The Power of Performance Management

By **David M. Wennergren**
Managing Director
Deloitte Consulting LLP

In last year's Profiles in Excellence issue, I offered advice on leadership during the transition to a new presidential administration. Now, as we mark the first anniversary of the new administration, it's worth reflecting on the current environment and providing some tips on delivering results in the year ahead.

As we survey the Federal technology landscape, there is a rare convergence of both legislative branch action through the passage of the Modernizing Government Technology Act and executive branch action through the release of the American Technology Council Information Technology (IT) Modernization Report to the President. This shared focus on IT Modernization is a galvanizing force for action in the year ahead.

Keep A Keen Eye

The focus on IT modernization includes both the accelerated adoption of commercial solutions such as cloud, and also the recognition of the need for different cybersecurity approaches to fully realize the benefits of commercial solutions. It also requires a wider aperture, as IT modernization is so much more than just infrastructure moved to the cloud; it's looking hard at the thousands of legacy systems with a keen eye as to what to retire, what to replace and what to refresh.

> "In the face of uncertainty, will you choose to be a force for positive change?"

As any intrepid change leader knows, it's always easier to "ride the waves" of change and draft on the energy and activity resulting from leadership direction and attention. In focusing on IT modernization, an interesting dynamic is the need to effect change in the face of a lack of appropriations and the fact that non-traditional IT jobs are being filled more rapidly than traditional jobs and non-traditional centers of energy within agencies, to include digital services teams and innovation labs, are playing much more prominent roles in leading the modernization charge.

As Clayton Christensen noted in *The Innovator's Dilemma*, successful organizations find it hard to truly innovate from within, and it often takes a non-traditional element to challenge the status quo and provide space for the introduction of new ideas and solutions.

Overcoming Obstacles

This focus on non-traditional approaches and organizations provides opportunities for leadership at all levels of Federal organizations. A greater reliance on commercial solutions and the need to manage rather than avoid risks speaks to the central change management issue of letting go of personal control. Migrations to commercial cloud solutions result in tales of "server huggers" unwilling to let go of their old gear despite the promise of more modern technology provided by someone else. This reticence is first and foremost a matter of trust.

In the book, *Speed of Trust*, Stephen M. R. Covey confronts the single biggest obstacle to change in large public and private sector organizations—a lack of trust. He describes the huge price that low trust organizations pay in terms of both time and money. At the heart of the slow pace of adoption of commercial solutions and changing security models is a lack of trust, and Covey's book provides insights on how to build and retain trust in your organization and relationships.

Keep Pursuing the Prize

So, if the prize is modernized technology and improved cybersecurity, and the approach is to better leverage commercial best practices and solutions, the way ahead must replace this lack of trust with a confidence to move forward. In the classic leadership book, *Execution: The Discipline of Getting Things Done*, Larry Bossidy and Ram Charan provide insights on how to create an execution-oriented culture.

Not surprisingly, at the center of their story is the power of performance management. The things that we measure are the things that we focus our time and attention on. The effective use of the right service level agreements (SLAs) is but one example of how the power of performance data can help replace decisions based on anecdote or fear with data-driven results. And performance-based contracts coupled with meaningful SLAs can be a great way to accelerate IT modernization efforts and overcome the drag produced by the fear of letting go.

Wherever you are, you have the opportunity to lead this year. Your actions and attitudes become the pebble thrown into the pond; the resulting ripples serving as a resonating chamber across your teams and organization. Will you choose to be a force for positive change in the face of uncertainty, or will you be a resonating chamber for the angst, conventional wisdom and lack of trust exhibited by those who are reluctant to change? As Larry Bossidy notes in Execution, "Leaders get the behaviors they exhibit and tolerate.". ■

Dave Wennergren is a managing director at Deloitte Consulting LLP. He has extensive leadership experience in information technology and change management and has served in a number of senior positions, most recently in the private sector as EVP & COO at the Professional Services Council and a VP at CACI International Inc., and prior to that in government as Department of the Navy CIO, Vice Chair of the Federal CIO Council, DoD Deputy Assistant Secretary of Defense/Deputy CIO and DoD Assistant Deputy Chief Management Officer. He is also a fellow at the National Academy of Public Administration.