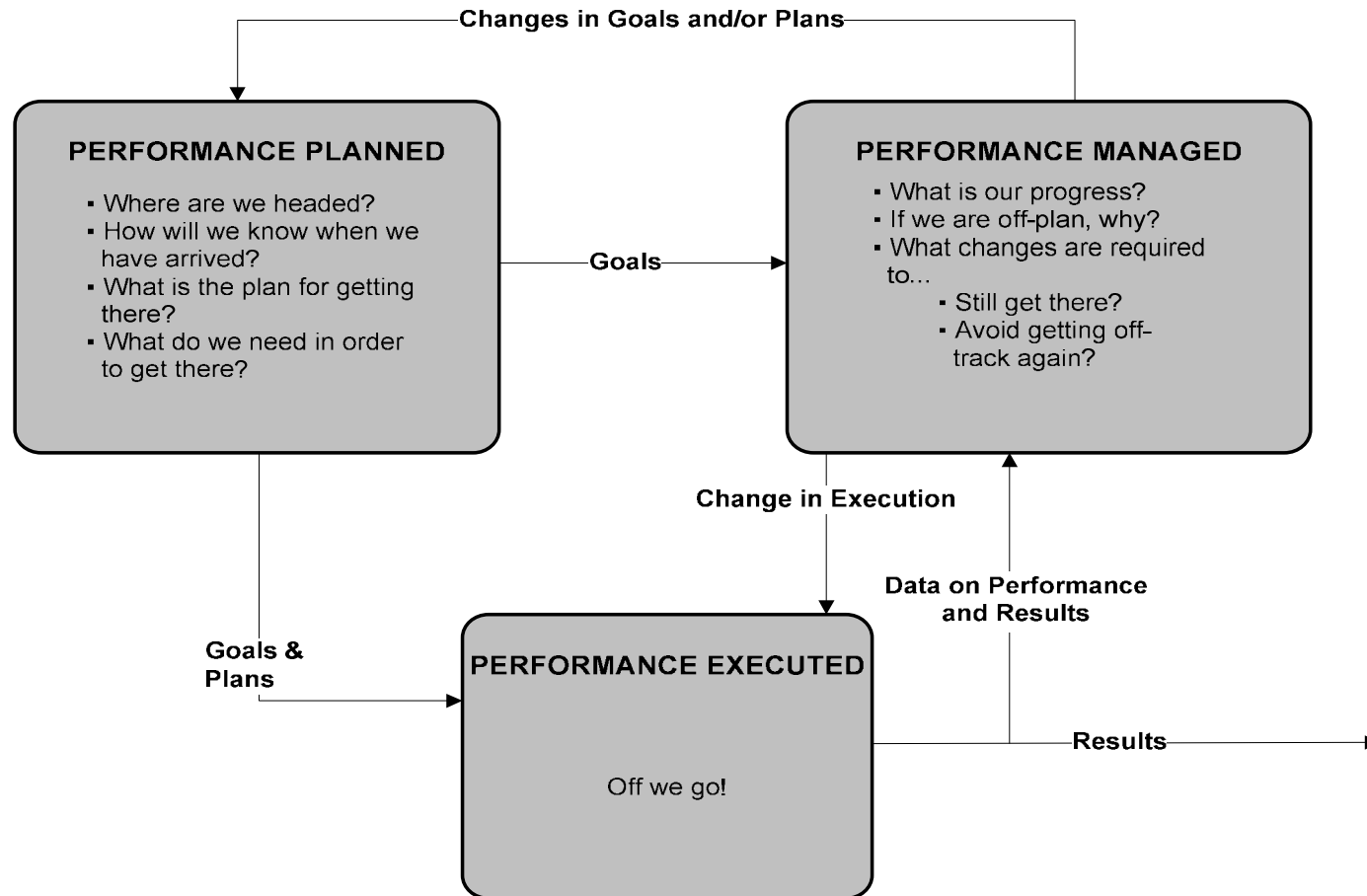

What is the Essence of Performance Management?

PDL Colleague Conference
Phoenix Arizona 2010

Timm Esque, Partner
Ensemble Management Consulting

Good Place to Start



From Rummler, Ramias and Rummler's "White Space Revisited".

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Definitions

NIST Definition

The process of setting performance expectations, monitoring progress, measuring results, and appraising and rewarding or correcting employee performance.

SHRM Definition

The process of maintaining or improving employee job performance through the use of performance assessment tools, coaching and counseling as well as providing continuous feedback.

EMC Definition

Ongoing planning, monitoring and adjusting of performance at one or more levels of organizing.

Definition of “Manage”

To Bring about or succeed at accomplishing,
Sometimes despite difficulty or hardship

from Random House Unabridged Dictionary, Second Edition

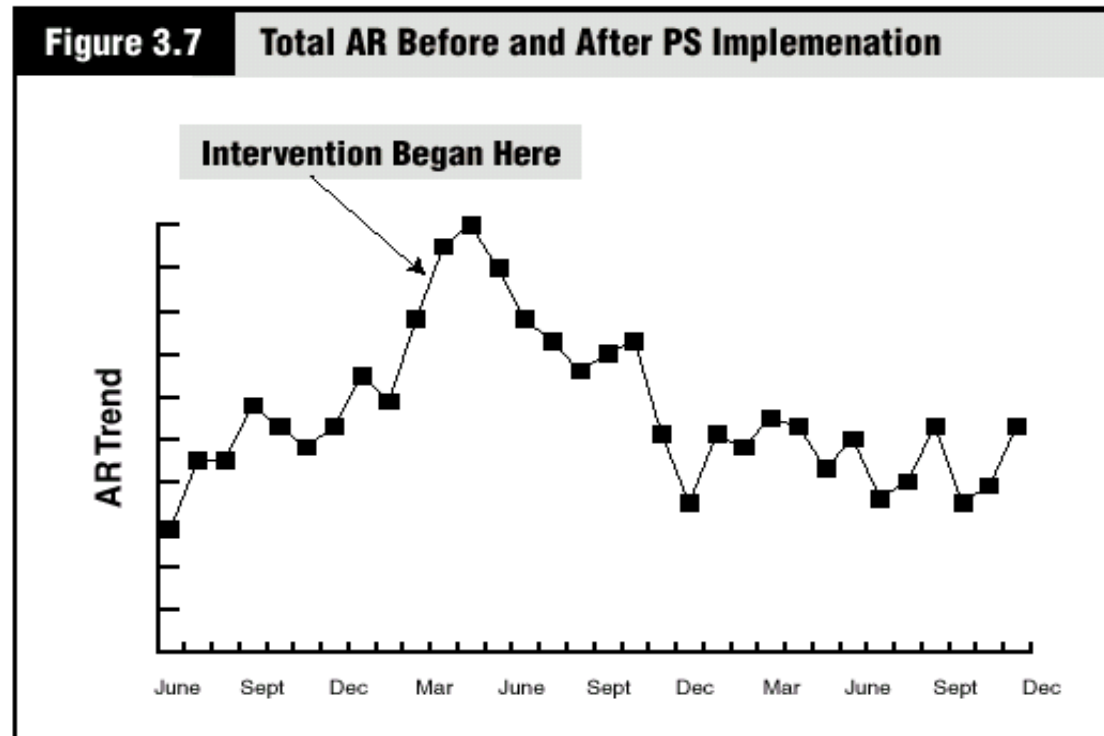
PM “Active Ingredients”

1. Purposeful, Adaptive Systems
2. Commitments Vs Estimates (Language Matters)

Intel Chipset Organization

Indicator	Performance Before	Performance After
Performance against top-down deadlines	30-50% slip	10% slip
Performance against team commit date	Didn't have one	0 slip
Design revisions prior to hi-volume production	4	1
Bugs discovered by customers	2	0

Example Process Results

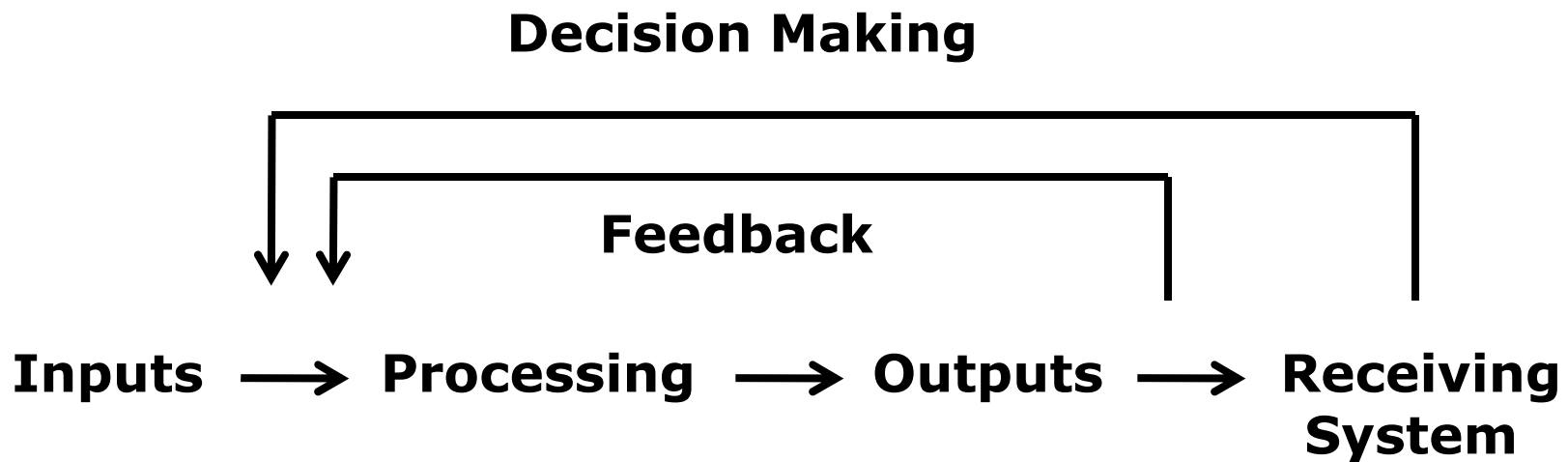


Used with Permission from Making an Impact: Building a Top-Performing Organization from the Bottom Up by Timm J. Esque. CEP Press, 2001.

PM “Active Ingredients”

- 1. Purposeful, Adaptive Systems**
2. Commitments Vs Estimates (Language Matters)

Purposeful, Adaptive Systems



The Information Processing subsystem must create absolute clarity

Purposeful, Adaptive Systems

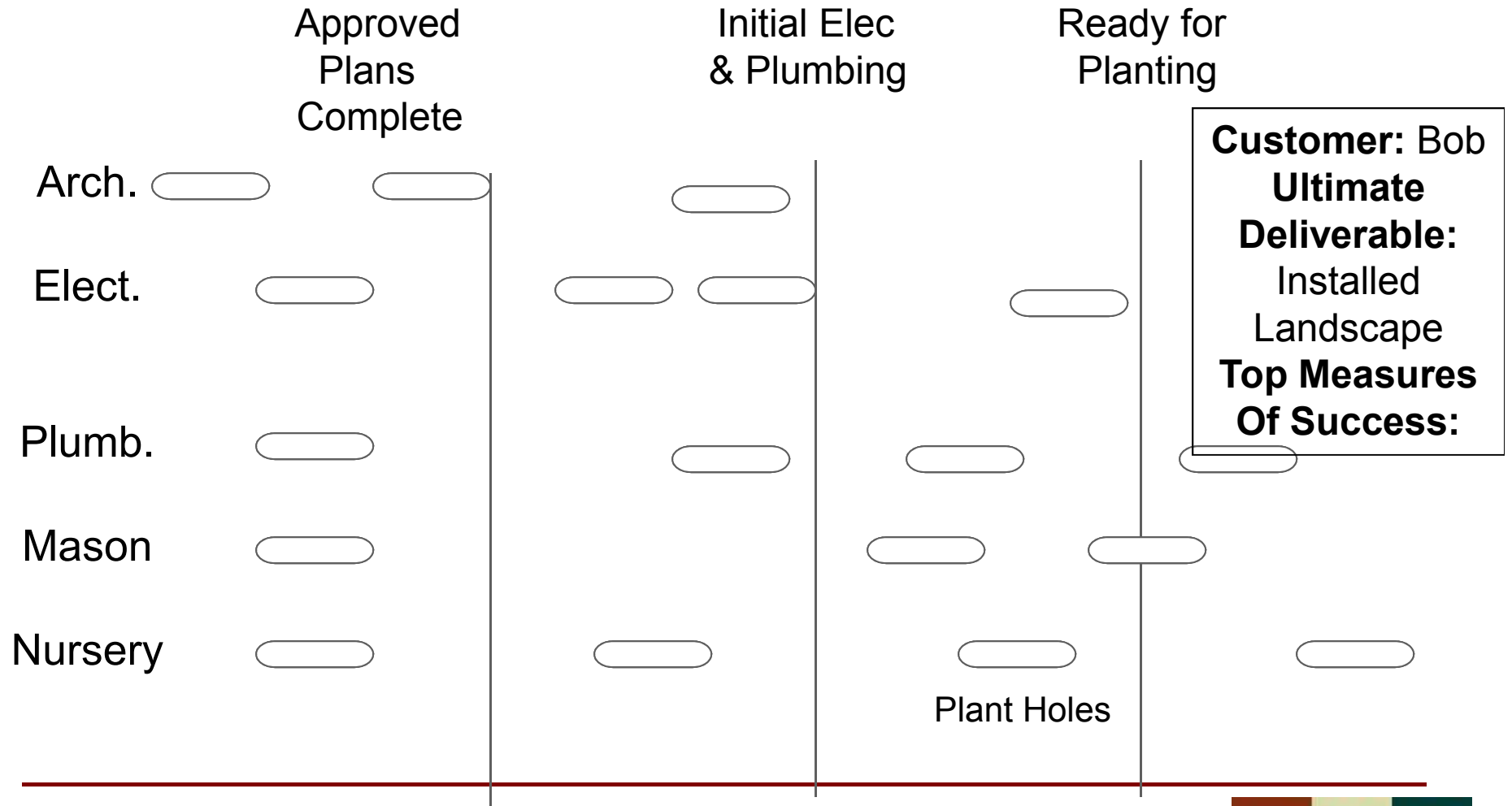
3 Conditions to Ensure Clarity

- Clear Expectations
- Frequent (self-monitored) Feedback
- Control of Resources (required to meet the expectations)

Modified from William R. Daniels' "Breakthrough Performance" (1995, ACT Publishing).

Structure of Planning

Who delivers what to whom



Quality Criteria:

How we'd know if deliverable was "done" and "done well"

Deliverable: *Plant Holes*

IS

All holes dug
Hole placement and depth
per master blueprint
All trenches filled in
Watering system installed
Groundcover areas "scored"

IS NOT

Some sections ready, others not
Holes need re-digging
All holes same size

PM “Active Ingredients”

1. Purposeful Adaptive Systems
- 2. Commitments Vs Estimates (Language Matters)**

Commitment Management Resources

Common Theme: What needs to be managed is the network of commitments between individuals

Brothers, Chalmers (2005) Language and the Pursuit of Happiness. New Possibilities Press (Naples, FL, USA).

Hanson, T. H. and Hanson, B. Z. (2007) Who Will Do What By When? Power Publications, Inc. (USA).

Howell, G. A., McComber, H., Koskela, L. Draper, A. (2004) Leadership and Project Management: from Fayol to Flores. http://www.iglc2004.dk/root/media/13096_097-howell-macomber-final.pdf

Scherr, A. L. (1989) Managing for Breakthroughs in Productivity. Human Resource Management, Fall, Vol. 28, No. 3, pp403-424.

Sull, Donald N. and Spinosa, Charles (2007) Promise-based Management: The Essence of Execution. Harvard Business Review, April, pp. 78-86.

Sull Donald N. (not dated) Execution Culture Video. http://www.donsull.com/media/ft_lectures/execution_culture/

What's going on when teams are performing really well?

Each individual **taking responsibility** for his/her specific parts AND for making sure those parts fit seamlessly into the whole.

They do this because they understand the purpose of the Project and have decided it is worthwhile to accomplish it.

Because they **feel personal responsibility**, they feel a duty to speak up the moment an issue arises that could put their contribution or the larger deliverable in jeopardy of meeting its goals.

Management is supportive and responsive to these issues as they arise. Decisions are made and decisions stick.

Responsibility and Accountability

Accountability

Dictionary Definition:

The quality or state of being accountable; especially:
an **obligation or willingness to accept responsibility**
to account for one's actions

Language Matters

In 1950, an American philosopher (John Austin) noticed that while we tend to think of language as a tool to describe the world, certain types of language actually change the current state of things. For example...

1. It's over 100 degrees out there again today.
2. You are now man and wife.
3. I'll have that report on your desk by noon tomorrow.

Typical Project Language

We should be able to complete this task in 3 weeks

We are on track to meet our deadline

Solution B has a better chance of working than solution A

“because they are based on evidence,
assertions are always about the past or
extrapolations from the past”.

*From Alan Scherr. “Managing for Breakthroughs in Productivity”. See References.

Different Language, Different Results

Assertions
Expressions
Command Directives



More likely to
feel obligated

Request Directives
Commitments
Declarations



More likely to
take responsibility

Planning should begin with assertions but end with commitments

Effective Commitments...

...are made and reviewed in **P**ublic

...are an **A**ctive negotiation

...are **V**oluntary

...are **E**xplicit

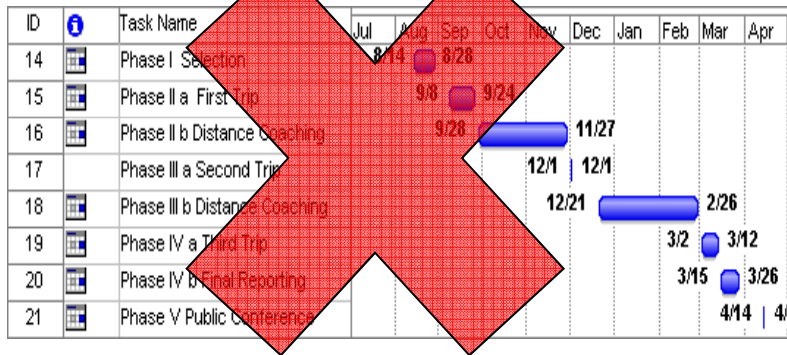
...are **M**ission based (aligned)

PAVEM

Modified from Sull and Spinosa (2007) See References.

Not Estimates, but Commitments

Project Gantt Chart



Deliverables Matrix

Deliverables	Owner	User(s)	Quality Req's	Commit Date	Done?
Project Plan	Jake	Debra, Lee, Bill, Jenifer	Y	WW10	
Architecture Doc.	Debra	Bill, Jenifer	Y	WW13	
Product Specification	Debra	Bill, Jenifer	Y	WW15	
Demand Schedule	Lee	Jake	Y	WW15	
1st Prototype	Bill	Jenifer	N	WW18	
Test Plan	Jenifer	Bill	Y	WW17	

PAC Chart

