



Using Metrics to Drive Change

Metrics and Goals

Every decision you make results in change: change in strategy, tactics, how resources are allocated, how you spend your budget and your time. The lynchpin for driving change, either individual or organizational, lies in setting goals that are fully supported by the organization. “Show me how they’re measured and I’ll show you how they behave”, goes the old saying. It’s the leader’s responsibility to forge the link from an organizational goal like “grow revenues 20% in the next fiscal year”, to an individual’s performance. There are several ways in which this can be achieved, each with its pros and cons:

Alternative Approaches

Approach	Pros	Cons
By Dictating : tell your employees what their expected contribution is and how they will be measured	Clear Definitive Quick	Potentially unrealistic Inflexible May be frustrating May invoke active resistance
Guidance: Tell them clearly and directly what’s expected. Be clear what’s negotiable and what’s not.		
By Enlisting : provide alternative measures with implication and have the employee choose	Invites discussion Creates flexibility Requires active participation	Metric options may be limited Assumes that the boss still has (one of) the right answers Slower
Ensure metrics are realistic and that options are truly possible. Engage in honest discussions and accept the results		

Approach	Pros	Cons
By Consulting : ask your team members what the metrics should be	Actively engages the team Provides a bottoms up set of alternatives	Approach takes time and requires that the team and individuals understand the goals of the organization The leader still decides
Guidance: Give the team enough time to understand what is measured and how it will affect their rewards.		
By Co-Creation : work with your team to define metrics based on business needs	Team owns the metrics based on a shared understanding of objectives Increases familiarity with metric setting at lower levels of the organization	Takes time for organization to learn
Guidance: Clear, open honest communication is required to create a sense of trust in this process. Consistent follow-through is essential.		

Where time and business conditions allow Co-Creation offers the biggest rewards. Since they created the measures, teams and individuals are fully invested in the outcomes. The experience of establishing measures is an essential part of building skills and deepening the bench. Done well, the process should also tap into each individual's experience as well as increasing opportunities for learning for both the individual and the leader.

References

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