

Performance Improvement: More Than Just Bettering The Here-and-Now

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In recent years, many training and development professionals have begun to ask increasingly difficult questions of their profession; questions such as: How many computer-based training packages with suspect utility can be produced before clients question our integrity when spending their money? How many polished and overtly appealing courses can be released in good conscience if they don't add value, to the participants, the organization, and all external stakeholders? How do we measure and improve our own performance using valid criteria?

Inquiries like these have challenged both practitioners and academics, as well as given rise to several areas of research (for example, Level 3, 4, and 5 evaluations), professional journals (for example, *Performance Improvement* and *Performance Improvement Quarterly*), and affiliated professions (for example, human performance technology). These questions have also threatened many of the basic tenets that conventional training and development organizations have

commonly relied on for past success. Furthermore, the queries have come just as the field of training is experiencing an unprecedented growth in organizations worldwide. So why are individuals asking these difficult questions at this time? And what are the questions that have changed the paradigm of training and development to performance and value added for so many professionals?

Performance and Results

It is rarely argued today that individual and organizational performance is central to the success of organizations and their clients. But what is performance? According to Tom and Marilyn Gilbert (1989), performance can be defined as the combination of both behaviors (what we do) and accomplishments (what we leave behind). Following this definition, managers, performance improvement specialists, chief executive officers, and others often have blurred the relationship of *performing* and *performance*. For many professionals, the focus is on behaviors and processes, based on the assumption that

increased efficiency and effectiveness of *performing* (for example, productivity) will lead to valued *performance* (for example, results, consequences, accomplishments). They have experimented with measuring discrete variables of behavior, evaluating employees, re-engineering processes, benchmarking the processes of other organizations, and managing the changes they have brought to the organization ... always remaining focused on performing better and not necessarily on achieving the required performance.

Thus, we suggest that *performance* is more usefully determined by the value-added results or accomplishments, regardless of preferred or mandated behaviors (*performing*). Thus, *performance* is defined as the results an individual or organization accomplishes in its progression toward measurable objectives of desired/required results at the societal (Mega), organizational (Macro), and individual/team (Micro) levels (Kaufman, 2000, 1998; Kaufman, Watkins, & Leigh, 2001). *Performing*, then, is all the activities, interventions, and tactics we do and use to accomplish performance.

Trust

The application of a results-based definition of performance additionally requires that professionals *trust* their colleagues in the determination of the most effective and efficient process. A results-focused professional co-defines, with other stakeholders, the results required for success, and then *assists* (but does not lead) other professionals in determining the most effective and efficient manner for the results to be achieved. This is contrary to the application of what many have referred to as “results-focused” models, in which professionals both define the results to be achieved, and select the “appropriate” interventions and processes, and then evaluate the client’s success based on their ability to employ the solution created by the consultant. *Trust* is essential.

In today’s complex world we are not likely to be aware of the entire range of alternatives that can accomplish the desired/required results. Through information technologies our colleagues and employees are often privy to at least the same information that decisionmakers are...and often more so since they are often involved with the organization’s processes on a daily basis. Additionally, you must assume that your competition is at least as well informed as you,

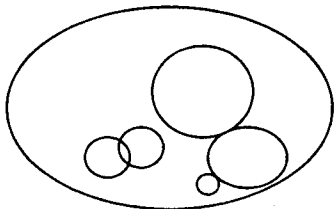


Figure 1. A System Approach.

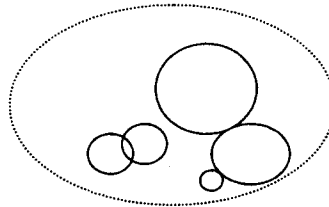


Figure 2. A Systems Approach.

especially if you’re benchmarking them. In applying a truly results-focused approach to performance improvement, the “new” professional trusts his or her colleagues to work with him or her in accomplishing desired results at the Mega, Macro, and Micro levels.

System and Systems Approaches

The application of performance with this definition suggests that professionals approach performance improvement from a system perspective (notice this is not a systems perspective). Without a system perspective of results (one that includes desired/required results at all three levels), even a results-focused view of performance improvement can become one-dimensional and benefit only one subsystem (or, indeed, unexpectedly harm other subsystems). A systems approach, while presumably of greater value than an isolated perspective, could have similar negative impacts with individual subsystems (that is, departments, teams, organizations) of the system/supersystem (society). Rather, performance improvement professionals should forgo the temptation to focus on improving existing results at just one or two levels...but rather to integrate and link the results to be achieved at each of the three levels with a system perspective.

System and systems approaches can be differentiated as follows (Kaufman, Watkins, & Leigh, 2001; Kaufman & Watkins, 2000):

System Approach: Begins with the sum total of parts working independently and together to achieve a useful set of results at the societal level...adding value for all internal and external partners. We think of it best as the large system (or supersystem) shown in Figure 1.

Systems Approach: Begins with the individual parts of a system—subsystems—that make up the system, with or without the larger system (or supersystem) being defined (see Figure 2).

We suggest that the application of a system perspective is best done by beginning at the societal level and *rolling down* to define required results at the organizational and individual/team levels—without relying on fads, trends, or assumptions in order to define valid and useful objectives (Kaufman, Watkins, & Leigh, 2001).

	Do you commit:	
	Yes	No
Do you commit to deliver organizational contributions that add value for your external clients AND society?		
Do you commit to deliver organizational contributions that have the quality required by your external partners?		
Do you commit to produce internal results that have the quality required by your internal partners?		
Do you commit to have efficient internal products, programs, projects, and activities?		
Do you commit to create and ensure the quality and appropriateness of the human, capital, and physical resources available?		
Do you commit to deliver—		
a. products, activities, methods, and procedures that have positive value and worth?		
b. the results and accomplishments defined by your objectives?		

Figure 3. Questions All Organizations Should Ask and Answer (Source: Kaufman, 1998, 2000).

Societal Performance

External clients and the communities in which our organizations exist commonly view performance from this *value-added* perspective. The central concerns for the members of society are thus likely to be: (a) what has the individual or organization contributed to our lives, or (b) what achievements made by the individual or organization have moved us closer to a *better* tomorrow. These concerns are being seen in today's financial markets (for example, rapid growth of "socially responsible" mutual funds) and on the Internet (for example, Business for Social Responsibility at <http://www.bsr.com>)... and are finding their way in the purpose statements of organizations worldwide (see Kaufman, Stith, Triner, and Watkins, 1998; Maynard, 1993). These concerns are often highlighted in the media when organizations appear to be focused on their financial bottom line at the expense of customer safety and well-being (for example, the automobile industry). In response, today's organizations, and we suggest the successful organizations of tomorrow, are creating ways to partner with their clients, their clients' clients, and the communities in which they work and live in order to build a more positive future through redefining performance from a societal perspective.

Can you identify organizations that you interact with (for example, airlines, food manufacturers, gas stations, computer manufacturers) that you wish would focus their efforts on the financial bottom line over your safety and well-being? Do others expect the same focus from your organization?

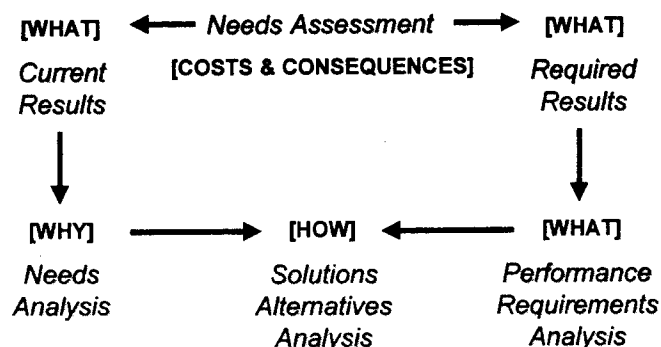
This changing view of performance, the linking of individual, organizational, and societal results, has also changed the roles of professionals within organizations. In the profession of training and development this evolution is evident. Recent years have seen departments within organizations reor-

ganizing from "human resources" to "training" to "organizational development" specialties (though many still have yet to reconsider the value of their business lines and processes) as well as individual professionals making the transition from "trainers" to "directors of organizational learning" to "performance improvement consultants." Concurrently, many tools and techniques supporting professionals through these changes have also been made available. Kaufman (1998) proposes questions as benchmarks for working with clients, scoping strategic planning efforts, and evaluating professional integrity (see Figure 3).

While these questions may seem tangential or outside the boundaries of our organization's current comfort zones, they are precisely the questions that organizations and individuals are likely to be held accountable for in the near future. These questions, after all, reflect the results orientation of performance that many professionals have been encouraging their clients to undertake for some time (though rarely has that orientation included the necessary societal perspective of performance).

Going Beyond Just Improving the Status Quo

As organizations endeavor to engage in business practices under reduced cycle times and constricted budgets, the rapid prototyping of assessment, analysis, performance requirements development, and solution design into one *seamless* process becomes alluring. However, it is important to recognize that while each of these front-end alignment activities is indeed inter-related, each also serves to resolve different performance-related questions (as illustrated in Figure 4). Though organizations in both public and private sectors are beginning to recognize and embrace the movement from training to performance improvement, many of us still confound "performance" (Micro-level Products, Macro-level Outputs, and Mega-level Outcomes demonstrated through results) with "performing" (the



Insert Figure 4. The Relationship of Front-End Assessment and Alignment Techniques (Source: Kaufman, Watkins, & Leigh, 2001).

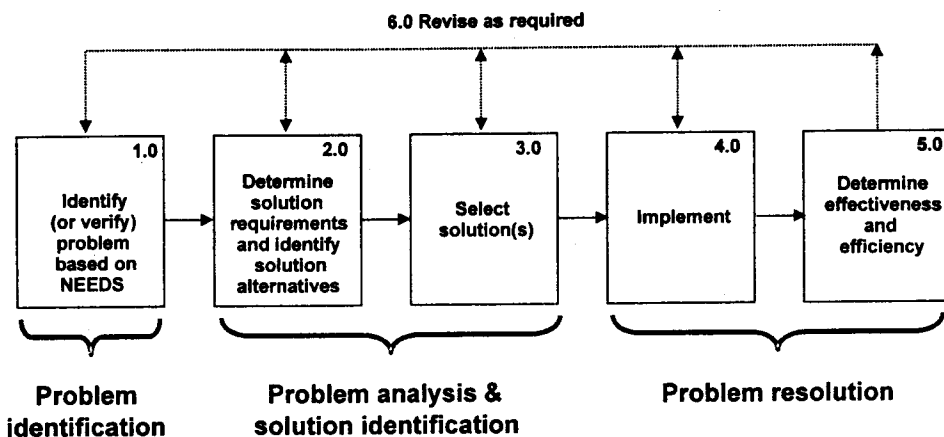


Figure 5. A Six-Step Process for Identifying and Resolving Problems (and Identifying Opportunities).

means and activities we use and do, ideally to yield performance). To accurately discriminate our means and ends, we must rigorously identify what the problem is and what its consequences are prior to determining why those problems are occurring, what detailed performance requirements must be accomplished, and how those accomplishments should be achieved.

Even when we successfully analyze performance problems and opportunities in terms of results, we commonly analyze problems in terms of the barriers that can be reduced, or enhancers that can be capitalized on to better the results that organizations are currently getting. Unfortunately, this approach of improving on current results by tweaking existing processes is rarely based on a clear definition of and commitment to the required/desired results the organization must achieve to add value both internally and externally. Thus, while we have gotten *smarter* about differentiating training from performance, many of us fall short of adequately defining the results that our organizations must accomplish and deliver within and external to our organizations, regardless of those that may have led to effectiveness and productivity in the past. The Six-Step Problemsolving Process (see Figure 5) provides a template for ensuring that problems (gaps between current and desired/required results selected for reduction or elimination) are identified before analyzing the root causes of the problem or identifying possible solutions.

Evaluation and Return on Investment

Today's organizations are often caught in a web of their own making. In the rush to compete, they frequently make decisions without the required data, complete projects without formative evaluation, give program extensions without evaluating the results, set aside longitudinal studies for quick profits, define performing and performance only within the organization...the list of business *mistakes* goes on. So how

do proactive performance organizations counter these trends? By not waiting until after the fact to collect data and make informed decisions.

W. Edwards Deming has shown through quality management the value of making decisions based on data. And while many organizations applied quality management principles to their efforts in the 1980s, few have maintained them amid the expedient pace of today's information technologies. Yet, we still cannot question the value of making the best decision possible, the first time and every time. In response to these

demands, the Costs-Consequences Analysis (CCA) has been developed as a practical and pragmatic process for collecting reasonable amounts of data for decisionmaking (Kaufman, Watkins, & Leigh, 2001; Kaufman, 1998, 2000; Muir, Watkins, Kaufman & Leigh, 1998; Kaufman, Watkins & Sims, 1997; Kaufman & Watkins, 1996).

What separates CCA from conventional return on investment (ROI) and other evaluation techniques is both the societal perspective as well as the viewpoint that asks important questions (see Figure 6) before decisions regarding implementation are made (Kaufman, Watkins, & Leigh, 2001). Starting with the popular framework for evaluating training and education programs developed by Kirkpatrick in the 1960s (Kirkpatrick, 1994), the CCA model appends the framework with a fifth level of focus (Kaufman, Keller, and Watkins, 1995; Watkins, Leigh, Foshay, and Kaufman, 1998) and integrates the framework with conventional ROI constructs (see Figure 7). Phillips has offered a model of training evaluation that includes ROI as a level of evaluation (1996). However, this model continues to focus on the organization without an external client and society value-added perspective. We suggest that ROI constructs are pragmatically applied at each level of evaluation, including the societal level, not as a separate level of evaluation (Watkins et al., 1998).

Additionally, by comparing the cost of potential interventions against the often unconsidered cost of ignoring the problem (gap in results), the model moves beyond Kirkpatrick's sole focus on training *evaluation* to performance improvement *planning* (see Alliger, Tannenbaum, Bennett, Traver, and Shotland, 1997). The CCA model provides practitioners with a foundation for developing procedures and tools that can supply decisionmakers with the useful information they require for quick, yet informed, decisions. By assisting in the development of coarse-grained estimates for ROI and evaluation, the CCA model can help ensure that costs and consequences of both problems and

LEVEL OF PLANNING AND DECISIONMAKING	CCA	CONVENTIONAL ROI
Mega	Cost to get outcomes versus Cost of not getting outcomes	What did I give versus What outcomes did I get?
Macro	Cost to get outputs versus Cost of not getting outputs	What did I give versus What outputs did I get?
Micro	Cost to get products versus Cost of not getting products	What did I give versus What products did I get?
Process	Cost to get processes versus Cost of not getting processes	What did I give versus What processes did I get?
Input	Cost to get inputs versus Cost of not getting inputs	What did I give versus What inputs did I get?

Figure 6. Questions Posed by CCA and Conventional ROI Frameworks (Based on Kaufman & Watkins, 1996; Kaufman, 1998).

potential solutions are considered before a company implements an intervention, process, or activity (that is, training, reengineering, process improvement).

It is important to keep in mind that the CCA can help decisionmakers by providing just-in-time indicators that inform decisions without burdening the decisionmaking process with lengthy data collection or extensive reports regarding irrelevant variables. It is ordinarily optimal to begin earlier in the performance improvement process because there exists a better opportunity to supply useful and valid longitudinal information to decisionmakers. And if valid decisionmaking processes are in place, as the quality and breadth of data available to decisionmakers increases so should the quality of the decisionmaking.

CCA Application

The application of CCA is driven by the unique questions the framework encourages us to ask and answer prior to decisionmaking. CCA, when effectively implemented in conjunction with a needs assessment and strategic planning process, starts by asking two primary questions: What

will it cost to close the gaps in results (needs) at the Mega, Macro, and Micro level, and what will it cost to not close the gaps (Kaufman, 1998; 2000)? Thus for each gap in results (need) identified during the needs assessment, a related CCA should be conducted to provide decisionmakers with information regarding the cost to close and the cost to ignore gaps in results.

Questions to be asked and answered within specific organizational settings can be derived from general questions provided in Figure 8. Based on the general questions, individuals or groups conducting CCA should define specific questions that decisionmakers will require to make pragmatic and rational decisions. Based on these specific questions, necessary data should be collected, analyzed, and summarized. Depending on the specific data required to answer the questions, various data-collection techniques should be applied. When appropriate—that is, when the data drive the decisions of data-collection techniques rather than the techniques driving the data to be collected—a mixture of data collection techniques can provide a balance of “hard” and “soft” data (hard data being externally verifiable; soft data being not externally verifiable). Surveys, databases, focus groups, interviews, and other data-collection techniques can each provide elements of the required data.

When the data are collected for each gap in results, a related CCA ratio of cost to close the gap and the cost to ignore the gap should be provided. By using estimated financial measures, decisionmakers will be able to make pragmatic and rational decisions in prioritizing gaps, establishing missions and functions, and verifying value added as well as other areas of organizational management and leadership.

KIRKPATRICK'S LEVELS	ORGANIZATIONAL QUESTIONS/FOCUS	COMPATIBILITY	SUGGESTED LEVELS*
(Not addressed)	Societal contributions (“Level 5 evaluation”)	Missing from Kirkpatrick’s framework	Mega
4. Results	Organizational payoffs	Yes	Macro
3. Behavior (performance)	Individual or small group payoffs	Yes	Micro
2. Learning (acquisition)	Individual or small group payoffs	Yes	Micro
1. Reaction	a. Process acceptability and efficiency b. Resource availability and quality	Partial; efficiency and quality are missing from Kirkpatrick’s framework	a. Process b. Input

Figure 7. Kirkpatrick’s Four-Level Evaluation Framework Versus Five Levels of Concern and Evaluation (Kaufman & Keller, 1994; Kaufman, Keller, & Watkins, 1995; Watkins et al., 1998; *Based on Kaufman’s Organizational Elements Model, 1992; 1998).

Conclusions

The challenges and opportunities available to performance improvement professionals are significantly increasing. In answering the tough questions that drive changes in the fields of training, education, and performance improvement, we should continue to emphasize a results-focused approach to performance improvement. And as we look to add measurable value both to our organizations and communities, we should work to not only improve the efficiency and effec-

SUGGESTED LEVEL*	QUESTIONS RELATED TO...	
	ESTIMATING THE COSTS TO CLOSE THE GAPS IN RESULTS	ESTIMATING THE COSTS OF IGNORING THE GAPS IN RESULTS
Mega	What are the societal costs of current interventions? What are the costs of prospective interventions? (e.g., financial; opportunity costs; time; environmental impact; etc.)	What are the societal costs of not closing the gaps in results? (e.g., lower quality of life; incarcerated individuals; increased tax burden; social welfare; environmental impact; etc.)
Macro	What are the organizational costs of the current interventions? What are the costs of prospective interventions? (e.g., training; opportunity costs; travel; materials and equipment; wages; etc.)	What are the organizational costs of not closing the gaps in results? (e.g., low worker retention; lower client satisfaction; morale; reduced productivity; worker compensation; greater loss versus profit; possible litigation; client and employee safety; etc.)
Micro	What are the individual/team costs of the current interventions? What are the costs of prospective interventions? (e.g., time; opportunity costs; individual wages; supplies; etc.)	What are the individual/team costs of not closing the gaps in results? (e.g., individual morale; reduced productivity, hospitalization; quality of life; suboptimal transfer of training; safety; etc.)

Figure 8. General Questions Related to Conducting a Cost-Consequences Analysis (Based on Kaufman's Organizational Elements Model, 1992; 1998).

tiveness of current processes, but we should examine the utility of our current goals against the desired/required results of society. 🐼

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