The Pursuit of a High Performance Organization

Brent R. Tilson

© 2018 by Brent R. Tilson. All rights reserved.
History of the Financial Crisis: Mid-2007 to 2010

© 2018 by Brent R. Tilson. All rights reserved.
Fast Growing Startups

- 67% Ongoing
- 33% Failing
What Will Put You Out of Business?

Most Common Answers

- Economy
- Disruptive Technology
- Lower cost Alternative
- Failure to plan
- Funding
- Failure to Execute
- Natural Disaster
- Loss of key person
Question: Which business will thrive and which will struggle?
We Need More Info

Some other data from over past 3 years would help
• Profitability
• Growth rate
• Number of employees
• Employee Turnover

Other info that will help
• Projections
• Client/customer satisfaction
• Number of mistakes, errors, returns

In other words we need to understand the business’ capability to perform
Performance and Time
Performance and Time

![Graph showing performance over time with peaks and troughs.](image_url)
Effectiveness

Quad 1

Quad 2

Quad 3

Quad 4
Organizational Effectiveness

Internal Measurements
- Decrease in profit per EE
- Increase in expense per EE
- Decrease in revenue per EE
- Increased EE turnover
- Decreasing morale
- Increased overtime
- Increased errors or mistakes

External Measurements
- Decrease in sales
- Decrease in referrals
- Increased customer complaints
- Decreased customer satisfaction
- Decrease in client retention
Organizational Effectiveness

Internal Measurements

- Decrease in profit per EE
- Increase in expense per EE
- Decrease in revenue per EE
- Increased EE turnover
- Decreasing morale
- Increased overtime
- Increased errors or mistakes

External Measurements

- Decrease in sales
- Decrease in referrals
- Increased customer complaints
- Decreased customer satisfaction
- Decrease in client retention
Optimal ROI

What Initiatives will Reduce Costs?

Are salary and benefit programs practical, sophisticated and cost effective?

Is the firm minimizing its exposure to regulatory costs?

Are administrative necessities handled completely and cost effectively?

Your Firm’s Current Capabilities

What Initiatives will Increase Performance?

Are we hiring the right people?

Can our managers bring employees to their full potential?

Are we maintaining peak levels of morale and motivation?

Reduce Costs per Employee

Increase Performance per Employee

© 2018 by Brent R. Tilson. All rights reserved.
Getting to Quad 4

Quad 1

Avoiding

Low

Repairing

Quad 2

Investing

Quad 3

Effectiveness

High

Low

ROI

High
Performance and Time