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PERFORMANCE MANAGEMENT

What's in it for you?

There it is – the light on the dashboard of your car, blinking a warning that you're almost out of gas. Time to fill up, before you're stranded on the roadside watching the chances of timely arrival at your destination receding to zero. Now, how can you have that kind of clear and simple tool in your day-to-day management at work, keeping you on track and helping you to reach your goals?

PERFORMANCE management seems to be everywhere these days, with much of the push coming from central agencies. Just as with a fuel indicator light, however, performance management can save you from running into trouble, allowing you to make mid-course corrections before the consequences of actions (or inaction) impact on the achievement of expected outcomes.

Athletes take performance management seriously. The Running Room, for example, has created an app that breaks a marathon into smaller increments, giving a time for the completion of each segment in order to finish in a target time. It's much more useful for a runner to know that she is slipping off her desired time at kilometre 8 of the marathon, allowing her to adjust her pace accordingly, than when the finish line is in sight and it is too late.

In the same way, performance management can help an organization determine the desired intermediate and final outcomes of its programs, identifying milestones along the path to their achievement, and making program adjustments as required to stay on track.

Performance management in a public sector context serves many purposes, including:

- Defining "success" for the organization, quantifying it, and tracking it;
- Providing input to assist in managing the operations of the organization and taking corrective actions as required;
- Aiding the government in communi-

cating activities and results;

- Providing transparency to taxpayers on how their tax dollars are spent; and
- Meeting legislative requirements.

A certain amount of performance management in the government is directed by central agencies charged with overseeing broader initiatives that go beyond the outcomes of any particular organization, such as meeting overall deficit. However, the key to deriving the greatest benefit from performance management, rather than simply producing the information that is required by central agencies, is to ensure that most of your performance measures assist you in tracking the extent to which your activities are contributing to your program's desired outcomes.

A logic model or outcomes map explains why you do what you do, and can help in trimming unrelated or less productive activities. Developing and reporting on clear performance indicators gives you the information to make mid-course corrections as needed, so that management is not occurring in a vacuum. Good performance indicators also assist you in recognizing your successes, demonstrating in concrete terms the value of your contribution to the Canadian public, and sending a message to staff about why their work matters.

So when you see that light on your performance dashboard indicating that you're in danger of missing the target, you'll be able to use that information to make the adjustments needed to ensure your program delivers on its expected results.

MAKING BUSINESS SENSE

The Bank of Canada undertakes a number of change initiatives each year to improve the efficiency and effectiveness of its operations. In early 2011, they turned to their recently adopted outcome management approach to think through the effects of two major initiatives. They integrated this information with the risks that they were introducing through the change and identified immediate and final outcomes that could then be broken down into performance indicators of business success.

Upon completion of an outcomes map and risks and outcomes registers, the two leads and their teams had a similar epiphany: taking this approach to the initiatives resulted in a deeper understanding of what the organization would achieve from a business perspective. The outcomes map clarified the impact of the changes on outcomes (for example, increased staff productivity, reduced risk for the Bank, or increased cost savings). Understanding and communicating the purpose of the initiatives from this broader perspective creates a stronger business case and increases buy-in from staff and senior executives, who see the return on investment of time and resources. 