For example, employees should be trained in conflict resolution cases including dealing with a furious customer or co-worker. They also should be trained in the area of cultural diversity so that they can understand the difference between inappropriate behaviors and behaviors that are just different because of cultural differences (Nigro & Nigro, 2000). Along with employees, supervisors also should be trained (Wade, 2004).

There's no doubt that supervisors and managers need training in order to improve their understanding of the increasing high performance. Therefore, they can recognize their role in dealing with performance problems, discipline, and terminations process. While training their staff, high performance managers should bear in their mind that each person's greatest room for growth is in his or her areas of greatest weakness. They also keep this though in their mind that the real tragedy of business life is not that some of their staff's capability to learn, it's that we fail to discover their existed competency.

9. PERFORMANCE FEEDBACK

Receiving feedback on performance is critical for motivation of the employee. Providing feedback enhances the effects of goal setting. Goal setting with feedback on goal attainment will produce higher performance than goal setting alone. Performance feedback keeps the employees` behavior directed on the right target and encourages them to work harder to achieve the goal. With the feedback, employees can know how they are doing (West & Thorn, 2001). When we are working in a high performance organization, we need feedback so we can determine whether we are succeeding or whether we need to change direction. We find feedback very encouraging

C.15, S.1

and motivating. High performing organizations' values are behavioralized and in these organizations leaders at all levels actively role model behaviors and build mechanism for both systematic and informal feedback how they are doing in regard to these behaviors. Performance feedback comes from peers, customers, and direct reports. Customers can contribute to quality of product and service with their feedback. If the customers are the people who receive an organization's or company's work, they can tell them what they want and how they want. Performing their demands makes customers satisfied. Also, the manager, the controller, and various team leaders discuss previous and current days and provide feedback to senior management. These activities increase interaction among entire staff and aligned performance goals throughout the organization(Hilgren & Morse, 1998).The key point in high performance organizations is that feedback is flexible, designed to adapt to changing strategies and the competencies of people who carry them out (Osborne & Cowen, 2002).

10. A STRONGER, MORE CONSISTENT CUSTOMER FOCUS AND TOTAL QUALITY

In high performance organizations, activities are often extended to understanding competitor's customers. Customers are both internal and external the organization. People in and outside the organizations that contribute to input process are internal customers, and those who use products or services are external customers. Internal customer satisfaction is an essential part of TQM. The quality of products or services is based on internal customer's satisfaction (Scully, 1995).Organizations do not provide external customer satisfaction unless internal customers are satisfied. An organization's external customers purchase a product or service and contribute to profits. They must also be satisfied if the organization is to survive. TQM organizations know that customers are only satisfied if they consistently receive products and services that meet their needs. External customers can contribute to quality of product and service with their feedback. If the customers are the people who receive an organization's or company's work, they can tell them what they want and how they want. Performing their demands makes external customers satisfied (Nigro, 2000).

11. MULTIPLE METHODS OF MEASURING IMPROVEMENT

Evaluation is a one of the most important components of the high performance organization. It helps organization to create an appropriate methodology for assessing the adopted performance policy and provide feedback to employees on how the organization views their performance (Gupta, 2001). Besides, with the maximized motivation, people perceive that the effort they exert leads to a positive performance evaluation and that the favorable evaluation can lead them to the rewards that they like.

Performance evaluation is a mechanism that evaluates the employees' performance to make decisions whether performance meets the demands of the organizations or not. It is important that performance evaluations be tied to the essential functions of the job. The evaluation is critical in providing timely, constructive feedback to employees on both the positive and negative aspects of their job performance (Mathis & Jackson 2004). According to Mathis and Jackson (2004), the majority of all performance evaluations at the lower and middle levels are conducted by the employee's immediate supervisor. Secondly, peer evaluations are one of the most reliable sources of appraisal data. Thirdly, self evaluation is consistent with values such as self management and empowerment and self evaluations get high marks from employees. Fourthly, immediate subordinates' evaluations can provide accurate and detailed information about a manager's behavior. Finally, 360degree evaluation provides for performance feedback from the full circle of daily contacts that an employee might have.

12. STRATEGIC CHANGE MANAGEMENT

Constant change and innovation are two of the most important elements for an organization's performance. Technology has allowed organizations to work more efficiently. In today's business world, employees of organizations must work differently to take advantage of the latest technology. Good change management is seen as a key element for the organizational development and employees' needs in high performance organizations. They see change as a necessity for survival (Pennington, 2003). In high performance organizations, transition leadership plays a crucial role before the transition, during the ending, in the neutral zone, during the new beginning, and after the transition. Bridges (2003) states that "if transition is mishandled or if it is overlooked completely, beginnings often fail to take place" (p.73). Employees in high performance organizations feel that they are important to the company to have successful change. The change manager meets individually with employees or in small groups. This can allow the employee to offer their views more openly than if they were in a large room with a lot of people (Bridges, 2003). There are basic obstacles in a change process such as people's perceptions, limited physical, financial, and human resources, and organizational politics. However, high performance organizations are those who have successful ways to solve these problems. They use opinion leaders who influence other people's attitudes or behavior in a desired way. In addition to communicating with employees to solve the problem, leaders offer alternatives to make them understand the logic of the change and then test the assumptions to prove their viability (Gray, 2005).

13. ENCOURAGEMENT OF INNOVATION AND OPENNESS TO TECHNOLOGY

Openness to technology and supporting innovation is another key factor for high performance organization. Organizations can't deal with

C.15, S.1

today's complex business needs without dominant technology and innovative development. Technology which includes the combination of all knowledge and techniques, equipments and machineries, puts a huge influence on the performance of the organizations in terms of service and output producing (Schermerhorn et al., 1985: 412). High performance organizations should arrange their structure to meet the necessity of dominant technologies. On the other hand, Newcombe (1999) claims that technology alone doesn't identify, create, share, and make available the organization's knowledge to all levels. It can only ease these processes, yet the organization, both the managerial and operational level, should be willing to learn and create knowledge. In other words, high performance organizations should be very careful not to over emphasize the importance of technology; they, however, develop innovative technologies that can make them capable of creating new knowledge behaviors and encouraging employees (Newcombe, 1999).

According to Hodgetts and Kuratko (1991) today's organizations are concentrating on innovation in order to create organizational entrepreneur. To provide innovation, high performance organizations require invasive atmosphere in which principles, policies, and procedures are innovated (Batten, 1989: 86). According to Batten (1989), the greatest obstacle to innovation is fear which can be seen in forms of insecurity, anxiety, or low concept of self. As the all positive innovation stems from the progressive self- actualization of strength, organizations must be willing to work in order to provide the climate of innovation.

14. TEAM-BASED WORK

The rapid social and technological change leads today's organizations to find more effective ways to increase their performance levels. In this context, there is growing concern over the issue of the influences put by high performance teams on organizations' performance (Batten, 1989). The main reason behind high performance team work is having an opportunity to produce the best results in terms of organizational production (Stanley, 2004).

There can be no doubt about the importance of team manager in the process of high performance team work (Batten, 1989: 57). As an example, if we imagine high-performance team members as a part of human body, team manager is the brain of them. Without brain, body alone can not function properly. Team managers should select his team members carefully and engage in team building which means a series of planned achievement to gather and analyze related data in order to increase organization's operating effectiveness (Schermerhorn et al., 1985: 352). A successful team manager also should possess some unique qualifications and traits (Batten, 1989: 57). According to Schermerhorn et al., 1985, effective leadership in team work is the process of motivating other members of the high performance team in order to meet the specific objectives. It's undeniable that we can learn a lot from each single person who is very wise, but we should bear in our minds that the only way to increase knowledge is sharing it with others through the

15, 5.1

high performance team work activities. Each single person can only add a small rung to the ladder; with the help of high performance team, they together can climb up to the moon.

15. PARTICIPATIVE LEADERSHIP

High performance organizations give a great deal of importance to the employees' contributing ideas in order to achieve the high productivity level. And the only way of reaching employees' ideas is the participative leadership. Conversely, if they lack of participation in decision making process, it is impossible to enhance their level of performance (Hodgetts & Kuratko, 1991).

Leadership is defined as the process of using power to obtain interpersonal influence (Schermerhorn et al., 1985: 583) and participative leadership requires the use of leader-subordinate interactions and gives personal a special consideration as typified by transformational, democratic, and participative leadership style (Hodgetts & Kuratko, 1991). Participative leadership has a strong emphasis on the welfare and motivation of subordinates rather than tents to place a priority on getting the work done (Schermerhorn et al., 1985). Participative leaders encourage a continual flow and exchange of information between top and low level (Hodgetts & Kuratko, 1991). Participative leadership also offers some advantageous such as improving decision-making ability because of getting information and assistance from others before rendering the final judgment and enhancing morale as the followers enjoy the openness and freedom of their work environment (Hodgetts & Kuratko, 1991).

16. EFFECTIVE INCENTIVE SYSTEM

Reward practices are vital aspects of a high performance organization. A properly administered system of rewards can provide incentives for quality work and employee performance. Likewise, a poorly administered reward practice can lead to low morale, unproductive performance, and a high percentage of staff turnovers. Organizations use different types of reward systems, and some reward practices are more effective in motivating employees and improving the organizational performance (Allen & Helms, 2001). Team rewards aims to reinforce behavior which leads to effective teamwork. It encourages group endeavor rather than just individual performance. Most team reward systems emphasize team pay rather than non financial rewards. Pay is important form of recognition and a motivator. However, the final team reward is recognition of the successful completion of a task. In high performance organizations, employees are more in favor of non financial rewards for team work (Eriksen, 2001).

Since social forces affect work groups, group incentive plans are developed to replace individual incentive plans. Instead of focusing on planning, organizing, and controlling employees, organizations paid attention to their employees' feelings and attitudes. They also focused on the effects of the feelings and attitudes on productivity (Shafritz & Russell, 2002). In the non financial reward system, if the productivity is low in a department, the manager looks beyond organizational factors. Because the problem can be that the organization does not meet individual and group needs. In this model, if the productivity is low, it can show that the employee does not feel committed to the organization. In the other words, because the organization is unfeeling and not supportive, control is so close, or the job has no meaning to the employees' personal goals and values (Milakovich & Gordon, 2001).

17. RECRUITING AND HIRING THE BEST TALENT

Mathis and Jackson (2005) define the recruitment as "the process of generating a pool of qualified applicants for organizational jobs" (p.65). In the selection process, recruitment is one of the critical areas of human resource management. The purpose of recruitment is to locate and attract qualified candidates to fill job vacancies. Recruiting qualified candidates is crucial for high performance organizations because considerable resources may be wasted by accepting unqualified applicants. Recruiting internal candidates from within is an excellent recruitment source for high performance organizations. It is important not to forget existing employees when recruiting. Providing opportunities for internal sources is an important factor for employee retention and motivation. They already understand the organization's procedures and policies, which can minimize training time (Lin and Kleiner, 1999). Instead of traditional methods, high performance organizations use new contemporary methods which are more effective than traditional ones. The Internet is used to advertise vacancies on organization websites or on job sites, to deal with applications, emailed enquiries, emailed application forms, CVs, or online completion of application forms, and to select candidates for online testing. There is no faster, simpler, more convenient or more cost effective way to reach a high number of candidates every day at any hour of the day. High performance organizations can easily reach candidates through the Internet, and they do not have to wait for the candidate responses to conduct job interviews (Dresang, 1999).

18. WORK-LIFE BALANCE

High performing organizations must find a balance between meeting work demands and meeting life demands. There is more evidence now that there is a connection between work-life balance and long term organizational performance. High performance organizations need to find ways to implement more family friendly and progressive programs and policies that acknowledge and support the need for employees to balance their work and life both in and away from the work setting. According to Jacobs and Gerson (2004), it is important to stay abreast of innovative benefits, as each generation has its own set of expectations with regard to a work ethic, and the

input and output expectations of a job. There needs to be a general sense of valuing and appreciating an employee, and while it may just be about an employers' return on investment, it can and will translate into an organizational culture that promotes loyalty and competency among its employees. The evolving reality is that employees need to balance both family and job responsibilities and traditional employment policies no longer support nor apply to the actuality of the high performance organization workforce (Jacobs & Gerson, 2004).

19. WORKPLACE DIVERSITY

High performance in some organizations comes from constant creative responses to over changing demands. For those in global market places, the challenge can be more complex. Creativity and innovation is enhanced by the diversity of the persons who are developing the responses. Diversity comes in many forms including race, gender, culture, and age, but it also contains personality differences, experience differences, ability differences, and differences in life situation (Milakovich & Gordon, 2001). Managing and valuing diversity in the workplace benefits both employers and workers by making workplaces more effective, efficient, competitive, and desirable places to work (Mathis & Jackson, 2005).

20. MOTIVATION

Does money alone possess an adequate attraction to satisfy employees' all needs? There's no doubt that money may draw employees' attention up to the front door, however, employers need to create some other incentives in order to motivate and encourage their employees to do their best contribution (Greenberg & Baron, 2003). The data collected by Sedat Polat (2009) from police officers and police supervisors supported Greenberg and Baron's statements. In his research, Sedat used a Likert-type scale with five response alternatives for monetary and nonmonetary factors: very dissatisfied = 1, dissatisfied = 2, neutral = 3, satisfied = 4 and very satisfied = 5.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	17	2.0	2.0	2.0
	2.00	42	5.0	5.0	7.0
	3.00	95	11.2	11.2	18.2
	4.00	481	56.9	56.9	75.1
	5.00	211	24.9	24.9	100.0
	Total	846	100.0	100.0	

 Table 1: Nonmonetary Factors

As presented in the Table 1, approximately 81.8 percent of the survey population were either "Satisfied" or "Very Satisfied" with nonmonetary incentives.

What is motivation? According to Buhler (2003) considers motivation as an amount of effort that employee invests in a given task. Kreitner (1995) takes another position and defines motivation as a psychological practice of providing purpose and direction for the human behavior. Pinder (1998) combines these two approaches and describes motivation as a set of internal and external forces that initiate work-related behavior, determine its form, direction, intensity, and duration. According Schermerhorn et al., (1985), in high performance organizations, motivation begins with an ability to understand employees' needs. Managers must try to create a well-designed work setting that is a motivating stimulus to individual members. As one of the most important aspects of any work setting is the pool of available work rewards, and a good allocation of these rewards by managers (Schermerhorn et al., 1985: 155). Additionally, three common aspects of motivation, which are identifying the human behavior's energy sources, discovering the causes of the direction of human behaviors, and understanding ways to maintain good human behaviors, must be examined by managers in order to catch the maximum level of performance (Hodgetts & Kuratko, 1991).

21. COMPENSATION AND PERFORMANCE APPRAISAL

Performance appraisal (PA) and pay for performance are important factor for the organizational performance. PA is a vehicle to validate and refine organizational actions, and provide feedback to employees for their future performance. The new PA is a mutual communication between the employer and the employee to improve performance. In contrast, in the traditional PA, the employer's action looks like a judge more than a coach. Rewarding employees through pay is also a crucial issue in high performance organization (Mathis & Jackson, 2005). Merit pay systems motivate and attract the employees and aim to provide equality among employees based on PA. Although this idea is supported most organizations, some drawbacks are argued by the opponents. They claim that joining pay and performance is not a good idea, and that pay cannot motivate employees to do a better job. Because instead of focusing on the quality of work or improving their performance, they focus on money and think how much their salary is (Nigro, 2000).

22. KNOWLEDGE MANAGEMENT

In closing of the 20th century, organizations began to recognize the potential value of implementing and using knowledge management system as a main tool in order to enhance their performance level. They started to understand the critical role that knowledge management play in reaching success for the future by implementing the concepts of knowledge management (Newcombe, 1999). Keskin (2005) defines knowledge management as a process of sharing meaningful information, set of rules, and operations that are learnt in the course of experience through the

C.15, S.1 Characteristics Of High Performance Organizations

organizational activities. He states that providing the right knowledge to right person at the right time is essential for the high performance organizations to create more dynamic processes and to use their human resources capabilities effectively. Keskin (2005) examines the knowledge into two main groups: Explicit and tacit knowledge. In the same way, knowledge management strategies are considered within two main categories of explicit and tacit oriented. According to Keskin (2005), explicit knowledge is referred to formal knowledge that can be easily documented and shaped. It can be in the form of written policies and procedures which can be transferred among the organization's units. Tacit knowledge is considered as an informal knowledge which we can know more than we can tell. It includes mental processes, such as individual experiences, beliefs, perspectives, and values. Both knowledge types complete each other, and they are inevitable components of knowledge management approaches in organization (Keskin, 2005).

In sum, the advances of technology have reached to the point that old practices became inefficient in storing, processing, and sharing of knowledge. Therefore, managing knowledge effectively and productively becomes a very well known and vital goal of high performance organizations that can see the future. Since we all agreed that knowledge is power, knowing how to managing knowledge means knowing how to managing power.

23. MEANINGFUL JOB

From the high performance organization's point of view, employees' essential incentive which forces them to enhance their performance level is not only money but also other incentives. What employees really need in order to find satisfaction in their work is a meaningful work. Some values such as good internal relationships among employees, autonomy, harmony between life and work and getting experiences are among the most popular incentives that can lead employees to enhance their performance level (Chalofsky 2003).

According to Fischerman at al. (2004), balance between work and life is becoming more and more important for employees for today's business environment. The purpose of a work should be to demonstrate that life and work can be managed together for both companies and employees (Chalofsky 2003). Sharing common objective, product, vision, and purpose with coworkers enables them to fell more comfortable. In this way, they don't limit themselves and don't spend their years in a conflict between their works and emotions . If employees manage to spend their work day in confront with this advent, they can call this work day is a day that is well spent (Fischerman at al., 2004).

Today, organizations are recognizing the needs to offer their employees not only money, but also ways to find meaning and purpose in their jobs. They are trying to create the best workplace conditions and meaningful job for their employees (Hodgetts & Kuratko, 1991). According to Chalofsky (2003), employees, especially the young generations, want to create a healthy balance between work life and personal life. They also do their best to have adequate workplace conditions, have a control over work (Chalofsky 2003). What kinds of elements make the work meaningful and create better workplace? Meaningful work includes some common elements, such as empowering, building and helping employees to create career, and the willingness of the organization to listen to their problems (Hodgetts & Kuratko, 1991).

There's no doubt that individuals can not fulfill their full potential if they lack worthwhile personal jobs. And they can't make their optimum contribution to their organization's goals if they fail to know them and identify their own with them; they, consequently, fill their days with the activities for the sake of a salary.

24. EFFECTIVE SUCCESSION PLANNING

There is consistent change in the workforce for different reasons, which is unavoidable for all organizations, and this may result in losing important members of the workforce. To avoid the unwanted consequences of losing valuable people who know the ins and outs of their jobs -- how to "play the game" - high performance organizations prepare a succession plan. Sandra Hastings (2004) describes succession plans as organizing the right staff in the right jobs at the right times. The most important thing in succession planning is developing key staff over time to make an organization able to continue its performance effectively. Purposes of succession planning are to prepare candidates so that they will be able to assume new upper management duties smoothly, to be prepared for the retirement of executive officers and to fill key vacancies in organizations. It is obvious that succession planning is necessary in high performance organizations because it is directly related to the continuous survival and success of the organization. When we consider the retirement of the baby boomer generation in the U.S. a good succession plan plays an important role either for the new generation to get ready themselves for the new skilled positions or for the organizations to plan their recruitment strategies for the future (Ibarra, 2005).

25. EFFECTIVE PLANNING AND ANALYSIS

Planning, both long-range and short-range, is very important for high performance organizations (Hodgetts & Kuratko, 1991). It is true that each organization wishes to control its future. According to Hodgetts and Kuratko (1991), the rapid changes in the area of economic, cultural, and societal environment urge the organizations to produce more effective planning process for both as a reaction to these changes and as a creating an organization's future within the context of these changes. With the help of planning, a high performance organization can adapt its services and activities in a way that can meet the inevitable changing needs of its

C.15, S.1 Characteristics Of High Performance Organizations

environment (Mathis & Jackson 2004). Planning provides direction and meaning to the activities of high performance organizations. It evaluates high performance organization's values, status, environment, and relates those factors to the organization's desired future (Hodgetts & Kuratko, 1991). The planning process requires accurate and timely information (Mathis & Jackson 2004). First of all, an effective planning activity should contain both the external and internal capacity assessment. These assessments provide a reality base on which to build future plans. Secondly, the goals and objectives of the high performance organization should be set up and defined clearly. It can be served as benchmarks that provide a common sense of direction and purpose. Additionally, each major function also should be defined clearly in order to accomplish certain specific results on both a short and long term basis. Finally, observations, interviews, questionnaires, computerized job analysis, and combination of these methods are among the job analysis methods (Mathis & Jackson 2004).

26. ETHICAL DECISION MAKING AND PEER RESPECT

Today's work force is composed of people who are more divorce than ever in nationality, culture, religion, age, education, and socioeconomic status. These people enter the work force with different backgrounds, values, goals, and perceptions of acceptable behaviors. Many of them have career expectations that will be difficult, if not possible, to realize in today's society. This diverse, multicultural population of workers is being to work together in cooperation and respect for the good of the organization and the public they serve (Milakovich & Gordon, 2001). However, on the job, workers face decisions that bring pressures for them to protect their own interests, sometimes at the risk of losing their personal integrity. According to the authors, to produce high performance work and become good workers, young professionals need to reflective about the purposes of their work, and take necessary actions in advance to the approaches that they take in their work. They have to think about the consequences of work not only for themselves, but also for peers and colleagues. Coping with ethical dilemmas requires interpersonal and negotiation skills as well as good application of work skills such as honesty, ability to work, cooperatively, respect for others, pride in one's work, willingness to learn, dependability, responsibility for one's actions, integrity and loyalty. Today, high performance organizations train their workers in critical thinking and conflict resolution skills required for ethical decision making (Fischman, Becca, Deborah, & Howard, 2004).

CONCLUSION

Aim of this article is to find out common characteristics that seem to be part of a high performance organization. For the competence HPO is being more popular system depending on this aim. This study concluded common specifications of HPO. Management revisions showed that top managers and low level personnel have to communicate properly. Personnel who work in the HPO are more active and effective.

As a result we can outline that HPO have these characteristics which indicated as follow: Understood vision and values, proper use of discipline, having clear and specific goals, having strong communication, and fun, constructing trust and confidence, decision making at the lowest level training effectively open feedback, customer-based system, system of measuring improvement, strategic change management continuous innovation and openness to technology, team based work, participative leadership, effective incentive system, recruiting and hiring the best talent, work-life balance, workplace diversity, motivation, compensation and performance appraisal, knowledge management, meaningful job, effective succession planning, effective planning and analysis, ethical decision making and peer respect.

As presented in the article, high performance organizations exhibit a set of common characteristics that are available to almost every organization. That corrects Hypothesis 1. Which outlines that "High Performance Organizations require specific characteristics."

When organizations contain these traits, they will have the correct context in which to make decisions to move forward. Organizations that seek sustainable success may benefit from the experience of those that have achieved it. In fact, organizations that include these characteristics have recorded dramatic changes in employee style, employee performance, and effectiveness. However, organizations must remember that it is a continuous process that never stops. The effort to become a high performance organization is never-ending, and it is full of pitfalls and problems. However, by effectively applying the principles and practices discussed in the article, organizations can avoid these pitfalls and problems. As Buytaidijk (2006) concluded, for a high performance organization, the journey is the destination.

All those explanations show that there are effective approaches which give advantages to organizations in the competing environment. It can be concluded that any organizations comprising at least some of these requirements may be successful in the business environment. Characteristics of High Performance Organizations give quality and power to the organizations that meet the standards outlined in this study.

REFERENCES

- Allen, R. S. & Helms, M. M. (2001). Reward practices and organizational performance. *Compensation and Benefits Review*, 33, 74-80.
- Bridges, W. (2003). Managing transitions: making the most of change. (2nd ed.). United States of America: Perseus Publishing.

- 3. Buhler, P. M. (2003). Managing in the new millennium: understanding the manager's motivational tool bag. *Supervision*, *64*, 20-23
- 4. Buytaidijk F. (2006). The five keys to building a high-performance organization. Business *Performance Management Magazine*, *4*, 24-30.
- 5. Chalofsky, N. (2004). Meaningful job. *Busines SourcePremier*, 57, 52-58.
- 6. Culyer, A. J. (2001). Equity: some theory and its policy implications. *Journal of Medical Ethics*, 27, 275.
- Dresang, D. L. (1999). Public personnel management and public policy (3rd ed.). New York: Longman.
- Erikson, E.O (2001). Leadership in a communicative perspective. Acta Sociologica, 44, 21-35.
- Fischman, W., Becca, S., Deborah, G., & Howard, G. (2004) Making Good, How Young People Cope with Moral Dilemmas at Work. Harvard University Press, Cambridge, Massachusetts.
- 10. Gray, S. N. (2005). Tipping points: Building momentum for lasting change. *Organizational Development Journal*, 23, 71-77.
- 11. Green, K. W. (2002). Just-in-time: Relation to market orientation, organizational structure and organizational performance. *Louisinia Tech University*, 1-134.
- 12. Greenberg, J., & Baron, R.A. (2003). *Behavior in organizations* (8th ed.) New Delhi: Prentice
- Gupta, D. K. (2001). Analyzing public policy: Concepts, tools, and techniques. Washington D.C.: A Division of Congressional Quarterly Inc.
- 14. Hastings, S. (2004) *Succession planning: Take two*. Alexandria, VA: American Society for Training & Development.
- 15. Hillgren, J. & Morse, E. High performance organizations. *Executive Excellence*, 15, 9-10.
- Hodgetts, R. M., Kuratko, D. F. (1991). *Management*. (3th Edition). HBJ: New York
- 17. Humphreys, L. W., & Humpreys, N. J. (1988). The proper use of discipline. *Management Solutions*, 33, 5-11.
- 18. Ibarra, P. (2005, January-February). Succession planning: An idea whose time has come. *Public Management*, 87, 18-24.
- 19. Jacobs, J. A. & Gerson, K. (2004). *The Time Divide. Work, Family, and Gender Inequality*. Massachusetts: Harvard University Press.
- Keskin, H. (2005). The relationships between explicit and tacit oriented knowledge management strategy, and firm performance. *Journal of American Academy of Business*, 7, 169-175.
- Kreitner, R., & Kinicki, A. (1998). Organizational behavior (5th edition). Boston: Irwin McGraw-Hill

AKDEMİR – ERDEM – POLAT

- 22. Lin, Y., & Kleiner, B. H. (1999). How to hire employees effectively. Management Research News, 22, 18-25.
- 23. Locke, E. A., & Latham, G. P. (1990). A Theory of Goal Setting and Task Performance. Englewood Cliffs, NJ: Prentice Hall.
- 24. Mathis, R. L. & Jackson, J. H. (2005). *Human resource management: Essential perspectives* (3rd ed.).Canada: South-Western.
- McCann, J. (2004). Organizational effectiveness: changing concepts for changing environments. *Human Resource Planning*, 27, 42-51.
- 26. Milakovich, M. E., & Gordon, G. J. (2001). *Public administration in America*. Boston: Bedford: ST. Martin`s.
- 27. Newcombe, T. (1999). Knowledge management: new wisdom or passing fad? Retrieved from http://www.govtech.com/gt/94594.
- 28. Nigro, L. G. & Nigro, F. A. (2000). *The new public personnel* administration (5th ed.). McNaughton & Gunn.
- 29. Osborne, R.L. & Cowen, S. (2002). High-performance companies: The distinguishing profile. *Management Decision, 40,* 227-231.
- 30. Parks, S. (1995). Improving workplace performance: Historical and theoretical contexts. *Monthly Labor Review*, *118*, 18-28.
- Pennington, R.G. (2003). Change performance to change the culture. Industrial and Commercial Training, 35, 251-255.
- Pinder, C. C. (1998). Work motivation in organizational behavior. Upper Saddle River, NJ: Prentice-Hall
- 33. Schermerhorn, J. R., Hunt, J. G., & Osborn, R. N. (1985). *Managing* organizational behavior, (2nd Ed.), New York
- 34. Scully, J.P. (1995). How to lead the way to TQM. *National Productivity Review*, *14*, 13.
- 35. Shafritz, J. M., & Russell, E. W. (2002). *Introducing public administration* (3rd ed.). New York: Longman.
- Thompson, R. (2004). Increase productivity, and morale and make work fun. Retrieved from http://www.robinthompson.com/makingworkfun .htm.
- 37. Wade, J. (2004). Reducing the threat. Risk Management, 51, 10-16.
- West, R. L., & Thorn, R.M. (2001). Goal-setting, self-efficacy, and memory performance in older and younger adults. *Experimental Aging Research*, 27, 41-65.
- 39. Williams, S. (1999). The effects of distributive and procedural justice on performance. *The Journal of Psychology*, *133*, 183
- 40. Wolf, M.F. (1993). Creating high performance teams. *Research Technology Management*, *36*, 10-11.