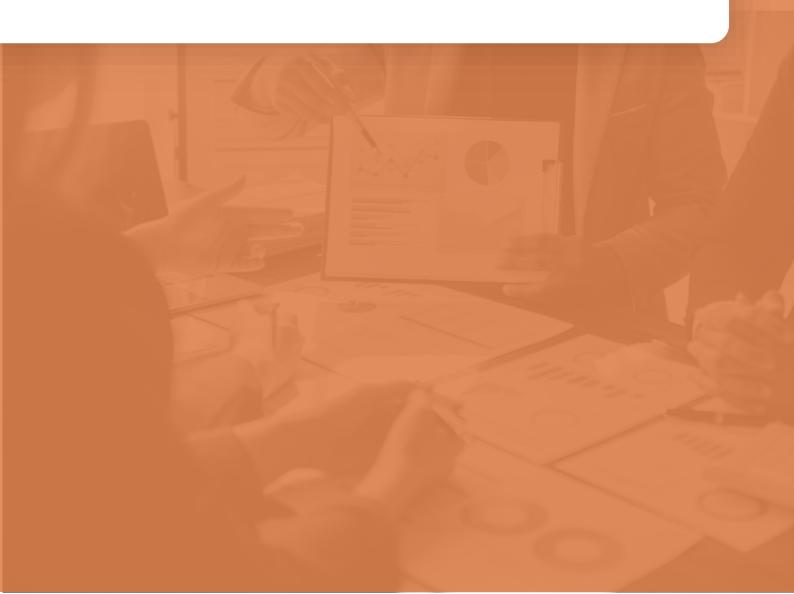


STACEYBARR

## Contents

What does high-performance mean to you?	4
Leading high performance is easier with the right habits.  Performance is a result, not an action.	5
Practice the leadership habits in strategy design  Can your strategy design be more evidence-based?	6 7
Practice the organisational habits in strategy execution  Can your strategy execution become more evidence-based?	8
Close your strategy-execution gap.	10
About the author	11
Find your local PuMP/EBL expert	12



## Publication details

Published: May 2024

Version: 2.0

Copyright: Feel welcomed to email or print this white paper to share with anyone you like, so long as you

make no changes whatsoever to the content or layout.

Disclaimer: This white paper is provided for educational purposes only and does not constitute specialist

advice. Be responsible and seek specialist advice before implementing the ideas in this white paper. Stacey Barr Pty Ltd accepts no responsibility for the subsequent use or misuse of this

information.

This paper includes excerpts from "Prove It! How to Create a High-Performance Culture and Measurable Success" by Stacey Barr.



## What does highperformance mean to you?

As leaders of organisations, it's easy to forget that performance *isn't* about strategic plans, culture surveys, managing talent, and KPIs. It's about the *impact* the organisation creates.

Performance is about reaching our goals, fulfilling our mission, and achieving our vision, sooner and with less effort. High-performance is about our entire organisation doing this, exceptionally well, all the time.

### High-performance is measurable.

High-performance means consistently getting a high return on our investment in change and improvement initiatives, that directly lead to the results our organisation exists to deliver.

Consider *Moneyball*, the story of the Oakland A's rise to high-performance from the bottom of the Major League Baseball barrel. It was the product of revolutionary leadership of their general manager, Billy Beane.

Billy Beane was an evidence-based leader. He shifted the results the team should focus on, from buying the hottest players to buying wins. He changed the measures of success, from the traditional batting average to the lead indicator of runs, on-base percentage. He used left-field strategies for improvement, leveraging the skills of misfit players rather than increasing budget for top players. Billy Beane modelled exactly what evidence-based leadership means.

Evidence-based leadership is about focusing on what matters most, of monitoring the measures that track what matters most, and finding



increasing leverage in the change strategies to achieve what matters most.

Evidence-based leadership closes the strategy-execution gap. The Evidence-Based Leadership (EBL) framework gives leaders a practical way to evaluate and improve strategy design and strategy execution, so they lead to high-performance and measurable success.



It begins with the three focus areas that leaders give their own attention to, in strategy design: *Direction*, *Evidence* and *Execution*. This sets the foundation for the three focus areas leaders inspire everyone else to give their attention to in strategy execution: *Decision*, *Action* and *Learning*.

Through the interplay of these six focus areas, an organisation's strategic aims are achieved sooner and with less effort.

# Leading high performance is easier with the right habits.

FranklinCovey, experts in leadership and change, say that <u>the four essential roles of leaders</u> are to inspire trust, create vision, execute strategy, and coach potential. Mastering these roles creates organisational performance, and only leaders are fully accountable for this.

Evidence-Based Leadership is an approach of practical habits that direct those four essential roles of leadership to create the outcome of a high-performance organisation.

# Performance is a result, not an action.

How an organisation performs is evidenced by the results it achieves, not by the work it does.

To truly know what results an organisation is achieving, and how it's getting better at this over time, those results must be measured. But measurement is a capability lacking in most organisations. They struggle to:

- articulate their goals measurably,
- find meaningful measures of those goals,
- use measurement to prioritise initiatives to pursue those goals, and
- monitor and manage those initiatives to ensure they reach the goals.

Without good performance measures, we have no evidence. With no evidence, we can't know. If we can't know, we're guessing. Evidence-based leaders don't guess.

This is why measurement is the gravity that makes Evidence–Based Leadership fall into place. Leaders are accountable for measurable results, for how well the organisation makes the impact it exists to make.

In the Evidence-Based Leadership framework, leaders begin by giving their attention to the three leadership habits for high-performance:

- 1. *Direction*: Focusing on the results that matter most, so they can fulfil the organisation's mission and realise its vision.
- 2. Evidence: Monitoring the right measures that tell them how those results are tracking, so they can know the next performance gaps to close.
- 3. Execution: Continually improving their organisation's policies, processes, and systems, to leverage their finite resources for the biggest performance improvements.

These three habits are the foundation of how to inspire the rest of the organisation to perform better and better. And so, leaders inspire everyone else in the organisation to give their attention to the three organisational habits for high-performance:

- 4. *Decision*: Aligning team goals and performance measures to the organisation's direction, to own their contribution.
- 5. Action: Using team performance measures to improve their processes, to improve performance where it matters most.
- 6. *Learning*: Continually searching for the best ways to make performance improve, to get the most from limited time and resources.

Each of these six habits come to life more easily when a set of actionable mindsets are practiced. We'll start with the three leadership habits of high-performance.

# Practice the leadership habits in strategy design...

The three habits that the evidence-based leader practices and masters, to lead a high-performance organisation, are *Direction*, *Evidence*, and *Execution*:

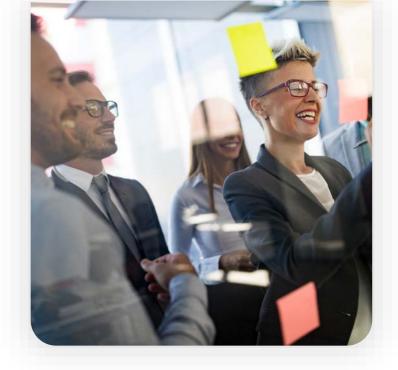


## EBL Habit 1: *Direction* is about articulating a measurable strategy.

To be measurable in a meaningful way, a strategy must be results-oriented, understood by everyone, and ruthlessly prioritised. And then it becomes the kind of strategy people feel compelled to make reality.

This leadership habit of *Direction* is practiced through these three actionable mindsets:

- Results, not actions. Write strategic goals that are results-oriented, not action-oriented (action comes later).
- ☐ No weasel words. Clearly articulate the strategic goals in language everyone will



understand (they can't buy in to what they don't understand).

Be ruthless. Ruthlessly prioritise your strategic goals to focus on performance results that matter most, right now (the more goals you have, the fewer you'll achieve).

# EBL Habit 2: *Evidence* is about setting meaningful performance measures for each strategic goal.

Surprisingly, just about every strategic goal that matters can be made measurable, and measurable in a meaningful way. The most meaningful measures are quantitative, aligned to what matters, and focused on improvement.

This leadership habit of *Evidence* is practiced through three actionable mindsets:

- Learning, not judging. Use evidence to learn like a scientist learns, without judgement.
- Evidence before measures. Design measures as quantifications of the observable evidence of results.
- Measure what matters. Only measure what can be aligned to the priorities (mission, vision, and strategic goals).

# EBL Habit 3: *Execution* is about getting the strategy executed and the strategic goals achieved.

The best strategy execution, that produces the highest return on effort and investment, uses the leverage of continuous improvement of business processes. It's not about 'bolting on' new capability, it's about unleashing what's already there, but constrained.

This leadership habit of *Execution* is practiced through these three actionable mindsets:

- Leverage, not force. Implement or execute strategy based on working smarter, not harder.
- Patterns, not points. Make strategy execution about removing and managing variability, not about hitting the numbers.
- Processes, not people. Execute strategy to improve business processes and how work is designed, not controlling people and what work is done.

# Can your strategy design be more evidence-based?

These leadership habits of high-performance are practised by evidence-based leaders, in their strategy design process, like this:

- When setting strategic goals, write them so they are results-oriented, avoid weasel words, and are ruthlessly prioritised.
- When choosing strategic KPIs or performance measures, focus on learning, base them on direct evidence of the goals, and avoid measuring just because you can.
- When selecting strategic initiatives, find high-leverage solutions that remove variability from business processes.

How often are the EBL leadership habits practiced by you and your leadership team? The

eadership mindset	is?		
	rarely	Not enough	mostly
Habit 1: Direction			
Results, not actions			
No weasel words			
Be ruthless			
Habit 2: Evidence			
Learning, not judging			
Evidence before measures			
Measure what matters			
Habit 3: Execution			
Leverage, not force			
Patterns, not points			
Processes, not people			

evaluation questionnaire above might help you reflect more deliberately on that question.

When the EBL leadership habits are practiced, you have a strategy that is easier to understand, easier to execute, and more likely to be achieved.

And now the EBL organisational habits will inspire everyone else to contribute to the organisation's performance, too.

# Practice the organisational habits in strategy execution...

To inspire the high-performance habits organisation-wide, evidence-based leaders encourage everyone to adopt the organisational habits of high-performance: *Decision*, *Action*, and *Learning*.



# EBL Habit 4 *Decision* is about helping people take ownership for the results that matter.

We haven't decided to achieve a result until we feel a strong sense of ownership for that result. Leaders help people take ownership for results by role-modelling ownership, by removing obstacles to their buy-in, and by giving them a clear line of sight to our corporate strategy.

This organisational habit of *Decision* is practiced through these three actionable mindsets:



- Cascade, don't fragment. Create a line of sight from every team to the strategic direction and delegate authority to improve.
- ☐ Buy-in, not sign- off. Communicate the corporate direction in a way that engages everyone.
- Working on, not just in. Give them authority (priority, time, and resources) to work on the business and not just in it.

EBL Habit 5: *Action* is about helping people get the right things done to achieve the results that matter.

Every organisation is busy getting things done. But usually, this busyness is just energy going around in circles, like water going down a drain. Getting the right things done seems hard, but it only requires a combination of causal analysis, practicality, and collaboration.

This organisational habit of *Action* is practiced through these three actionable mindsets:

- ☐ Causes, not symptoms. Design improvement actions that remove the constraints that limit capability, rather than compensating for lack of capability.
- Practical, not perfect. Build the momentum of performance improvement by progressing

- when it's 80 per cent perfect, rather than waiting for 100%.
- Collaboration, not competition. Find and fixing the problems that exist in the 'white space' on the organisational chart: the hand-over points between business units, functions, and teams.

EBL Habit 6: *Learning* is about helping people work ON the business and not just IN the business.

Working *on* the business and not just *in* it does not come naturally to us. But the people who follow processes to perform the work are the best people to tweak and transform those processes so the work can improve. This happens when people have an experimental mindset, learn from failure, and just start.

This organisational habit of *Learning* is practiced through these three actionable mindsets:

- Experiments, not assumptions. Never stop learning and discovering and reunderstanding.
- No failure, only feedback. Celebrate learning — whether it comes from success or failure.
- ☐ Iterate, don't procrastinate. Set shorter time frames and smaller goals to build the muscle of high-performance.

# Can your strategy execution become more evidence-based?

These organisational habits of highperformance are practiced by everyone in the organisation, inspired by leaders, like this:

• When aligning teams to the strategic direction, inspire them to decide their

- unique contribution, set their own goals and measures, and make improvement a routine part of their "real work".
- When executing team improvement initiatives, inspire them to find root causes first, to set progressive improvement targets, and to work together across organizational boundaries (silos).

	rarely Not enough mostly
Habit 4: Decision	
Cascade, don't fragment	
Buy-in, not sign-off	
Working on, not just in	
Habit 5: Action	
Causes, not symptoms	
Practical, not perfect	
Collaboration, not competition	
Habit 6: Learning	
Experiments, not assumptions	
No failure, only feedback	
Iterate, don't procrastinate	

 When evaluating each team's contribution to achieving strategic goals, inspire them to share the results of their experiments, to celebrate failure as a teacher, and to keep making progress in small steps.

How often are the EBL organisational habits practiced by you and your leadership team? Again, the evaluation questionnaire above might help you reflect more deliberately on that question.

When the EBL organisational habits are practiced, you have a strategy that is being executed, that is building on organisational knowledge for the future, and that is being achieved as well as possible with your limited resources.



It starts at the top, closing the strategy–execution gap. The senior leadership team, led by the CEO, begins practising the habits of evidence–based leadership before asking anything of the rest of the organisation. They will be practising the habits of *Direction* and *Evidence* and *Execution*.

Starting at the top is the quickest and easiest way to start, because employees follow what leaders do. It's too risky for them to do anything else. Even if leaders tell everyone to 'Execute the strategy!', nothing will change if those leaders aren't doing what they need to do first.

Perhaps you already are an evidence-based leader. But how can you know if that's true, or just a perception? Explore these three questions:



- How well have the habits and mindsets of evidence-based leadership been embedded in your everyday practice as a leader, and the practices of people throughout your organisation?
- 2. Are you already quantifying the return on investment of your strategic initiatives and the achievement of your strategic goals?
- 3. Can you prove, objectively and convincingly, that the organisation is:
  - fulfilling its mission
  - delivering on its purpose
  - making its vision a reality?

It's worth having the conversation with your leadership team. It's worth exploring the leadership habits of *Direction*, *Evidence* and *Execution*, and the organisational habits of *Decision*, *Action* and *Learning*. What do they mean to you? How do you see them practised? Where is there the opportunity to master them?

If you'd like some help to have this conversation with your leadership team, contact our team, on the following pages, to arrange a chat.

### About the author

Stacey Barr is a globally recognised specialist in organisational performance measurement.

She discovered that the struggles with measuring business performance are, surprisingly, universal. The biggest include hard-to-measure goals, trivial or meaningless measures, and no buy-in from people to measure and improve what matters. The root cause is a set of bad habits that have become common practice.

Stacey created PuMP®, a uniquely methodical and practical performance measurement approach. PuMP replaces the bad KPI habits with techniques that end the common KPI struggles. PuMP makes measuring performance faster, easier, engaging, and meaningful.

Stacey is author of <u>Practical Performance</u>
<u>Measurement</u> and <u>Prove It!</u>, publisher of the
<u>Measure Up</u> blog, and her content appears on
<u>Harvard Business Review's website</u> and in their
acclaimed ManageMentor Program.



Copyright. Feel welcome to email or print this white paper to share with anyone you like, so long as you make no changes whatsoever to the content or layout.



### Contact Stacey:

- Director, Stacey Barr Pty Ltd and PuMP Academy
- www.staceybarr.com
- info@staceybarr.com
- +61 1800 883 458
- Stacey's head office is in the greater Brisbane area, but she works virtually, around the world

**STACEY BARR** 

## Find your local PuMP/EBL expert...



Australia, New Zealand, Asia Pacific Mark Hocknell

- www.markhocknell.com
- mark@markhocknell.com
- +61 0438 451 405



United Kingdom, Europe Paul Frith

- www.rubica.co.uk
- hello@rubica.co.uk
- +44 333 241 3008



Canada, North America Louise Watson

- www.adurastrategy.com
- hello@adurastrategy.com
- +1604924-4545



United States Brook Rolter

- www.rolterassociates.com
- Brook@RolterAssociates.com
- +17036280340



Africa, Middle East Peter Ndaa

- www.b-sea.org
- info@b-sea.org
- +254 707 968982



Africa, Middle East Njeri Faith

- www.b-sea.org
- info@b-sea.org
- +254 707 968982



Europe, Middle East Ayça Tümer Arikan

- www.promeas.org
- ayca@promeas.org
- +90 535 3015705



German-speaking countries Harald Matzke

- www.haraldmatzke.de
- hm@haraldmatzke.de
- +49 177 3945114



Spanish-speaking countries Kristian Orozco Figueroa

- www.barev.es
- kristian@barev.es
- +34 608 280 369



Spanish-speaking countries Gohar Orozco Assoian

- www.barev.es
- gohar@barev.es
- +34 608 185 975

# PUMP

The deliberate, step-by-step performance measurement process, that makes measuring what matters faster, easier, more meaningful and engaging.

#### STEP 1

Understanding Measurement's Purpose

Fixing the focus firmly on continuous improvement as the purpose for measurement.

#### STEP 2

Mapping Measurable Results

Translating our strategy into clear, focused, and measurable performance results.

#### STEP 3

Designing Meaningful Measures

Choosing the most feasible and relevant measures that evidence our performance results.

#### STEP 4

Building Buy-In to Measures

Getting ownership from our stakeholders, quickly, easily and engagingly.

#### STFP 5

Implementing Measures

Documenting in detail the data, analysis and reporting requirements for each of our measures.

#### STFP 6

Interpreting Signals from Measures

Focusing ourselves on gaps between as-is and to-be performance.

#### STFP 7

Reporting Performance Measures

Creating useful and usable performance reports that inspire us to action.

#### STFP 8

Reaching Performance Targets

Improving business processes to move asis performance toward to-be.

staceybarr.com/about/pump