

Demystifying Performance:

A Roadmap

Here's a straightforward
step-by-step approach
on how to make the
necessary transition from
trainer to performance
consultant. It will boost
your career and improve
your organization's
bottom line.

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Part 1 in a two-part series on human performance improvement and performance consulting

Human performance improvement theorists, researchers, authors, lecturers, and external consultants present a compelling vision of the benefits of performance consulting to potential HPI practitioners. Unfortunately, the part about “how to get started” is often shrouded in mystery and confusion. The mystery is further compounded by the illusion that the journey to performance is arduous and consumes many years, and only a few achieve the pinnacle of success.

Not true.

All it takes is a willingness to break out of the self-imposed silos, boundaries, and constraints of conventional training approaches and the know-how to partner with line managers in a new approach to achieving individual and organizational results. We think we’ve devised a roadmap for making that transition and the transition from trainer in the role of helping hands to that of true business partner. Taking this new approach can change the way you’re viewed in the organization and, without question, open doors for your career that have traditionally been difficult to achieve for trainers. As a performance consultant, you learn to quantify your initiatives in data-driven terms that will bring you credibility with the leadership team and bring measurable results to your organization’s bottom line.

Susan’s call, your opportunity

Your grandé latté sits on your desk and you’re ready to start the day. After booting your computer, you check your day timer to go over that day’s schedule. It starts with a team meeting with your development staff to review the new-hire course you’ve been developing for months. The pilot is scheduled for next week, and you have substantial work to do to get it ready. Your day is blocked solid with meetings.

The phone rings; it’s the sales executive for the southeast. “I’d like to meet with you this morning, right away if possible,” she says. Gathering your

notepad and sales file, you march up to the executive offices to investigate this urgent request.

Susan McAfee is a successful executive who has moved through the organization at a blistering rate. Assertive, razor sharp, and well connected, Susan has a record for moving quickly and getting what she wants.

“We have a problem with the new loan processing system. Our associates aren’t using it, and my loan volume this quarter is a disaster. Clearly, the training for that system didn’t work. Please develop a refresher course for my team and ensure that they know how to use it. If we don’t get our people to utilize the system effectively, we’re going to miss our loan sales plan. I’m not going to let that happen. When can you have something ready for me?”

The training was solid in your opinion; you developed it and rolled it out. You suspect that the problem with the loan system has little to do with training (or lack of) and a lot to do with the system’s speed, data accuracy, and ease of use.

But you’re in the hot seat, so you have a couple of ways to go with Susan. Let’s reflect on the traditional training response—the reactive response. It goes something like this:

Susan, what timeframe for this training are you expecting? How many associates would participate, and do you want your managers to go through it with their associates? What resources are available to develop the program? What will success look like to you?

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That response is what most executives are used to and, quite frankly, expect. But is there another way to respond to Susan? Absolutely! We call it the proactive approach. It might sound something like this: “Susan, thanks for bringing this performance problem to my attention. What behaviors and performance gaps are you seeing that lead you to believe we have a training problem? Do we have data from associates that confirm the problem is related to the training?”

“Susan, what kind of lift in performance do you recall from similar training interventions to impact a performance problem? Would you be interested in looking at a different approach to get your loan volumes where they need to be? Can I get on your calendar in the next couple of days to discuss a performance approach to results?”

As you leave the meeting, your thoughts turn to your next meeting with Susan. “What am I going to do to get ready?”

Partnering with Susan

It all starts with partnering. The ultimate success of the new performance consultant depends on the willingness of internal clients, such as Susan, to work collaboratively with you in assessing workplace and learning barriers to performance and in designing, implementing, and evaluating solutions that change the workplace to achieve expected results. Susan’s willingness to take the risk of using a performance- or results-based approach and to work closely with you as her performance consultant will correlate with the degree and quality of the business relationship. A partnership, to be successful, requires a mutually beneficial focus on expectations, trust, results, and opportunities for improving performance.

The performance consultant builds a relationship of trust and open communication by learning the fundamentals of the business and, particularly, the client’s business issues and strategic goals. Through understanding the client’s perspective and identifying

opportunities with the client to improve performance, the performance consultant becomes a valuable partner in delivering value-added business solutions.

Initial client meeting

A critical component in partnering is the initial client meeting to dig into the performance problem. This meeting may result from a client request, such as Susan’s phone call, or a proactive call by the performance consultant. The initial client meeting is the performance consultant’s opportunity to clarify the original request for support, often a request for training, and restate it as a performance discussion. The performance consultant prepares for the meeting by clearly identifying the meeting objectives, preparing an agenda as a blueprint for accomplishing the objectives, and gathering preliminary data.

Let’s translate that into what you must do at your next meeting with Susan.

- Start with the request for training, then focus the discussion on the performance problem.
- Identify the performance gap or gaps.
- Focus on root-cause data. That involves obtaining Susan’s agreement to conduct root-cause analysis on the performance barriers causing the gap or gaps.

Start with the client’s request. It’s important for you to get into Susan’s mindset. Assume that she is requesting training in the belief that it will affect a performance problem that needs more definition and clarity. You’re obligated to help her define the exact performance problem, the specific gap, and the causes of the gap. That means that as Susan’s performance consultant, you must learn more about her leadership style, her record of success in the organization, the current results of her business, and her history with external and internal consultants. Prepare questions that will help Susan define what performance is lacking and help her see training as potentially just one

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area among many that need to be investigated for a complete performance solution.

Identify the performance gap or gaps. Often, clients find it difficult to state the exact performance problem and to identify performance gaps. Susan, for example, under tremendous pressure to achieve weighty goals, often dispenses with thinking through a problem and goes straight to preconceived notions about causes and solutions. You and Susan must have a clear statement and understanding of the problem as a starting point for improving performance. In thinking through your brief discussion with Susan, you decide on this first cut for a performance problem statement: *Sales associates are not achieving loan sales objectives in the first quarter, leading to lower net income for Susan's division and possible failure to achieve year-end net income for the organization.* Susan thinks the reason for the situation has to do with the associates' training on the new system. As her performance consultant, you must convince her of the need to better understand the problem, gaps, and causes before settling on a solution.

Performance gaps are the difference between expected achievement and actual results. The gap may be categorized in quantitative and qualitative terms. Quantitative gaps are hard business measures involving revenue, expense, and productivity. Qualitative gaps include customer, internal client, and associate satisfaction; quality process; and product indicators. Quantitative and qualitative gaps provide a complete picture of the opportunities involved in improving performance. It's critical for a successful initial client meeting to research and prepare a preliminary gap analysis to help the client articulate potential performance gaps. The research may take the form of audit and marketing reports, associates' reactions, review of financial data, and interviews with colleagues. You can also gather internal and competitor data from Websites. That preparation enables you to ask the right questions to jump-start the discussion on iden-

tifying the quantitative and qualitative gaps of the performance problem.

Focus on root-cause data. The third and possibly most important objective of the initial client meeting is to influence the client to agree to collect root-cause data. There's little hope of closing or minimizing the performance gap unless hard evidence is collected on root causes and on the actions needed to provide a complete performance solution. Otherwise, you're back to the traditional approach of gut instinct as the way to identify a solution.

Anticipate resistance to the amount of time, expense, and general idea of doing cause analysis. Prepare your performance story. Discuss generic categories of possible causes of performance gaps that include the lack of, or poor implementation of, process, structure, motivators and incentives, information, tools and resources, performer capacity, and skills and knowledge. Emphasize Deming's and Gilbert's research that process and work-environment root causes are critical barriers to achieving expected results. Link that research to the need for hard evidence that identifies the right blend of workplace and learning actions to deliver comprehensive results.

It's helpful to script key points in the meeting agenda so that you're fully prepared to use your preliminary data to overcome any objections and to accomplish your meeting objectives. Consider the sample agenda as a blueprint for your initial client meeting.

Agenda for Initial Client Meeting

Define the problem.

- Clarify the client's request and perception of the performance problem.
- Restate the request in performance terms.

Identify the performance gap(s).

- Help the client identify the specific gap between expected and actual results.
- Decide if the performance gap is manageable and within your capabilities; if yes, proceed. If no, clarify

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with the client and reach agreement on the scope of the initiative.

- Clarify your role as performance consultant and the client's role as co-owner of the data-collection process.

Data Collection and Cause Analysis

- State the reasons and benefits of collecting evidence on possible causes of the gaps.
- Discuss a high-level plan and timeframe.
- Gain client commitment and agreement.

Next Steps

- Schedule a meeting to review and get approval of data-collection plan.
- Identify the resources needed.
- Set tentative date for data-reporting meeting.
- Thank the client for his or her time and confidence.

A successful initial client meeting results in the client specifying a performance gap, getting him or her to agree to cause analysis, and on the client taking ownership for supporting data collection and taking action based on the data. Remember that the HPI process, the data collected, and the solutions agreed to and implemented are best owned by the client. If we agree that most causes of performance gaps are in the workplace and that the client controls the workplace and access to performers, then in order to maximize performance the client must have ownership of the process and end results.

Partnering Checklist

- Select several key clients and build a long-term business relationship.
- Learn the business and “talk the talk” by attending staff meetings, getting on business distribution lists, and reviewing reports.
- Know the organization's strategic direction and business goals.
- Identify potential performance problems that are

manageable in scope and within your capabilities.

- Select the right client for the first performance consulting initiative.
- If a client requests your support, reframe the discussion to focusing on performance problems and gaps.
- Educate potential clients and performance partners on the need for complete performance solutions.

The initial client meeting with Susan

Let's revisit our conversation with Susan McAfee, southeast sales executive. Several days have passed since first discussing her request for training. You've prepared your meeting objectives and agenda, as well as scripted and rehearsed critical statements and questions.

Your second meeting with Susan begins with your reviewing the purpose of this meeting as an opportunity to discuss how you can provide support for improving loan processing. “Susan, without additional data, it's difficult to know how much of the solution requires training and how much involves nontraining or workplace actions required to improve performance,” you say. “My mission is to provide you with cost-effective solutions that close gaps in performance. We really need to dig into the specifics of the problem. May I ask you a few questions?”

You and Susan have a discussion around these questions:

- What is the performance problem you're experiencing?
- How critical is solving this performance problem to your success and that of the organization?
- Which department or region is under-performing?
- What are the specific goals, for example, in net revenue and overhead expense? Where are you feeling pain?
- What actions have you taken to improve results?

From the discussion, you summarize the problem

as “Sales associate loan volume is down leading to lower department and organizational net income.” Susan agrees with the problem statement. With a definitive problem statement in hand, you now shift the conversation to performance gaps:

- What are your monthly, quarterly, or annual business goals? Which goals aren't being met?
- What are the current results for each goal?
- Do you have performers who are achieving or exceeding their individual objectives that support your organizational goals?

You ask Susan to identify the qualitative and quantitative goals and gaps. Again, qualitative gaps refer to gaps in service, product quality, and timeliness of delivery to external customers. Quantitative gaps are the difference between expected and current hard business measures. It's necessary to identify gaps in both categories because, together, they're important to achieving sustainable long-term results.

You and Susan agree on the performance gaps listed in your notes and summarized in the box.

Summary of Performance Gaps

The metrics on the qualitative performance gaps are from surveys done with clients and associates, and

show the actual difference between planned and actual survey data. For example, 1.4 (lower right-hand rectangle) is the actual difference between planned results and the actual responses.

If Susan had resisted moving into a performance discussion and again requested training, then as a performance consultant you would've advised her that without identifying the performance gaps and the causes of the gaps, you can't guarantee the results she expects. Then the risk Susan would take in insisting on training is that what you'd provide, at her expense, would probably result in little to no return-on-investment. That's because there's a strong possibility that causes other than skills and knowledge are involved in the performance problem and training would be only one event in what's likely a multiple-cause problem. You would've asked Susan if that's acceptable. Usually, it isn't. With that acknowledgement, Susan would be ready for a broader performance discussion. If Susan persists in her request for training, then so be it. But be sure to briefly outline your discussion with her in an email that can be resurrected a few months down the line when she's dissatisfied with the results and requests more training.

Summary of Performance Gaps			
		Organization	Performer
Quantitative Goals			
	Expected	US\$700mm/Qtr.	US\$3.5mm/Qtr.
	Current	US\$165mm to date (50% of quarter complete)	US\$825k to date (50% of quarter complete)
	Gap	US\$185mm to date	US\$925k to date
Qualitative Goals			
	Expected	Customer Satisfaction/ Loan Processing Time 65%	Performer Satisfaction 4.5 on a 5.0 scale
	Current	35%	Performer Satisfaction 3.1 on a 5.0 scale
	Gap	30% difference	1.4 difference (lost opportunity costs: TBD)

Shifting the dialogue from training to a broader and more comprehensive performance discussion may seem like a risky or counter-cultural approach in your organization.

Gaining Susan's agreement on cause analysis

Susan has identified a specific performance problem and performance gaps. You now move to a discussion of questions on the causes of the gaps. "Susan, it's my experience that performance gaps involving sales metrics have a variety of internal causes—such as, poorly designed incentives; lack of access to data; tools that don't support the expected results by performers; lack of performer motivation, skills, and knowledge; and capacity or fit for the job. External causes can be competitors, marketplace, and economic trends. I think we need to focus on what we can do within the organization to improve performance."

You then ask Susan cause-specific questions to probe her thinking:

- Are we giving sales associates incentives and recognition for achieving expected results?
- Are the performance goals clear and coached?
- Are the associates trained and knowledgeable?
- Is there a close fit between the expectations of the job and the associates we've hired and placed in those positions?
- Are information systems and data easily accessible to associates? Are sales associates motivated to perform?

As Susan answers each question, she gives her opinion but finds it difficult to provide you with the hard evidence you request. You say, "We need

HPI Glossary

Client: The person accountable for achieving the goals of a business unit, with ultimate authority to impact gaps in performance and with whom the performance consultant partners.

Complete performance solutions: The achievement of expected results and the resolution of performance problems through the implementation of workplace and learning actions using a human performance improvement process.

Human performance improvement: The process used to systematically partner with clients for purposes of identifying performance problems, analyzing root causes, selecting and designing actions, managing interventions in the workplace, measuring results, and continuously improving performance.

Partnering: A long-term, professional relationship of mutual support between consultant and client focused on improving business results.

Performance partners: The departments and practitioners in an organization—for example, human resources, training, quality, and information systems—with the mission, processes, and tools to improve performance by mutually supporting the business and performance needs of performers and business units.

data that will indicate the three or four critical root causes that, if we design and implement solutions, will give us 80 percent of the results we expect. Are you willing to support and co-own the data-collection process with me?" Susan asks how long that will take and what it will cost. You answer, "I need to develop a data-collection plan, but I'd say about four weeks. Travel and other costs will total about \$20,000." Susan agrees and asks you to come back in 48 hours with a plan.

Over the hurdle

Congratulations! You have successfully passed your first major hurdle in performance consulting. You've partnered with a client on a performance problem, identified gaps, and obtained approval from the client to agree to the collection of root-cause data. Performance consulting is no longer the mystery you thought it was. It's now part of what you do as a stakeholder and a partner with line managers in order to contribute to the success of your organization.

Shifting the dialogue from training to a broader and more comprehensive performance discussion may seem like a risky or counter-cultural approach in your organization. However, we've provided a preliminary roadmap that introduces models and methods for making it happen. The rest is up to you.

This transition takes organizational courage and a lot of personal confidence. There are things you can and must do to prepare yourself and build your confidence. In part 2 of this series, we'll provide specific methods for getting ready for this important professional step in your career. TD

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