

Implementation variations Small to Medium Enterprises Not for Profit Organisations

by David Parmenter

Background

When I first wrote about the twelve step process I set out an indicative implementation Gantt chart, see Exhibit 5.1. Attendees from small to medium enterprises (SMEs) have often requested my advice on a simpler truncated process.

Exhibit 5.1 Twelve-step implementation 16 week timeline

	Project week	pre	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	post
1 SMT commitment																			
2 Establishing a "winning KPI" project team																			
3 Establishing a "just do it" culture and process																			
4 Setting-up a holistic KPI development strategy																			
5 Marketing KPI system to all employees																			
6 Identifying organisation-wide critical success factors																			
7 Recording of performance measures in a database																			
8 Selecting team performance measures																			
9 Selecting organisational winning KPIs																			
10 Developing the reporting frameworks at all levels																			
11 Facilitating the use of winning KPIs																			
12 Refining KPIs to maintain their relevance																			

1.1. Small to medium enterprises

For SMEs the major changes are as follows.

- The 'SMT commitment' and 'setting up a holistic KPI strategy' are merged together. The external facilitator has been able to ensure that the timing is right, there are no
- We kick start the process by having a two day CSF workshop, this helps sell the concept to those attending and delivers to management and the Board the CSFs of the organisation. Even if the project was cancelled at this stage much would have been gained.
- The KPI team will have received much benefit from attending the workshop and post their training and empowerment they commence a series of roll-out workshops. At the workshops the senior management stress the importance of active participation, the reasons for the project, and introduce the KPI team who are delivering the workshop. The workshop would need be only for one day. The workshop can be up to 80 staff, although 120 is possible.
- The 'winning KPIs' are selected by the KPI team after they have run the team workshops. It is highly likely that they will have emerged from that process.

Exhibit 5.2 A six week timeframe for organisations with less than 200 FTEs

Phase	steps	Project week	pre	1	2	3	4	5	6	post
1	1,4	Selling the change and agreeing on the appropriate timing	■	■	■		■			
2	1,6	Focus group workshop to find the organisations CSFs		■						
3	2,3	KPI project team trained and empowered	■	■	■	■	■	■		
4	5,7,8	Rolling workhops involving all the employees where they start their team scorecards			■	■	■	■		■
5	9	Selecting organisational "winning KPIs"					■	■	■	
6	10	Developing the reporting frameworks at all levels			■	■	■	■		
7	11	Facilitating the use of winning KPIs						■	■	■
8	12	Refining KPIs in 12 months to maintain their relevance								■

Note: the blocks indicate the elapsed time not actual time taken.

It is possible for a SME to further concertina the process. The CSF workshop can incorporate a team scorecard component. This modification requires much organisation upfront and a wider group attending the CSF workshop.

Exhibit 5.3 A six week timeframe for organisations with less than 200 FTEs

Phase	steps	Project week	pre	1	2	3	4	5	6	post
1	1,4	Selling the change and agreeing on the appropriate timing	■	■	■		■			
2	1,6,7,8	Workshop to find the organisations CSFs and start team scorecards		■						
3	2,3	KPI project team trained and empowered	■	■	■	■	■	■		
4	7,8	Teams complete their scorecards and record their measures			■	■	■			
5	9	Selecting organisational "winning KPIs"					■	■	■	
6	10	Developing the reporting frameworks at all levels			■	■	■	■		
7	11	Facilitating the use of winning KPIs						■	■	■
8	12	Refining KPIs in 12 months to maintain their relevance								■

This process does not need to cost a huge amount of money. The key issue is commitment of the senior management team, the freeing up of two staff to be full time on the project, and a will to finish what you start.

Writer's biography



David Parmenter is an international presenter who is known for his thought provoking and lively sessions, which have led to substantial change in many organisations. David is a leading expert in: the development of winning KPIs, replacing the annual planning process with quarterly rolling planning, quick month-end processes and converting reporting to a decision based tool.

David's work on KPIs is recognized internationally as a breakthrough in understanding how to make performance measures work. His book, 'Key Performance Indicators: Developing,

Implementing, and Using Winning KPIs' is one of the best selling performance management books on Amazon.com. John Wiley & Sons Inc have also published his second book "Pareto's 80/20 rule for Corporate accountants".

David has delivered workshops to thousands of attendees in many cities around the world including Sydney, Melbourne, Kuala Lumpur, Singapore, Johannesburg, Dublin, London, Manchester, Edinburgh and Prague.

David has worked for Ernst & Young, BP Oil Ltd, Arthur Andersen, and Price Waterhouse, and he is a fellow of the Institute of Chartered Accountants in England and Wales.

He has written over 30 articles for the accounting and management Journals including *"quarterly rolling planning - removing the barriers to success"*, *"Throw away the annual budget"*, *"Beware corporate mergers"*, *"Implementing a Balanced Scorecard in 16 weeks not 16 months"*, *"Convert your monthly reporting to a management tool"*, *"Smash through the performance barrier"*, *"Is your board reporting process out of control?"* *"Implementing winning Key Performance Indicators"*, *"Quick month end reporting"* etc.

He can be contacted at parmenter@waymark.co.nz He has recently completed a series of white papers which can be purchased from his website www.davidparmenter.com

