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Yogi Berra on Improving Organizational Performance
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"If you don't know where you are going, you will wind up somewhere else."

Yogi Berra sort of had the right idea that an organization without a clear idea of where it is going or how it is doing will certainly find itself somewhere it doesn’t want to be. The demands for organizational efficiency are as strong for public agencies and nonprofit organizations as they are for profit-making firms. Tax limitations, legislative oversight and the demands of essential public services have put pressure on public agencies to perform more efficiently and effectively. Similarly, charitable contributions are limited, and possibly declining, causing nonprofit organizations to find ways of doing more with less. One of the ways organizations are improving performance and productivity is by implementing performance measurement systems that help them track how well they are doing the things they are supposed to do.

“This is like deja vu all over again.”

Management trends come and go as fast as best sellers at the bookstore. Recent trends that have faded include Management by Objectives, Reinventing Government, Total Quality Management, Zero-Based Budgeting, and Management Excellence. What is interesting is that each of these has been based on one or more valid management principles, and even though the program may have fallen away, the principles are still important. A performance management program that has gained notoriety and has been implemented in organizations of all sorts internationally is the “Balanced Scorecard”.

“You can observe a lot just by watching.”

The Balanced Scorecard (BSC) was developed in the 1990s by Robert Kaplan and David Norton out of the Harvard Business School. The basic idea of the BSC is that managers need information about many aspects of the organization to manage effectively, not just financial or “bottom line” information. BSC emphasizes the integration of performance measurement with organizational vision and strategy and “cascades” down to individual employee performance measurement. Results of the BSC have been disappointing when organizations focus on the “metrics” or the measures of performance and neglect to link these to the vision and strategy of the organization.

“You’ve got to be very careful if you don’t know where you’re going, because you might not get there.”

Really, the first step in a BSC program is determining the organizational vision and strategy. When measurements are selected they need to be focused on what are the critical measures of success, and success is determined by the vision, mission, goals and objectives of the organization. In public and nonprofit organizations the mission can be determined by legislation or the founding charter, but the vision is what the organization determines to be its purpose or reason for being and what the organization should become over time.

“If you come to a fork in the road, take it.”

The strategies of the organization are the ways programs are designed to accomplish objectives and how individuals will work toward organizational goals. Strategies are the key to success for
organizations, so it is critical that an organization measure the progress they are making in achieving their goals and how well they are carrying out their selected strategies. When asked what he thinks about when at the plate, Yogi answered, “Think! How the hell are you gonna think and hit at the same time?”

"Slump? I ain’t in no slump. I just ain’t hitting."

Without accurate and honest measurement it is difficult for an organization to know whether it is succeeding or failing. It may have been possible for public agencies to get by in the past with just performing the duties as assigned, but with competition for funding and more rigorous oversight, these agencies will need to account for their performance by producing meaningful metrics to their superiors in the executive branch, the legislature and to the public.

"Baseball is 90% mental – the other half is physical."

The BSC approach asks an organization to consider the key factors that lead to success, then measure how the organization performs in that factor. For example, a city is interested in whether its parks and recreation program is meeting the needs of its citizens to provide quality recreation opportunities. The city may want to measure outcomes such as customer satisfaction, inputs such as the cost of providing various services, or outputs like the number of children participating in parks and recreation programs.

"You give 100 percent in the first half of the game, and if that isn’t enough in the second half you give what’s left."

An important contribution of the BSC model is the consideration of factors other than just financial indicators. Public and nonprofit service is about more than money, costs and profits; in most cases that is why the service is public or nonprofit rather than for-profit. Adult Probation and Parole or protecting consumers from scams and fraud are not conducive to making a profit. Their metrics should measure how well they are accomplishing their purpose (which should also include measures of efficiency and cost-effectiveness). The BSC looks principally at four critical areas for measuring success:

- Customer Perspective
- Organizational Processes
- Employee Learning and Development
- Financial Efficiency and Effectiveness

"He can run anytime he wants. I’m giving him the red light."

In each of the four perspective areas, the BSC system identifies the objective to be reached, measures that help managers understand how well they are achieving that objective, the target level that the measure should be and what initiatives are being implemented to move the measure closer to the target. A typical BSC chart will show a red, green or yellow light that indicates the measure is significantly below the target (red), below but near the target (yellow) or at or above the target (green). Directional arrows are also included to demonstrate whether the measure is trending up toward the target, or down away from the target. When asked if Don Mattingly had exceeded expectations for the season, Yogi replied, “I’d say he’s done more than that”
When asked by his wife where he would like to be buried, Yogi responded, “Surprise me.”

The last thing a manager wants is to be surprised by bad outcomes and not know why the organization failed to achieve its objectives. Any performance management system, whatever it is called, can help managers manage by the facts rather than the seat of their pants. Some other performance management systems include Six Sigma or Dashboard, but the idea is the same: determine organizational vision and strategies, measure the key indicators of success toward the vision and strategies, and integrate a performance mindset throughout the organization.

Yogi, when asked what time it was, responded, “Do you mean now?”

References
