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People Centred Performance Enhancement

The Secret Behind Building A Successful Performance enhancement Programme

Success Through
Vision & Strategy
Set Upon
People, Operations, Funding & Culture
Foundations

PeP

Bonus Chapter 1: Reflections

People Centred Performance Enhancement

Frequently Asked Questions Continued

Terminology

In business, if one takes a broad view of corporate performance enhancement there will be content overlap within a variety of subject matter headings. Headings such as breakthrough performance, change management, continuous improvement, performance enhancement, re-energising, re-engineering, renewal, repositioning, step change, transformation and turnarounds are a few of the possible headings used by various authors.

The PeP framework is by design holistic. It takes one back to the basics, installs crowd support for self direction and collectively builds buy-in to standardisation, collective support for teamwork, pride and passion for a vision and energy for a strategy built upon the enabling pillars of people, operations, funding and culture.

Re-engineering rose to popularity some twenty years ago and has a focus upon the complete redesign of systems and processes with a view to cost reduction, increased throughput and or improved service delivery. It has been used to radically downsize entities and for this reason its use begs elaboration to determine the true focus or intention of a branded re-engineering initiative. Change management was championed to dovetail with re-engineering towards radically trans-forming businesses. There was a time when many acknowledged market leaders were reporting on re-engineering programmes. Re-engineering, but in a less aggressive way, remains popular as does the continuous improvement approach embodied within TQM (Total Quality Management). A PeP has a focus on people and on how they connect. The "modern management toolbox" has many options and as I stated, "you will be spoilt for choice." The application and terminology used needs to suit the need and the meaning thereof needs to be understood.

At the outset there needs to be a needs assessment and a through analysis of the *As Is* position of the entity. Benchmarking the organisation against others in the industry or sector will provide an indication of the relative positioning of the entity. With these facts to hand one can begin with an envisioning cycle towards leading strategy with vision and a budget enabler.

When you know where you are and where you need to get to then you will be aware of the extent of the gap needed to be bridged to avert bankruptcy or closure. Given a huge gap, the intervention is likely to best be categorised as a "re-engineering" intervention. If you need a significant improvement but do not currently face closure then the terminology "step change" may be more appropriate. Where one needs to optimise systems and processes without the need for radical change then the wording "continuous improvement" would be more appropriate.

I have used the term "turnaround" to describe a few actual case studies as the entities went from facing closure to being rated as best in class entities e.g. the DoJ&CD faced staggering levels of corruption and non-compliance at a national level and from there it went to obtaining an unqualified audit for the first time ever. The circumstances in each of these cases was extreme. Clearly these cases were "turnarounds!" It should be noted that a PeP deals with service delivery measured by both volumes and values. Thus, it deals with financial management and service delivery performance matters. The focus can however be on one or both of these objectives.

The terms "Continuous Improvement," "Step Change," Turnaround and "Breakthrough Turnaround" may accurately describe the objectives set for a PeP

Use of the wording " Step Change" was used where a needs assessment called for a significant increase in output, major drop in cost or a large improvement in the quality or quantity of services delivered.

Often re-engineering or re-invention is the wording for an internal mantra associated with finding a better way to achieve the same or a better result.

Performance enhancement covers all these scenarios including turnarounds through to the minor tweaking of systems to optimise performance.

Being holistic a PeP elaborates on requirements and thus the meaning of the terminology used should not be allowed to cause any confusion.

People Centred Organisations

Interfacing Cycles

The four interfacing cycles that beg integration are the envisioning cycle, the strategic cycle, the budget cycle and the corporate reporting cycle that is often referred to as the financial cycle. In small business these cycles will tend to merge and be managed by a single person but with size the opportunity for specialisation arises and so this may result in multiple committees with some people being appointed to more than one committee.
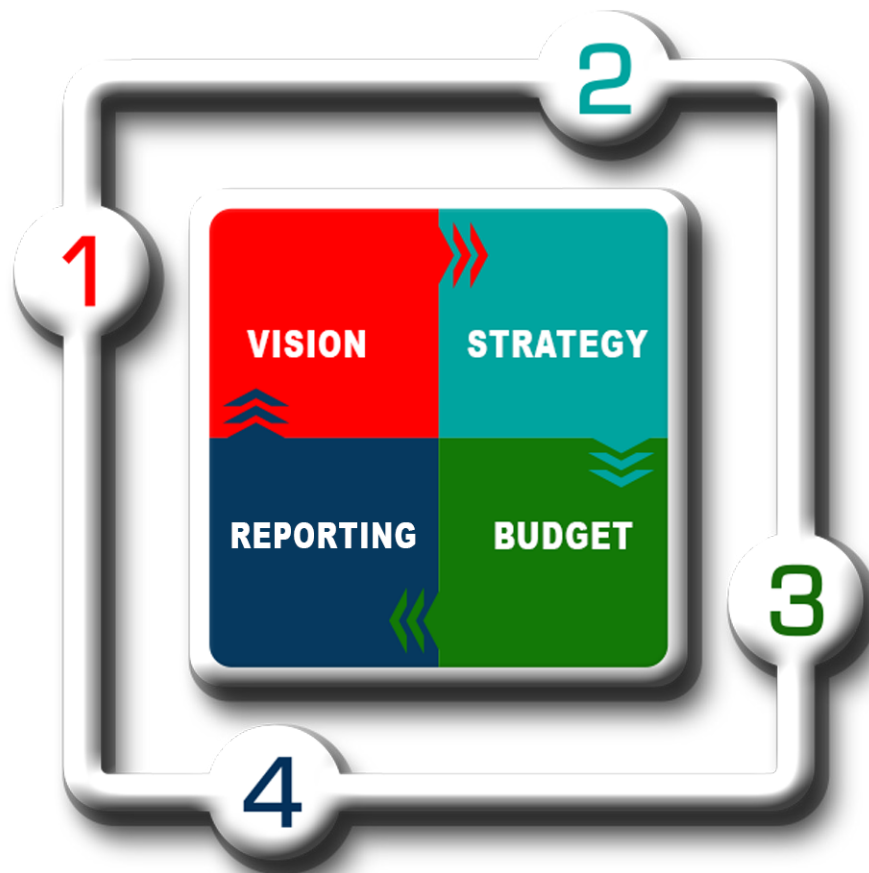
VISION

The Vision cycle gives direction. It may call for vertical or horizontal integration. It may require a small improvement in product shelf life. It may require research to succeed in completely new markets envisioned by a diverse group of experts in a variety of fields.

New products envisioned may, as an example, have resulted from envisioning possibility by interfacing mobile data delivery with consumer white goods. The new domestic freezers currently envisioned may commonly soon be required to advise householders on their phones, wherever they

may be, what is in their freezer back home and what needs replenishment plus what needs to be used by what date. Serious envisioning looks to assembling teams with diverse backgrounds and expertise to be able to innovate and build crowd support for new ideas. These teams will have been charged with the task of envisioning an unseen future. Their job relates to decision package discovery. These "discoveries" will enter the decision process after they have been scoped as a part of Round 1 which falls within the budget framework/cycle covered in Chapter 6: Budgeting. Before these ideas can become a reality they will need to be developed and delivered to the market. Round 1 allows for across the board estimation as the focus is upon discovery. Round 2 calls for more accurate information as the focus is now upon future viability and prioritisation. Round 2 falls within Chapter 2: Envisioning.

Envisioned innovative products, that are new to the world, generally offer high risk and reward. Products new to the company, which have established markets, will need to be competitive and they are likely to offer less risk and reward. In the former case the formal assessment of risk and return will be difficult and subjective. It is for this reason that the PeP has two approval rounds that deal with the assessment of new ideas.

What begs assessment is the question of acceptable risk and return, as a precursor to a go, no-go decision which should include an evaluation of the following:
• Market reaction; needs, trends, insights and desires
• Creation; Production and technology possibilities
• Market potential; profitability, demand sustainability, benefits, logistics and more
• Viability; best outcomes, worst outcomes, risk and reward
• Prioritisation; funded and unfunded decision packages in the Base 80

The Round 1A and Round 1B assessments, whilst comprehensive, allow for strategic fit and for volumes and values to be estimated. Given strategic fit, it is taken as a given that the decision package will fall within the vision for the enterprise. New decision packages will commence with gaining approval with the Round 1A process.. Where a decision package does not have strategic fit, but which is expected to have financial or non-financial benefits, it will be passed to Round 2 for a final decision.

The Round 2A and 2B assessments call for more detail including design specifics, prototyping, market research verification, costing, risk assessments and more. Given round two approval, taken as an informed subjective go, no-go decision the decision package will filter back to the strategic, budget and reporting frameworks within the PeP.
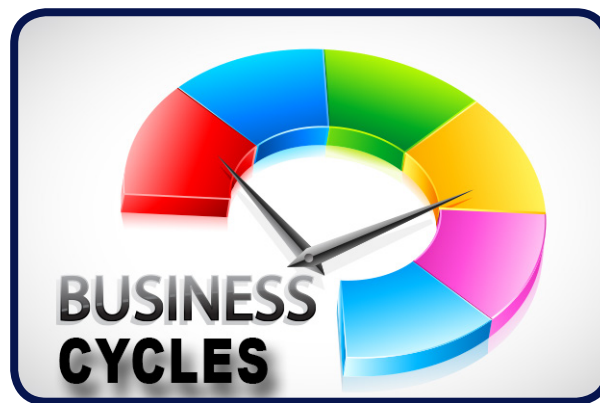
Table 4 in Chapter 2 titled the VISIONING FRAMEWORK offers a comprehensive look at how to build and to capitalise on established capabilities to grow the business. A high resolution print version of all tables can be downloaded at www.pcpe.club. This framework should be read row by row from left to right. On the left the matters covered relate mostly to establishing competence in what is done. On the right the framework looks to capitalising on established competencies to enable growth. For example in the third "STAKEHOLDERS" row we have the following:

- Improving Quality, Availability, Cost/Margins and or Pricing
- Increasing Resource Utilization and Product Performance
- Improving Credibility, Opportunities and Access to Markets
- Realising Established Efficiency Payback
- Realising Benefits from New Markets and Opportunities
- Reaching Targets and Milestones plus Reliable Reporting

Each row below the STAKEHOLDERS row looks to building capability. The envisioning process must start by envisioning capability to match envisioned current and future production or service delivery.

The VISIONING row is as follows:
- Assess As Is, Demand and Supply
- Define the Vision and Link Strategy to Budgets
- Analyse Gaps and Right Size Operations
- Dynamically Explore Opportunities, Strategy and Test Viability
- Execute Strategy and Drive Product, Service Growth and Diversification
- Hone Leading Indicators and Reporting

VALUE is established through:
- Establishing Effective, Efficient and Economic Capacity and using this to
- Capitalise on Capability and Grow Utilisation

- Leadership: Envision and Initiate Performance Enhancement
- Collaborate, Incentivise and Reward, Continuously Train and Strategise, Maintain Multi Year Rolling Budgets Linked to Strategy
- Operationalise Strategy and Vision Attainment

The purpose of repeating the above is for your ease of reference but in addition to encourage reflection upon the fact that the four cycles Vision, Strategy, Budget and Reporting beg integration as they really are one continuum.

STRATEGY

Clearly the vision must inform the strategy. At the same time the budget must inform the strategy but, given that the strategy defines the budget needs, it will lead the budget cycle. In practice the strategic and budget cycles will be somewhat dynamically osmotic.

Competitor benchmarking in respect of pricing, estimated cost and product functionality will often offer clues to strategic interventions. New suppliers may need to be sought or existing suppliers may need to be tested for better deals. Systems and processes may need to be reinvented. Scenario planning, standardising, business modelling and As Is business reviews plus structural support reviews, functional centralisation or decentralisation, shared services, outsourcing, downsizing and more will be housed within the strategic cycle. In the end the strategy must deliver the operational plan of how the vision can affordably be achieved.

BUDGETING

Reviewing funded and unfunded cost objectives within the Base 80 and the prioritisation of opportunity is strategic however the housekeeping surrounding the affordability of approved funded cost objectives falls within the budget framework and cycle. At the core, strategy should align and define the allocation of available capital. The efficient and effective utilisation of funding and a disciplined approach to budget cuts relating to matters that no longer fall within the vision for the entity is generally an untapped source of funding.

REPORTING

Inputs, outputs, impact and outcomes lie at the centre of results based organisations and these yardsticks deliver the message to the providers of capital. The reporting of financial and non-financial results is a story that must be planned. It is the tale that tells the story about the right things being done at the right time to optimise the return on investment and to give credibility to the promise of future financial and non-financial returns.

Base 80
Funded & Unfunded
Decision Packages

Vision

Strategy

Budgets

Reports
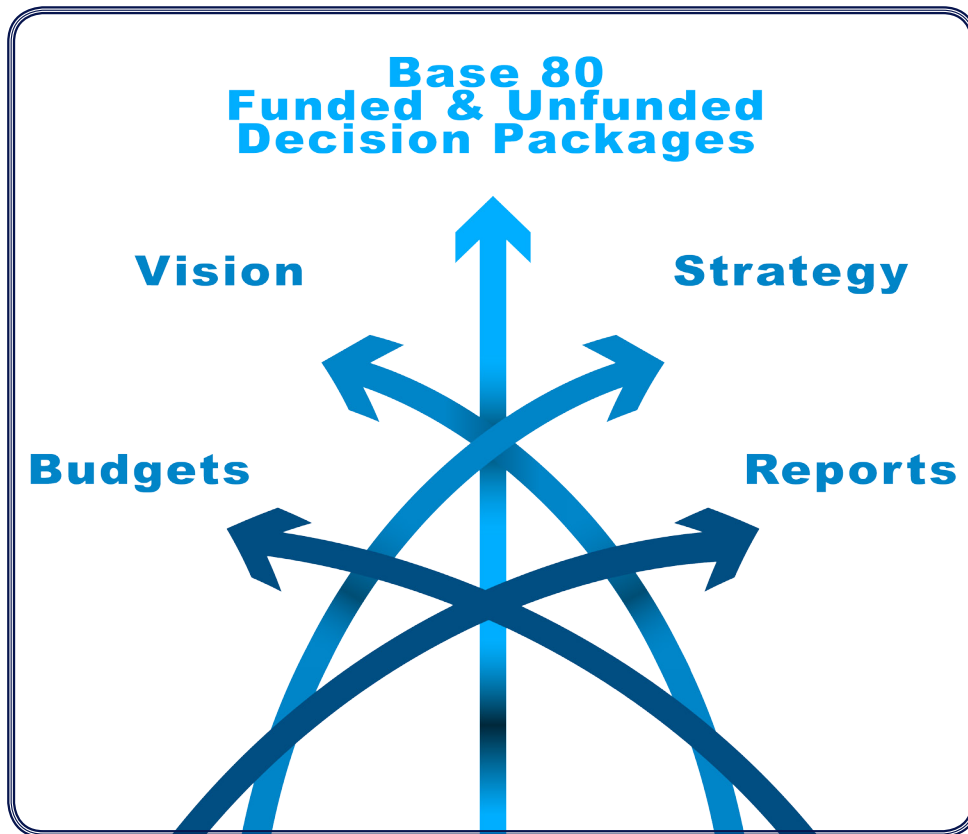
Interfacing Cycles Informing Each Other and Go, No-Go Decision Frameworks

Education

 In the public sector the ability to be able to offer direct financial performance rewards is limited. This said, the ability to offer the opportunity for self development is not limited. Sponsored study, research and travel are but a few opportunities that can offer huge win : win paybacks for both the employee and the organisation.

The Universities of Cape Town and Pretoria have structured post graduate diplomas and degrees to meet public sector financial management needs. I have mentioned that education offers a huge boost to transformation and I raise the matter again so as to stress the importance thereof. Taking complete classes at the above universities turbo charged service delivery and careers. Many people had the opportunity to gain post graduate diplomas, honours and masters degrees. Sending individuals and teams to study/research best in class practices at other locations with the requirement for them to return and mentor others to achieve enhanced performance is another successful intervention. Not only does it give the opportunity for personal growth but it gives recognition and status in a very visible way. Again, I stress that this too is a powerful intervention that boosts early buy-in to the change that is to be and it is a key to success.

Corruption and Risk

Corrupt practices tend to be deeply embedded and may have existed for decades.

I have found it useful to categorise matters under the headings of Skeletons and Ghosts. Skeletons lie buried on your playing field and Ghosts visit to reap the rewards that your prevention and detection activities fail to uncover.

The management of anti-corruption initiatives is a specialist field of investigation and forensic auditing that is best left to professionals. It is my view that corruption should be dealt with as a completely separate matter. Finding skeletons is often the result of conventional audits. Finding Ghosts is most likely the result of forensic investigation. There is a time and place for both.

Inefficiency, ineffectiveness, stagnation and other forms of non-compliance and non-delivery are best left to be dealt with on their own. They must be dealt with but not as a part of the PeP as this matter may run deep and derail the turnaround focus of a PeP. Forensic auditing does and should attribute blame for corruption and non-delivery but integrating this with a PeP in a working environment that did not energise and empower people to be successful is counter productive.

Inefficiencies may include people doing their jobs badly or not at all. The focus must not be upon attributing blame for the past; it must be about celebrating change and performance improvement. Where nothing is done about reported incidents of corruption and risk, it is likely that the corruption enjoys the protection of high ranking managers. A PeP is about the future not about attributing blame for the past. Corrupt practices must run the course of prevention, detection and reaction. Note that I leave out reporting i.e. prevention, detection, reporting and reaction. This is so as all to often management adopt an audit mindset that sees the discharge of responsibility ending with reporting. This is correctly the case with an audit but definitely management must move immediately from detection to reaction and where they do not a forensic investigation is most likely merited so as to highlight the presence, if any, of corrupt practices.

My first recommendation is that you should be transparent and as stated you should move performance audits, lifestyle investigations and or forensic audits to a dedicated team. Use retired commercial branch detectives, retired accountants as well as professional firms.

Make sure that the PeP is owned by all and thus that it is not at risk of being stopped given that any one person is intimidated. Self-directed change needs support and will be distracted if left to dwell on finding blame for the past - thus focus on improvements and celebrate success.

Interfacing Communication, Technology Options and Marketing for Performance Enhancement

As stated in Chapter 5, the success of automation and the computerization of administrative routines, support processes and operations lies in the user experience. Simplicity is king no matter the underlying complexity. Where technology dehumanizes a user experience the likelihood that the outcome will be positive is slight.

In an e-commerce environment users need to be able to locate what they want, know where to get it and they need to be able to follow a simple, easy to follow checkout routine to buy it online. Payment options, delivery options, returns options and guarantees will add to user comfort and to the overall user experience, as will the positive testimonials of others.

However, simplicity alone is not enough. Customers seek a seamless buying experience that is fast and which offers competitive pricing. Yes, we are back to the goal of good, fast and cheap! Notwithstanding the fact that some have not achieved the mass market goals of good, fast and cheap, e-commerce opportunities can be targeted to defined audiences by way of the analysis of harvested data from customers and users.   e-Commerce is a part of the modern market place and the user experience will be impacted by the nature of the product or service as well as by the marketing approach adopted. The popularity of e-commerce lies in the ability of an enterprise to extend it's market reach and if it does not compete in the broader market place it will find its competitors competing in its own "back yard."

There were times when only big business could coordinate and integrate the flow of information from sales ordering to dispatch and customer feedback. Today lightweight systems abound that offer advanced information tracking and analysis. Clearly the playing field for building psychographics (see below) is no longer the preserve of big business.

Mobile phones increasingly redefine the idea of what a computer is. By no stretch of the imagination a smart phone is a computer in the pocket of current and potential customers. It allows customers to be spontaneous and it is a communication channel, like no other, to customers and staff alike. The use of social media for work-based communication is taking hold. Opening the door to live conversations via smart phone connectivity happened some time ago. Why should employees in the public and private sectors not be handing out business cards with the invitation for direct contact instead of leaving the customer to do battle with a robotic switch board and a call centre help desk? Social media is no longer the domain of student after class communication. Why, as an

example should sales or service technicians not have a corporate Twitter following for daily tweets on product related tips, et cetera? Company Apps, communication platforms and the data harvesting tools in use today, that are designed to gather consumer opinion, must be intelligent enough to be user friendly and they must give comfort by being transparent and easy to use. Customers must be happy about you using the phone in their pocket to gather data and they must feel confident that they command the flow of data to any automated collection database for marketing data. In short, customers and users must feel that they have an opt-in option to the provision of demographic and other data. They too need to be secure in the knowledge that their data will not be used for anything other than disclosed and approved purposes.

Clearly, performance enhancement directed by people that are self-directed and who give their own considered opinion on merited company performance will add the edge to consumer information needs. Information is a key to success that is powered by its collection analysis and use. Customers prefer human interaction and one-on-one connectivity rather than "canned bling" brochure material. The power of employees legitimately asserting that the organization is not "ho-hum" is as strong as customers offering positive testimonials of their user experiences.

Where a PeP is tasked to produce a turnaround in an entity facing closure, what will be on the minds of the staff? Consider the publication of the following monthly service delivery robot report to the mobile phones of all employees. Definitely it will signal, at the very least, hope for the future.

Given that all know what the standard resource, performance and profitability standards are, the robot chart will crisply deliver the message via an MMS to a mobile phone. It's an example of technology simplifying reporting.

What's the secret to e-commerce and showcasing services online? Firstly, harnessing technology will enhance corporate performance in most markets. The secret is to keep it simple, deliver an awesome user experience and ensure that your connections maintain a human touch. Automated robotic telephone operator styled communication as an example is bad and it delivers nothing more than an awful user experience. Follow-up communication with buyers and users is critical to success. Many will tell you that the secret is in gathering data about purchase behaviour and psychographics.

Psychographics relates to market research that studies psychological variables such as attitudes, values and fears. It also deals with consumer trends in opinions, aspirations, values, interests, lifestyles and more. Taken as a whole these matters are referred to as IAO variables (Interests, Activities and Opinions) and they are used to build profiles of your customer or user base. With a better understanding of your customers as well as of your market you will be able to enhance your marketing needs as between mass, niche, precision and target marketing campaigns.

Mass marketing via bulk e-mail campaigns, TV, radio and newspapers is often used for building brand awareness and for broadcasting price competitiveness to mass markets. The audience is not differentiated and the products or services are likely to be used by everyone. On the other hand marketing to veterinary surgeons by way of an opt-in SMS campaign run by the national association of veterinary surgeons might be termed niche marketing however this audience may be further classified so as to be relevant to a small segment of veterinary surgeons that use a particular piece of diagnostic equipment in an attempt to get them to upgrade their equipment with a new add on in what would be termed a precision marketing campaign.

Market segmentation may be effected in terms of a variety of criteria such as geographic filtering to target farmers, income filtering to target high end expensive product promotions, gender filtering to target cosmetic promotions et cetera.

The relevance of touching on marketing matters has been to draw attention to the fact that the modern world consistently and regularly invades the privacy of individuals. Service delivery needs to be marketed and success will depend upon finding a balance between gathering psychographic data and privacy so as to maintain a positive user experience.

There was a time when people kept their preferences, interests, secrets and personal thoughts in a locked diary.

Will the currently available secure biometric locking of phones soon be a standard feature on all phones?

Performance enhancement in this arena will depend on transparency, values and the degree to which you maintain a reputation for a workplace Ubuntu. You need to demonstrate that your organization is people centred and that its values dictate its humanity in its dealings with employees, users and customers. The day when consumers revolt against an invasion of their privacy is fast approaching and in many respects it is well under way.

In conclusion, it is stressed that successfully interfacing communication, technology options and marketing for performance enhancement is a function of really understanding your audiences. You need to understand their likes and dislikes in relation to their user experiences and in particular you need a deep understanding of their views on the direct or indirect collection of data from and about them. Above all else, keep connections "human" and communication people centred.

Please return to this chapter.

In the future www.pcpe.club will carry discussions on frequently asked questions raised by readers.

When your PeP is built. Retake the test.

Individual Players

1. Are they having fun?

2. Are they self motivated?

3. Is their value understood?

4. Do they know their position?

5. Are they well trained?

6. Do they feel relied upon?

7. Do they keep score?

The Team

1. Are there game rules/values?

2. Is there a defined playing field?

3. Are they equipped for the game?

4. Are positions coordinated?

5. Is there a game plan?

6. Is performance monitored by all?

7. Do they celebrate success?

The Captain

1. Engages & studies performance?

2. Understands and builds capability?

3. Is connected & acknowledges effort?

4. Inspires & lets the team play their game?

5. Intervenes, mobilises and strategises?

6. May change the game plan?

7. Constantly celebrates individual success?

Let us now move to the world of business & service delivery

The People

1. Are they responsible?

2. Are they empowered?

3. Are they accountable?

The Business

1. Defines and supports operations?

2. Plans & reports upon performance?

3. Defines values, culture & attitude?

The Leadership

1. Directs the attainment of a shared vision?

2. Owns strategy, structure & leadership?

3. Gives meaning & rewards achievement?

Will your affirmations cover the above?