

# PERFORMANCE ARCHITECTURE: IMPROVING THE PERFORMANCE OF ORGANIZATIONS'

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The word “architecture” often conveys a sense of structure, strength, experience, and even beauty, but most of all it imparts a sense of creativity. When the word is paired with “performance,” the resulting phrase connotes a creative and comprehensive approach to achieve results.

Building architects take a broad view. They are concerned not just with the physical design of a structure but also with its heating, cooling, and other energy requirements. They consider the flow of people through the structure, the ease of maintenance, emergency access, wind deflection, and a whole range of other factors. They view the entire structure as a dynamic system that must be considered in terms of all its parts.

Performance architects also take a broad view, but of an organization. They are concerned not just with one aspect such as business processes, strategy, structure, culture, leadership, job performance, or marketplace. Instead, performance architects view the organization as a dynamic system in which every part affects and is affected by every other part. Most important, they work from the perspective that the best way to obtain the desired results is to align the whole system to produce those results.

Of course, both building and organizational systems need repair, and both kinds of architects may provide repair solutions. But the main job of all kinds of architects is to create and design effective systems that provide a valued experience for their constituents. There are professions that focus on repair. Plumbers fix broken pipes and Six Sigma people fix “broken” processes (Six Sigma is a measurement-based system that focuses on process improvement by and variation reduction). There are also disciplines with deep expertise in particular pieces of the organizational system; for example, strategy, marketing, financial, business process, leadership, measurement, and project management consultants. There are probably several hundred more specialists that could be identified. Just as the building architect can turn to a host of experts in various aspects of construction, so too can the performance architect draw on a variety of supporting organizational experts.

Performance architecture grew out of the field of Human Performance Technology (HPT—a systematic approach to improving performance and competence). Creative designs and broad-based system analysis was inherent in the very first applications of HPT. But since practitioners were most often called into existing organizations experiencing problems, the field developed many applications that dealt with limited areas of repair focused on closing the gap between existing and potential performance. Today the field of HPT includes many gap specialists who focus on job aid development, process improvement, instructional design in a variety of media, performance management, job analysis, and so on. Often such specialists either act as or provide support to performance architects.

Remember, performance architects consider the full organization in all its aspects so they can design and align all the parts to best achieve the desired results. We performance architects have a license to snoop. We are in the business of supporting our client organizations in their quest for results that meet or exceed goals. We accomplish this by poking our noses into all aspects of how employees perform their jobs to learn how they contribute to those goals. We uncover the nuances of how work gets done and can then identify where and how changes could be made to improve all the elements of the work effort.

Unless we have trained them well, most clients do not come to the performance improvement group when they discover that their team members are missing goals, making more errors, or otherwise performing with less proficiency than expected. Even when clients are able to isolate the probable cause of substandard performance, they may ask someone with appropriate technical expertise for help only to find in the end that the problem has not been resolved or has become more complicated. This is when clients turn to performance architects for assistance.

Focused on the technical issue and with no tools for exploring how other components of the work environment may be sabotaging success, the technical expert is caught in a frustrating cycle of cause and effect with no clear way out. Often, it is not technology that causes poor performance, but other factors that impact the individual worker. These factors may include challenges within the work group, the practices of the worker, or aspects of the workplace that create performance issues and cause results to fall short of expectations.

In this paper I explore models and tools that help with the human performance side of work. Each section considers human performance issues at a different organizational level:

- Worker/Individual/Team
- Work/Process
- Workplace/Organization
- Workplace/Society

I begin by discussing typical performance issues and opportunities for each level. Then I share an appropriate model or tool to help identify the performance issue or opportunity and respond to it. Finally, I relate a success story in which the featured tool or model made a significant difference in organizational results.

## WORKER/INDIVIDUAL/TEAM LEVEL

At the worker/individual/team level, performance architects may investigate how individuals perform a particular job, the dynamics of a department of employees with varied responsibilities, performance issues, or opportunities within a specific project team.

### TYPICAL PERFORMANCE ISSUES AT THE WORKER LEVEL

Performance architects are typically asked to address worker-level performance issues such as:

- A drop in individual work output levels
- Increased errors and the need for re-work
- Failure to meet goals
- Inconsistent use of required safety practices

Often, when performance is below standard, management assumes that employees need training to improve their work results. To address the performance issues described above, managers typically ask for training specific to the work to be performed.

The performance architect's operative response to a request for training is, "Yes, and first let's take a look at all aspects of the work to understand how it is performed and what challenges may exist for this individual or team." While there may indeed be a need for training, it is more likely that the cause of poor performance is something else. For training to be part of a solution, we want to be sure that the employees do not know how to do the work. If they used to do it well or if they were trained to do it in the past, the cause of their poor performance will lie elsewhere. The good news is that most performance improvement solutions are cheaper and faster to implement than training.

What we need now is a construct for exploring the performance issue or opportunity. There are effective models and tools that can help. Here's one that has a proven track record of effectiveness: a diagnostic tool called the Performance Map.

### *THE PERFORMANCE MAP*

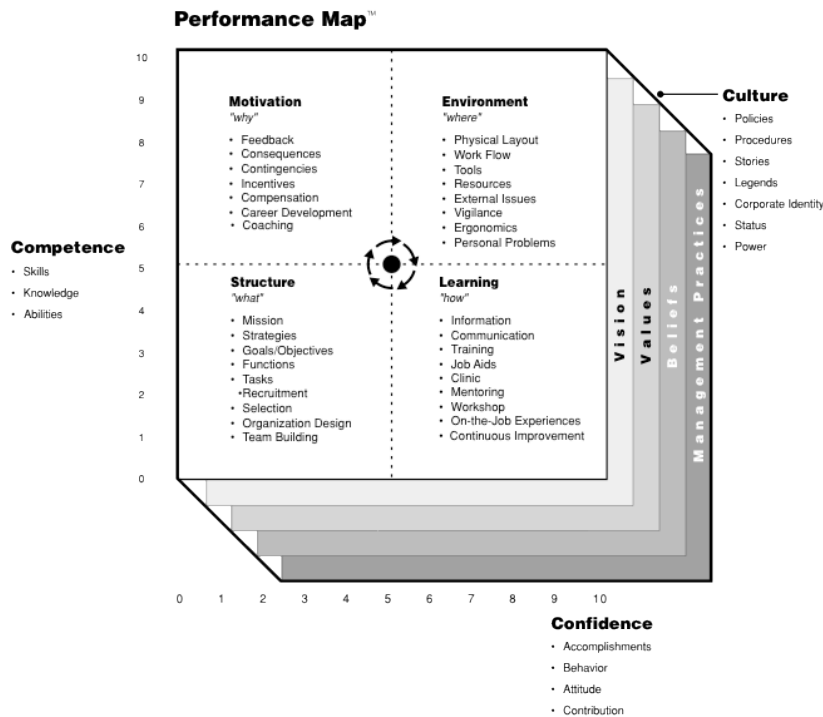
The Performance Map is easy to understand and use. It's fast, too. I developed it because I needed an easy way to talk with clients about performance issues other than training.

Because the map is visual, clients can quickly see the variables of performance. With its broad focus, the map supports my consulting groups preferred approach:

- Involve the client in diagnosing the performance issue.
- Set the client’s expectation for a Total Performance System that may or may not include training.

Addison Consulting involves the client early in the investigative process because the Performance Map demonstrates very clearly why training may not be the best solution to a performance issue. It helps the client to participate in the investigation and the solution that will follow.

The map is a diagnostic tool with a simple grid format that invites clients to pick up a pen and engage.



Performance Map

## The grid

The four quadrants categorize the possible drivers of performance and identify typical elements to consider:

- Structure – shows the “what” of the organization, or its foundation.
- Motivation – is the “why,” as in why do employees want/not want to perform their jobs well.
- Environment – is the “where” and includes all the external conditions that affect how the organization grows and develops.
- Learning – describes “how” employees gain proficiency in particular skills and knowledge.

The north-south axis considers employee competence on a scale of 0 (low) to 10 (high). The east-west axis reflects the employee’s confidence in being able to do the job, also on a 0 to 10 scale.

### *USING THE PERFORMANCE MAP*

Begin by meeting with your client to identify the employee(s) whose performance is not meeting standards, has deteriorated, or is otherwise cause for concern. The next steps are as follows:

- Help your client evaluate the competence of the employee(s) by asking a question such as, “What critical skills must employees have to perform the job successfully?” Ask your client to rate the employee’s competence on a 0 (no skills or knowledge) to 10 (highly skilled and knowledgeable) scale.
- Determine the employee’s confidence level next. Explore with your client examples of accomplishments, behaviors, attitudes, commitments, and contributions made by the employee. You might say something like, “Tell me about your employee’s attitude toward this job.” Again, ask your client to rate the performer(s) from 0 (the manager has no confidence in the employee) to 10 (the manager has complete confidence in the employee). It is good practice to have the same conversation with the performers to determine their views of their work. Conflicting responses often point to other issues that are affecting performance.
- Mark the levels for competence and confidence on the grid and draw lines to the point where the two lines intersect.
- Note which quadrant holds the point of intersection. With this information, you can diagnose the most common causes of performance issues and prescribe one or more possible solutions. For example, in the environment quadrant, obstacles to performance

may come from inadequate tools and materials, poorly designed workflow, or individual employees struggling with personal problems.

- Regardless of the quadrant you focus on, be sure to consider the other three quadrants. You are working in a performance system that is part of the larger system of the organization. Actions you take in one area will affect other areas. For example, if you identify the learning quadrant as the source of the performance issue, and the employee in question is confident but lacking in skills and knowledge, it will be important that the manager creates an environment in which that employee can perform at a high level.
- Did you notice that the organization's culture is represented in the upper right of the Performance Map? Consider how the solutions you suggest will fit with the way the organization operates. A terrific performance improvement solution for one company may be a poor fit for another because the two cultures are different. Remember, culture rules!

#### *THE PERFORMANCE MAP AT WORK*

Some years ago Addison Consulting was performance architect for a large financial organization. A major initiative at the financial company was to provide extraordinary customer service. My consulting firm saw service as one way the company could distinguish itself in the marketplace. Accordingly, we were asked to develop service training to give front-line employees the skills to provide exceptional service.

Rather than respond with a customer service training program, we provided the requesting executive with a copy of the Performance Map and extra pencils. We talked about the needs she saw and then asked the competency question. The executive said that the front-line employees were highly competent, took a pencil, and marked the north-south axis between 9 and 10. Her response to the confidence question was a much lower score, about a 4, and she marked that on the map as well. When she drew the intersecting lines, she saw that the performance issue she described was in the motivation quadrant. Our subsequent discussion explored the following issues:

- Quality and frequency of the feedback employees received on their performance
- Coaching, if any, provided to enhance performance
- Incentives in place (or not) for front-line employees
- Compensation program and how it applied to these employees
- Career development opportunities for front-line employees

We were able to help our client see that service skills training was not likely to help with the service initiative. Instead, we created the foundation for a service culture by constructing a

Total Performance System composed of improvements from the list above. The organization was able to successfully use the resulting exceptional customer service as a competitive advantage.

### **Tips for Success With the Performance Map**

Use the Performance Map to identify obstacles to performance other than, or in addition to, skill and knowledge deficiencies at the worker/individual/team level. Take a systemic view as you and your clients explore the issues and opportunities for improved performance. Help them see that performance improvement is a product of the alignment of the worker (people), the work (processes and practices), and the workplace (enterprise).

In my experience, most situations have a finite cause that can be resolved with one or more solutions. The Performance Map is a tool that can pinpoint that cause.

## **WORK/PROCESS/PRACTICE LEVEL**

I share Geary Rummler's view that a process is "a construct for organizing value-adding work to achieve a business-value milestone in a way that meets three specific criteria: effective and efficient performance, effective management, competitive advantage" (Rummler, Ramias, & Rummler, 2010, p. 40). To that, I add the definition for "practice": the way the process is performed. It is what a worker says and does while following a process. Practices are habitual behaviors.

At the work/process/practice level, performance architects are concerned with how the work of the organization produces the desired results. They develop maps of workflow and identify the supporting practices for each step. They partner with their clients and colleagues to make the work processes and practices visible by utilizing tactics like process control flow charts and job aides. They leverage the information they gather about the workers at the worker/individual/team level and factor it into their work at this second level, to determine what changes will improve organizational performance.

### **TYPICAL PERFORMANCE ISSUES AT THE WORK/PROCESS/PRACTICE LEVEL**

Performance architects look for signs that performance issues are getting in the way of optimum performance. At the work/process/practice level, often these are among the signs:

- Products and services slow getting to the customer
- Complaints from customers and employees
- Excessive use of overtime
- Production bottlenecks
- Process delays

- Duplication of activities
- Failed or non-existent backup systems
- Manual verification of automated processes
- High turnover
- Increase in accidents
- Safety violations
- Procedures not followed

When one or more of the listed items is present, it is time for the performance architect to more closely investigate the work being done to determine the likely cause of the performance problem. (Addison, Haig, & Kearny, 2009, pp. 37–38).

Observing how the work is done is critical to understanding the processes and practices that workers follow. Reading reports and talking with supervisors and workers provide important information. However, seeing and listening will clarify or challenge what you have already learned. There is truly no substitute for observation because you will see the processes used, and you will see and hear the practices that workers follow as they do their jobs. You may find important differences from what you were told by management.

Armed with a complete picture of the processes and practices that constitute the work, you will be ideally positioned to identify obstacles to performance and then recommend possible solutions. Although a number of tools will make work visible, I have a personal bias toward simplicity and often rely on the Time and Motion Workflow chart to help follow and record the steps in a work process.

#### *THE TIME AND MOTION WORKFLOW CHART*

This chart combines the works of Frederick Taylor and Frank and Lillian Gilbreth, who used time and motion studies to determine the time to complete a work task, and the number and types of motions to increase productivity. Taylor (1911) wrote,

In 1883, while foreman of the machine shop of the Midvale Steel Company of Philadelphia, it occurred to the writer that it was simpler to time with a stop watch each of the elements of the various kinds of work done in the place, and then find the quickest time in which each job could be done by summing up the total times of its component parts... (p. 137).

I learned about this approach some years ago when my consulting firm was charged with increasing business efficiencies at a client company. We needed information about how work was being done so we could recommend ways to streamline specific tasks to save time. This is the generic chart we used.



# WORKFLOW CHART

DETAILS OF PRESENT IMPROVED METHOD		OPERATION	TRANSPORT	INSPECTION	DELAY	STORAGE	DISTANCE IN FEET		IMPROVEMENT NOTES
							QUANTITY	TIME	
1		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			
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3		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			
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23		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			
24		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			
<b>TOTALS</b>									<b>MINS.</b>

Figure 3.5

## Workflow Chart

To complete a Time and Motion Workflow chart:

1. Name the task to be charted.

2. Observe the person performing the work or the work being processed on paper or by computer.  
*Tip:* Record the observation steps for a person on one workflow chart and the steps for a paper or computerized process on a separate workflow chart.
3. Document the current or an improved method.
4. Describe each step of the process.  
*Tip:* Use the active voice to describe a person doing the job; e.g., Mary Ann lifts the dish. Use the passive voice to describe a paper or data entry; e.g., the insurance document is filed.
5. Classify each step as follows:
  - *Operation:* Work is accomplished, information is given or received.
  - *Transportation:* Something is moved, usually more than 3 feet.
  - *Inspection:* Something is read, reviewed, examined, or confirmed.
  - *Delay:* Record if wait time is longer than 30 minutes.
  - *Storage:* Something is filed, stored, or removed.
6. Enter the distance in feet the worker or object (paper) moves.
7. Enter the quantity; the amount being processed.
8. Enter the time, in seconds, required to complete each step.
9. Identify any possible improvements in the step.
10. Motion: Total the number of times each symbol on the workflow chart appears, to assist you when you compare the current and improved processes.
11. Time: Total the time (in seconds) and divide by 60 to get total minutes.

The Time and Motion Workflow chart, along with a stopwatch, lets you record what you observe and the time it takes to complete each step. The completed chart will help you see what can be changed, eliminated, or done differently to increase efficiency. You can follow either a person or a paper/automated process. However, this tool is basic and can't capture a process in the context of related functions that may impact overall efficiencies (Addison et al., 2009, pp. 45–46).

#### *THE WORKFLOW CHART AT WORK*

As performance architect at a large financial institution, my consulting firm managed a major project to increase efficiencies in branch offices by reducing the time needed to perform routine tasks. We had various models and tools at our disposal as we investigated a range of tasks and the processes and practices used to complete them. We spent many days in branch offices observing as people and paper followed process steps.

In one eye-opening observation, we visited a large branch with a 50-foot-long teller line that spanned almost the entire width of the building. We documented the process for giving three customers access to their safe deposit boxes, using the Time and Motion Workflow chart.

The lead teller, located at one end of the teller line, had primary responsibility for safe deposit box access. For each transaction, we watched her walk the entire length of the line to get to the boxes in the vault at the opposite end. We timed her walk, estimated the distance to and from the vault, and charted the steps she followed to grant entry to each customer. She made the journey multiple times, letting customers into and out of the vault to access their boxes.

We showed the lead teller and the service manager our finished charts and asked how frequently customers requested access to their boxes. Then we calculated the average time per week spent “commuting” to the boxes and noted that relocating the lead teller to a station in front of the vault would save her hours each week. The service manager was surprised and immediately agreed to make the change. The total time savings were equivalent to one full-time employee. The branch manager decided to allocate that FTE to the sales team, potentially increasing sales and revenue.

### **Tips for Success with the Time and Motion Workflow Chart**

Use the Time and Motion Workflow chart to document the steps in a task. An obvious obstacle to efficiency may be immediately apparent to you as someone new to the task, but a surprise to employees who work around the obstacle every day.

Comparing what a worker or supervisor tells you about a task with what you see when you observe it can uncover a wealth of detail about the work. Charting it gives you access to critical information that can save time and ultimately reduce costs.

Sharing your charts with your clients gives them another opportunity to add more information and helps them see routine tasks from a different perspective. With the new view you provide, your client will likely have other good ideas for improving the way work is done. I also like this technique because I find that front-line people can easily use the chart to make improvements.

## **WORKPLACE/ORGANIZATION LEVEL**

At the workplace/organization level, performance architects develop a map of the organization showing how it operates and how it fits into the business environment. Using the map they have created, performance architects team up with their clients to assess how well all the internal components of the organization work together to achieve goals. They also use the map to check the larger environment to see if the organization is adjusting to external realities. Typical recommendations include changes in structure, processes, measures, and feedback

loops to foster alignment across the organization. Performance architects pay careful attention to internal politics at this level and find that an executive sponsor is an invaluable support for any performance improvement effort.

#### TYPICAL PERFORMANCE ISSUES AT THE **WORKPLACE/ORGANIZATION** LEVEL

Large-scale change efforts occur at the workplace/organization level and are signaled by events such as mergers and acquisitions, reorganizations, or other structural changes. Initially, the request might be for a leadership development program, a new approach to succession planning, executive team building, or a culture change workshop. Often, further investigation points to the external environment where economic events, supply chain disruptions, labor market activities, or market trends can be the source of the performance improvement opportunity. Finally, performance issues that initially seem to be at either the worker/individual/team level or the work/process level may actually originate at the workplace/organization level and thus must first be addressed there (Addison et al., 2009, p. 56).

This is where mapping the organization becomes so valuable. Even if you have worked with or in an organization and know it well, your field of expertise is likely to be your frame of reference. Mapping the organization will allow you to step back for a broader look at how the organization operates, and will help you explore less familiar areas. Work at this level requires the combined skills of a detective and a diplomat, so a broad understanding of the organization is an important component of your investigation.

A number of tools will help you map the organization. I like the Business Logic Model (Kearny & Silber, 2010, p. 60; Silber & Kearny, 2006, p. 9) because it allows you to look both internally and externally to produce a 360-degree context of the organization. When you use this model you see the organization and its environment in the same way that senior leaders and the board of directors see it—a perspective rarely available outside the top-level of an organization.

#### *THE BUSINESS LOGIC MODEL*

The Business Logic Model was developed by Lynn Kearny and Ken Silber and is derived from the work of Michael Porter, Karl Albrecht, Robert Kaplan, and David Norton (Porter, 1998; Albrecht 1994; Kaplan & Norton, 1996). The model shows an external scan that asks questions about general and industry trends, and key threats and opportunities. The internal scan looks at finance, strategy, customers, products, process, and infrastructure. This information shows you what the organization is trying to achieve and guides you to the metrics used to assess its success.

**External Logic**

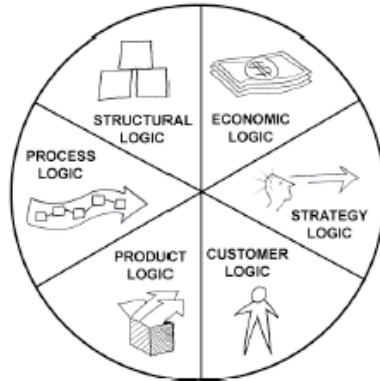
**THE INDUSTRY**

For This Type Of Industry, What Is:

- **The threat of new entrants?** How easy is it for new competitors to enter the market?
- **The bargaining power of suppliers?** Are key suppliers many or few? Are they tightly organized or fiercely competitive?
- **The bargaining power of buyers?** Are there many sources of the customers' products/services, or are they a scarce resource?
- **The threat of substitutes?** How likely is it that the customer's product will be completely supplanted by something different? (Ex: typewriters replaced by computers)
- **The intensity of the rivalry?** How fiercely do firms in this industry compete with each other?
- **Is the industry growing or shrinking? How fast?**

External Logic based on Michael Porter's "Competitive Strategy"

**Internal Logic**



- Economic Logic:** Organization's sources of profit & growth
  - Strategic Logic:** Organization's purpose, direction, plans & culture
  - Customer Logic:** How organization identifies, attracts & keeps customers
  - Product Logic:** How its products/services appeal, how they're differentiated, & image with customers
  - Process Logic:** How organization develops, produces, & delivers its products/services
  - Structural Logic:** Infrastructure – How organization structures itself to accomplish its work
- Internal Logic based on Karl Albrecht's "Northbound Train" and Kaplan & Norton's "The Balanced Scorecard"

**External Logic**

**GENERAL TRENDS**

What Current Trends Are/Will Be Affecting This Type of Business?

- **ECONOMIC**  
What changes in the economy are impacting the business? Fluctuating interest rates? Availability of capital? Other?
- **DEMOGRAPHIC**  
What changes in the population are affecting the business? Aging population? Labor market migrating? Other?
- **POLITICAL/LEGAL**  
What changes in legislation, regulation or legal precedent is impacting this industry? Rise in lawsuits or awards? Changes in safety or environmental restrictions? Reductions in federal funding? Other?
- **TECHNOLOGICAL**  
What technological trends or innovations are affecting (or are likely to affect) this industry? Electronics? Biotech? Chemistry? What specific developments?
- **SOCIOCULTURAL**  
What changes in people's habits, desires, actions or beliefs are affecting the business? Changes in credit spending? Educational level? Other?

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Business Logic Model (Addison et al, 2009, p. 66)

*BRIEF GUIDE TO USING THE BUSINESS LOGIC MODEL*

The model's logics are defined below the graphic. Depending on the performance issue you are addressing and your client's needs, you may choose to investigate one or more of these logics in greater depth. That said, I suggest you investigate all the logics to some extent. Begin with customer logic and ask questions such as:

- How does the organization get and keep customers?
- What is the customer profile?
- What is the marketing strategy?
- What metrics are used?

Next, look at product logic and ask questions about products or services like these:

- What are the features?
- How does the product or service perform?

- How is the product or service different from the competition's?
- What support do customers receive when they use the product or service?
- What about repairs?

For external logic, use the lists on the left and right sides of the model to ask:

- Do the current customer logic and product logic align with external realities?
- Industry-specific questions such as what is the bargaining power of buyers?  
General marketplace trends questions such as how will demographic changes impact the market?

For strategic logic, ask these questions:

- Does the organization's strategy enable it to gain and retain its target customers with its current products/services in the business environment where it operates?
- Does the organization have a sustainable competitive advantage or does something have to change?
- What is the organization's mission and vision—why does it exist?
- What are the organization's current objectives?
- What is the nature of the internal culture—what does the organization stand for?
- What are the core competencies here—what is this organization uniquely good at?
- How is the organization being grown?
- How are products and services priced?
- Is the strategy aligned with the other logics in the Business Logic Model?
- How is the success of the strategy measured?

For economic logic, ask about finances:

- Can the organization achieve profit and growth with its current strategy?
- What is the organization's current set of fixed and variable costs?
- What are the plans, if any, for changing the balance of these costs?
- Is your department a fixed- or variable-cost item?
- Which is of greater concern: cost of goods sold (COGS) or sales, general, and administrative expense (SG&A)? Why?
- How does the organization analyze where profits come from?
- What key metrics are used?

For process logic, ask:

- Do the organization's processes enable its strategy and satisfy its customers in this business environment?
- How are sales and raw materials turned into products or services for the customer?
- What key functions/groups are involved in producing products or services?
- Which processes require the largest number of functions/groups?
- At what critical places in the organization do the major processes intersect?
- What post-sales processes support the product/service and customer?
- What metrics are used to evaluate processes?

For structural logic, ask:

- Is the organization structured appropriately to execute its strategy in its market and still achieve profit and growth?
- What does the organization chart look like and why is it structured as it is?
- How did the structure come to be?
- Which of the structural elements are out of alignment?
- Do you see ways to change the structural elements that are not aligned, or ways to work around them?
- Does your placement in the structure help or hinder you in accomplishing your/your team's mission?
- If you are hindered by your placement in the structure, how can this be changed?

I suggest that you begin with these generic questions to gather initial information for your organizational map. Once you are familiar with the logics and the information associated with each one, you may find it helpful to customize and add to the questions I've included which were developed in personal communication with Lynn Kearney (2010). You can read a complete discussion of the business logic model in Silber and Kearny, pages 18 to 36.,

#### *HOW TO BE SUCCESSFUL IN YOUR ORGANIZATION*

I encourage you to explore the Business Logic Model and use the questions provided to expand your knowledge of your organization. Armed with a new perspective, you can bring your broadened view to your daily work. You will be better equipped to identify disconnects and opportunities to improve alignment across functions, and improve performance and results.

There are various things you can do to be preemptive in choosing projects while also being of real service to clients. Some suggestions:

- As you gather information about the organization in response to the logics questions, keep a list of elements that are out of alignment and the performance gaps that you discover.

- Apply that information to the projects you work on and propose approaches and possible solutions that will support your organization’s mission, vision, and objectives.
- Look for projects at the workplace/organization level that will impact key measures and goals so that you can make a significant contribution.
- Revisit recent work you have done to determine if you might have missed a link to an issue at the workplace/organization level, and consider how to enhance what you have already completed.
- Based on your new knowledge, propose projects that will provide immediate benefits to your organization.

### **Tips for Success With the Business Logic Model**

The Business Logic Model can lead to extraordinary depths of information about an organization. To avoid becoming overwhelmed by detail, investigate each of the internal logics at a high level first. This will give you a look into arenas that are new to you. As you identify elements that are out of alignment, you can dig deeper to determine which performance issues are at risk or already compromised and focus your continuing investigation where it will be most helpful.

If you find the Business Logic Model to be a useful tool, I recommend Silber and Kearny’s book. In it you will find in-depth information about how businesses are structured and managed as well as extensive discussions and guidance for using the Business Logic Model.

## **WORKPLACE/SOCIETY LEVEL**

At the Workplace/Society level, the focus shifts from internal goals and supporting operations to adding value for external clients and the larger community beyond the organization’s doors. This level includes customers and other citizens and is often the level missed when strategic plans are made. At the world level, performance architects reference mega thinking and planning (Kaufman, 2011):

Adding value to our shared society using your organization as the primary vehicle is the purpose and defining characteristic of Mega Thinking and Planning. When we place our shared world—where we live with others—as primary, that is Mega Planning. From this shared societal value-added framework, everything you use, do, produce, and deliver will achieve agreed-on positive organizational as well as societal results. (p. 9).

## **CORPORATE SOCIAL RESPONSIBILITY**

For a time, the ubiquitous corporate social responsibility department was seen by many as an important box to have on the organizational chart and little more. Today, customers care about



the ethics, values, and worldview of the companies they purchase from and let their views be known. Savvy organizations care about what their customers care about. Thus, many companies are embedding mega thinking and planning into their operations. Some, like Visa, are creating new markets in the developing world by closely aligning social causes with their corporate strategies (Wharton School of Business, 2012).

#### THE THREE-LEGGED STOOL: SUSTAINABILITY

As organizations determine how to achieve their goals while also contributing to the larger societal good, they look at sustainability as a key factor in planning and operations. A standard model is the three-legged stool, in which the economy, society, and the environment support sustainability. For a business to be sustainable, it must follow the principles of sustainable development, meeting “the needs of the present without compromising the ability of future generations to meet their own needs” (Business Sustainability, 2012).

There is currently spirited talk about sustainability practices in our client organizations. Many have staff or consulting experts who determine how to best exercise good stewardship of the environment while providing products or services that make a profit. Consider, for example, Walmart’s greening of its supply chain and its effects on the manufacturers and consumers of the goods the giant company sells (Haig & Addison, 2012). What contributions to sustainability, and ultimately society, result from these practices?

#### *PERFORMANCE ISSUES AT THE WORKPLACE/SOCIETY LEVEL*

To better understand the kinds of performance issues companies grapple with at the society level, I find it helpful to look at the United Nations’ eight Millennium Development Goals. The goals are the result of a 2010 plan agreed to by all member countries and the leading development institutions. Extensive efforts are underway toward achieving the goals by 2015.

These are the goals:

1. Eradicate extreme hunger and poverty.
2. Achieve universal primary education.
3. Promote gender equality and empower women.
4. Reduce child mortality.
5. Improve maternal health.
6. Combat HIV/AIDS, malaria, and other diseases.
7. Ensure environmental sustainability.
8. Develop a global partnership for development.

Individual business, non-profit, and educational organizations are contributing to progress toward these goals (United Nations, 2012). How does your organization's strategic planning impact these eight goals, and what other contributions does your organization make at the society level? To what extent are your organization's business processes designed from an outside perspective that considers impact on the larger environment along with internal effectiveness?

#### OTHER WORKPLACE/SOCIETY ORGANIZATIONAL INITIATIVES

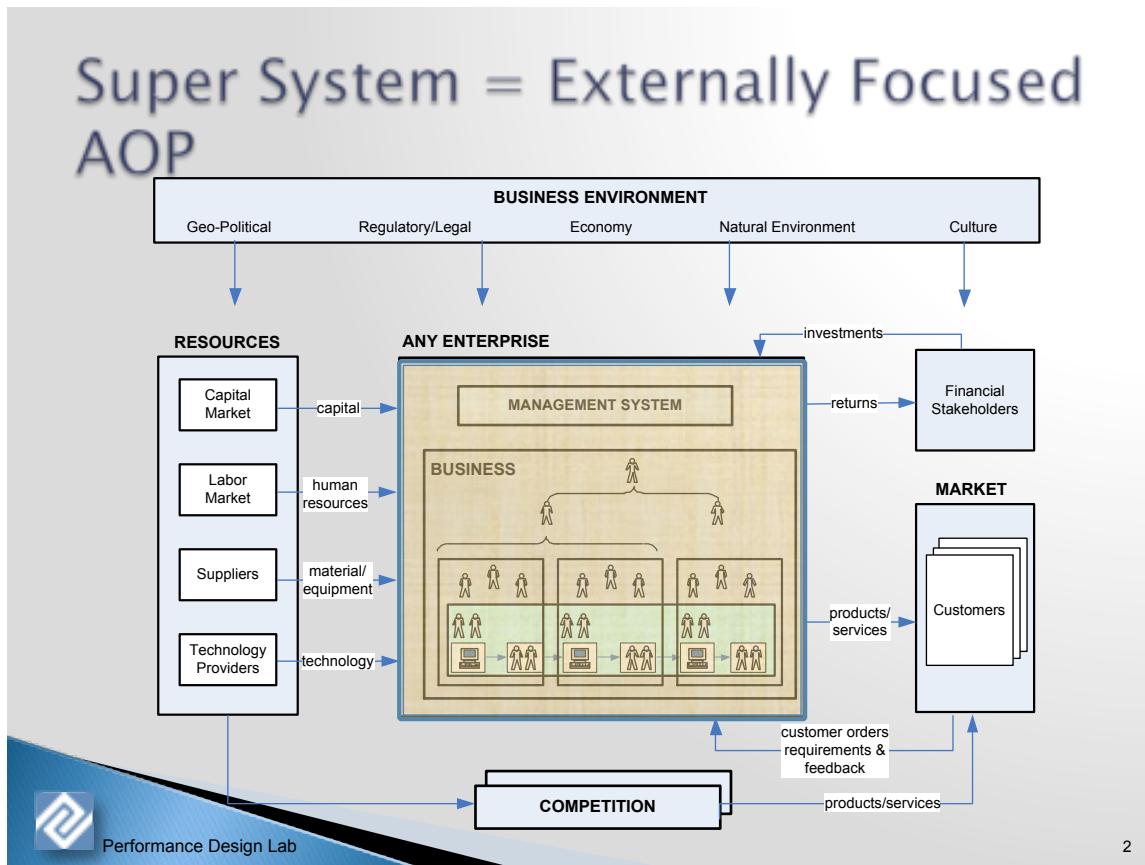
Many of the world's top corporations are making significant commitments to sustainability and the societal values important to their customers. Some examples:

- FedEx's EarthSmart Program. Launched in Europe, the Middle East, and Africa, EarthSmart covers business, culture, and community. Among its long-term goals are reducing fuel emissions on land and air, creating renewable energy sources in its facilities, and planting trees. (FedEx, 2011).
- Lawrence Berkeley National Laboratory. In 2012, the lab—a Department of Energy site—hired its first chief sustainability officer to oversee energy efficiency and related sustainability. The lab's leadership goal was to use its own facilities to demonstrate what can be achieved through sustainable practices (San Francisco Business Times, 2012)
- Wells Fargo Bank. In an effort to promote corporate social responsibility, Wells Fargo has established a \$100 million environmental grant program. Through this initiative, the bank provides funds to encourage sustainable agriculture, forestry, and related land and water conservation programs (Charlotte Business Journal, 2012).
- DuPont. The company's mission is to achieve sustainable growth and energy efficiency. Through its Bold Energy Plan, DuPont's largest energy-consuming plant has reduced costs by \$96 million. (DuPont, 2012).

These are just a few examples of the fast-moving trend toward organizational investment in social responsibility and sustainability of the earth and our natural resources. Watch for this trend to escalate.

## THE SUPER SYSTEM: YOUR ORGANIZATION AT THE WORKPLACE/SOCIETY LEVEL

I believe that performance architects in all specialties have a unique opportunity to raise awareness and take action toward efforts already underway in client organizations. We can ensure that the business process work we do considers sustainability and societal impact. To help, here's the Super System:



### Super System = Externally Focused Anatomy of Performance

Graciously shared by the Performance Design Lab and derived from Geary Rummler's original work, the Super System depicts the systems-within-systems that comprise the society level. Readers familiar with the Anatomy of Performance (AOP; Rummler, 2006) will recognize the core of the Super System. This model shows us that to do work within an organization without including all the related larger systems is to ignore critical information about the impact of that work beyond the organization's walls (Rummler, 2012).

It is important for organizations and their customers to agree on what value they add to society. Once they articulate a common view, other agreements become possible and the resulting products or services will better serve society.

## Tips for Success With the Super System

The Super System has helped performance architects and client organizations identify the external variables that could be factors in performance. It can clarify the context in which the organization exists. Strategic planners can use the Super System to model past, present, or future conditions, as needed. Users can specify the components that are relevant to their organizations by briefly describing each of these:

- Products and services produced by the organization
- Markets, customers, and channels
- Financial stakeholders
- Resources
- Competition
- General environment
- The organization itself

At the society level, performance architects are particularly interested in the components outside the client organization. As with the standard components listed above, briefly describing each of the external components in the context of the particular organization identifies known specifics and calls out the additional information needed:

- Earnings and value-added results – from returns
- Value-added products and services – from products/services
- Making a positive impact on society/the market – from market/customers
- Distinguishing your organization – from competition
- Using reusable and recyclable resources – from resources
- Making a difference to the environment and society – from business environment

For more about the Super System, see *White Space Revisited* (Rummler et al. 2009, p. 48).

## Summary

As performance architects, we view the organization from four levels: worker (individuals and teams), work (processes and practices), workplace (organization), and society. This article has presented several models and tools for each level.

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