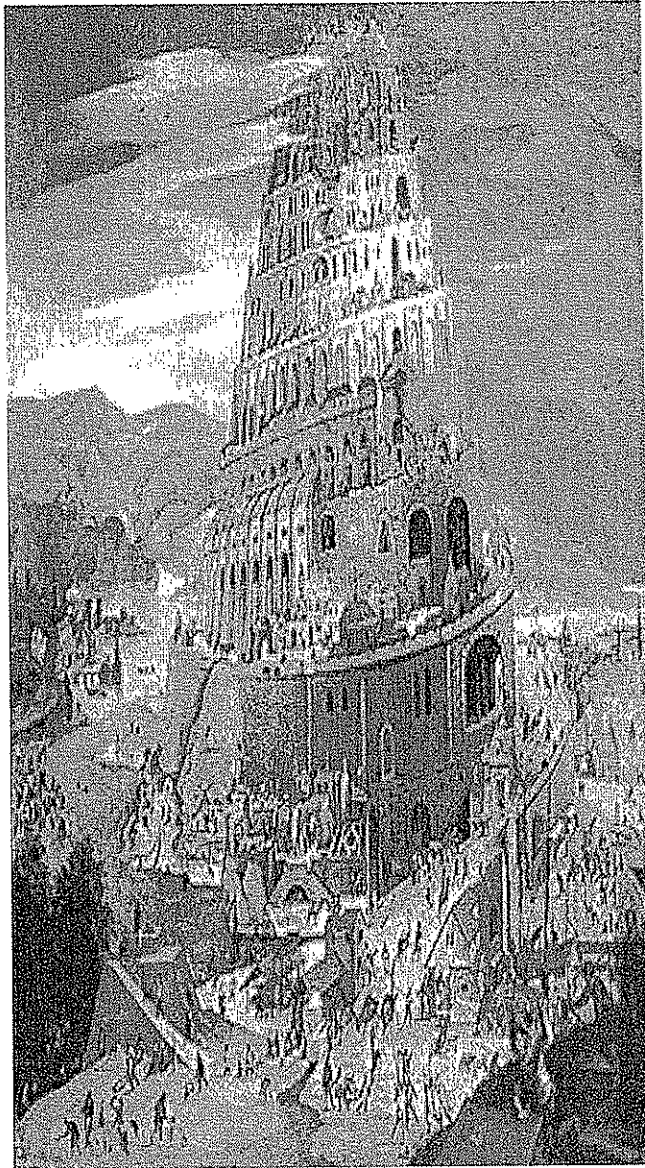


The Six Boxes®

the simple, powerful way to accelerate human performance



A View from the Top Human Performance in Organizations

A White Paper from Binder Riha Associates
Carl Binder, PhD, CPT

Organizations are people! Everything else we do in organizations is about helping people *behave* in the best ways to achieve results, and to be *fully engaged* while doing so. This white paper addresses some of what we see as systemic problems in organizations that create difficulties for executives and managers attempting to help their employees perform well and happily, and suggests a strategy for addressing those problems.

As leaders we seek to maximize business results per employee – *revenues, profits, customer satisfaction*, and so on. With the long-term view in mind, we also know that sustaining what experts call *employee engagement* is at the core of our mission, since it leads to higher profits, greater customer satisfaction, and other improved business results. Numerous studies from groups such as *PeopleMetrics* have shown that organizations with high levels of employee engagement produce higher earnings per share, higher return on investment, and larger gross margins.

We must *engage* people in the mission of the organization, *align* them with its goals, and *enable* them to participate enthusiastically in work that contributes to those goals. That's the view from the top looking at the entire organization. How are we doing?

Why Organizations Under-perform: Metaphors of Fracture

There are few leaders who think that their organizations or the people in them are performing as well as possible. We all know that we can do better, and we all experience the frustration of fractured performance systems as we look down into or across our organizations. The fact is, both managers and individual contributors generally do the best they can under the circumstances in which they are asked to perform. Even when we think people are exhibiting so-called bad attitude or poor motivation, looking more deeply usually reveals reasons for these problems.

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We've recently found it helpful to look at metaphors and analogies that capture how the systems, processes, methods and language we use to manage human behavior and results are fractured, disconnected, and ineffective. Let's explore a few of those metaphors and their implications.

Bridges to Nowhere: There is a story in the U.S. about politicians funding projects to build bridges that serve no useful purpose. The popular press calls them *bridges to nowhere*. This is a good metaphor about how efforts to develop and manage behavior in organizations often are not clearly linked to the business results they are expected to achieve. Many HRD and training departments, as well as managers and executive

leaders, make reasonable assumptions that the behavior they seek to develop in their people will lead to the business results they need. But, honestly, these assumptions are often clouded in generalities and acts of faith that “better” behavior produces results.

For example, many training programs in areas such as communication skills or customer service are not truly connected to business results through specific behavior and the work products needed to produce those results. Often justification for new programs is more based on philosophy or descriptions of general competencies that people will obtain from the programs. Thus, bridges from the behavior of people to business results are often unclear, at best. This can lead to large expenditures on training and development with no clear path to return on investment. And when employees themselves lack a line of sight from what they are doing to their organization’s goals, their behavior is less focused, more tentative, and lacking in confidence. In other words, they are *less engaged*.

Parts of the Elephant: The old story of a group of blind men describing an elephant, based only on the parts they each can feel with their hands, is a fitting metaphor for how many organizations manage the behavior of people. When it comes to parts of the overall system for developing and supporting behavior needed to achieve results, everyone holds his or her own part of the elephant. Unfortunately, the parts don’t always fit together!

How often have you seen leadership directives, tools, processes, incentive and recognition programs, training, recruitment, team assignment and other influences on the behavior of employees that were disconnected or even in conflict?

Each leader, manager, and human resources professional tends to have his or her favorite way of developing, motivating, and leading people. For some it is training, while for others it is selection or compensation. Some put faith in better leadership while others think that process improvement is the answer. In general, those responsible for developing and managing people lack a *shared, comprehensive, systemic* understanding of all the factors that influence human behavior and the relationships among those factors. The parts don’t fit together and they often conflict.

Examples include process improvement that is out of alignment with training and development, management goals and targets unsupported by compensation plans, new tools lacking explicit management expectations to *use* the tools, and recruiting processes that somehow leave front-line managers out of the loop. Because different departments, working groups, task forces, and other parts of organizations implement and manage different processes or factors that influence behavior, and they are not always looking at *all* “parts of the elephant” at once, there are often disconnected and even competitive efforts that increase overall costs while failing to provide the return on investments in people that is possible. As leaders, we must understand the whole system, or risk losing return on investments in separate *tool* interventions or programs.

How often have you seen leadership directives, tools, processes, incentive and recognition programs, training, recruitment, team assignment and other influences on the behavior of employees that were disconnected or in conflict? Even within the same corporate programs or initiatives, efforts to influence employee behavior often run at cross-purposes or do not connect with one another. For example, we've been involved in many major product launches at large corporations, working with multiple departments at once to introduce and support new products or services into the marketplace. It's amazing how often we've observed important announcements by executives about the strategic importance of new products or services while sales people look at their compensation plans to notice that there is no advantage or incentive for them to go through the trouble of learning about and selling the new product or service. They can continue to earn their sales commissions with older products that are more familiar and easier to sell. This situation is not difficult to fix by offering an extra incentive for selling the new product. But often the various groups and departments working on product launches simply don't connect the dots. Again, the result can be less than optimal performance with employees confused or unclear about what they should do and why. This is what happens when different people manage "different parts of the elephant" and don't share a systemic view.

The Tower of Babel (Babble): In the Book of Genesis of the Bible, there is a story about people who built a very high tower, wanting it to be the most magnificent structure on earth. Because of their lack of humility, the story goes, the God of Israel caused all of the people building and living in the tower to have different languages. As you can imagine, the result was chaos because they could not communicate with one another about what needed to be done and how to do it. This bears some resemblance to many organizations.

The message of the Tower of Babel for us is that people in organizations talk about human behavior and the factors that influence it in different ways and with different terminology, depending on their backgrounds, professional disciplines or personal preferences. Often they use the same words in slightly different ways (Human Resources or Organizational Development language, for example). And sometimes they use technical jargon that is specific to their field of expertise (as with Process Improvement). As a result, the words people use in organizations about performance and how to improve it don't always translate easily into one another. Consequently, they actually *think* differently about how best to manage behavior, which can create problems for communication during planning and execution.

The systemic impact is to fracture communication, undermine execution of strategies and tactics, and sometimes cause cynicism...about the behavior or pronouncements of others.

The different languages of the Tower of Babel exist not only between departments and functions, but also between different levels of organizations. We have executive language

and supervisor language, middle manager language and hourly employee language. In other words, we have people in groups, like separate islands or villages, trying to talk about what's working and what's needed to support their behavior, attempting to help the whole organization or to link up their separate parts. But communication gaps cause operational inefficiencies and confusion among employees. (Imagine an army without a shared language!) This imposes an added burden on top of the already-challenging demands of leading and managing complex organizations.

The systemic impact is to fracture communication, undermine execution of strategies and tactics, and create cynicism in sub-groups about the behavior or pronouncements of others. The effect on results can be pervasive, but largely hidden under the surface.

Wheels Misaligned, Engine out of Tune: When an automobile's engine is out of tune and its wheels are out of alignment, it drives poorly, wastes fuel, and causes pollution. Drivers and passengers feel uncomfortable and unsteady, not knowing for sure whether the vehicle might stop running at any moment. Sadly, many organizations are like out-of-tune automobiles when it comes to how they manage human behavior.

In many organizations, investments in human performance are simply out of balance, with disproportionate focus on and *over*-investment in some kinds of interventions or programs, and *under*-investment in or lack of focus on others. The result is relatively low return on investments and less than optimal performance. For example, many companies spend large sums on training and development, yet they do not prepare employees' daily work environments and management to support changes in behavior taught in the training

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programs. Is it any wonder that such training doesn't stick? Often training is the primary way that leaders and Human Resources professionals think they can change or improve behavior. But they often fail to support behavior change with new expectations about how trainees should perform, tools and resources that support new behavior, or reward and recognition systems that encourage people to apply their new skills and knowledge on the job. The engine might be running at full speed, but if the transmission fails, the car won't move forward!

When organizations lack a view of themselves as whole systems with parts that must work together, the result is often that certain parts (or sub-systems) of the organizations perform very well, while others do not. Applications of Six Sigma and other forms of process improvement in recent years provide many examples of this problem. With enthusiastic investments in and adoption of process improvement methods and philosophies, leaders hope to increase quality and customer satisfaction, eliminate inefficiencies and improve profits. However, in the absence of a whole systems view of

the organization, process improvement specialists and managers apply these methods wherever they can, often without a clear understanding of how all the processes and functions work together. The result can be improved processes within departments or at the team level, but poor integration with other processes, particularly ones that span multiple functions. Experts call this “optimizing a sub-system but sub-optimizing the whole system.” For example, if your sales process is very efficient but your production or customer service processes can’t keep up with sales, the results can be waste, frustration, and customer complaints. One of the classic ways in which process improvement can fail to yield desired business results is when it is applied deep inside the organization without an overall map or picture for how all the processes and functions across the organization fit together to produce business results. The super-system is out of tune.

Process improvement and enterprise system implementations often fail to yield expected returns on investment because they lack effective management of behavior change.

Another example of organizations being out of tune is when they make large investments in new systems, but do not plan and manage the other factors needed to support new behavior that will be required for execution. Process improvement and enterprise system implementations often fail to yield expected returns on investment because they lack effective management of behavior change. Even the best processes or systems are worthless if employees don’t use them, understand the business goals to which they contribute, and have clear expectations for their own performance. If employees lack needed resources, and there are no incentives for doing things the new way, investments in new processes or systems won’t pay off.

Do the parts of our organization work smoothly together, or not? Do we have a shared understanding of what factors are needed to change behavior and how they fit together? Is our organizational system “hitting on all cylinders” and can we steer where we want it to go? Or are we always trying to move forward with an imperfect behavior management system, resigned to it’s running like a poorly tuned automobile?

We sometimes wonder how organizations ever produce excellent results! Of course many organizations are successful, some for long periods of time. But frankly, most organizations suffer from some or all of the symptoms of disconnection, fracture, miscommunication, and separation of parts highlighted in the metaphors above. They are not as successful as they could be if everything and everyone were working together, and if people were able to communicate about behavior and its drivers in a shared language.

How Organizations Try to Solve These Problems

Most leaders are aware of some of these issues, or at least sensitive to their symptoms. If organizations are large enough to provide any training, any formal type of performance

management and review, structured and documented processes, performance pay or recognition systems – or any of a host of other human behavior programs and processes – they are large enough to exhibit these problems. And, of course, their leaders attempt to identify, design and invest in possible solutions.

Unfortunately, many of these solutions simply multiply the problems because they are seen as panaceas. A lot of the proposed solutions fall into flavor-of-the-month categories of programs or processes that are tried, and then fade away or are discarded some time later in favor of the next big thing. Some *tool solutions* have important principles or tools at their core, and can be successful as part of an overall plan, if implemented wisely. The list of examples sometimes seems virtually endless.

Many companies have adopted [Six Sigma] as though it were a cure-all, only to discover that it lacks important elements, including an explicit model for understanding and managing the behavior of people needed to execute processes.

One example of such a tool solution is Management By Objective (MBO), first popularized by Peter Drucker in his 1954 book, *The Practice of Management*. MBO implements a participative process for setting and monitoring individual and group goals, and for conducting performance reviews based on success in achieving those goals. Many programs and systems in companies these days incorporate and expand on features of MBO, but in many cases MBO is viewed and practiced more as an administrative necessity than as a key to effective performance management and employee engagement. MBO has the potential for sharpening expectations, focusing feedback, and aligning people with the results that will lead to

organizational success. But it also can become mere management overhead, as it has become in many organizations. It is a tool, which, if used well, can provide a framework for understanding and planning for performance. But it is just a tool.

Six Sigma is another strategy or methodology that has been introduced into companies worldwide, often by senior business leaders, to drive quality and customer satisfaction. In many organizations Six Sigma or other types of business process improvement have become part of the culture, aligned with core values and practiced almost religiously. While the degree of adherence to Six Sigma methods has been quite impressive in many organizations, it is still just a tool in search of appropriate applications. Many companies have adopted this methodology as though it were a cure-all, only to discover that it lacks important elements, including an explicit model for understanding and managing the *behavior of people needed to execute processes*.

Integrated Talent Management is a recent buzzword in the Human Resources arena, and it sounds very impressive. The implication of these words and the marketing messages

that accompany them, is that it should incorporate and integrate all the functions and processes known for developing and managing talent in an organization, applied with a holistic, systems view of performance. While this concept is attractive, cynics among us will claim that Integrated Talent Management is primarily a tag line for vendors who sell large, enterprise-wide software systems to manage the human resources function, and that in the absence of new ways of thinking among leaders, managers and individual contributors, it is at best a trend in the software market. While this view might be a bit too negative, like Knowledge Management and other such trends before it, the tool itself is no guarantee that organizations will overcome the problems of disconnection and miscommunication about behavior that occur day-to-day among groups and individuals at work. *What is required is a new way of understanding and approaching human behavior that can be shared organization-wide, not merely a new software system.*

Elements of a Solution

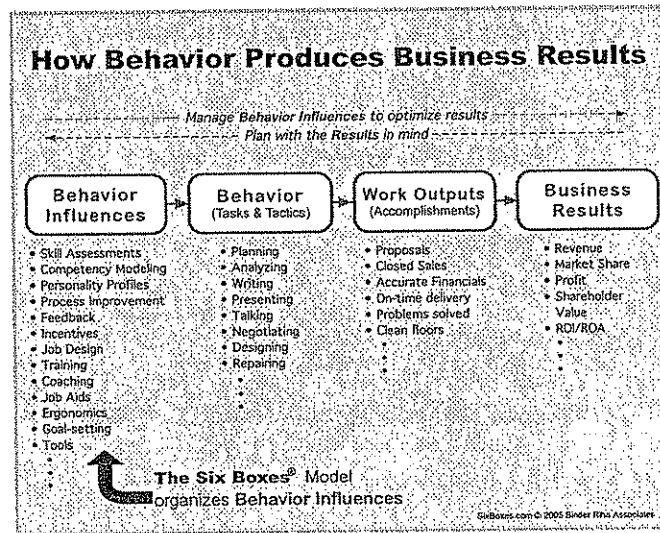
The metaphors described earlier in this document summarize a state of affairs that characterizes most, if not all, organizations of almost any size. Particularly when groups of people work together to produce multiple complex products or services, the links between their behavior and the results the organization needs to achieve to survive and thrive are often unclear, at least to the people themselves. As performance management becomes more than simply the relationships between a small number of managers and the people they manage, any whole-system thinking about how to establish and support needed behavior gets lost in an expanding range of options for investing in performance.

At the heart of this new understanding is the Performance Chain, a simple model showing the anatomy of performance and how human behavior produces business results.

What we offer is a new understanding rather than a new tool. We think that most of the tool interventions mentioned previously in this paper, from expectation-setting and feedback, to process improvement and incentive systems, to training and recruitment – plus a great many more – need to be understood in a new context, in a new way of seeing how behavior links to business results and how all the various interventions can fit together to produce optimal return on investment. The remainder of this white paper outlines what we believe are elements of a solution.

Linking Behavior to Business Results

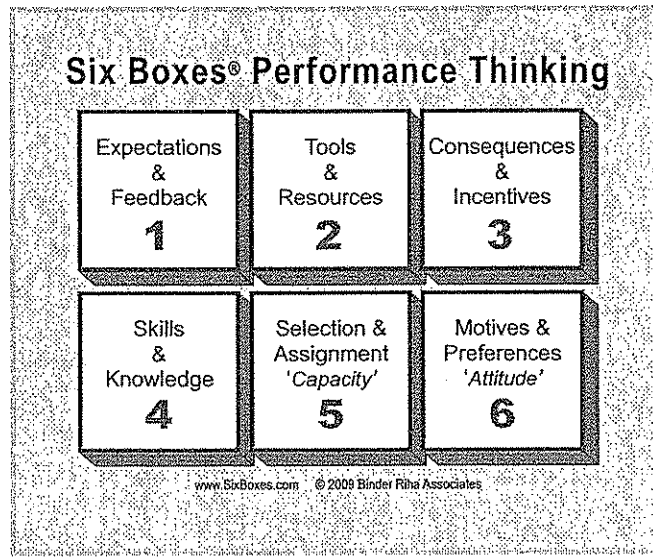
At the heart of this new understanding is *The Performance Chain*, a simple model showing the *anatomy* of performance – how human behavior produces business results. Anyone who is familiar with complex processes or systems will recognize that performance in organizations consists of many chains like this.



The value of learning about the Performance Chain is that it gives anyone – from executive to individual contributor – a way of understanding what behavior is important, and how it contributes to business results. What is valuable about behavior in an organization is that it produces work outputs, tangible or intangible products such as deliverables, decisions, relationships, or milestones in a process that contribute to business results. Whether we are breaking down strategic objectives in order to design implementation tactics, creating individual development plans for people who report to us, designing and supporting training, managing our own careers, or simply trying to decide what is needed to achieve results, this simple model provides a framework for breaking down performance into its constituent parts and planning how to optimize it. It offers everyone a shared understanding for linking and optimizing human behavior to produce business results, and we teach leaders, managers, HR professionals, performance consultants, team leaders, and even individual contributors how to use the elements of the Performance Chain to understand and improve performance.

Tuning The System to Optimize Human Behavior and ROI

The second element of a solution is The Six Boxes Model, a comprehensive set of categories for identifying and organizing behavior influences to ensure desired behavior. Once you've used the Performance Chain to understand what behavior is important, we teach you to use The Six Boxes Model to be sure it happens. Based on more than 50 years of research and application in large organizations, The Six Boxes Model forms the basis for programs we use to teach *performance thinking* to leaders, managers, individual contributors, HR professionals and others. They all learn how to understand and arrange conditions to improve and support behavior in their particular job functions.



Using the understanding about performance they gain from learning about The Performance Chain and The Six Boxes Model, executives make smarter decisions about how to invest in performance, avoiding the “parts of the elephant” mistakes that occur in so many organizations. They also learn how to use the simple language of these models to communicate with their people about performance and how to improve it.

Similarly, managers and HR professionals learn to speak the same language when it comes to behavior, a plain common-sense language that is simple and easy and natural. They soon recognize that almost everything they already know about behavior and its impact on results fit into these models. Thus, these two elements of what we call The Six Boxes® Approach lay a foundation for organization-wide performance thinking and continuous improvement. When applied in organizations, business people and HR professionals can design programs and processes capable of increasing productivity (e.g., by 60%), reducing training costs (e.g., by 30%), improving revenues (e.g., by 100%) and delivering other impressive business results through improved human performance.

Maximizing Employee Engagement

People are generally *happy* when they see how their work contributes to the organization’s success and have the means for achieving success and continuing to develop themselves. What we have learned after decades of using The Six Boxes Approach in organizations is that when we provide a line of sight for employees from their own behavior to the products of that behavior that link to business results, and when we do a good job of being sure that all factors summarized in The Six Boxes Model are working together, attitude and engagement improve and remain positive. We have also learned that when we try to improve attitude or engagement *without* doing a better job of managing the first five boxes in the model, it simply does not work for long, if at all.

So the secret to employee engagement is to clarify expectations (Box 1 in the model) by linking employee behavior to business results, and then to plan and optimize the balance between the other categories in the model to tune the system for maximum ROI.

There is a great deal more to this approach than can be described in a white paper. But if there is a single take-away message, it is that the solution to chronic fractured and disconnected efforts to manage behavior in organizations is to teach a simple but powerful way of *thinking about performance* to people in all functions and at all levels in organizations so that they can work together and communicate with one other to solve performance problems and achieve business results with the best possible ROI.

For More Information: <http://www.SixBoxes.com>

In Korea: Contact HRD Services of Korea

Additional Reference

Binder, C. (1995, 2009). *What's So New About The Six Boxes®?* A white paper available at http://www.sixboxes.com/New_SixBoxes_Web.pdf

Dr. Carl Binder began his career in 1971 as a doctoral student at Harvard University with B. F. Skinner, continuing his laboratory and applied research in instructional design and performance measurement as Associate Director of The Behavior Prosthesis Laboratory during the 1970's. He was a consultant to dozens of educational and public sector agencies during that period, introducing fluency-based instructional methods and data-based decision-making to managers, administrators, and educators in a wide range of settings. Since 1982 he has founded three consulting firms while continuing research, development and dissemination of systematic performance improvement methodologies. Widely published in education and educational policy, sales, marketing, customer service, instructional design, knowledge management, performance measurement and human performance technology, he is an acclaimed speaker and international consultant. He advises Master's and Doctoral theses at universities both within and outside the U.S., and serves as Senior Consultant at Binder Riha Associates and President of The Fluency Project, Inc., a not-for-profit organization dedicated to the diffusion of fluency-based educational and coaching methods. He is a long-time thought leader and activist in the International Society for Performance Improvement (ISPI) and the International Association for Behavior Analysis (IABA), was recently awarded the Fred S. Keller Award for Contributions to Education by the American Psychological Association and the Honorary Lifetime Member Award by ISPI. His current focus is on dissemination of *The Six Boxes Approach* and on *Measurement Counts!* – a methodology for measuring performance outcomes based on his early work with Skinner. See Binder's brief writings on evaluation and measurement at <http://www.ispi.org/services/gotResults.htm#counts> and some of his other publications at <http://www.binder-riha.com/publications.htm>. Contact Dr. Binder via email at CarlBinder@SixBoxes.com.

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