

# A Performance Driver Model

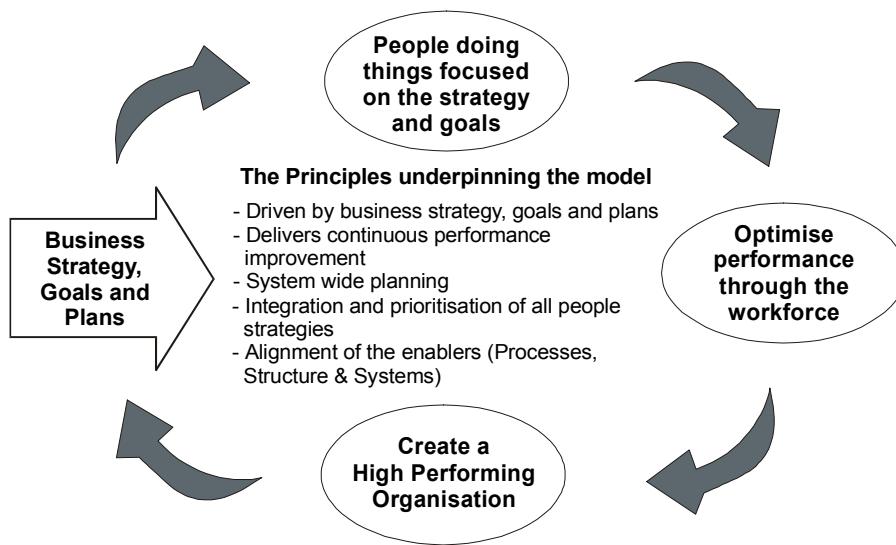
## Optimising performance in your organisation

### Recognise this?

- ✓ Efforts for positive change often disappoint
- ✓ Expensive initiatives produce little change
- ✓ Multiple initiatives deliver incremental results only
- ✓ People are said to be the most important asset

### Is this what you are aiming for?

**"An organisation where everyone is focused on optimising performance together with plans for continual renewal"**



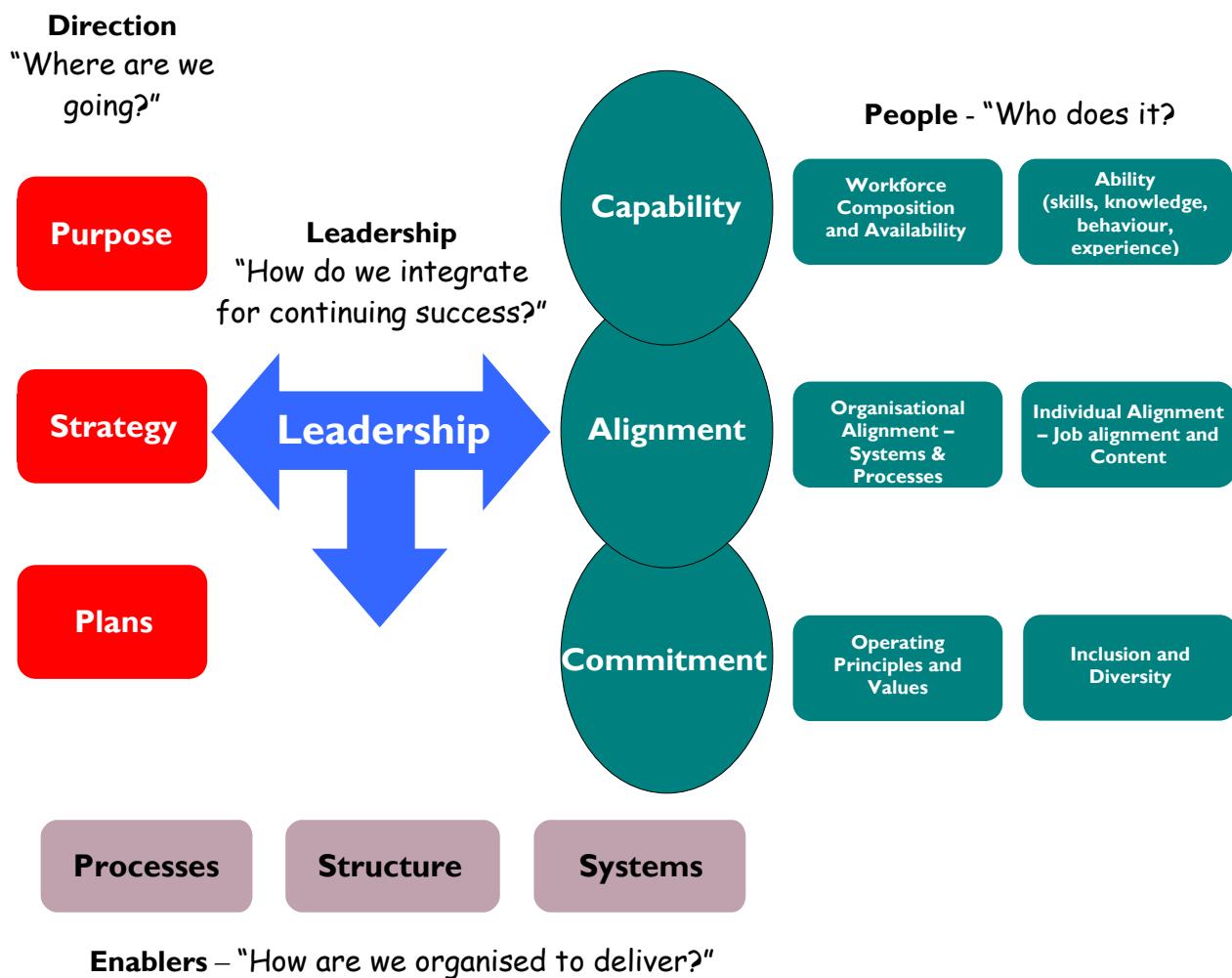
This diagram indicates the principles on which the Performance Driver Model is based. Following this flow from Business Strategy through the process back to Business Strategy, over and over, is the key.

### What leaders say about using this model

"At last we have a way to integrate stand-alone people initiatives with the business strategy. This model gets rid of the 'flavour of the month' approach and helps us to do what is right for the business. Now we can develop strategies, identify the milestones and measure the results."

"We had so many initiatives in progress that people were getting burned out and we were not seeing the payback we anticipated. By using the model to develop a strategy that was aligned and integrated with the business strategy we were able to prioritise initiatives and allocate resources. People were able to see how things connected and why it was important to the bottom line."

## The Performance Driver Framework



*The words on page 3 would normally surround this model. For an A3 sized copy of the Performance Driver Framework please contact Transition Partnerships.*

# The Performance Driver Framework

## Leadership

Leadership is fundamentally about fostering, encouraging and creating a sense of meaning, direction and purpose. Everyone in the organisation needs to be engaged in that endeavour. It is about integrating Direction with the Enablers and People. It is about providing the environment where change can happen. How this is done will depend on individuals and circumstances – there is no one right way. Specific leadership practices and adaptation of personal style of personal style have to be approached with a high degree of self-awareness.

Engagement with and involvement in the organisation are key to success, especially when change is a dominant factor. This cannot be achieved by command – it has to be fostered by effective leadership.

## Direction

Every business has Direction, expressed as Purpose, Strategy and Plans

**Purpose** – the High level view, the view over the horizon, often called the Vision, Mission or organisational Purpose. This is the image that you want everyone in the organisation to get behind. It is often accompanied by some description of a specific challenging goal.

**Strategy** – the set of connected ideas that, when implemented will lead to the achievement of the Purpose. These are both planned and emergent, and subject to continual review.

**Plans** – shorter detailing of activities that are specifically related to groups and individuals. The plans may incorporate targets and objectives with appropriate measures.

## People

People as individuals and in groups, are the heart and spirit of every organisation. For an organisation to function effectively it is vital to have people

- with the right skills in the right numbers
- whose personal aspirations are sufficiently aligned with the organisation's purpose
- whose commitment is whole hearted.

**Capability** – the people potential within the business. It includes the availability of the appropriate resources and the degree to which the right skills, knowledge and competence exist.

**Alignment** – establishing the focus of contribution. Seeking integration rather than fragmentation; the degree to which jobs fully leverage people's capability and use their skills to add value.

**Commitment** – the extent to which people connect with the business, take responsibility, apply discretionary effort, take ownership of problems and their own development and work at connecting with others.

## Enablers

Processes, Structure and Systems – the Enablers are the fundamental infrastructure of the business. They need to be the 'servants' of Direction and not the 'master'. It is important to regularly review the Enablers against Direction to ensure that they help deliver the organisation's purpose and do not act against or hinder its achievement.

**Processes** – there are two kinds of processes: Core and Support. A third, Failure recovery, is often required. You need to continually focus effort on improving processes and having everyone in the business engaged in that task – all of the time.

**Structure** – what principles do we use to 'design' our organisation? Some fundamental issues need to be addressed in the design of any organisation. How do you maintain skills and expertise through a functional organisation and how do you ensure that you have the right number of levels of hierarchy, how do you ensure the structure increases accountability and internal and external connections and how does the structure foster increased engagement?

**Systems** – how does information flow through your organisation? People cannot fully belong in the organisation if they do not understand what it is doing and how it works.

## **Benefits, from this model, that deliver to the bottom line**

An organisation in which people perform to their capabilities and where everyone

- is connected to the values and intentions of the organisation
- has the appropriate skills to deliver their part of the strategy
- gives opinions freely knowing they will be respected
- exercises leadership
- is flexible and effective
- is continually developing and improving

## **How can you use this model?**

The model is not prescriptive. It provides a framework that enables you to focus on activities that lead to the delivery of **your** strategy and goals. It can be used in a number of different situations

- Strategy planning, implementation and change
- Linking purpose with behaviour
- Prioritising initiatives
- Organisational learning
- Achieving Continuous Improvement

## **Some further comments**

"It helped us to quickly prioritise the few critical actions to take during a period of organisational chaos. Our transformational strategy would not be clear for several months and our people were interpreting our lack of action as a lack of leadership. Worse, they were starting to believe that our lack of action meant we did not value them, 'they were just another expendable commodity'. Using the Performance Driver Model we were able to identify some short term actions we could implement without compromising the long term vision."

"We spent \$25 million dollars on team training and continuous improvement last year. Everyone wanted to be empowered and do their own thing. Now, using the model, we know that to build organisational capability we should have taken an approach that would have delivered an aligned and integrated improvement - at the individual, team and organisational level. We will use the model to develop a strategy that optimises our investment instead of wasting money and time."

## **What next?**

**To obtain more information or ask questions**

**TRANSITION PARTNERSHIPS**    on        **01488 648278**    or  
**ians@transitionpartnerships.com**

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