

Performance Analysis

Laying a Foundation for Performance Improvement

Binder Riha Associates
January, 2001

At Binder Riha Associates, the foundation for most of our work with clients is the *Performance Analysis*— also known as a *Best Practices Study*, *Opportunity Analysis*, *Needs Analysis*, or *Front End Analysis* – depending on our audience and the specific purpose of a project.

What is Performance Analysis?

In order to improve performance, we must first *describe* it in measurable terms. When we conduct a performance analysis, we interview and observe performers in order to identify the major accomplishments of their jobs, and the milestones (or sub-accomplishments) that represent progress toward those major accomplishments. We create a performance description that includes the following linked components:

- **Major Accomplishments:** the most significant outcomes that individuals or groups must produce in order to meet the organization's strategic objectives
- **Critical Milestones:** the verifiable indicators of progress toward achieving each Major Accomplishment, sorted into categories, and
- **Key Tasks and Tactics (Behavior):** what performers must *do* to achieve Critical Milestones in an efficient, cost-effective manner.

It's a mistake to focus on the *behavior* of performers (Key Tasks and Tactics) *before* clarifying the desired outcomes in some detail (Accomplishments and Milestones.) That approach puts the cart before the horse. Many performance management and training professionals focus on behavior at the beginning, which has the effect of disconnecting what people *do* from the valuable outcomes they are expected to *produce*. With our methodology, clarifying what an individual or group needs to accomplish (i.e., *produce*) enables us to identify *how* they should do so, and what management must provide to support the desired performance.

After pinpointing accomplishments and milestones, we typically define *metrics* for each of them in order to identify the individuals or groups who produce those outputs with greatest quality, quantity, timeliness, etc.

Having defined metrics, we can focus on *exemplary* performers to determine the tasks and tactics that they use to achieve critical milestones – the behavior that often distinguishes them from average performers.

Finally, we use the Six Boxes™ Model to identify and sort Behavior Influences (sometimes called enablers and obstructions) – the factors that either develop and sustain performance, or prevent performers from achieving milestones effectively and efficiently.

Why Conduct Performance Analysis?

There are many reasons for conducting a performance analysis, as suggested by the various names we use to describe it (Best Practices Study, Opportunity Analysis, Needs Analysis, Front End Analysis, etc.) What is common to all of these efforts is the precise description of performance explained in the previous section.

The general purpose of such analysis is to construct or improve a *performance system* that supports desired accomplishments and milestones in a process that is essential to a company's success (e.g., sales, service). What differs among types of analysis is how we *use* the findings.

Best Practices Studies generally codify and formalize processes used by exemplary performers to produce desired business results. In sales, customer service, and other organizational functions, such a study can lay the foundation for more consistent and cost-effective management and training, while clarifying requirements for optimizing the overall performance system.

Opportunity Analysis, Needs Analysis, and Front End Analysis are terms used by different types of professionals. They describe performance analyses aimed at identifying *gaps* in performance and addressing those gaps, or for designing systems to support *new* performances that have not existed before (e.g., selling new products into new markets, maintaining a new piece of equipment).

Usually it is fairly straightforward to take any one of these forms of analysis and adapt it to multiple purposes, often by gathering additional information or analyzing the findings in a different or more fine-grained way.

Improving Management Practices, Training, and Design of Your Performance System

A thorough Performance Analysis:

- identifies the elements of effective management for a given type of performance
- drives design for effective training and non-training performance improvement programs, and
- points to cost-effective interventions with significant potential for improving performance.

When the findings of a performance analysis are *used* in these ways, consistently across an organization, the result is generally *a significant increase in performance ramp-up and productivity and/or decreased costs for developing and supporting desired performance.*

Our colleague, Dr. Joe Harless, wrote about performance analysis that “an ounce of analysis is worth a pound of objectives.” To achieve maximum return on *all* of your investments in human performance, front-end performance analysis is often the best investment an organization can make.

Binder Riha Associates specializes in strategic performance consulting, identifying opportunities to improve performance. We design Performance Systems that include training and non-training components, and leverage our proprietary research-based methodologies, including Six Boxes™ Performance Management, The Product Knowledge Architecture™, and the FluencyBuilding™ learning and coaching methodology. We work mostly with Fortune 1000 sales, marketing, and customer service organizations in multiple industries. Contact Binder Riha Associates at 1-800-FLUENCY or point your browser to www.Binder-Riha.com to obtain publications and more information about our services.