

Evidence Based Performance Measures

By Francie Dalton

Proof of Performance or the Absence Thereof: that's what you get with well-defined performance measures. Properly constructed, performance measures describe targeted outcomes in both quantitative and qualitative terms, permitting a fair and objective assessment of performance as an organization moves from its Current State to Desired State. As a result, rather than speaking of what "seems to be so" or how one "feels about" the performance of a department, colleague or vendor, performance measures provide objective, evidence-based measures of performance.

Establishing valid performance measures isn't easy. But the investment pays tremendous dividends. Individuals can prove their value to organizations; managers can justify rewarding/trimming staff; performance reviews can be more factual and less emotional; and organizations can clarify the value they deliver to employees, customers and shareholders.

Elements of Performance Measures

There are 3 elements to effective performance measures: Goals, the results to be achieved; Objectives, the major ways in which goals will be achieved; and Action Plans, the tactical steps necessary to achieve each objective. Each element must be stated in terms that are measurable, achievable and time specific. No single element should be more than a sentence, and each statement should refer to a single event or occurrence.

5 Most Common Mistakes with Solutions

Misuse of Adjectives: "Top Quality", "Cost Effective", "Excellent" and "Appropriate" are all good examples of this common error in crafting performance measures. "Conduct an excellent annual conference" can only be subjectively assessed. The technique for correcting this kind of error is the use of a "FIB" question: a "fill-in-the-blank" question that will stimulate greater clarity. Here's how it works. Ask: "Our annual meeting will have been excellently conducted when it ____?" Another example: "Ensure our product is top quality". Ask: "Our product will be 'top quality' when it ____" or "We will know that our product is 'top quality' when ____". Implementing this solution will likely produce numerous responses, each of which is likely to be a new element.

Misuse of Verbs: "Promote", "Support", "Coordinate", "Educate", "Attend", "Improve" are great examples of this error. "Attend the XYZ meeting on 1/31/04" is not an outcome. Warming a seat is not an accomplishment. The technique for correcting this kind of error is to ask "why" regarding the verb; and be sure to ask "why" in a couple of different ways: "Why am I attending the XYZ meeting?"; "Why am I attending the XYZ meeting?" Implementing this solution will likely produce numerous responses, each of which is likely to be a new element.

Misused Prepositions: This classic error usually occurs within a goal statement, and usually involves the use of the words "To", "Through" or "By". Remember, goal statements are "what" statements; they specify the result or outcome to be achieved - not how it will be achieved. Including words like "to", "through" or "by" often results in the combining of a goal statement with an objective statement. "Survey all members of X group by 12/31/05 to determine their priorities" exemplifies this error. The goal here is to determine the priorities of X group members; the survey is the method (the how) by which the data will be acquired. Implementing this solution will help differentiate between goals and objectives.

Misused Comparison Words: Words such as "increase", "decrease", "expand", "reduce", "more", "improve", should not appear in performance measures unless the implied baseline is also stated. For example: "Achieve a 10% increase in attendance at the 2005 annual conference" doesn't meet the required standard. Instead, include the baseline year against which attendance is being compared: "At the 2005 annual conference, achieve a 10% increase over the 2003 level". Improve the statement even more by being specific about what kind of attendee is preferred. "At the 2005 annual conference, achieve a 10% increase of the 2003 level of client company presidents".

Responsibility without Authority: "Ensure that Congress passes the ABC bill by 12/31/05" is a great example of this error. Unless and until someone actually OWNS Congress, it's not appropriate to hold someone accountable for a Congressional act. It is neither reasonable nor fair to hold someone accountable for outcomes beyond their control. What IS reasonable and fair, however, is to impose accountability for the flawless execution of a comprehensive strategy

which maximizes the likelihood that Congress will do "X". If the strategy is approved by the supervisor as being comprehensive, and is flawlessly executed, whether the bill passes or not is not a valid measure of performance. The solution here is to preface the desired outcome with the words "Work toward". The goal statement would then read: "Work toward ensuring that Congress passes the ABC bill by 12/31/04". This is not in any way intended to let anyone off the hook for the flawless execution of a strategy approved as being comprehensive which maximizes the likelihood of the desired outcome.

Although the tedium required to craft evidence based performance measures is indeed uncomfortable, comfort cannot be the yardstick by which we measure success - whether personally, or organizationally. "Comfort" simply isn't how we as professionals get to the top of our game; and it's not how we lead our organizations to peak performance. Indeed, the more we mature the more we realize that it is the very antithesis of comfort that produces success.

The initial development of evidence based performance measures provides a template which lives on from year to year, usually requiring changes only in the actual #'s, %'s, dates/names of projects, etc. So, the discomfort attendant to the creation of these measures is temporary, and constitutes an investment - the dividends from which far surpass the endurance required of organizations and individuals during development.

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