



Performance Architecture

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The Way We Do Things around Here

Carol likes to shop for clothes in the state of Rhode Island. Shopping malls are plentiful and easy to reach at this tiny edge of the U.S.; all the major stores are represented, outlets and discount shops abound, and there is no sales tax on clothing. She lives in California where the sales tax on everything hovers close to 10 percent. She likes to shop. You see the point.

Not only is shopping economical in the Ocean State, it is a consistently pleasant experience. Two women's clothing stores Carol patronizes at home often have special promotions. She saves their coupons for trips to Rhode Island and visits those stores. Invariably, she encounters a salesperson interested in helping her find something special, knowing where she's from and why she's in Rhode Island, by offering her a more advantageous promotion than the one she came in to use. And the salesperson will be charming, friendly, and likely to remember Carol on her next visit.

The **process** of selling Carol clothes is the same in California and Rhode Island, but the **practices** in Rhode Island are more agreeable, welcoming, and economical. Carol buys more clothes there. While each of the stores she visits shares the common **culture** of its parent corporation, each also has a unique subculture established by its management. The subcultures in the Rhode Island stores promote a more personal connection between the customer and the salesperson.

Definitions

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, G., Ramias, A. Rummler, R. p. 40).

In many organizations, performance improvement practitioners or operations specialists can readily identify difficulties impeding performance within a specific process. Often, they tinker with the process to better it in hopes of improving the resulting performance. But sometimes even an excellent process refuses to produce the desired performance. What to do? Consider the related **practices**.

A **practice** is the way the process is performed. It is what a worker says and does while following a process. Practices are habitual behaviors. They are driven by the cultural norms of an organization or work group. Failure to pay attention to the practices associated with a process creates the risk of a missed opportunity to improve performance.

Culture is a particular organization's collection of **practices**, "the way we do things around here." When cultural practices are aligned with the processes in an organization, performance improves.

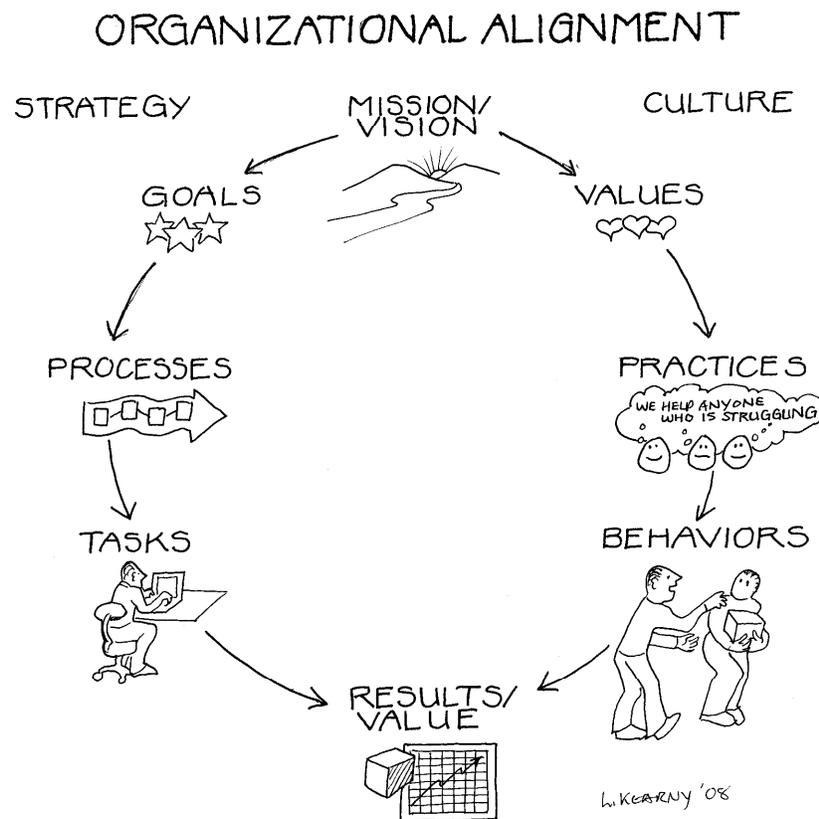
More Examples

Carol volunteers on the Hotline at a crisis center. The center operates with a small staff and over 100 volunteers who handle the phones and offer help and support, 24/7, to callers who may be in a personal crisis, mentally ill, homeless, addicted, or suicidal. Volunteers complete extensive classroom training, one-on-one coaching "live" on the phones, and attend regular in-service sessions to increase their skills and knowledge. In her years on the lines, Carol has worked with many volunteers. She has observed some who follow proscribed processes very well, but their individual practices as they talk with callers or recommend resources vary widely and directly affect the quality of the services they provide. When a volunteer follows a practice that is not in harmony with the crisis center's culture, the caller is not well served and could potentially be harmed.

Another example: As performance consultants, we hear many complaints about aspects of the organizations we serve. Roger has frequently encountered negative responses to the performance appraisal systems used by various clients. On closer examination, he finds that most such systems have well-designed processes that should produce fair and accurate assessments of employees' performance. What makes such systems problematic? The practices of the supervisors who use them are frequently at fault. In one organization, Roger learned that some supervisors completed the appraisal forms correctly, but then emailed them to the employees without discussion, effectively undermining the appraisal process. The process itself was just fine, but its intent was compromised. If there are no consequences for practices like this one, it is likely that there is a cultural misalignment: Yes, we want our supervisors to use the appraisal process, but we are not concerned with *how* they use it.

Process and Practice: Organizational Alignment

When investigating performance issues of any magnitude, we have found it critical to look at both processes and practices and their alignment within the organization's culture. We are partial to the Organizational Alignment model developed by Don Tosti and Stephanie Jackson that makes visible both sides of the organizational equation. In the model below, the Strategy side of the organization considers **process** factors, and the Culture side examines supporting **practices**.



With results dependent upon **processes** and **practices**, looking closely at both of these is an important component of performance architecture. As Don Tosti reminds us, “Even with well-designed processes, the behavioral practices of groups and individuals can make the difference between merely adequate results and outstanding results. In the worst case, poor practices can destroy good process.” (Tosti, 2003, p. 2).

Using the Organization Alignment Model

The Strategy side of the model is familiar in most organizations. There is usually less awareness of the importance of the Culture side, and less comfort with it. When culture is not managed, it becomes dominant over Strategy, and situations like those in our earlier examples result.

For an enterprise to improve performance and achieve results, both processes and practices must be integrated into one management system. As Geary Rummler says, “The idea of process management still has value – and, in fact, we think it is the very key to effective performance of an enterprise...” (Rummler, G., Ramias, A. Rummler, R. p. 14). A good way to ensure that both Strategy and Culture are addressed is to design the processes and the practices together.

Clues to Look For

In every organization there are clues that performance is suffering because of process/practice issues. Are any of these familiar?

- Products and services are delayed reaching the customer
- Employees and customers complain
- Overtime is excessive

- Production has bottlenecks
- Processes are delayed
- Activities are duplicated
- Work has to be redone
- Back-up systems fail or are not in place
- Automated processes are verified manually
- There is task interference
- Turnover is high
- Accidents have increased
- Safety violations are discovered
- Procedures are not followed

(Addison, Haig, Kearny, p. 37)

Procedure/Practice Analysis

Regardless of how a performance issue makes itself known, it is helpful to first determine if the symptoms match any in the list above. Next:

- Review the process steps to learn how it is designed
- Observe the process being performed to see how it is actually done
- Note the **practices** followed by workers as they complete the process
- Are there differences in practices?
- Which practices maximize the process results? Which undermine them?
- Which align with the organization's culture and which do not?

Now you have observable evidence to offer about the process and practices and the results produced. While the process may benefit from some adjustments, it is very likely that identifying the **best practices** (now we know where that phrase comes from) will be an important component of the possible recommendations to make to drive performance.

When we investigate only the process itself, or only the practices, we miss critical clues to organizational alignment. We also overlook key performance issues. When both processes and practices are managed with rewards and consequences for how they are carried out, we take an important step in halting the cycle of poor performance.

Maximize Processes and Practices

Processes and practices combined have the power to significantly affect performance. Consider both processes and practices when you want to

- Identify an organization's cultural elements to learn how they influence performance
- Understand a particular process and how it flows
- Track the interactions among individual workers and teams through a particular process
- Align an organization's strategy and culture to achieve results

References

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