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Performance management and execution management are very different. In short, performance management is not execution management. They're two separate entities with some overlap. I just came from giving a speech to about sixty senior executives who are all leading organizations throughout the Midwest, and there was a lot of confusion between Performance Management and Execution Management. So let's compare & contrast them across five different areas: Ownership, focus, linkage, measurement of success, and monitoring.

Performance management first. The ownership of performance management is with human resources. They own the process. The focus is on individuals throughout the organization, and the linkage is to their professional development goals, competencies, and talent development. The measure of success is the achievement of their performance appraisal goals. And, the monitoring of it is static - most usually on an annual basis.

For the vast majority of people in the room just this morning, about 80% of them gave the review process annually. About 15% or so did it every six months, and there were actually four people in the room who raised their hands and said they don't even have any review process. The risk is, this confusion causes a problem with execution management. They think they have execution management covered, and they don't.

So let's now contrast this with execution management. First, and foremost, ownership of execution management is with the senior leader. And that is because they own the goals, the strategic plan, and the key initiatives for their organization.

Quite often, when senior leaders initiate contact with us to talk about execution management, they want to have human resources at the table, which is fine with us. They could also have the CFO, the CIO, the CMO, and the COO. And it's fine if they do. When we ask why HR, the most pervasive reason is they think HR is going to own the process, until we ask them who owns the goals of the company. And, of course, say they do. So once they get that distinction, then we generally meet with just them.

The ownership for execution management belongs to the senior leader. The focus is on the organization, whereas on performance management, it's on individuals. The linkage for execution management is to the initiatives, the strategic plan, the annual plan, the visionary goals of the company. And again, for performance management, it's the competencies and goals of individuals.

The measurement of success for execution management is the achievement of organizational initiatives, or the achievement of the strategic plan, the achievement of their goals. And the monitoring is done at least quarterly - every three months, at the very least. We get a lot of push back on this, until they go through a year of that process, and then they take the affirmative step to have those reviews once every other month so they can answer the question, "Where are we now vs. where we hope to be?", and make adjustments and determine next steps.

So HR is not going to tell senior leaders the difference between these two. For the most part, HR doesn't understand it, and when they do, their noble intent is to want to own the process. And the fact is, they don't. It belongs to senior leaders.

Executive Team Exercise: Ask for each person on your Executive Team to individually answer the following:

- 1. What is their understanding of your organizations top 5 priorities right now?**
- 2. How well are we as a company doing on each one of these right now?**

If they are not on the same page, it may be worth a conversation with Dale Primer about an efficient way to resolve this.

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