



BusinessMinds

# Performance Management

## What is Performance Management

Performance Management is a methodology which provides a view of a company's strategic achievements across the entire organisation. It is a process by which you can plan, budget, monitor and manage your company.

Performance Management leverages the Business Intelligence framework as a communications channel for the organisation's progress, facilitating more agile decisions in reaction to business challenges.

## Investment in Performance Management results in a more agile organisation

In the past, executives relied on their intuition to steer the organisation. This was because executives were cautious about the reliability of information provided in support of these decisions.

As BI has begun to mature, the quality and centralisation of data has created an environment which is more suited to providing an accurate and 'real time' status for Performance Management.

Performance Management, with BI as the foundation, creates a better informed organisation able to make timely decisions in order to achieve goals.

*Can you accurately gauge how well your organisation or department is performing at this moment?*

*The increased investment in BI results in a foundation for more efficient & effective Performance Management*



*How mature is Performance Management (PM) reporting in your organisation?*

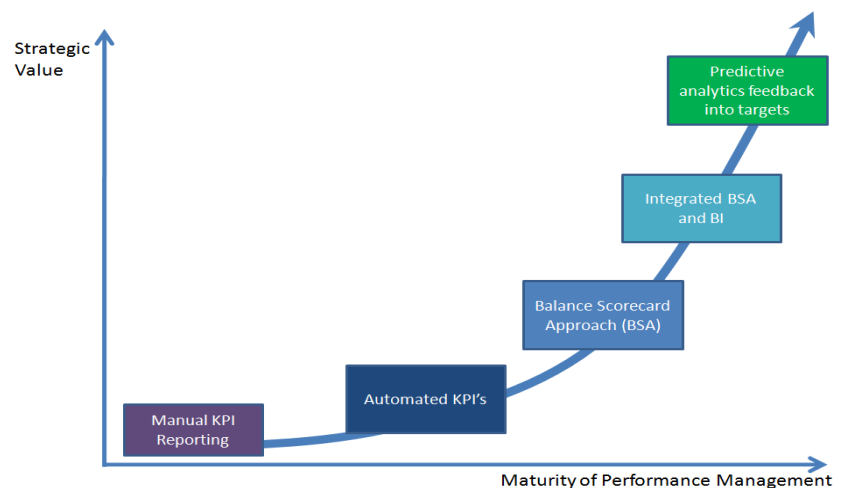
*The aim of PM is to increase the likelihood of success by monitoring, managing and improving business critical functions in a timely manner.*

## **Maturity of Performance Management dictates its strategic value**

Performance Management in its infancy provides a view of business health in a backward looking fashion across a handful of readily available targets. It may be limited to a spreadsheet maintained by a small group of people which is delivered to company executives, but falls short of communicating achievement against targets throughout the organisation.

Performance Management, as it matures, provides the ability to measure performance in 'real time', highlighting any variances against targeted estimates. As a result, Performance Management provides an early warning mechanism for both executives and front line managers.

By empowering individuals with a framework for examination of underlying causes, shortcomings can be identified quickly and strategies adjusted accordingly.



As the use of Performance Management becomes more forward looking, organisations use historical data to better understand which indicators are most relevant in revealing the health of their business.