



Performance Management – Part 2

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Overview

Setting up a performance management system can deliver tremendous results... In our first white paper, we covered

- Applying People and Performance Management
- The Processes of Performance Management

This white paper is about the technology component of performance management. There are many options in the market, all focusing on the common deliverables of setting and tracking goals, objectives and KPI's (key performance indicators). What we would like to accomplish in this paper is how to approach using the technology.

Before we get started in this area, let's first get one common misconception out of the way. Software is part of the solution, it's not the solution. It doesn't make people change their work habits, but it sure helps manage the process. Given that software is an enabling tool; let's talk about four key steps to assist you in being a success with performance management software:

Technology and Performance Management:

It's a lot easier when powered by software

Less is More

This is very important to understand. Our first step, when considering what information to address and track in a performance management tool like ManagePro or MProWeb, is simply this:

- Be brief, start with a little to make a lot of progress. Start by tracking only the top 3 to 6 performance management objectives and projects that most impact your bottom line and/or business plan.
- Learning in small chunks establishes early wins, user comfort, satisfaction and sense of accomplishment. Minimally you need clear goals, a scorecard setup with metrics for each goal, and a place to track progress updates on a weekly or monthly basis.
- The key is to deliver better outcomes, not have one system that organizes and tracks every possible activity.
- Users who try to put everything and the "kitchen sink" into the software for comprehensive tracking, commonly report "drowning in the data". Avoid making this mistake.
- Good decision and performance management benefits from a focus that frugally addresses those actions and the resulting consequences that drive outcome.

- The key is to be able to focus on the critical pattern that drives the system, the outcome, etc... and to be able get that information into performance measures that are updated promptly and consistently.

Identify and Respond to Process Mismatch

You will be way ahead of the game if, before implementing a technology solution, you take a moment to assess whether its adoption will simply build on existing work practices or require new ones. Technology solutions are easier to implement when they support established practices. But what happens if using the software requires the user to do something they don't currently? What if, in the pursuit of high performance, the implementation of technology is but a small part of a larger change effort?

If this is the case, you have a process mismatch and will be using the software to drive major change in addition to setting up a performance management system. If that's the case, recognize and resource it as such – because it's going to take more time and effort. To drive change, you'll need planning, resources, time and money. We probably don't need to mention this, but as we mentioned above, change does not get implemented by installing software on someone's PC.

Change that requires new work habits requires lots of follow-up. It requires lots of practice and being held accountable to both practice the new process and deliver the new outcomes.

Some suggest that you should roughly estimate resources for a technology enabled change process in the range of 10% for hardware, 20% for software and 70% for training and coaching. Establishing improved performance using new work habits seems to match the general literature on habit change. Experts suggest it takes practicing the new behavior 21 days in a row before it becomes the new habit - otherwise the tendency is to revert back to the old behavior.

Make sure the Performance Management Software selection you make has the required basics. Lots of performance management tools have shared and unique feature sets. Make sure your selection has those feature sets that support the psychology of high performance.

We've listed some of the more important ones you should consider.

Performance Management Checklist

1. Are the top performance management goals tied to the strategic plan, easily viewed from one screen and easily tracked with updated metrics?
2. Are the key action steps (plan) or milestones for each goal or KPI easily identifiable and tracked?
3. Do all top level initiatives and goals receive regular progress updates for immediate drill down and review in staff meetings?
4. Can each person see the context for the projects and tasks they are working on, such that the connection to top level goals and the strategic plan is visible?
5. Is there a single source for viewing or working with key goals and their relative progress across departments and across individuals?

6. Is there a tool in place to track target goals vs. results in a color coded format across goals, objectives and projects? E.g. An easy-to-use "Management by exception" tool? Can that tool be viewed in an outline, or Gantt chart, or work-flow model to suit each user?
7. Is there a tool for connecting all documents, e-mail and action items or to-dos to their related goal or task for immediate review of past history and correspondence?
8. Finally, is there a tool in place that with a single mouse click converts goal and project results into an annual review format for the individual's assigned to that task?

Being 'Change Savvy' when setting up a Software Implementation

It has been estimated that 2/3's of all complex technology solutions, such as CRM, ERP and Performance Management result in less than successful outcomes. Implementing a complex technology-enabled solution is a worthwhile, but significant challenge. Our Company - PST - provides a number of resources for planning a successful implementation, available at <http://www.managepro.com/applicationresources.html>, but for now, here are the final tips to keep you headed in the right direction:

- Plan and resource the implementation process appropriately. This is not a process of installing software and one training session and magically you suddenly have a high performance work system. A system in which people actively collaborate, track their progress, document their results, and daily manage information well.
- Understand the context into which you are deploying this solution, which includes the amount of change being requested, the technology skills and motivational drivers of the new users.
- Burn your ships when you go ashore. By this we mean once you start the campaign, don't continue to use tools that conflict with the new technology. This is especially true in meetings. Meetings are a key "make it or break it" proving ground for performance technology. Choose and use a performance management technology that extends to managing meetings as well as performance goals and objectives. If you continue to use general office tools to manage status updates, you risk creating an obstacle and conflict with the implementation.

The Author

The author of this series, Rodney Brim, is CEO of Performance Solutions Technology (PST). PST develops and assists organizations in deploying performance management software solutions, and presents these guidelines based upon our work with 1,000's of companies to help ensure your success and avoid common myths in the pursuit of performance management. Performance Solutions Technology is found on the web at <http://www.PerformanceSolutionsTech.com>

Project Perfect

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