The High-Performance Workforce Study 2004
Executive Summary

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Foreword
There is little doubt that the issues relating to workforce effectiveness and productivity are critical to achieving high performance.

As we see signs of moving back toward a growth cycle, there is much greater emphasis on getting more out of people and attracting, developing and retaining the differentiated skills and talent that organizations need to perform and compete. These observations are clearly evident in this year’s High-Performance Workforce Study, but the challenge is that many organizations do not feel they are on top of this in the way they need to be.

While this might imply a need for greater investment in people, the reins on investment and spending are hardly being relaxed: therefore, the importance of understanding what investments most drive performance is critical. Investments in human capital are the most difficult to link to business outcomes and overall financial performance, but it is becoming increasingly clear through our work with clients, as well as our ongoing research to determine the characteristics of high-performance businesses, that it is possible to demonstrate those links.

In fact, the demonstration of the link between human capital investments and business performance is one of the most compelling findings of this year’s study. When we set out to do our research for the 2004 edition, we aimed to not only identify effective HR and training practices among global businesses and government organizations, but also to determine if companies that exhibited excellence in human capital management also generated superior value for their shareholders. As you will read in the following pages, we discovered just that. The companies we identified as “human performance leaders”—those companies that are mastering the human capital capabilities they believe are absolutely critical to their success—also showed a significantly higher return to shareholders over time.

As for defining the type and strength of this link, we believe we have made substantial progress there as well. Several years of intensive research and pilot studies with leading organizations have resulted in a diagnostic framework and tool called the Accenture Human Capital Development Framework. This framework—unique in the marketplace today—helps companies assess human capital capabilities and the processes that drive them in a comprehensive way, and ultimately link human capital capabilities to overall business performance. We discuss the results of initial implementations of the framework, and the implications for other companies, in this report.

I trust you will find this year’s report informative and the insights contained herein valuable. The shared challenge of improving performance and productivity of workforces is something all the participants in this study feel strongly about, and it is clear that some progress is being made as we compare results to previous years. Looking ahead, as attention to people issues continues to increase, the understanding of how high performance in the workforce translates into high performance in the business as a whole will undoubtedly continue to improve.

Peter Cheese
Managing partner—Human Performance
Preparing for High Performance in a Growing Economy

During the past year, Accenture has embarked on a comprehensive research initiative to identify the characteristics of high-performance businesses across industries and business functions. As part of this effort, our High-Performance Workforce Study specifically examines issues and trends associated with the workforce—and how the workforce contributes to a high-performance business. We explore how workforce issues affect the performance of the overall business and, most important, what practical steps companies can take to boost the value their workforces contribute.

The findings in this year’s study are derived from a comprehensive year-long effort that included a survey of 244 executives in six countries spanning more than 15 industry segments and five distinct functional titles; in-depth interviews with executives at 20 additional companies, including American Express, Hewlett-Packard and Avon; and discussions with our own Accenture consultants who specialize in the areas of human resources and workforce performance.

Our research has resulted in a number of interesting discoveries that illustrate both the challenges companies face today in building and sustaining a high-performance workforce, as well as the practices that leading organizations employ to help ensure that their employees are contributing to high performance in the business overall.

Growth—and the War for Talent—Are at Hand

The past few years have been challenging ones for businesses around the world. Yet in 2004, there is renewed optimism among executives with regard to the economy. Indeed, many economic indicators point to a strengthening of demand in numerous industry segments, giving executives hope that the worst is behind them.

The brightening economic prospects are reflected in the results of our survey. With business confidence improving, many companies are moving past a primary focus on cost-cutting and are ramping up investment in growth-oriented activities (Figure 1). An important implication of this emerging growth focus is that the war for talent is expected to intensify, making it even more difficult for companies that do not excel in human capital management to compete. Indeed, executives participating in our survey see the beginnings of a renewed battle for top talent taking shape in the next 12 months (Figure 2).

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**Figure 1 Overall focus of the company**

- **Primarily on growth**
  - 12 months ago: 26%
  - Today: 27%
  - In 12 months: 42%

- **Primarily on cost control**
  - 12 months ago: 41%
  - Today: 32%
  - In 12 months: 18%

- **About evenly split between growth and cost control**
  - 12 months ago: 25%
  - Today: 34%
  - In 12 months: 32%

**Figure 2 Impact of the war for talent**

- **1—No Impact**
  - Today: 18%
  - Future: 10%

- **2**
  - Today: 28%
  - Future: 17%

- **3**
  - Today: 32%
  - Future: 33%

- **4**
  - Today: 17%
  - Future: 28%

- **5—Severe Impact**
  - Today: 6%
  - Future: 13%
Workforce Challenges Are Impeding Business Performance

Unfortunately, many organizations will not be well positioned to compete in the improving economy because of shortcomings in their workforces. Overall, survey participants were not convinced that they have the necessary skills and talent in place to excel, nor were they pleased with how they are faring in building organizational capabilities that are critical to addressing marketplace challenges and achieving high performance.

Just 20 percent of executives—up from 12 percent in our 2003 study—said that three-quarters or more of their employees understand the company’s strategic goals, while 41 percent said fewer than half have such an understanding. Furthermore, only 22 percent of executives—a jump from 17 percent in our 2003 study—said that at least three-quarters of their employees understand how their jobs contribute to the company’s ability to achieve its strategic goals, while 40 percent said fewer than half have such an understanding.

Even more problematic are the findings related to workforce skills and performance. When executives were asked to describe the overall skill level of their workforce, only 17 percent said it was industry leading, while just under 40 percent said it was either equal to or worse than their competitors.

Perhaps the most illuminating executive input—findings that clearly show the challenges companies face in building a high-performance workforce—involves what we call key organizational capabilities. These nine capabilities listed in Figure 3 have emerged from Accenture’s years of research and consulting as critical to high performance. In our survey, we asked executives first to tell us how important they thought each of these capabilities is to their particular organization’s ability to address marketplace challenges, and then to indicate how well they felt they were developing these capabilities. The results show that companies overall are not performing well in areas that they view as highly important.

For example, the capability that respondents identified as most important to addressing marketplace challenges is developing effective leadership. Just under two-thirds of executives rated this capability as very important. Yet only 8 percent said they develop effective leadership very well. As Figure 3 illustrates, the same pattern is evident with the other capabilities rated by a large percentage of respondents as very important.

What do these findings tell us? They vividly illustrate the fact that many companies are at risk of being left behind because they lack key workforce skills and organizational capabilities. But the findings also suggest the opportunities companies have to make up ground between themselves and high performers—or if they are high performers, ways to put even greater distance between themselves and their nearest competitors.
HR and Training Are Not Fully Effective

The difficulty that many companies have in creating superior workforces and organizational capabilities can be traced in most cases to underperforming HR and training organizations. Indeed, executives participating in our survey indicated that their companies still have much work to do to improve not only the effectiveness of specific HR and training practices, but also the value contributed by the HR and training functions overall.

We presented survey participants with a list of 13 HR initiatives and asked participants to indicate how important they thought each initiative is to their organization. The five most important, according to executives, are the following:

1. Improving worker productivity
2. Improving the delivery of HR services
3. Improving the adaptability of the business to new opportunities
4. Facilitating organizational change
5. Improving employee engagement with/advocacy for the company

We also asked executives to report how satisfied they are with their progress on these key initiatives—and their responses clearly point to a problem. No more than 14 percent of respondents said they are very satisfied with how they are faring on any of these five highly important HR initiatives. In fact, just 6 percent said they are very satisfied with their progress on the top-rated initiative, improving worker productivity.

A similar pattern emerges in the area of training. The five training initiatives that respondents identified as their most important are the following:

1. Aligning learning strategy with business goals
2. Ensuring learning content meets workforce requirements
3. Boosting workforce productivity and agility
4. Measuring the learning function against business objectives
5. Improving the efficiency of training operations

However, no more than 16 percent of respondents are very satisfied with their progress on their top-five training initiatives—including the top-rated initiative, aligning learning strategy with business goals. Just 12 percent of executives reported being very satisfied with their performance in ensuring that they are pursuing learning strategies that explicitly support the mission of the business.

We also found that respondents are not highly satisfied with either the HR or training organization as a whole. Just 18 percent of all executives said they are very satisfied with the overall performance of their HR function, while just 16 percent said they are very satisfied with the training function.

Why are executives not as pleased with the performance of human resources and training as they could be? Our research points to three contributing factors: technology, measurement and outsourcing.

In analyzing the survey data, we found that satisfaction with the performance of the HR and training functions increases as a company:

• More effectively uses information technology to support HR and training activities
• More frequently measures the impact of its people-related investments
• Outsources a larger percentage of its HR and training activities

Yet we also found that most respondents are not maximizing the use of technology. Just 9 percent said they leverage technology exceptionally well in support of their HR activities, and only 7 percent use technology exceptionally well to support training initiatives. We further found that most organizations are not measuring regularly or consistently. And we discovered that few companies appear to embrace HR and training outsourcing to a large degree.

As our survey findings show, there is much room for improvement in the way organizations run their HR and training functions. And the pressure to address these shortcomings only will intensify as the economy improves in the next 12 months and organizations are faced with fulfilling increased demand for their goods and services.
Three factors contributing to satisfaction with the performance of the human resource and training functions are effective use of technology, frequency of measurement and degree of outsourcing.
Linking Mastery of Human Capital Management with Superior Financial Performance

While most companies in the survey are struggling to boost the performance of their workforces, there is a group of organizations in our sample—the group we call the “human performance leaders”—that have markedly different results and exhibit a number of characteristics shared by high-performance businesses.

As we analyzed our survey data, we began to realize that not all participating companies were displeased with their progress in developing the organizational capabilities (listed on page 6) that are key to achieving high performance. In fact, we found 38 companies (approximately 16 percent of our total sample) in which executives believe their organizations are performing at the highest level in building the capabilities that they think are paramount to their organization's ability to address critical marketplace challenges.

These leaders exhibit a number of characteristics that are different from the rest of the survey sample (the “non-leaders”):

1. **Leaders have posted stronger financial performance than non-leaders over the short term and long term.** Satisfaction with human resources and training is meaningless if the company overall is struggling. Therefore, we conducted a detailed financial analysis of the 155 publicly listed companies in our sample—18 of which are included in our human performance leader group—to determine how well they have performed. Our analysis revealed that the leader group has generated a consistently higher rate of total shareholder value over the past three-, five- and seven-year periods, as well as a much larger “spread”—the difference between a company’s return on invested capital and its weighted average cost of capital.

2. **Leaders are more likely to be ramping up to grow their businesses in the coming year.** Fifty percent of leaders, compared with 40 percent of non-leaders, said their company’s overall focus in the next 12 months will be primarily on growth-oriented activities.

3. **On average, leaders consider all of the key organizational capabilities as much more important to addressing critical marketplace challenges, and believe they are doing much better in developing each capability, than non-leaders do.** In some cases, the difference in mean performance ratings between leaders and non-leaders is dramatic.

4. **Leaders have high-performance workforces.** We found that leaders are more likely than non-leaders to believe at least three-fourths of their workforce understands the company’s strategic goals and how their job contributes to the achievement of those goals. Leaders also are more than twice as likely as non-leaders to describe the overall skill level of their entire workforce as “industry leading”.

5. **Leaders tend to more highly value, and perform better in, human resources and training.** On average, leaders rated the importance of every HR and training initiative presented in the survey higher than non-leaders did. Leaders also are more satisfied with their performance on every HR and training initiative than non-leaders, especially those identified by all respondents as the most important. Furthermore, leaders are more satisfied than non-leaders with the overall performance of their HR and training functions.

Yet knowing simply how leaders differ is only half the story. The other half is trying to pinpoint why they differ. In other words, what specific practices do leaders employ that separate them from non-leaders? While many factors can influence leading companies’ performance, there are two identified by the survey that play a critical role.

First, we found that leaders are more likely to use technology more effectively in support of their human resources and training functions. Sixty-three percent of leaders (compared with just 29 percent of non-leaders) believe they use technology in support of human resources well or exceptionally well, and 55 percent of leaders (compared with 28 percent of non-leaders) rated their use of technology in support of training well or exceptionally well.

Second, leaders have comprehensive and continuous measures in place to understand the link between HR and training investments and business results. We found that a higher percentage of leaders measure time to competence, manager proficiency, leadership capability, workforce proficiency and level of stakeholder engagement or advocacy monthly or quarterly, and that leaders on average measure the impact of HR initiatives on key business results more frequently than non-leaders.
This issue of measurement is one that deserves particular emphasis. In Accenture’s experience, measurement truly has become a defining capability for any company that strives to be a leader in human performance. However, in the past, gauging with any certainty how various HR and training initiatives affected the company’s overall performance was extremely difficult. That situation is changing as a number of measurement tools are emerging to help executives get a better handle on the impact of people-related investments. One of the most powerful tools is an approach called the Accenture Human Capital Development Framework.

The framework is a diagnostic approach to assessing human capital capabilities and the processes that drive them, and then linking human capital assets and approaches to business performance outcomes (Figure 4). The framework is unique in that it helps organizations do more than look at levels of spending to get a sense of their human capital development strengths; it also highlights how complete the underlying practices are and how aligned they are with the organization’s competitive strategy and mission. With the framework, an organization can better assess its core human capital capabilities (such as leadership and employee engagement), identify specific human capital needs and then prescribe the right interventions to improve overall business performance.

During the past year—in partnership with Accenture alliance partner SAP—Accenture implemented the framework in 19 organizations around the world. After studying the results of those implementations, Accenture has been able to identify a set of specific human capital processes where investments have been shown to help businesses achieve high performance—both in superior workforce performance and in bottom-line business results. These include human capital strategy processes, which align people initiatives with overall business strategy; work environment processes, which provide employees with supportive and positive work environments; and employee development processes, which expand and enrich employee capabilities.

In effect, the initial implementations have proven what executives instinctively have known for years: that organizations that excel in developing their people also tend to be high performers and dominate their markets.

**Figure 4 The Accenture Human Capital Development Framework**
Taking Steps to Boost Workforce and Business Performance

The leaders in our survey revealed that they use information technology and metrics more consistently and effectively than non-leaders. However, it is shortsighted to simply conclude that deploying innovative technology and embracing comprehensive metrics will result in a high-performance workforce. Additional in-depth case study research that Accenture conducted with more than 20 companies, as well as our consulting work with leading global organizations in numerous industry segments, found that successful companies use technology and measurement across a broad range of more strategic HR and training practices. Specifically, Accenture has identified six distinct practices—that in which technology and measurement often play a key role—that companies can employ to dramatically improve the performance of their workforce and the overall contribution the workforce makes to business performance.

1. **Institute a formal process for talent management, supported by appropriate technologies, that enable objective assessments of employees, skills and capabilities, as well as quick and easy identification of the best candidates for open positions.**

   As noted in our survey results, developing strong leadership capabilities is of critical importance to nearly all companies in our sample—but is something that many do not do particularly well. One way to address the leadership challenge is for companies to move aggressively to a more systematic, institutionalized and objective approach to how they identify and subsequently develop the leaders in their organizations at all levels. For best results, this approach should be supported by a formal talent management process. A key enabler of such a process is a talent management system that not only helps a company understand the performance and capabilities of all of its “up and comers,” but provides a more efficient and objective way of identifying qualified candidates for top positions and focuses on providing the right developmental support.

Global cosmetics company Avon Products Inc., for example, has transformed its talent management process to enable the company to more effectively answer four key questions:

1. Do we have the bench strength to staff our growth and transformation initiatives?
2. Do we have world-class talent in our key roles?
3. How can we increase our talent “hit rate”?
4. When and where do we buy or make talent?

At the core of the transformation is a shift from “referral of talent” (where a manager advocates a particular person for a position) to a more formal and objective approach to talent management in which talent is objectively assessed against a leadership model to determine suitability for a given role. Data on talent is housed in a system that enables employees’ profiles to be updated continuously (for example, as an employee gains a certain type of expertise, as his or her manager learns about a new relevant skill, etc.). “It helps us make more data-driven decisions about talent. That is where the value is,” noted Deborrah Himsele, vice president of organization effectiveness at Avon.

2. **Proactively develop the capabilities of the organization to foster innovation and manage change so new strategic initiatives can be implemented more effectively and the organization is better positioned to manage through the inevitable “boom and bust” cycles.**

Being able to anticipate and adapt effectively to change is an important organizational capability identified by survey respondents. In fact, ongoing Accenture research has revealed that high-performance businesses are particularly adept at balancing present and future agendas—in other words, effectively attending to current demands while instituting the kind of flexibility and adaptability that prepares them for the inevitable waves of change the market will send their way in the future.

However, the change arena is also one in which most companies participating in our study struggle. Accenture has found that the best way to deal with change is to not wait for it to happen but, instead, initiate it so the process can be controlled and shaped—something that American Express does extremely well.

"We know from experience that change is best initiated from a position of strength," said Steve Richardson, senior vice president of human resources, at American Express Company. "We spend a lot of time with our employees..."
helping to raise awareness of the competition in order to develop effective business strategies and drive business improvements."

A key part of the company’s success in the change arena is its ability to manage ambiguity and uncertainty. "The biggest sin of leaders is to leave ambiguity or uncertainty lingering for too long," said Richardson. "We have found that groups of employees who have gone through profound change—even change where entire divisions, departments and jobs have changed or been eliminated—have rated the company incredibly well on satisfaction surveys when we have been open and up front about the change and the rationale for it. Groups where uncertainty has lingered tend to react more negatively. So in managing change, we try to remove uncertainty as rapidly as we can."

3. Complement traditional HR competencies with technology, financial and strategy expertise that can boost the business value of the HR function.

Reskilling the human resource function is important to many companies in our survey, particularly the larger organizations—those with more than US$8 billion in revenue. Forty-two percent of respondents in these companies said this issue is very important to their ability to address critical marketplace challenges. Yet most companies do not do a particularly good job in this area, as only 13 percent of respondents overall said they are very satisfied with their progress. The experiences of several companies we spoke with provide insights into why a more strategic HR function is critical to high performance and how companies can improve on their efforts to make HR more strategic.

At one of these companies—US-based Delaware Investments, a member of Lincoln Financial Group—Joanne Hutcheson, senior vice president of human resources, led a stunning transformation of the HR function from a reactive, order-taking group to a high-performing team that strikes a balance between "consultative and strategic," as she describes it. Key steps in the transformation included embracing new technologies to relieve the administrative burden that was consuming most HR employees’ time; establishing an extensive curriculum and training programs to infuse the necessary new skills in HR personnel; building new partnerships with IT, finance, legal and other back-office functions; focusing on key processes where HR has a major role (for example, employee agreements and new employee "onboarding"); and using newly created free time to help managers craft their business plans and understand how changes in the business environment will affect their workforce needs.
4. Create a communicative and participative culture that fosters loyalty and a high level of engagement among employees at all levels of the company.

A crucial element of a high-performance workforce—and, by extension, high performance in the business overall—is strong employee loyalty to the company and a high degree of employee engagement with the organization and its mission. Indeed, this issue is one of the most important organizational capabilities among participants in our survey—finishing behind only leadership and adaptability to change. It is not a coincidence that many of Fortune magazine's Best Places to Work—as rated by employees themselves—are also some of the most successful organizations in the world. The experiences of some of the leaders we spoke with graphically demonstrate the value of creating and sustaining employee loyalty and engagement.

For example, the challenge for Arizona-based Troon Golf, which manages 120 golf courses in 12 countries, is how to maintain loyalty and engagement in a highly seasonal business among two distinctly different sets of employees: those involved in what Troon refers to as "heart-of-the-house" activities—groundskeepers, maintenance staff and housekeepers, for example—who tend to be lower-wage, non-native-English-speaking individuals; and those in the "front of the house," including the golf staff, retail shop managers and clerks, and food and beverage personnel.

One of the ways the company addresses this challenge is by maintaining a highly open, communicative and participative culture among all of its workforces. Key to this are a variety of mandates that company managers have for setting good examples for their employees: practicing and encouraging straight talk; fostering teamwork; encouraging creativity; soliciting and rewarding suggestions and ideas; and participating in the training of their direct reports. However, also important is that the managers are not the only ones who know what is expected of them. All of their employees do as well. "Occasionally I will get e-mails from hourly associates who say, 'Hey, my managers are not doing X,'" related Hud Hinton, Troon's president and chief operating officer. "They are holding their managers accountable—which is precisely the point. This openness is one of the ways we perpetuate the culture and keep everybody moving in the same direction."

5. Identify the critical linkages between HR and training programs with specific business outcomes to ensure that the programs are aligned with and meeting the needs of the business at large.

More than ever, HR and training functions are under pressure to boost their value and contributions to the overall organization. One of the most basic ways to answer that call is to ensure that every HR and training program is tightly linked to critical business objectives. While this sounds incredibly intuitive, it is something that does not always happen in practice. As a company grows or changes focus, HR and training often are left behind. The gap widens to the point at which it becomes painfully obvious that many HR and training activities at best have only a tangential relationship to the company's goals and, at worst, have no connection whatsoever to what the company needs to compete.
Our discussions with companies that have best-practice human performance processes revealed that these companies, first and foremost, have a clear understanding of the importance of linking HR and training programs to business objectives. And in many cases, this linkage is based on the ability to accurately measure the impact of these programs on those objectives.

One example is a global international electronics and systems group serving defense, aerospace, services and security markets, which worked with Accenture to create a sophisticated knowledge management capability to help bolster research and development, a critical area of a company whose lifeblood is innovation. The world-class knowledge management system and organizational structure enables engineers across numerous countries to create, share and use knowledge and best practices more easily. The company estimates that the new system allows its users to shave one hour from the four to five hours they typically devote to searching for information each week. This translates to several thousand hours each year. In addition to providing better and faster access to information at the user level, the new system gives the company’s management team greater visibility into research currently in progress. In the case of major programs, which require the mobilization of numerous teams over several years, such visibility dramatically improves the executive teams’ decision-making capabilities. Finally, the new system is also highly scalable, which means the company can apply it quickly and cost-effectively to a number of different business functions across different markets. This is particularly relevant for any new organizations the company may absorb into its group of businesses.

6. Use innovative models—including shared services and outsourcing—to streamline HR and training operations and, subsequently, provide better HR and training services at a lower cost.

More and more, companies are recognizing the increases in effectiveness and efficiency they can realize by consolidating HR and learning operations—whether that consolidation is in the form of an internal shared services function or done in an outsourced environment at a third-party provider’s facility.

One adopter of the shared services model is the Government of Queensland, Australia, which in February 2003 began a wide-ranging initiative designed to create shared services centers to support a number of back-office functions—including finance, procurement and human resources. As part of this larger initiative, the government is working with Accenture on an HR business solutions project in which common business processes and systems will be implemented to support recruitment, workforce management, HR and payroll information, performance planning and development, and workplace health and safety. The Queensland Government’s shared services initiative is expected to deliver dramatic benefits—one of which is an annual savings of approximately US$80 million in operating costs across the functions covered by the effort. This money will be reinvested in ways that will tangibly and visibly improve the services the government offers its customers—the citizens of the state—in critical areas such as health, education and justice. Beyond such quantifiable benefits, the initiative is expected to improve performance management of employees remaining in the shared services center; create a more positive and professional working environment for services center staff; and enable the HR function to more easily accommodate “machinery of government” changes.

Organizations also are using an external version of shared services—outsourcing—to improve various aspects of their HR and training operations. For instance, the five-year outsourcing agreement that the City of Copenhagen, Denmark, signed with Accenture—which includes all of the city’s HR activities, as well as information technology systems management—guarantees the city cost savings and reduced service fees over time. The arrangement already has saved taxpayers approximately US$8.5 million and, according to city officials, has improved the quality of the HR services provided to city employees.

Software provider Citrix Systems outsourced to Accenture aspects of its learning function related to product training. Because of the project, Citrix was able to double its course offerings in just six months—from 17 to more than 35, enabling the company to target individuals for whom it previously had no training offerings. Citrix now can offer product training to all sales personnel in the company’s channel partners to ensure that they are fully equipped to sell new products at the time the products are launched. And, Citrix is using e-learning, delivered by Accenture, to train internal employees—something that was not done in the past—to ensure a consistency of product understanding within Citrix as well.
Conclusion

As Accenture’s research reveals, companies pursuing high performance must master essential elements of HR and training specifically, as well as key human capital and organizational capabilities more broadly. This is especially true as improving economic conditions, as well as shifting workforce expectations and demographics, make the attraction, retention and growth of talent increasingly fundamental to achieving competitive advantage and high performance.

Our study this year shows that companies, indeed, have made progress since our previous study in addressing their workforce issues. Higher percentages of companies this year reported increased business strategy understanding among employees compared with last year’s study. Executives’ satisfaction with the HR and training organizations, though still not uniformly high, has strengthened in the past 12 months. And consistent measurement of the business impact of HR and training activities has become much more prevalent among organizations of all types.

Yet, there’s still much work to be done, and no one knows this more than the professionals in whose care the workforce is placed. HR and training leaders—as well as C-level executives—must act to not only improve the results they are getting from key HR and training initiatives, but also to generate an overall better return on their investment in people. Tools such as metrics and technology, as well as approaches such as shared services and outsourcing, certainly can help. However, at a higher level, executives must move past the recognition that “people are key to our success” and embrace the fact that improving employee engagement, understanding where and how to develop critical capabilities and key talent that are aligned to business need, and enabling a culture of innovation and change are key drivers of improving and sustaining high performance in the workforce and in the business overall.

Organizations today have numerous opportunities to improve their workforces, as well as unparalleled means to do so. It is up to executives to seize the moment and institute the HR and training practices that can have a dramatic, positive impact on the workforce—and consequently, on the business—for years to come.
About the Authors

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About Accenture

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills, and technologies to help clients improve their performance. With approximately 100,000 people in 48 countries, the company generated net revenues of US$11.8 billion for the fiscal year ended August 31, 2003. Its home page is www.accenture.com.

The Accenture Human Performance practice helps its clients address their most critical people issues through innovative approaches in the areas of organization strategy, human resources, learning, knowledge management, performance management and change management. With more than 5,500 skilled human performance professionals, Accenture offers a full range of consulting and outsourcing solutions to help clients improve the performance of their workforce and the business overall.

To be directed to someone who can help you address your human performance challenges, please call Accenture at +1 312 693 5900 and reference code HP01.