

FA 355 Using Performance Metrics to Analyze and Enhance Business Results - Fall, 2006

Location

O'Hare Campus

Day/Time

Wednesday, 6:30 to 9:30 P.M.

Instructor

Thomas G. Bottum

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Mr. Bottum has a Master of Arts Degree in Applied Professional Studies, with a focus in Performance Metrics and Statistical Analysis, from DePaul University. He worked in the insurance industry for over 33 years in a supervisory and senior management capacity and is a member of the Professional Liability Underwriting Society. Mr. Bottum is also a co-editor of *Architects and Engineers: Claims Against Design Professionals*, published by John Wiley & Sons in 1987.

Course Description

Business performance cannot be viewed in a vacuum. It must be viewed in terms of past performance, current results, and where performance levels need to be in order to achieve desired outcomes. This course will explore the use of performance metrics as a strategic tool to enhance business results. Without an accurate, quantitative assessment of what is being done from an action to outcome perspective, it is difficult to set a course for positive change. Establishing a set of integrated performance metrics involves numerous business processes. In this context, the course will also examine mission statements, business plans, databases, the identification of key tasks, and the establishment of good employee relations through leadership initiatives. The importance that each of these elements has in the business process, as well as how they need to be integrated to produce optimum business results, will be discussed.

Texts

McKee, J. & Prusak, L. (1993). *Managing information strategically*. New York: John Wiley & Sons. [McKee and Prusak, founding members of Ernst & Young's Center for Information Technology and Strategy, discuss the management and use of information to improve the efficiency and effectiveness of business processes. They emphasize the need for an integrated set of performance metrics and advocate the creation of a measurement infrastructure that gathers, sorts, and analyzes relevant metrics. The authors also emphasize the need to measure the effectiveness of business processes to establish meaningful links between business strategy and execution.]

Zwell, M. (2000). *Creating a culture of competence*. New York: John Wiley & Sons. [Zwell discusses high-performance corporate cultures and how organizations might achieve peak operational performance. The book examines culture, competency-based practices, and leadership as key factors in determining business success.]

The Learning Experience

This course is intended to be participatory. Class time will be used to discuss assigned readings and other resource material, not only from a theoretical perspective but from a practical one as well. As such, students will be encouraged to share their own business-related experiences. Upon completion of the course, students should have an understanding of performance metrics and how to formulate action to outcome performance measures, as well as how to integrate business processes to produce enhanced business results.

Course Deliverables

In addition to required readings and class participation, students will submit a seven to ten page paper analyzing their own work environment from the standpoint of identifying goals, objectives, and key tasks, as well as discussing ways to measure their effectiveness. The analysis will be based on assigned readings, class discussions, and other research sources. For those students who might not have the business

background and experience to prepare such a paper, an alternative option is to prepare a paper of similar length, identifying and discussing a particular performance model, such as the “balanced scorecard,” Six Sigma, or a more basic action to outcome model. The paper must include at least three different reference sources and will be due at the 11th class session. The class texts may be used as two of the three reference sources.

Each student will also be required to give a 12 to 15 minute oral presentation on a selected aspect of performance metrics, using a reference other than the class texts.

Competencies

This course fulfills the following competencies:

H-2-C: Can identify an organizational problem and design a plan for change based on an understanding of change theories or models. (This course explores corporate performance and ways to bring about positive change through the use of performance models).

H-2-D: Can use two or more organizational theories in the analysis of one’s experiences in an organization. (This course encourages students to draw upon their own business and organizational experiences in analyzing business processes and operational performance).

F-X: Can describe the practice and skill of measuring and enhancing performance in the work place. (This course covers the use of integrated performance metrics as a means to create a results-oriented business culture).

Consideration will be given to any competency a student may wish to formulate and submit relative to organizational change, performance effectiveness, and/or quantitative reasoning and assessment. If a student submits such a competence, it must be discussed with the instructor, as well as the student’s faculty mentor, for approval prior to the start of the course.

Suggested Reference Sources

Performance Metrics/Knowledge Creation:

Bascal, R. (1999). *Performance management*. New York: McGraw-Hill.

Britz, G., Emerling, D., Hare, L., Hoert, R., Janis, S., & Shade, J. (2000). *Improving performance through statistical thinking*. Milwaukee: ASQ Quality Press.

Brown, M. (1996). *Keeping score*. New York: Quality Resources.

Eckes, G. (2001). *Making Six Sigma last: Managing the balance between cultural and technical change*. New York: John Wiley & Sons.

Epstein, M., & Birchard, B. (1999). *Counting what counts: Turning corporate accountability to competitive advantage*. Reading, MA: Perseus Books.

Harvard Business Review (1998). *Harvard business review on measuring Corporate performance*. Boston: Harvard Business School Press.

Hodgetts, R. (1998). *Measures of quality & high performance*. New York: American Management Association.

Kaplan, R., & Norton, D. (2006). *Alignment: Using the balanced scorecard to create corporate synergies*. Boston: Harvard University Press.

Corporate Vision, Missions, Objectives, Leadership, and Workforce Motivation:

Covey, S. (1991). *Principle-centered leadership*. New York: Fireside.

Daft, R. (2002). *The leadership experience* (2nd ed.). Forth Worth: Harcourt College Publishers.

Fournies, F. (2000). *Coaching for improved work performance*. New York: McGraw-Hill.

Kotter, J. (1996). *Leading change*. Boston: Harvard Business School Press.

Steiner, G. (1997). *Strategic planning: What every manager must know*. New York: Free Press.

Academic Integrity Policy

It is expected that each student will adhere to the DePaul University Academic Integrity Policy – Code of Student Responsibility.

Class Policies

Attendance, as well as punctuality, is expected and the responsibility of the student. Considering that the class meets once a week for a three hour session, attendance is critical. Therefore, students who miss more than two classes during the quarter will not pass the course.

If it is necessary to miss a class, students must notify the instructor in advance, or as soon as possible after any unplanned absence. Any missed assignments must be made-up within a period of one week in a manner agreed upon by the student and instructor.

Written assignments must be completed and submitted to the instructor on time, unless an extension is granted by the instructor in advance of the due date. An extension will be granted only in the event of extraordinary circumstances.

Assessment and Grading

At the conclusion of the course, students will be given a letter grade. If students wish to take the course on a Pass/Fail basis, the instructor must be informed in writing before the beginning of the third class. Once the Pass/Fail option is selected, it cannot be changed.

Grading will be determined on the following criteria:

- Class participation (20%)
- Quality of written assignments (30%)
- Completion of assigned readings (20%)
- Quality of presentations (30%)

Written work must demonstrate the student's understanding of the course material. It should reflect the student's ability to integrate information gleaned from class discussions, assigned readings, and other resource material. In addition, and depending upon the depth of their background, students should include their own thoughts and insights derived from their own business and organizational experiences. Written assignments must be typed, double-spaced and contain a one inch margin. **All in-text citations and bibliographic references must be properly cited.**

Incompletes are rare and contingent upon the existence of special or unusual circumstances. In the event any student wishes to take an Incomplete for the course, it must be discussed with the instructor in advance of the last class date. The student and the instructor must agree upon how the student is going to complete the course work and in what time frame. If the student fails to complete the work in the agreed upon time frame, the student will not pass the course.

Class Schedule

- Session 1: Course Introduction and Overview
- Session 2: Corporate Missions
- Vision
 - Philosophy/Ideology
 - Direction
 - Purpose
- Session 3: Business Plans
- Goals/Objectives
 - Performance Initiatives
- Session 4: Establishment of Performance Criteria
- Competencies
 - Performance Models
 - Measurements
- Session 5: Accountability
- Governance
 - Quantitative Assessment
 - Management Systems
 - Reporting
- Session 6: Statistical Thinking
- Learning and Action
 - Data Analysis
- Session 7: Knowledge Creation
- Mixing of Uncodified and Codified Knowledge
 - The Creative Aspect of Knowledge – Qualitative Assessment
- Session 8: Databases
- Slicing and Dicing Data
 - Quality of Information
- Session 9: Tasks
- Operational Processes
 - Best Practices
- Session 10: Workforce Motivation
- Implementation of Human Resources
 - Empowerment
 - Ownership in Results
 - Leadership
- Session 11: Ethical Issues and Course Wrap-up
- Business Integrity
 - Course Review

Note: In order to respond to student interests, this syllabus could be subject to modifications and changes.