Characteristics of High Performance Organisations

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Abstract

Because of the recent recession, interest into the factors that determine sustainable organisational success has increased. Managers all over the world are trying out various improvement concepts, seeing mixed results. One likely reason for this is the lack of consensus on the organisational characteristics that lead to high performance. The research study described in this article aimed at identifying the factors which have a positive relation with organisational performance, through a literature review of 290 research studies into high performance and subsequent testing of possible high performance factors in 1470 organisations worldwide. The research yielded 35 characteristics – grouped into five factors – that have a significant correlation with high performance and seem to be generic for all types of organisations, industries and countries. The research results provide managers with a framework that adds focus to their continuous improvement efforts in order to achieve better performance. The framework will also support academics in their pursuit of ever more specific improvement factors.

Keywords: High performance organizations, HPO, Excellence, Sustainability, Performance, Quality

1. Introduction

Despite the recent upheavals in the business world, Mintzberg maintains that little has changed in the activities of managers between the 1970s and 19902 (Mintzberg, 1973, 2009). Apart from using new tools like e-mail, managerial work remained essentially the same. Mintzberg is supported in his opinion that the fundamentals of the global business economy have not changed. It seems that there is no consensus among researchers on whether or not business fundamentals have changed, leaving as yet the following question unanswered: 'What organisational or business models might be proposed, whether existing in the past or at present or drawn from scratch, as potential solutions to the problem of designing the firm for sustainable high performance in changing circumstances?' (Freeman and Zollo, 2009).

To find an answer on this question, we turned to research into factors that may explain long-term success of firms and which can be used to develop a framework for building sustainable organisations. In the wake of the landmark book In Search Of Excellence (Peters and Waterman, 1992) and the bestsellers Built To Last (Collins and Porras, 1994) and Good to Great (Collins, 2001), there has been a strong interest among academics and managers in identifying these high performance factors (O'Reilly III and Pfeffer, 2000; Thoenig and Waldman, 2007; Gottfredson and Schaubert, 2008; Simons, 2008; Tappin and Cave, 2008; Spear, 2009). Research into factors that cause or facilitate high performance is driven by developments in the resource-based view of the firm (Lockett et al., 2009) and the theory of dynamic capabilities (Peteraf and Barney, 2003; Easterby-Smith et al., 2009; Teece, 2009). In the literature on the resource-based view and dynamic capabilities many different factors are identified as potentially important for high performance. The type of factors found seems to depend on the angle of research or the personal views and interests of the researchers what characteristics are found that will lead to the creation of a high performance organisation (HPO). This makes it difficult to define a set of factors which describes the HPO in general. It is therefore imperative that a clear HPO framework is developed to allow generalization (Pearson et al., 2008). The aim of this study was to identify factors that determine HPOs irrespective of context (for example country, industry, type of organisation, time period). The research question was formulated as follows: *What are the factors, derived from empirical study, which have a positive correlation with the performance of organisations?* These factors can guide managers as to which actions to take to lead their organisations to superior results. This study contributes to management research as the described review is one of the most extensive of its kind and takes a different root than previous research. The broad-based design of the study consisted of the fact that it involved literature from many different scientific disciplines, including organisational psychology, human resource management and strategic management, and the fact that the resulting framework was tested at many different types of organisations all over the world (Deshpandé et all., 2004; Aken, 2005). Much of the research on high performance so far has been done at US companies (Stadler, 2007), which may make the research results seem less relevant to management practice in non-Anglo-Saxon countries (Hofstede, 1980; Shao and Webber, 2006; Palrecha, 2009). This study distinguishes itself from these previous studies in that it, apart from North American studies, also included studies conducted in non-USA countries, and that the survey used in the study was

administered to organisations in Europe, Asia, Africa and South-America). As opposed to many previous studies, no selection was made during this research as to the type of organisation, industry, country or time period to be studied, in order enable generalization. Many of the previous studies did not adhere to good scientific protocol because they beforehand explicitly made a selection of companies to study, thereby rendering the study outcomes of limited generic value (Niendorf and Beck, 2009; Resnick and Smunt, 2009).

This article is structured as follows. The first section describes the descriptive literature review. The purpose of this review was to identify possible factors that may have a positive correlation with HPOs based on previous research. This is followed by a discussion of the empirical study that was performed to validate the factors found during the descriptive literature review. The results of the empirical study, that is the identified HPO factors, are described in the third section, and extensively discussed in the fourth section. The article ends with the conclusion in which the limitations of the research and suggestions for further research are given.

2. HPO Research - Phase 1: Descriptive Literature Review

The first phase, the descriptive literature review, consisted of selecting the studies on high performance and excellence that were to be included in the empirical study (De Waal, 2010). Criteria for including studies in the research were that the study: (1) was aimed specifically at identifying HPO factors or best practices; (2) consisted of either a survey with a sufficient large number of respondents so that its results could be assumed to be (fairly) generic, or of in-depth case studies of several companies so the results were at least valid for more than one organisation; (3) employed triangulation by using more than one research method (for example a questionnaire and interviews) (Jack and Raturi, 2006); and (4) there was written documentation containing an account and justification of the research method, research approach and selection of the research population, a clear analysis, and clear retraceable conclusions and results so that the quality of the research method could be assessed. The studies to be reviewed were gathered by searching the databases of Business Source premier, Emerald and Science Direct, and by browsing the internet with Google. In addition, books were reviewed, mainly on business and management. The literature search was conducted in 2007 and it yielded 290 studies which satisfied all or some of the four criteria. The studies were grouped into three categories:

A. Studies which satisfied all four criteria. These studies formed the basis for the identification of the HPO characteristics. Category A comprised of 105 studies.

B. Studies which satisfied Criteria 1 and 2 but not Criterion 3 and Criterion 4only partly , because although the research approach seemed (fairly) thorough there is no clear description and justification of the method used. These studies provided additional input for the identification of HPO characteristics. Category B comprised of 66 studies.

C. Studies which satisfied Criteria 1 and 2 but not Criteria 3 and 4, so there was no basis for generalizing the study findings. These studies were used as a reference to support

the HPO characteristics that were identified in Category A and B studies. Category C comprised of 119 studies.

The 290 studies were summarized and put into two files by the author and two research assistants. The first file contained an overview of the studies that were reviewed, stating the (abbreviated) title of the research study, the author(s), the publication date, the research method(s) used, the research population, and the study category. To which category a study belonged was decided by the researcher who summarised that particular study. The study category was subsequently reviewed and approved by one of the other researchers. The second file described the research methods used, the research population, and the main findings of the study. In order to be able to classify the HPO characteristics, the framework of Kotter and Heskett (1992) was combined with that of Scott Morton (2003). These frameworks were used because their relatively simple set-ups made it easy to subdivide a large amount of information into factors. The Kotter and Heskett framework defined four factors which influence human behaviour in organisations: organisational culture; organisational structure (formal structure, systems, processes and policies); leadership of the organisation; and external orientation (competitors, public and legislative organisations). Scott Morton's framework enlarged the external environment factor by adding customers, suppliers and partners, and broadened the framework by adding a factor called 'individuals & roles' and by adding strategy, organisational design and technology to the organisational structure factor. Each factor in the resulting framework determined the degree in which organisational members exhibit performance-driven behaviour, which reflected whether the organisation was a HPO or not (De Waal, 2004). The identification process of the HPO-characteristics consisted of a number of steps. First elements were extracted from each of the 290 publications that the authors regarded as essential for high performance. These elements were then categorised in a matrix which listed all the factors included in the framework. Because authors used different terminologies in their publications, the elements were grouped according to similarity in categories under a factor and each group - later to be named 'characteristic'- was given an appropriate description. Subsequently, a matrix was constructed for each factor listing a number of characteristics. For the first 90 studies this process was reviewed and repeated by an external academic. The results of this academic review were extensively discussed with the author until agreement on the categorisation and the formulation of the characteristics was reached. The outcome of the academic review provided sufficient ground to assume that the same categorisation process could be used for the remaining 200 studies. A total of 189 characteristics were identified. After that, the 'weighted importance' (i.e. the number of times a characteristic occurred in the individual study categories) was calculated for each of the characteristics. Finally, the characteristics with a weighted importance of at least six percent were chosen as the HPO characteristics that potentially make up a HPO. The reference list with details about the 290 studies used in the review and the matrixes with the detailed scores have been documented in De Waal (2010).

3. HPO Research - Phase 2: Empirical Study

In Phase 2, the empirical study, the 53 potential HPO characteristics were included in a questionnaire which was administered in 2005 – 2007 during lectures and workshops given to managers by the author and collegues all over the world. In the questionnaire the respondents indicated how well their organisations performed on the various HPO characteristics on a scale of 1 (very poor) to 10 (excellent) and also what their organisational results were compared to their peer group. Two types of competitive performance were established (Matear et al., 2004): (1) Relative Performance (RP) versus competitors: RP = 1 – ([RPT - RPW] / [RPT]), in which RPT = total number of competitors and RPW = number of competitors with worse performance; (2) Historic Performance (HP) of the past five years (possible answers: worse, the same, or better). These subjective measures of organisational performance are accepted indicators of real performance (Dawes, 1999; Deshpandé et al., 2004; Devinney et al., 2005; Dollinger and Golden, 1992; Glaister and Buckley, 1998; Bae and Lawler, 2000; Heap and Bolton, 2004; Jing and Avery, 2008). The questionnaire yielded 2015 responses of 1470 organisations. With a statistical analysis (principal component analysis with oblimin rotation and non parametric Mann-Whitney test) of the respondents data, the 35 characteristics which had the strongest correlation with organisational performance were extracted and identified as potential HPO characteristics.

There is a substantial difference in approach between the study described in this article and studies such as the ones carried out by Peters and Waterman (1982) and Collins (2001). In this study no selection was made in advance as to the objects or individuals that were to take part in the literature review and practical research in order to avoid bias and to make the probability of generalization (amongst others to the public sector) as high as possible (Aken, 2005). In the studies of the other researchers mentioned, and of many others, however, a selection was made in advance, on the basis of financial analyses; organisations that performed well or excellently in a certain sector were compared to competitors that did not perform as well. They then determined the distinguishing characteristics of excellence based on these comparisons. A point of criticism to the latter approach is that the fact that specific organisations were selected for inclusion in the studies could be interpreted as selection bias, which affects the generalization of these studies (Niendorf and Beck, 2008; Resnick and Smunt, 2008). To prevent selection bias, no selection was made during the research described in this article, not during the literature review (except for the fact that the studies had to be relevant and usable) nor during the empirical study (which included high, medium and low performing organisations).

4. Results of Phase 2

Many different definitions of HPOs can be found in the literature. They are often described in the sense of what they have achieved or consist of: strong financial results, satisfied customers and employees, high levels of individual initiative, productivity and innovation, aligned performance measurement and reward systems, and strong leadership (Collins and Porras, 1997; Brown and Eisenhardt, 1998; Hodgetts, 1998; Mische, 2001; Zook and Allen, 2001; Annunzio, 2004; Bruch and Ghoshal, 2004). As stated above, researchers approach the

topic of high performance from different backgrounds and angles and with different goals. It is therefore not surprising that there is not a univocal definition of an HPO available yet. In this study, the definitions found in the Category A studies were combined to arrive at the following definition: *A High Performance Organisation is an organisation that achieves financial and non-financial results that are better than those of its peer group over a period of time of at least five to ten years*.

4.1 The HPO Factors

The study results showed there was a direct relation between the HPO factors and competitive performance. Organizations which paid more attention to HPO factors and scored high on these consistently achieved better results than their peers, in every industry, sector and country in the world. Conversely, organizations which scored low on HPO factors ranked performance-wise at the bottom of their industry. The five HPO factors are described underneath. The detailed characteristics can be found in Appendix 1.

4.1.1 HPO factor 'Management Quality'

In an HPO, management maintains trust relationships with people on all organizational levels by valuing employees' loyalty, treating smart people with respect, creating and maintaining individual relationships with employees, encouraging belief and trust in others, and treating people fairly. Managers at an HPO work with integrity and are a role model by being honest and sincere, showing commitment, enthusiasm and respect, having a strong set of ethics and standards, being credible and consistent, maintaining a sense of vulnerability and by not being self-complacent. They apply decisive, action-focused decision-making by avoiding over-analysis but instead coming up with decisions and effective actions, while at the same time fostering action-taking by others. HPO managers coach and facilitate employees to achieve better results by being supportive, helping them, protecting them from outside interference, and by being available. Management holds people responsible for results and is decisive about non-performers by always focusing on the achievement of results, maintaining clear accountability for performance, and making tough decisions. Managers at an HPO develop an effective, confident and strong management style by communicating the values and by making sure the strategy is known to and embraced by all organizational members.

4.1.2 HPO factor 'Openness and Action Orientation'

Apart from having an open culture, an HPO uses the organisation's openness to achieve results. In an HPO, management values the opinion of employees by frequently seeking a dialogue with them and involving them in all important business and organizational processes. HPO management allows experiments and mistakes by permitting employees to take risks, being prepared to take risks themselves, and seeing mistakes as an opportunity to learn. In this respect, management welcomes and stimulates change by continuously striving for renewal, developing dynamic managerial capabilities to enhance flexibility, and being personally involved in change activities. People in an HPO spend a lot of time on dialogue, knowledge exchange and learning in order to obtain new ideas to improve their work and make the complete organization performance-driven.

4.1.3 HPO factor 'Long-Term Orientation

In an HPO, long-term is far more important than short-term gain. This long-term orientation is extended to all stakeholders of the organization, that is shareholders as well as employees, suppliers, clients and society at large. An HPO continuously strives to enhance customer value creation by learning what customers want, understanding their values, building excellent relationships and having direct contact with them, involving them in the organisation's affairs, being responsive to them, and focusing on continuously enhancing customer value. An HPO maintains good long-term relationships with all stakeholders by networking broadly, taking an interest in and giving back to society, and creating mutual, beneficial opportunities and win-win relationships. An HPO also grows through partnerships with suppliers and customers, thereby turning the organization into an international network corporation. Management of an HPO is committed to the organization for the long haul by balancing common purpose with self-interest, and teaching organizational members to put the needs of the enterprise as a whole first. They grow new management from the own ranks by encouraging staff to become leaders, filling positions with internal talent, and promoting from within. An HPO creates a safe and secure workplace by giving people a sense of safety (physical and mental) and job security and by not immediately laying off people (dismissal is a last resort).

4.1.4 HPO factor 'Continuous Improvement'

The process of continuous improvement starts with an HPO adopting a strategy that will set the company apart by developing many new alternatives to compensate for dying strategies. After that, an HPO will do everything in its power to fulfil this unique strategy. It continuously simplifies, improves and aligns all its processes to improve its ability to respond to events efficiently and effectively and to eliminate unnecessary procedures, work, and information overload. The organisation also measures and reports everything that matters, so it measures progress, monitors goal fulfilment and confronts the brutal facts. It reports these facts not only to management but to everyone in the organization so that all organizational members have the financial and non-financial information needed to drive improvement at their disposal. People in an HPO feel a moral obligation to continuously strive for the best results. The organization continuously innovates products, processes and services, constantly creating new sources of competitive advantage by rapidly developing new products and services to respond to market changes. It also masters its core competencies and is an innovator in them by deciding and sticking to what the company does best, keeping core competencies inside the firm and outsourcing non-core competencies.

4.1.5 HPO factor 'Workforce Quality'

An HPO makes sure it assembles a diverse and complementary workforce and recruits people with maximum flexibility to help detect problems in business processes and to incite creativity in solving them. An HPO continuously works on the development of its workforce by training staff to be both resilient and flexible, letting them learn from others by going into partnerships with suppliers and customers, inspiring them to work on their skills so they can accomplish extraordinary results, and holding them responsible for their performance so they

will be creative in looking for new productive ways to achieve the desired results.

It is interesting to see what techniques and methods do not seem to help an organisation in becoming and staying a HPO. This was evaluated by looking at the original 189 characteristics identified from the 290 HPO studies during the descriptive literature review and comparing these with the 35 characteristics which showed a significant correlation with competitive performance. It turned out that none of the characteristics concerning organisational designs and structures showed a correlation with high performance and therefore seem to be non-decisive for organisational performance. It thus seems that as performance is concerned it makes no difference whether management chooses a functional design, a process design or a matrix design. Consequently, starting a reorganisation to boost performance is probably not recommended. Similarly more empowerment of staff may not necessarily contribute to high performance. The research results showed that a high level of autonomy had a negative correlation with competitive performance. Too much freedom of employees could lead to internal disorder and confusion if it is not backed up with sufficient means of coordination and can seriously damage an organisation. Another interesting outcome of the research was that it is not so much the chosen organisational strategy that is important (as all characteristics concerning cost leadership, product differentiation and customer intimacy strategies were not significant) but the uniqueness of the strategy compared to competitors in the same industry. Adopting merely a 'me-too' strategy is not enough to become a HPO. A third outcome was the ineffectiveness of stand-alone implementation of information and communication (ICT) systems. Many organisations spend a lot of time and resources on implementing new ICT systems but this will not necessarily make them HPOs. Although many of the characteristics (especially of continuous improvement) cannot or barely be improved without ICT systems, the stand-alone implementation of new systems and technology does not help the organisation perform any better; the implementation has to support at least one of the HPO factors. Finally, the study showed that benchmarking was less effective than expected (as item 40 did not load on any of the factors). When an organisation embarks on a benchmarking project it usually aims to identify best practices, emulate these and attain the same level as the industry's best. HPOs, however, have a completely different view on best practices. They regard competitors' best performance merely as the baseline for performance, a starting point from which HPOs distance themselves as much as possible.

4.2 Best Versus Worst Performers

To test whether organisations with a high HPO score showed better performances than organisations with a low HPO score, we divided the respondents in three groups according to their Relative Performance (RP) score. Group 1 had a RP below 0.33, Group 2 a score between 0.34 and 0.65, and Group 3 a score above 0.66. Using T-tests for differences in group means between Groups 1 (low) and 3 (high), we found statistically significant differences between these groups for the five HPO factors. The biggest difference can be found in the HPO factor Long-Term Orientation, meaning that HPOs pay considerably more attention to the aspects belonging to this factor than non-HPOs do.

4.3 Clustering

To test whether the HPO factors were correlated with each other, a correlation matrix was constructed. All factors were correlated with each other, meaning that when an organisation works on improving one of the factors, the other factors will also be improved. Thus the HPO framework may be denoted to be a system of complementary (Milgrom and Roberts, 1990, 1995) in which the return on one HPO factor becomes higher in the presence of the other HPO factors. Thus an organisation should concentrate not on improving one HPO factor but on all of them to receive maximum benefit for the HPO framework.

4.4 Profit Versus Non-Profit Versus Government

The Bonferroni test was used to evaluate whether there were statistically significant differences in HPO factor scores between the profit, non-profit and government sectors. The quality of management in the profit sector turns out to be perceived as being significantly higher than in the other two sectors, and that management quality in government is higher than in the non-profit sector. In addition, the quality of the workforce is higher and that there is a higher long-term orientation in the profit sector than in the other two sectors. There is also significantly more openness and action orientation in the non-profit sector than in government.

5. Discussion

The research question dealt with in this paper was formulated as follow: *What are the factors, derived from empirical study, which have a positive correlation with the performance of organisations?* The research yielded 35 characteristics distributed over five factors which have the most impact on high performance, and thus together can be designated as a HPO framework. As such, this HPO framework could be the organisational model many organisations are looking for to achieve economic, environmental and social sustainability (Freeman and Zollo, 2009). In the descriptive literature review and the questionnaire no distinction was made as to the types of organisations, industries, countries and time periods) that were to be included in the research. The raises the question whether the HPO framework which resulted from this study is generic: Is it potentially suitable for all types of organisations worldwide? One may argue that the data collected in this study were incomparable because of the wide variety of studies, organisations, industries and countries involved. Generalization is defined as "the derivation of and argumentation for conclusions covering many or all cases of a certain type based on one or more observations of the real world" with the generalized conclusion taking shape as a "conceptual framework[s], which offers us the possibility to discuss the subject area in general" (Lukka and Kasanen, 1995, p. 72). The first remark to be made in this respect is that the researched phenomena, the performance of HPOs, sits in the social world. And, as Aken (2005, p. 31) remarks, "In this social world there are no universal mechanisms, human consciousness and reflexivity make general laws impossible. But there are observable stable patterns in social phenomena, which are reproduced by human conduct, consciously or unconsciously, and supported by stable shared knowledge and beliefs. Such stable patterns can be used as the basis for general statements." This is supported by Cheng (1994) and Humprey and Scapens (1992), who see

the possibilities of some structures containing regularities across institutions. As such, the HPO framework can be seen as a stable pattern. Second, in the growing research stream on globalization there is an increasing number of observations that the transfer of management techniques from one country to the other is leading to similar patterns of behaviour across these countries and thus to similar characteristics of importance for high performance (Davidson et al., 1976; Bowman et al., 2000; Deshpandé et al., 2000; Stede, 2003; Zagersek et al., 2004; Costigan et al., 2005). The developed HPO framework contains characteristics that potentially are applicable in various settings and contexts. Third, in the constructive research approach a business problem is solved in one or more case organisations by developing a new solution that also has a scientific contribution (Lukka and Kasanen, 1995). In constructive generalization rhetoric the successful implementation of the new solution - in this case the characteristics as found in the organisations researched in the 290 studies - makes it plausible that the solution - the HPO framework- will also work in other organisations. It can be stated that the generalization of the HPO framework is, in the topology of Lee and Baskerville (2003), a type TT generalizability where the formulation of a theory (in this case the HPO framework) is based on the synthesis of ideas from a literature review (Lee and Baskerville, 2003, p. 238). It is, however, possible that the manner in which the HPO characteristics are improved does depend on the context, in this case the national culture, industry, organisational culture and even the experiences and skills of the individuals executing the improvements (Hofstede, 1980).

The significance of this study into HPOs is that once the HPO factors are known, management can determine the HPO status of the organisation and identify required improvements. This could be done by distributing the questionnaire used in Phase 2 among managers and other staff, to identify the HPO status of the organisation. The detailed scores on the HPO factors will reveal both the strengths and the improvement points of the organisation and will set the action agenda for the transition to HPO.

6. Conclusion

There are several limitations to this study. Despite the fact that the literature search was extensive, potentially valuable studies may have been overlooked. In this respect, also it should be noted that predominantly published studies were taken into account, which creates a potential bias as unpublished studies may contain different outcomes (Asworth et al., 1992). The study did however include a number of working papers, originating from the Social Sciences Research Network and collected during conferences. Another potential bias is the presence of subjectivity in the choice of literature sources that were included in the study (Asworth et al., 1992). This problem has been alleviated by including literature from many different disciplines during the selection process. As the findings are based upon scores from a single source, namely the respondents' perceptions of the factors of high performance and competitive performance, another limitation is introduced. Common-method bias may have inflated the correlations, although the magnitude of such effects is subject to intense debate (Crampton and Wagner 1994; Podsakoff et al., 2003). Most researchers agree that potential risks can be reduced by careful questionnaire design (for example anonymity and encouraging participants' openness) which the researcher paid specific attention to by testing

the questionnaire during Phase 2a and by stressing specifically the anonymity of the questionnaire.

As is always the case with research based on a questionnaire and self-reported scores, there is the possibility of attribution. Is it possible that the respondents reporting high performance and those reporting low performance make implicit attributions of characteristics, and in fact, causation. That is, they look for response choices that confirm their view of why the organisation is either high or low performing compared to the peer group. Ideally, the research should be based on identifying the respondents' organisations and then making an independent assessment of Relative Performance and Historical Performance from industry-wide data. In practice this however is impossible with a study on this grand and worldwide a scale.

In regard to the issue of generalization, we have to take note of Lukka and Kasanen's (1995) remark that "all attempts to make empirical generalizations are inevitably inductive by nature" and thus "we can never be sure whether our reasoning preserves truth or not, as is possible in the case of induction." Also, Martin et al. (1983) state that for generalization companies fundamentally have to be quite similar. Although many institutions worldwide are growing similar in the way they are managed, it still cannot be stated with certainty that they are similar in nature. The studies used in the research look by definition on what organisations have done in the past, therefore not necessarily giving a guarantee that these characteristics will also be valid for the dynamic future (Morton, 2003). The results of this research therefore have to be seen, not as instructions or recipes to follow, but as design exemplars (Aken, 2005) which have to be translated by practitioners to their specific situation in time by designing a specific variant of the exemplar. The studies used in the descriptive literature review look by definition on what organisations have done in the past and can therefore not necessarily give a guarantee that these characteristics will also be valid for the dynamic future (Morton, 2003). At the same time, if the reasoning of Mintzberg (2009) is followed that the work of managers has not changed significantly over time, it is a reasonable assumption – especially because so many of the HPO characteristics have to do with management – that the HPO factors are still valid for the foreseeable future.

Further research should focus on validating the HPO factors in even more countries and industries. Also, additional research should focus on the "how" now that the "what" is known. The HPO framework stipulates "what" is important to become and stay successful but is does not indicate "how" organisations can achieve success. So future research should concentrate on identifying, collecting and describing "best ideas" of organisations who have achieved success in some or maybe all of the HPO factors. Finally, the ever present issue of causality should be further investigated to answer the question whether HPOs have the time and resources to foster the characteristics of high performance, or whether the characteristics create a HPO.

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Appendix

Appendix 1. The Five HPO Factors with Their 35 Characteristics

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Continuous improvement

1. The organisation has adopted a strategy that sets it clearly apart from other organisations.

2. In the organisation processes are continuously improved.

3. In the organisation processes are continuously simplified.

4. In the organisation processes are continuously aligned.

5. In the organisation everything that matters to performance is explicitly reported.

6. In the organisation both financial and non-financial information is reported to organisational members.

7. The organisation continuously innovates its core competencies.

8. The organisation continuously innovates its products, processes and services.

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Openness and action orientation

9. Management frequently engages in a dialogue with employees.

10. Organisational members spend much time on communication, knowledge exchange and learning.

11. Organisational members are always involved in important processes.

12. Management allows making mistakes.

13. Management welcomes change.

14. The organisation is performance driven.

Management quality

15. Management is trusted by organisational members.

16. Management has integrity.

17. Management is a role model for organisational members.

18. Management applies fast decision making.

19. Management applies fast action taking.

20. Management coaches organisational members to achieve better results.

21. Management focuses on achieving results.

22. Management is very effective.

23. Management applies strong leadership.

24. Management is confident.

25. Management is decisive with regard to non-performers.

Workforce Quality

26. Management always holds organisational members responsible for their results.

27. Management inspires organisational members to accomplish extraordinary results.

28. Organisational members are trained to be resilient and flexible.

29. The organisation has a diverse and complementary workforce.

Long term orientation

30. The organisation maintains good and long-term relationships with all stakeholders.

31. The organisation is aimed at servicing the customers as best as possible.

32. The organisation grows through partnerships with suppliers and/or customers.

33. Management has been with the company for a long time.

34. The organisation is a secure workplace for organisational members.

35. New management is promoted from within the organisation.

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