

Performance Management

Some organisations perform consistently well, others don't! This statement is true of all aspects of an organisation's performance including its ability to manage projects and programs effectively. Consistent high performance in the creation of value from projects and programs certainly requires the technical capabilities to manage projects effectively¹; but technical organisational maturity is not enough. A culture of high performance is also needed.

The starting point is Constancy of Purpose.

Vision and mission statements can be written, filed away and strategic plans developed and then forgotten. The words "constancy of purpose" implies continual focus. The Benjamin Disraeli described the secret of success as *constancy to purpose* in 1872 - nothing much has changed since.

But simply having *consistency of purpose* is not sufficient, the purpose of the organisation needs to be understood and supported by the people within the organisation. This requires communication of the purpose and consistency in behaviours to support the purpose from all levels of the organisation - management need to walk the talk.

The *constancy of purpose* is the motivation for starting the project and will carry through to completion, provided, of course, the work of the project supports the achievement of the purpose.

The purpose needs to be broken down into discrete elements.

The broad purpose (which is probably not measurable) has to be translated into more specific, measurable outcomes as part of the strategic planning process. Each discrete item may or may not have an associated budget and cost, and may or may not be scheduled. But each should have a clear definition of scope, described as an intended outcome or result, either required or desired.

Just as a well-crafted shared purpose is the starting point for creating a set of discrete outcomes, well-crafted discrete outcomes are the starting point of creating effective actions in the form of projects and programs.

Lastly, the actions of the organisation need to be aligned

The work that comprises our daily tasks, to-do lists, action items, work flows, etc. may be messy and chaotic, but are the vital steps we take every day to complete the neatly organised discrete outcomes. Despite the potential for chaos, the actions we take every day are ultimately what make projects and organizations successful. If actions are aligned to well-designed discrete outcomes, which are likewise aligned to a shared purpose, the chances of success are much greater. The key is achieving alignment from top to bottom (and bottom to top).



Then measure the performance

High performance organisations monitor the three levels on a continuous basis, adapt and change as needed and make sure the vast majority of their work is focused on fulfilling the organisation's purpose.

The USA Government Accountability Office (GAO) has identified five leading practices that support effective performance management:

¹ See more on the **strategic management of projects**:
http://www.mosaicprojects.com.au/WhitePapers/WP1079_PDC.pdf

- aligning organisation wide goals, objectives, and measures
- continuously improving the usefulness of performance information
- developing the capacity to use performance information
- demonstrating management commitment
- communicating performance information frequently and effectively

Getting these high-level considerations working is a governance issue and requires commitment from the executive. Once in place they support the more routine project management disciplines such as portfolio management, PMOs and investing in organisational project management maturity and capability development.

However, a key dependency that is frequently overlooked is the mutual interdependence of effective project controls providing useful and accurate performance information, frankly and fearlessly, and the governing body (and its executive) who need the performance information to govern and manage the organisation effectively. This interdependence is the focus of the *Project Governance and Controls Symposium* held annually in Canberra each May: <http://www.pgcs.org.au/>

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