

# **SUCCESS MANAGEMENT**

## **WHAT PERFORMANCE MANAGEMENT WAS MEANT TO BE**

by

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# **SUCCESS MANAGEMENT...**

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### **INTRODUCTION**

In this rapid fire world of global competition, economic instability and technological change, it takes something special to generate and sustain success. In this environment, ordinary performance management systems don't come close to living up to the meaning of their name. The common methods for setting goals and evaluating performance often seem artificial, out of sync, and a waste of time to managers struggling in the white water of constant change. They seldom fulfill management's all consuming need for control, efficiency and predictability. They also lack the power to evoke what's truly needed in turbulent times – a deeper, centering influence on people, their mind, their work and their spirit. As a result, there's growing sentiment that the only viable way to create and sustain a competitive advantage is by developing the organization's capacity to learn and adapt to change. If that's accurate, the question becomes: *How do we design and manage an organization that learns and quickly adapts to change?*

This article is a response to that question. It describes a dynamic, value-driven process for managing business performance called "Success Management". We believe Success Management has the power to super-charge learning and development in organizations. When fully implemented, it is capable of transforming individuals, teams and whole organizations to compete successfully with the best in the world. However, it is not a simple, quick-fix process to install. It challenges some of our deepest cultural assumptions about the role of a manager and the practice of managing people and work. It requires leadership, commitment and a deep belief that developing people to their fullest potential generates the highest probability for sustaining business success.

### **WHAT IS SUCCESS MANAGEMENT?**

At it's simplest, Success Management is a structured process for guiding managers as they conduct those key conversations so essential to developing people to achieve business and personal success. On the surface, these conversations involve the same basic three elements of most performance systems – objective setting, coaching and a year end

review. But the emphasis in Success Management is different. The structure, forms and mechanics of the process are not what's important. The central focus of Success Management is on supporting managers in taking responsibility for fully developing the capacity of the people who report to them to achieve success. But, to fully understand Success Management, it's best to begin by contrasting it to traditional performance management systems. After that, we'll clarify the key principles and explain how it works. Lastly, we'll share the challenges and lessons we've learned from a five year long project to implement Success Management at Polaroid Corporation.

In most organizations, performance management is organized around an unconscious assumption that a manager's job is to produce desired results by coordinating and controlling limited resources – people, budgets, equipment, time, etc. You can clearly see the influence of this assumption by asking any manager a simple question like, *What's your job?* Typical responses are: *“produce results”*, *“manage work”*, *“manage people”*, or *“solve problems”*. From this mindset, managing performance is almost entirely focused on producing results... by working harder, faster and smarter to get the job done on time and on budget. Whether it's a startup, a fast growing business or one struggling to reinvent itself, anything that doesn't directly support producing results is considered non-essential and is quickly stripped from budgets. For example, we all know it's common to see training and development one of the first areas to be cut when an company needs to reduce expenses. While this action is appropriate some of the time, we suggest this practice reflects a self-limiting mindset that ultimately inhibits the long-term growth, well-being and success of the business.

Success management, in contrast, is grounded in the basic assumption that the essence of a manager's job, meaning their fundamental accountability, is *to create conditions that optimize both the performance and growth of the people who report to them*. Under this approach, a manager's performance is not only measured by the results produced, but also by how successfully he or she has developed the capacity of their people to contribute to achieving the organization's goals. For some managers, the notion that their success would depend on their people succeeding is an alien and discomforting concept. For others, there is no other way to achieve the creativity necessary to sustain long-term viability. By extension, organizational effectiveness is then redefined as *the collective ability to create, learn and work together to achieve personal and business success*.

A second basic assumption guiding Success Management is that executives and managers are the primary role models for their organization. While every leadership role contains considerable freedom for self expression, we suggest that managers do not have a choice about being a role model. It comes with the territory. Through their attitude, behavior and management style, managers constantly teach others about the company's real beliefs, real values and real operating principles. However, while they do not have a choice about teaching, every manager does have a choice about what they teach each day. And, as in many aspects of life, actions always speak louder than words. Success Management is designed to consciously translate a manager's actions and words into a powerful, highly leveraged tool for achieving long-term success.

The basic concepts and practices found in Success Management are based on over 50 years of research on how attitudes and personal thinking styles influence human behavior and managerial effectiveness.<sup>1</sup> This research strongly indicates that certain attitudes, thinking styles, and behavioral traits consistently correlate with higher performance, better relationships, lower stress, faster advancement, and greater personal satisfaction. In particular, Success Management is purposely designed to elicit and encourage four managerial thinking styles, and their associated behaviors, related to high performance:

- The desire to achieve satisfying results
- The desire to learn, grow and achieve full potential
- The desire to support the growth and development of others
- The desire to have high quality relationships

There are three principles that serve as the central focus of Success Management. Together, they guide managers who have to navigate between the daily pressure for results and the responsibility for expanding the organization's longer term capacity to succeed. These principles promote a more collaborative, achievement-oriented management style that balances learning with producing results. Once internalized, they also serve as a reminder to leaders about the central responsibility of their role and to be constantly mindful of the behaviors they are modeling for others.

### **The Three Principles of Success Management**

1. **Accountability** – Success Management is based on a mindset of personal accountability. This mindset has nothing to do with judgment, fault, blame or credit. It involves consciously choosing to view all events and situations that occur, in some measure, as direct or indirect outcomes of our personal attitude, thoughts or actions. It invites people to choose an “at cause” perspective where there is always something “I” can do to make a difference.
  2. **Co-creation** – Success Management is based on the premise that a manager and their direct reports are most effective if they jointly take responsibility for working together harmoniously to create success. The objective is mutual ownership, not only of achieving desired results, but the process of learning to be successful as well.
  3. **Development** – Success Management is focused on developing people's capacity to be successful at work. It is not about controlling, pressuring, or "motivating" people to improve their performance. It's about creating an environment in which people receive “clear” feedback and are actively encouraged to strengthen their ability to contribute to the organization's success by achieving personal development objectives.
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Looking deeper, Success Management is also based on a unique and powerful interpretation of the role of conversations in the process of working together to produce results. This interpretation is based on the point of view that a manager’s effectiveness depends largely on their ability to carry on high quality conversations with bosses, peers and direct reports. A truly effective manager is at least competent, if not masterful, at building strong relationships based on openness, trust and the ability to generate productive and mutually satisfying conversations with co-workers. By understanding the natural purpose and design underlying all conversations, a manager can quickly improve the power of his or her interactions. The outcome is far more successful, satisfying results and an expansion in the manager’s ability to work effectively with others. This perspective is represented in the premises stated in Insert 2.

### **Conversations for Coordinated Action**

- ◆ As human beings, work and relationships occur to us largely as a series of conversations; not merely as people, events and circumstances.
  - ◆ The underlying intention and purpose driving all conversations is to coordinate action and fulfill our perceived needs.
  - ◆ Conversations occur in a distinct pattern involving three stages: *Framing, Exploring Possibilities* and *Seeking Action Commitments*.
  - ◆ Breakdowns are a natural occurrence in the process of life. A breakdown is an interruption in the expected flow of events and a barrier to fulfilling a need or commitment.
  - ◆ Mastery in work and relationships is not about living without breakdowns. It is about showing up effectively in the presence of breakdowns.
  - ◆ To be successful, a manager needs to be able to effectively manage all kinds of conversations, especially those involving breakdowns.
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Thus, Success Management is comprised of three distinct, purposeful conversations that take place over the course of a fiscal year. While the form guiding these conversations contains some innovations, the process is focused on enhancing the quality of interaction between a manager and people who report to them. The real power of the process emerges as a manager learns to connect the conversations together into a continuous flow aimed at developing people and their capacity to be successful in achieving results that are congruent with the needs and priorities of the company. The three conversations are:

- 1) **MUTUAL COMMITMENT** — This initial series of interactions normally starts toward the end of a fiscal year. While it is basically a process of planning for the next year, the intent is to go beyond traditional objective setting. The desired outcome is a set of shared commitments between the manager and their direct report on key objectives that are in alignment with the company's overall direction. In addition, the conversation is intended to produce agreement regarding the resources and support needed to accomplish the objectives. The process begins with the company's leadership establishing the company's strategic objectives. It then cascades down through business units and operational teams to each manager. Their task is to establish personal objectives with each individual that reports to them. These conversations focus on: a) clarifying job responsibilities; and b) aligning on key

objectives that meet “SMART” criteria\* in each of three categories :  
*Operational, Team Development and Personal Development.*

It’s important to note that the timing for establishing annual objectives overlaps with the Year End Performance Review. The first round of objective setting occurs toward the end of a year as budgets are being established for the next year. These preliminary objectives are often modified after the individual’s annual performance review is completed and the company’s priorities have firmed up for the next year. The end result is a written set of mutually agreed upon objectives linked to the company’s strategic goals and to the individual’s developmental needs.

\* NOTE: The “SMART” criteria for objectives are: *Specific, Measurable, Achievable, Results Oriented, and Time Bound.*

- 2) **INTERIM COACHING** — Coaching is intended to be the manager’s primary tool for working with their direct reports. The supportive coaching style promoted in Success Management is intended to strengthen relationships, optimize learning and support people in fulfilling their commitments. At the skill level, this involves listening, asking clarifying questions, providing feedback, reinforcing progress, helping solve problems, and building pathways for self-improvement. Going beyond the basic skills, it involves opening possibilities for creative thinking and the discovery of new and different approaches to solving problems or achieving objectives. To be effective at Success Management, a manager needs the ability to be authentic in interpersonal relationships and the skills of a good coach. The frequency of the coaching is left up to the manager. It’s common for circumstances and corporate priorities to change during the year requiring modifications to personal objectives. The coaching conversations are intended to be a vehicle for making these changes. Normally, the coaching evolves into a formal conversation at least once or twice a year, and more often at an informal level month to month.

- 3) **YEAR END REVIEW** — Rather than a traditional “report card” evaluation by a manager, the Year End Review starts with the direct report obtaining feedback from co-workers and customers (internal and external, if appropriate). After summarizing the feedback, the direct report and their manager meet to discuss the feedback and compare their independent assessments of the direct report’s performance for the prior time period. Their task is to reach alignment on the direct report’s level of success in fulfilling their role and meeting their commitments. The Year End Review addresses performance against both operational and personal development objectives. In addition, it involves a review of the person’s behavior against the company’s stated operating principles (behavioral norms). When completed, the conversation is documented by the direct report. Besides acknowledging the person’s performance, the process serves as a basis for jointly identifying personal strengths, areas needing improvement, and determining a personal development action plan. For the manager, the process also serves as a basis for balancing contribution with pay, promotions and other rewards.

When fully implemented, managers and the people that report to them systematically meet to conduct the appropriate conversations in sync with the company’s strategic planning process. They can also adapt the conversations to situations where short-term priorities change. As the process unfolds over the course of a year, the following outcomes are generated:

- ◆ **PERSONAL ACCOUNTABILITY** – Success Management is about the manager and the direct report being accountable – individually and jointly – for fulfilling their commitments to achieve operational and developmental objectives. Accountability is the central principle that drives the process. It is a mindset defined as: *A way of being, relating and working with others that starts with the willingness to acknowledge that you are part, agent, source or cause of your experience of everything around you.* It infers each individual is accountable, in some part, for the success of the whole, and therefore capable of influencing the company’s performance.
  
- ◆ **CLARITY, FOCUS & ALIGNMENT** — Success Management clarifies roles and job responsibilities, objectives, and performance expectations for individuals, groups and business units. It makes clear how people need to support one another, and how they contribute to the company’s goals.

- ◆ **COORDINATED ACTION** — Success Management helps managers coordinate people, priorities and resources to more effectively implement action plans to achieve personal development and operational objectives. The process also encourages teams to share objectives, information, challenges, and needs in order to coordinate action, learn from each other, and surface issues that block success.
  
- ◆ **STRONGER BUSINESS PERFORMANCE**— Success Management directly supports individuals, teams and business units in focusing their talent, energy and creativity on produce results consistent with the company’s objectives.
  
- ◆ **ACCELERATED LEARNING & DEVELOPMENT** — Success Management helps identify and address the developmental needs of individuals by encouraging open dialogue and continuous improvement. This has a natural, positive carry-over effect on the development needs of teams and business units.
  
- ◆ **REINFORCEMENT OF THE CULTURE** — Success Management supports the company’s culture by reinforcing the attitudes, behaviors and practices consistent with the organization's vision, values and operating principles.
  
- ◆ **HIGHER SATISFACTION & MORALE** – Success Management strengthens relationships, addresses career path, lowers turnover and directly supports the individual being successful in their job.

## **THE POLAROID PROJECT**

Until the early 1980’s, Polaroid Corporation had produced a remarkable stream of innovative, high quality imaging products that led to market dominance. Around this time, four factors occurred that forever changed the company. First, after decades of a virtual monopoly on the instant photography market, Polaroid began to experience a significant surge in competition. Second, the market for imaging products began to change as the power of digital imaging technology started to replace silver-based photography. Third, the company’s visionary founder, Dr. Edwin Land, was forced to retire. And fourth, the company was confronted with its first hostile takeover attempt.

Given its background, one might assume the company could have overcome these challenges and maintained its stride. However, without the inspiring presence and dominating style of its founder, Polaroid's management struggled for nearly a decade to rebuild a sense of unity, direction and agreement on how to manage the business. The company's old ways of managing people and work had generated cultural patterns, systems and processes that lacked the agility needed to effectively respond to intense competition and rapid changes in technology. For example, under Land's leadership, performance management systems weren't considered necessary or important. As a member of the executive team put it, *"We were like a family. We never had performance reviews. We worked hard, and Dr. Land gave each of us a bonus at the end of the year. That was your review."*

Finally in 1990, Polaroid's CEO, Mac Booth, initiated a company-wide cultural change project to transform the company's ability to compete successfully in global markets by the year 2000. Based on an extensive cultural assessment, the initial phase was aimed at elevating the quality of leadership and personal accountability throughout the company. This involved intensive personal growth training for the top 200 executives, a strategic visioning process, a reorganization of the business, and other initiatives to support continuous learning and development. One of the key change initiatives was a decision to build a value-driven, company wide performance management system linked to the company's strategic planning process. It was to focus on developing people and to bring Polaroid's management practices into a more modern configuration. After much discussion, Polaroid's executive team decided on the following criteria for the process:

- Produce clarity on roles, responsibilities and job objectives
- Align individual objectives and corporate strategy
- Hold managers accountable for achieving results and developing people
- Tailor incentives to individual and team goals
- Create an environment that embraces change and continuous learning

The project to build the performance management system began in late 1992 with the formation of a task team consisting of sponsoring executives, line managers, H.R. staff and an external consultant. Given Polaroid's entrenched culture, we recognized that our major challenge was to educate and persuade managers throughout the company to open their minds to a new way of managing people and work. After getting organized, our first task was to evaluate the current state of performance management practices within the company. The internal research consisted of an interview survey with Polaroid's top

executives and a series of focus groups to get a broad sampling of views from managers. We interviewed 72 executives and conducted over 15 focus group sessions across the company. The results of the survey were disturbing, but not entirely unexpected:

- ∞ There was no common definition of performance management. There was also no agreed upon system. Most people loosely associated certain activities with the term, such as goal setting, feedback and evaluation.
- ∞ 51% of executives had no clear, written objectives. Most indicated they worked in a general state of ambiguity, uncertainty and confusion regarding what was expected of them.
- ∞ 38% said they received no performance feedback. Only 22% felt rewards correlated with performance. Less than 10% viewed it as a tool for coaching, learning, or career planning.
- ∞ Only 6% said that personal development was ever part of their conversations with their manager. Many believed performance management systems exist only to justify pay and promotion decisions.
- ∞ Most managers disliked the current state. Their feelings ranged from confusion and uncertainty to anger and cynicism.
- ∞ What most wanted was a process that was easy to use, linked personal objectives to corporate priorities, focused on individual development, connected pay to performance, and held people accountable for behavior as well as results without using a “report card” system.

Our second task was to educate senior management on the best practices found in other companies. For data, we reviewed current literature on performance management systems, and surveyed the best practices in ten large and successful companies.<sup>2</sup> We talked to both H.R. staff and line managers who used the process to get both perspectives. Most of the systems surveyed were similar in form utilizing a basic 3-phase approach – define objectives, develop skills, and evaluate performance. Some systems clearly worked better than others. Most interviewees acknowledged their system was a “work in progress” and continued to be improved by a task force or steering committee. By the end of our research, we had compiled a list of “Do’s and Don’ts:”

## **THE “DO’S & DON’TS” OF PERFORMANCE MANAGEMENT SYSTEMS**

### **DO’S**

1. Do... Have high level leadership commitment and support
2. Do... Listen to user’s needs; KEEP IT SIMPLE and allow for localization
3. Do... Focus on the quality of the interactions; not mere compliance
4. Do... Link individual objectives to corporate strategy and goals
5. Do... Include the impact of attitude and behavior on performance
6. Do... Link compensation to performance
7. Do... Have line management representation on the design team
8. Do... Keep at it; monitor results and seek continuous improvement

### **DON’Ts**

1. Don’t... Have consultants or H.R. people design the system in a vacuum
  2. Don’t... Be so loose in design that it lacks structure and discipline
  3. Don’t... Overwhelm people with training, manuals, forms and procedures
  4. Don’t... Let it become a performance “rating” scorecard game
  5. Don’t... Forget to acknowledge process “champions” and reward success
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After completing the research, our next step was to develop an initial design for the new performance management process. Our intent was to incorporate the best of what we had learned during our external benchmarking; to design an easy-to-use, lightly structured process as a guide for an on-going series of high quality, 2-way conversations between managers and the people who report to them; and to turn around the disturbing results our internal research had uncovered. Starting with our list of Do’s and Don’t’s, the project team worked for several months to create a process that we felt would accomplish our objectives. Our initial name for it became, *The Polaroid Performance Planning Process*.

By mid-1993, we were ready to pilot test our first design. We invited several work teams to do the testing so we could gather feedback, make modifications, and implement the final version in time to support the annual budgeting cycle for the following year. The first few tests were encouraging and provided some good insights on how to improve the mechanics of the process. It was in the final pilot test, however, that a breakthrough occurred that altered our perspective on the true power and potential of the process. This test involved a team of talented, but independent thinking scientists. We had asked them to test the “COMMIT” conversation (objective setting). They decided to have the conversation together as one group – first addressing the group’s overall goals and then each member’s objectives. Initially, the team struggled and was unable to even agree on basic priorities. Finally, one member spoke up and said he had just realized that they were not just talking about team priorities, but were actually talking about how each member, and the team as a whole, could be successful. You could almost see the light bulbs turning on as the team became energized by this different way of thinking. The session accelerated and, later, the manager reported it turned into the most successful goal setting process they had ever done. Needless to say, he was more than satisfied with the results.

Based on the results of our pilot tests, our project team could clearly see that, to have real impact, the process had to focus on what was truly important to people – achieving success as individuals and as teams. We came to define success as *“Delivering value by fulfilling commitments to shareholders and customers in line with Polaroid’s shared vision, values, and purpose as an exemplary imaging company.”* It also became clear that the true purpose of the three conversations was not to control performance, but to strengthen the ability of Polaroid’s people to work together to achieve personal and business success. As a result, the project team changed the name of the process to *SUCCESS MANAGEMENT*.

The process was rolled out in late 1993 in two separate training sessions to all 200 executives. Since that time, many more managers have attended the training sessions. However, during these last few years, Polaroid has been in a very difficult transition state. A new CEO, Gary DiCamillo, was recruited in 1995 and, in short order, changed much of the management team and has gradually reorganized the business to more effectively address emerging market opportunities. Amongst all the recent changes, it’s noteworthy that he has chosen to continue using Success Management as his primary tool for managing the company’s performance.

So, the question is, does Success Management make a difference? The latest annual process audit (1997) suggests that a major turn around has occurred in the company's practice of managing work and developing people. While the quality of the conversations remains difficult to measure, it's clear the occurrence of the appropriate conversations has jumped significantly from the findings in our original survey. Here are some 1997 highlights:

- ◆ 88% had documented objectives using the "SMART" criteria
- ◆ 90% indicated their manager shared their objectives with them
- ◆ 83% had at least one clear, specific development goal
- ◆ 90% said they participated in a formal Year-End Performance Review
- ◆ 77% indicated the feedback they received from others was helpful
- ◆ 79% said the Year-End Review helped to understand their accountability

A related question is what kind of return should the company expect on its investment? Building and implementing Success Management has involved a significant investment of staff time, training, consulting fees, and other resources. What's important is evaluating the effectiveness of the process. How do you measure the effectiveness of a process like Success Management? It's not an easy question to answer, but we've found it helps to routinely address the issue. The annual audit reports keep senior management involved and focus their attention on three important questions:

1. Is the process happening? Are managers conducting the conversations and activities as intended?
2. Is the process producing the desired results? Is it having the intended influence on learning and individual and organizational effectiveness?
3. What's needed to support or improve the process?

## **LESSONS LEARNED FROM THE POLAROID PROJECT**

There are many lessons to be gleaned from Polaroid's efforts to change its culture and performance management practices. What follows are the one's that stand out to us now. Also included are comments from recent interviews with senior managers describing their view of the impact and benefits of the process:

**LESSON #1 – Perhaps the most important lesson learned is that leadership mindset is: a) by far the most influential factor in transforming organizational effectiveness; and b) unquestionably the most difficult factor to change.**

Success Management challenges managers to redefine their concept of what it means to manage people and be accountable for performance. It represents a shift from traditional ways of being, relating and working with people. At Polaroid, the real challenge was getting managers to mentally embrace the idea of being accountable for developing people against a constantly evolving standard of excellence. When this shift happens, a manager's personal success becomes inextricably linked to the success of their people and it becomes inconceivable to separate delivering on operational objectives from developing the human resources under their leadership:

- ~ *“It was a change in mindset – both my own and the people above me.”*
- ~ *“It changed the entire focus of our team from how to deal with problems to how to be successful... what a difference!”*
- ~ *“The emphasis on 2-way conversations and supporting the individual to be successful makes the process very different. It becomes a real co-creation.”*

**LESSON #2 – To have an enduring impact on performance, the process must focus on what's truly important to people – achieving real connection and balance between personal and business success.**

Success Management is to be, at its core, a very supportive, collaborative process. It is explicitly designed to help people learn and expand their capacity to be successful. The impact of the process is often astounding and very personal. It's not unusual for a jaded manager to share their surprise, even elation, at discovering the enormous difference the process makes in individual and team performance:

- ~ *“What I like about it is the 2-way conversations... it's no longer, ‘Here's your goals’; now it's a very co-creative process of generating shared goals.”*
- ~ *“There's a certain kind of security when people know what's expected of them. It's easier to deal with all the turbulence in the organization.”*
- ~ *“Incredible creativity emerged from our conversations... it stimulates new possibilities and often a totally new and different approach.”*
- ~ *“We feel better, sharper, more focused as an organization.”*

**LESSON #3 – Managing performance takes skill. Managing success is more of an art. Both can be learned. To achieve mastery takes intention, training, continuous support and practice.**

It's important to acknowledge the influence of the intensive leadership development program that preceded implementing Success Management. The impact was a foundation of common language, understanding and buy-in on key concepts, like *Personal Accountability*, essential to Success Management. However, even with that groundwork, we believe the two days of Success Management training in the concepts, structure and practices, although well done, were not sufficient. We feel we should have done more to monitor implementation and more actively support managers as they learned the process. It's clear that people learn at different rates and need more opportunities in a safe, non-threatening environment to share best practices, explore how to deal with challenging situations, and strengthen their coaching skills.

- ~ *“It's challenging, but now we have alignment on objectives from the top down. Before Success Management, it was anything goes.”*
- ~ *“The Success Management training gave us a common language... everyone knows what ‘At Cause’ and ‘Self Development Goals’ mean.”*
- ~ *“The conversation to explore possibilities is very helpful.. it separates the doingness from the creative part of exploring various approaches to achieve a result.”*
- ~ *“It's a process of discovering a magical combination of things that enable an individual to become successful.”*

**LESSON #4 – Leadership role models who demonstrate the mindset, principles and practices of Success Management make a critical difference.**

Role models are critical to enrolling a critical mass of people in a different process like Success Management. A powerful example came from one of Polaroid's new senior sales and marketing executives. When he started two years ago, his group consisted of people with a wide range of experience, skills and track records. His first year focused on identifying who were the “performers” vs. who needed to improve. After the first year, there was a 50% turnover in his group. Now, that might sound like someone dispassionately clearing house, however, this executive's personal success metric is *“...the degree to which my people learn, develop and perform at a higher level.”* The 50% turnover actually represented a mutual decision between him and the individuals to shift

them out of jobs where they were under-performing and into a role where they could succeed. Today, every one of those people is performing successfully at a higher level, but in a different role. That's Success Management in action.

- ~ *"I believe success is determined by having each member of your team be successful first. If each of us is at maximum effectiveness, we will achieve wild success as a business."*
- ~ *"I've learned you can't just do it with individuals...it's really useful in matrix situations to get members of a team to help each other meet objectives."*
- ~ *"When we do it right, the process absolutely works... everybody knows how their role and objectives support our business goals."*

## **LESSON #5 – Implementing Success Management is a complex and very challenging cultural intervention.**

We found it hard, especially in the beginning, to fully appreciate the complexity of implementing a different way of managing people across a large organization. In theory, we knew we were up against deeply imbedded cultural beliefs and work patterns. But, it's clear now that the task of educating and enrolling leadership to buy into the principles and practices of Success Management is more important than training managers in the mechanics of the process. In conjunction with this, it's important to have a designated "process owner" at the start – a respected senior executive whose job is to serve as sponsor and champion for Success Management. That person represents leadership's commitment and needs to be fully accountable for the spirit, integrity and on-going development of the process.

- ~ *"Our primary challenge is just doing it as a regular piece of our work and not letting it become just another task."*
- ~ *"There needs to be a metric that rewards people for doing it right, and a price if they don't do it at all... right now, there are no consequences."*
- ~ *"It's difficult to keep the process integrated with normal management activities, especially when priorities change. It needs disciplined reinforcement from the top."*

## **CONCLUSION**

In our view, an organization's capacity to learn and adapt to changing conditions is essential to building and sustaining a competitive edge. The reality we live in today strongly suggests that some of our traditional, cherished ways of managing people are like the "Y2K" software problem – it's old code with a serious flaw that just won't get the

job done in the new millennium. Our challenge is learning to consciously create new code – new management practices and corporate cultures that redirect wasted human energy that generates learning, creativity and a balance of personal and business success.

Ultimately, what Success Management represents is a powerful and challenging invitation to reshape our fundamental assumptions about what it means to be a manager and how they think, relate and work with people. It triggers changes in attitude and behavior that focus real energy on developing people to be successful. It is not merely another mechanism for controlling people and action. As a corporate process, is not only different, but it evokes a deeper kind of learning that is at the heart of personal transformation and cultural change... and it's hard work.

One thing is very clear... the executives and managers at Polaroid who have genuinely invested themselves in learning to implement the spirit of Success Management deeply value the process and see tangible benefits. They report it helps clarify roles, aligns people's actions with corporate objectives, inspires creativity and personal growth, and generates accountability for results. We applaud their leadership and their courage to adopt a different way of managing people and performance. They've helped all of us learn more about what it's going to take to be successful in the new millennium.

Footnotes:

1. Some of the leadership research dealt with theories of personality development, such as the work of Freedman, Leary, and Rogers in the early 1950's and '60's. Other studies explored human needs and motivations, as represented by the writings of Maslow and McClelland. Research in the 1970's by Stogdill, Lafferty and Wiggins examined leadership and management behavior. Work by Cooke, Warren and Gratzinger in the 1980's led to the development of reliable, expert-based software instruments used for 360° feedback assessments for managers.
2. The ten companies that participated in our external research of best practices were: Amoco Oil, Bain & Company, Boeing, Gillette, Hewlett Packard, IBM, Pepsi, Quaker Oats, Union Carbide, and Xerox.

### **BIO for A. McDowell (Mac) Carter, III**

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Mac Carter is the founder of Turning Points Incorporated, a San Francisco Bay area organization development consulting firm dedicated to partnering with leaders to create successful, value-driven teams and organizations. Mac's background covers 25 years of operational management and O.D. consulting. He is a skilled consultant, trainer and executive coach with extensive experience in large scale cultural change projects. Mac specializes in leadership development, executive team building and developing "Success Management" systems. He served as lead consultant, architect and trainer to Polaroid's Success Management Project Team. His education includes a B.A. in Business Administration from Gettysburg College and a M.S. in Business Management with emphasis on organization development from George Washington University. Mac can be reached at: Turning Points Incorporated, Bellingham, WA; Work: (360) 647-5537.

### **BIO for Joseph G. Parham, Jr.**

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Joe Parham is the Senior Vice President of World Wide Human Resources at Polaroid Corporation headquartered in Cambridge, MA. Joe joined Polaroid in 1973 and has served in a number of consumer services, logistics, distribution and manufacturing division assignments. In 1994, he was appointed Vice President of Human Resources and promoted to Sr. Vice President in 1998. Joe was an active member of the Success Management Project Team representing line management's perspective. He continues to be the senior executive responsible for the Success Management process. Joe holds a bachelor of science degree in management (1972) and a master of business administration in economics (1975) from Babson College. Joe can be reached at: Polaroid Corporation, 784 Memorial Drive, Cambridge, MA 02139-4687; Work: (781) 386-4000.