

Goal-oriented leadership for better employee commitment and quality processes

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Managers often stress the need to change organizational culture, without being aware of the need to change employee behaviour and working methods. Changing the organizational culture is possible only when positive changes occur in the management and (key) processes of work. If we want to achieve changes in the behaviour, we should focus on empowerment, cooperation and mutual relations and implement them into a human resource management and the development of efficient human resources tools. Organizational culture can be a key competitive advantage of an organization.

By adopting a new business strategy, Vzajemna Mutual Health Insurance Company has set the main guidelines for customer orientation, product development and the increase in revenues from other insurance products, other from complementary health insurance. Management was aware of the fact that in order to achieve strategic goals, it is necessary to increase the commitment of employees and the quality of working processes. Therefore an important part of the business strategy was the human resources strategy. Within the organization greater flexibility was needed, especially within its processes, organization of work, remuneration system and wage model, management and its development – with the main goal of increasing motivation of employees and their productivity. Through targeted leadership and remuneration system all employees have been directed towards the future development of the company (linking strategic goals with individual ones), towards efforts to provide for meaningful work and creating added value (looking for improvements in processes, as well as integrated solutions and innovations) and towards taking greater responsibility for their own work.

Due to the awareness that management efficiency is closely linked to the productivity of employees, their commitment, as well as absenteeism, fluctuation, the presence of stress and trust within the organization, the planned changes have been introduced using the top-down approach. Evaluating the development of the desired management competencies and the results were linked to the further development of leaders and their remunerations. The responsibility of leaders for strategic realization of goals and management has thus increased. Furthermore, the remuneration system for other employees has changed as well. It depends on performance of the entire organization, performance of an individual and its behaviours or competences. The organization has set up clear criteria and benchmarks for all employees, and regular feedback on performance is given (quarterly, for specific profiles even monthly). At the same time, all wage disparities have been eliminated, processes, organization and systemisation have been optimized, thus establishing clear roles, levels and responsibilities. These changes support further possibilities for planning career paths and strategic development of employees, as well as working processes. Throughout the project, all HR processes were integrated and their effectiveness increased. Consequently, the organization has an above-average commitment of employees today, significantly lower absenteeism and fluctuation, and better business results, in accordance with business plans.

Organizational culture of Vzajemna is one of its key competitive advantages; therefore it emphasizes this fact in developing the brand as an attractive employer. The latter is of utmost

importance in competition for talented and key personnel. Potential employees would be attracted by an ad or an employer, where its employees may live their values and have good interpersonal relationships, working conditions, the ability to manage their own performance and the possibility of professional development and promotion.