

Corporate Performance Manager



ActionWorks® Corporate Performance Manager focuses everyone in an organization on achieving corporate strategic goals.

The Business Issue

One of the most difficult issues executives face is ensuring that the work their people are actually doing *aligns* with business unit strategy, goals, and success.



Since knowledge workers now account for more than half of a modern company's expenses, misalignment means *wasted* resources.

Many experts have created management tools to ensure this alignment.

The concept underlying each is simple: people in the organization negotiate—up, down, and across the organization chart—their commitment to achieving objectives aligned with current performance targets, and ultimately, long term corporate goals.

These techniques have proven to be highly effective—for the 20% of companies who succeed with them. Failure occurs when:

- Goals are set without employee's buy-in
- Individuals feel no personal commitment to achieving *assigned*, rather than *negotiated*, performance targets
- Performance commitments are not cascaded throughout the organization and then published for all to see
- Rewards do not conspicuously align with performance

If the coordination task becomes overwhelmingly complex, time-consuming, and expensive, the technique also breaks down.

Resolving the Business Issue

ActionWorks Corporate Performance Manager allows people at all levels to plan, negotiate, manage, and assess coherent business commitments aligned with corporate goals and direction. Managers and their direct reports easily and rapidly plan and negotiate mutually satisfying strategic and tactical commitments, driving corporate strategy deep into the organization.

The Corporate Performance Manager interactive dashboard presents the *pace* of work against predetermined expectations—and highlights work that is falling behind. People are not blind-sided, because they know the status of commitments at any time, and can take corrective action. Managers provide specific feedback on the timeliness and quality of work. Corporate Performance Manager also interacts with other systems through web services and other integration technologies.

Business Benefits

ActionWorks Corporate Performance Manager provides important benefits at two levels: *strategically*, by focusing everyone on achieving today's objectives on the path to strategic success, and *operationally* by doing that cost-effectively while encouraging and recognizing the commitment and innovation that drive corporate success. Typical strategic goals can include:

- Grow the company
- Increase ROI, productivity, earnings, and customer satisfaction
- Broaden corporate focus to include complementary services
- Attract, motivate, keep current, recognize, and retain top people

Corresponding operational objectives might include:

- Open 100 new retail stores
- Implement Six Sigma program to reduce rejection rates to 0.1%

- Acquire a leading service company.
- Train all staff to use ActionWorks

Corporate Performance Manager Overview

ActionWorks Corporate Performance Manager provides all the functions necessary to capture corporate strategic objectives, drive commitments to them throughout the organization, manage and monitor achievement, and assess performance. Commitments can be numerical, statistical, percentage, or milestone targets to be met over any time period.

An intuitive Strategic Commitment process facilitates setting strategic goals by executives and Board members. Using the hierarchical capabilities built in to Corporate Performance Manager, managers at all levels *negotiate* coherent performance targets with the people who will be accountable. Commitments cascade through the entire organization. Employees personally committed to key targets *under their control* drive results aligned with strategy, and productivity soars. The goals *roll out* and the resulting commitments *roll up* to create a *self-organizing* chain that structures all the work needed to meet corporate objectives.

Two important benefits derive from this approach:

- the interaction at each level stimulates innovative ideas for achieving the strategic (and related tactical) goals
- people truly commit themselves to achieving performance targets that they help derive.

Strategic Commitments: Edit Data

Commitment Description: Reduce Currency Hedging Variance

Commitment Completion Date: Q1 (3/31/2004) Q2 (6/30/2004) Q3 (9/30/2004) Q4 (12/31/2004) End of FY (12/31/2004) Other Begin: _____ Commit: _____

Meas. Interval: Monthly

Measurement Type: Amount Percentage Statistical

Units: Hedging variance percentage

Begin evaluation of Statistics: 30 days before the end of the commitment.

Notification based on variance from commitment: higher than plan lower than plan

Worse than plan results are

Yellow Alert: 105 % Enter the percentage at which the Actual Statistic is higher/lower than Plan Statistic causing the Yellow or Red alert icon to be displayed. The Statistic will not be evaluated until the Eval. Start Days

Red Alert: 110 % before the end of the commitment is reached.

104 % 105% 110%

New Save Delete Cancel

The flexibility embodied in Corporate Performance Manager easily

Strategic Commitments Status

Department	Pace
Development	
▶ Dev. - QA	
QA Test Runs	!
QA Test Scripts	-
Product Management	
Product Releases	-
Competitor Reviews	-
▶ Collateral	
Product Literature	-

View history

accommodates these negotiations and innovations.

As work progresses, managers and performers monitor work through a personalized dashboard that shows if work is underwater —or is taking on water.

The Strategic Commitment Status lens presents only those commitments that are behind their

Corporate Performance from Bill to Peter Product

Corporate Performance Customer Satisfaction Survey

Please rate the achievement of this commitment. Your feedback is important for continuous improvement.

Threats:

	Excellent	Good	Fair	Poor	Unacceptable
1. Were the commitment's targets (amount, percent, statistic, or milestones) achieved?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. Was the commitment met in the timeframe requested?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. Overall, how do you rate the achievement against the goal of the commitment?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. Completeness Comments:	<input type="text"/>				
5. Quality of Work:	<input type="text"/>				

Submit Close

planned pace. People can drill down into real-time reports and analyze progress across departments, divisions, and companies. The whole team can see all commitments, which stimulates cross-unit collaboration and creativity.

As work is completed, managers evaluate how well the commitment was met by comparing peoples' performance to their *promises*. This provides a rich set of *relevant* quantitative data to evaluate performance of key commitments and creates greater awareness and appreciation of the contribution of all to the whole. Performance

Corporate Performance Management is the *most important business process* in an organization. Planning what needs to be done, negotiating how and when it will be done, monitoring the work, and assessing what has been done are the only way to ensure coordination throughout the enterprise. *ActionWorks Corporate Performance Manager uniquely enables this crucial process.*

For more information, please visit the Action web site, www.actiontech.com, and review the Corporate Performance Management presentation on the *Library/Demos and Presentations* page.