



Rummler-Brache Group

THE ONE THING YOU MUST DO WELL TO MAINTAIN POWERFUL PROCESSES

The right measures can trigger dramatic improvement in the performance of cross-functional work flows.

In fact, if you want to single out the one management act that can make the greatest contribution to successful and enduring process management, it would be developing and installing a process-based measurement system. Unless you do that—and do it well—you don't have a prayer of maintaining powerful processes.

Good measurement is crucial for a variety of reasons. Let's start with the fact that it signals what's important. That positions people to get their priorities straight. It focuses everybody's efforts on what counts the most. It makes it possible for them to evaluate their performance ... to make improvements ... to allocate their time and effort to produce maximum payoff.

Measurement provides data flow on how well we're progressing toward goals. And your job is to make sure that the right information flows, fast and accurately, to the right people. As Kenneth Blanchard puts it, "Feedback is the breakfast of champions." Measurement, by itself, is worthless. It's a poor use of time, effort, and money unless the results of our measuring are communicated to the people who can use the information.

Of course, our measurements also have to be meaningful. Timely and accurate. On the money. We don't get any mileage out of feedback if it's wrong, late, or trivial.

That brings us to the bad news: Good measures are hard to come by. But we have to nail them if we want to drive people's behavior in the right direction.

As a starting point, we must establish a set of measures that reflect the organization's needs. For example, the need for profitability. For effective asset utilization. For growth, innovation, and so on. These measures give us a gauge regarding how well we're doing at carrying out our strategy.

These high-level measurements then need to be broken down into related submeasures that look more narrowly at the work being done by individuals. Each person needs performance measures that are more fully within his or her control. The more person-specific these are,

Why is it so essential that we be disciplined in tracking performance of our people and processes?

As the saying goes, "If we can't measure it, we can't control it. And if we can't control it, we can't manage it."

the more powerfully they shape people's attitudes and behaviors toward producing desired results.

Finally, in addition to evaluating results at the organization and individual job performer levels, our measurement system must provide additional coverage of how well our processes are producing. Clearly, some of these process measures have to be based on what's important to the customer. These measures monitor the system horizontally. They're designed to assess how well we're delivering value to the customer. Ultimately, that's the key measure for the process as a whole.

Used properly, measurement is your best tool for process management. It's essential in your efforts to communicate direction, establish accountability, track performance, allocate resources, and pursue improvements. When done right, carefully chosen measures and related goals serve as the most powerful single driver of your organization's operating effectiveness as a system.

If that's not enough reason to make your measurement efforts worthwhile, keep this in mind—people want to be measured. It satisfies one of our human needs. We want to know how we're doing ... how we stack up against the competition, or even against ourselves. Check it out. About the only folks you'll find who don't like being measured are poor performers.

Concept of this paper are from the *Process Improvement Certification Training*.

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