Bob Behn's Performance Leadership Report

An occasional (and maybe even insightful) examination of the issues, dilemmas, challenges, and opportunities for improving performance and producing real results in public agencies.

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On why public executives need to appreciate the differences among

Measurement, Management, and Leadership

Too many academics and public executives use the phrases "performance measurement" and "performance management" interchangeably. The impression they leave—and it may even be the impression that they intend—is: If an executive gets the measurement right, he or she has simultaneously done the necessary management.

They never say this explicitly, of course. Still, when they use these two phrases so loosely, they are certainly suggesting that "performance measurement" and "performance management" are the very same thing.

There is, however, a significant difference between doing the measurement and doing the management. Furthermore, there is also an important difference between doing the management tasks and exercising real performance leadership. These differences are reflected in the operational questions that each ask:

For performance *measurement,* the operational question is: How can we measure what we are doing?

For performance *management,* the operational question is: What are our more significant "performance deficits," and what is our strategy for eliminating or mitigating a few of the most important ones?

For performance *leadership,* the operational question is: How do we motivate everyone in our organization—and our collaborators, too —to pursue our strategy with intelligence, creativity, and persistence, and thus to eliminate these few important performance deficits?

Performance measurement tells the executive how well his or her organization is doing—provided that this executive is collecting data that actually contain some relevant and useful information.

Unfortunately, these measures do not automatically reveal what the executive—and the organization—needs to do next.

On some measures, performance may look pretty good. On other measures, it may look less than adequate. Now what? *How* can the organization improve performance? *What* should the organization do to improve performance? And *who* should do it?

This leads to the *management* question. Before deciding who should do what next, the executive first needs to conduct the analysis necessary to identify the organization's key performance deficits.

Every organization has performance deficits, multiple performance deficits. These are places along its value chain—from inputs, to processes, to outputs, to outcomes—where it is not doing an adequate job.

For a school, a performance deficit might be an input: The school's teachers don't have the necessary substantive knowledge. Or it might be a core process: The school is employing an inappropriate curriculum. Or an important performance deficit might be a key output: Although the students appear to have mastered the essential curriculum, they can't cope with the stress of the high-stakes, graduation tests.

> Performance *measurement* is not the same as performance *management.* And neither is the same as performance *leadership.* For the operational questions about measurement, management, and leadership that public executives must answer are quite different.

There are lots of possibilities. The managerial task is to analyze the data to identify the most significant performance deficits, to select a few on which the organization should focus, and to develop a strategy for eliminating (or, at least, mitigating) them.

Superficially, this looks like an analytical chore. Ask the data wonks to chose the deficits and a relevant strategy. In fact, however, this is a leadership responsibility.

Yes: to identify important performance deficits, the executive needs the analysts to help survey the data. On which ones, however, should the organization focus? This is rarely obvious. Indeed, this decision is a leadership task, for it depends not only on the problems the organization faces. The choice of a strategy also depends upon the organization's capabilities and its confidence.

Which of these performance deficits does the organization have the operational capacity to tackle? Which of these deficits does it believe it can successfully eliminate? The answers are not to be found in the performance measures. These are strictly judgments—leadership judgments.

Having developed a strategy, however, the executive is not finished. Now, the executive's leadership team has to motivate the organization to implement the strategy with intelligence, dedication, and creativity.

To do so, they have to set targets for eliminating the deficits and to create friendly competition along with some esteem opportunities. They need to establish feedback loops so that everyone can learn what is working, what isn't, and what needs to be changed. And they have to identify what is working in other—even dissimilar—situations, and learn from them too.

Unless the executive exercises this kind of real leadership, performance will not improve. B

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