

Purpose

The performance pyramid is a framework for ensuring that your needs assessment addresses each component's underlying performance.

Needs Assessment Applications

The performance pyramid (see figure 3B.7 in Process Overview) by John Wedman (2010) is a valuable tool that can be applied throughout a needs assessment to ensure that all aspects of the performance system are considered. Use the performance pyramid to provide structure when you are identifying needs, analyzing needs, and deciding what to do to improve performance.

During your analysis, for example, use the pyramid to determine how each element of the pyramid framework relates to the identified need. Some elements (such as rewards, recognitions, and incentives) may be hindering current performance, whereas others (such as knowledge and skills) may be concurrently supporting the achievement of desired results.

Likewise, use the performance pyramid again when deciding how to create a complete system for improving performance. For example, recommendations coming out of your assessment may include improvement activities related to three elements of the pyramid framework: (a) tools, environment, and processes; (b) rewards, recognition, and incentives; and (c) knowledge and skills. At the same time, you might recommend monitoring the other elements for possible suboptimization (that is, when improvements from your activities have unintended, negative consequences in relation to other elements of the performance system). (For helpful sample templates of improvement activities to use as job aids, see pages 242–244.)

Finally, the pyramid framework can be an effective tool for communicating the results of your assessment with partners and stakeholders. The framework, as a visual, illustrates the relationships among key components in accomplishing desired results; at the same time, it is flexible enough to apply in a variety of contexts.

Advantages and Disadvantages

Advantages

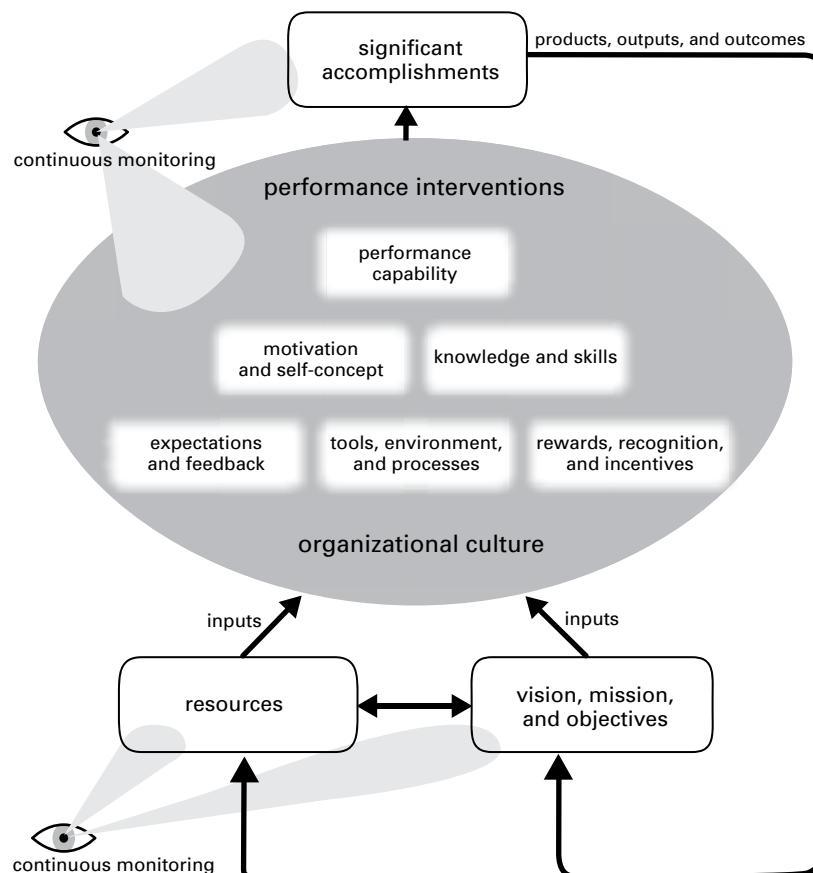
- The performance pyramid provides a valuable framework that ensures that each foundation component of a performance system is addressed in all phases of a needs assessment.
- The performance pyramid offers an easy tool for communicating the systemic characteristics of performance with assessment partners that are internal or external to the organization.
- Relationships between the elements of the pyramid framework (for example, the relationship between the organization's capacity to achieve desired results and the alignment of vision, mission, and objectives required to accomplish results) can provide necessary links for ensuring that improvements in one area don't lead to new performance challenges in others.

Disadvantages

- The pyramid, as a visual, can be misinterpreted as a hierarchy. The six blocks in the inner pyramid image are, in reality, interchangeable. For example, motivation and self-concept can be illustrated as the top component of the pyramid—as could any other elements depending on the context.
- The pyramid does not provide a process for conducting a needs assessment or for improving performance; rather it is just a framework for aligning the elements that support the achievement of results.

Process Overview

Figure 3B.7 Wedman's Performance Pyramid



Source: Adapted from Watkins and Leigh (2010). Wedman (2010) has granted permission for use herein.

Needs Analysis Applications

For each identified need, complete an analysis of the need to identify the contributing factors that are leading to the discrepancy between current and desired performance (results). Use the performance pyramid as a framework for planning your analysis, collecting information, and then analyzing the findings so you can make recommendations.

1. Begin by clearly stating the need in terms of what desired results are not currently being accomplished. Use this precise definition of the need to drive your needs analysis; otherwise, you will typically drift from the performance gap into symptoms of the problem or preferred fixes. Remember, a needs analysis is a systematic process to break apart a need and to determine what components are leading to the performance gap.
2. For each element of the performance pyramid framework, collect information regarding its potential relationship with the identified need. It doesn't matter which element you start with (culture, capacity, feedback, and so on), but by the end of the analysis, you should examine each element for its potential role in relation to the need. Here are some sample questions for each element of the pyramid framework:
 - **Motivation and Self-Concept**
 - Are people motivated to achieve the desired results as specified by the need?
 - Are people motivated to accomplish the goals of the organization and its partners?
 - What factors may be reducing motivation?
 - **Performance Capability**
 - Are the “right” people available to do the work?
 - Do the best performers stay with the organization or leave?
 - Does the organization have adequate capacity to take on new projects?
 - **Expectations and Feedback**
 - Do people know what results are expected?
 - After people have completed a task, are they told what they did well and what they can improve in the future?
 - **Rewards, Recognition, and Incentives**
 - Are there incentives for people to accomplish desired results?
 - Are there disincentives for performing well?
 - Are people recognized or rewarded for their performance?
 - **Tools, Environment, and Processes**
 - Do people have access to the resources (equipment, time, software, and so on) that are required to meet performance goals?

- Does the organizational environment (or culture) support the achievement of desired results?
- Are there systematic processes in place to guide performance?
- ***Knowledge and Skills***
 - Do people know how to do what is asked of them?
 - Are people given (or do they come with) the necessary skills to achieve desired results?
- ***Organizational Culture***
 - Does the organization's culture support the achievement of desired results?
 - Are there norms within the culture of the organization that hinder any other component of the pyramid framework?
- ***Resources***
 - Do people have the necessary resources (time, money, and so on) to achieve desired results?
 - Have the resources required for achieving desired results been identified?
- ***Vision, Mission, and Objectives***
 - Are people aware of how their work contributes to the team, organization, clients, and larger society?
 - Is there a clear strategic plan that can be used to guide decisions at all levels of the organization?
 - Are people able to be “proactive” because they know where they want to go, or do they always have to be “reactive” to changing events?
- ***Significant Accomplishments***
 - Are the desired results aligned with the vision, mission, and objectives of the organization?
 - What is the return on investment for accomplishing desired results?
- ***Continuous Monitoring***
 - Are there monitoring (or evaluation) systems in place within the organization that can measure performance in relation to each component of the pyramid framework?

- Are performances routinely monitored across the organization?
 - Are monitoring results and reports used to improve performance?
3. Ask questions related to each element of the pyramid to both internal and external partners in the needs assessment. Often, external clients and partners can identify contributing factors to performance problems more easily than those on the inside of the organization.
 4. Analyze responses to your analysis questions so you identify which elements (or sub-elements) are most closely related to the need; those elements will typically include causal factors contributing to the need as well as other factors that are leading to current successes. You can also use fault tree analysis (see page 214), root cause analysis (see page 207), concept mapping (see page 220), and other tools to support your analysis within the pyramid framework.
 5. Move the elements of your pyramid around to illustrate the relationship you have found during your needs analysis. For instance, for the need, you might determine that the expectations and feedback element of the pyramid should really be placed at the top to illustrate its critical role in relation to the need within the organizational context. Then the supporting elements—such as motivation and self-concept or incentives, rewards, and recognition—can be used to illustrate the foundations that must be built to ensure the success of the entire performance system. After all, no single element of the pyramid is more important than the others; for successful performance, you must have all elements working together.

Solution Identification Applications

1. Remember that your needs analysis identifies factors contributing to the performance gap for many of the pyramid's components (for instance, motivation and self-concept or capacity or skills and knowledge). Likewise, you will frequently find several causal factors within a single element of the pyramid (for example, two or three factors with the element of expectations and feedback may be contributing to less-than-desirable performance).
2. Working with your needs assessment's internal and external partners, establish a rough priority of the factors leading to identified needs on the basis of their relationship—positive or negative—with the accomplishment of desired results. Precision is not required, but a rough prioritization can help you focus time, effort, and other resources.

3. For each identified causal factor, pinpoint at least two potential solutions that could help improve the achievement of desired results (for examples, see the Job Aids section that follows). Having choices is important to quality decision making; therefore, it is important to identify at least two options for each factor. One option might seem to be clearly the better choice at first, but that decision is best left until after you have identified a variety of alternatives.
4. Before selecting any of the identified solutions, determine what criteria will be used to weigh your options, thus ensuring that each alternative gets a fair appraisal of its potential.
5. Judge each potential solution for each causal factor on the basis of the criteria established in the prior step. It is frequently useful to apply a systematic process, such as multicriteria analysis (see page 171), to assess each option.
6. When you have selected a variety of activities to address the factors leading to the need (performance gap), use the performance pyramid again to verify that you are addressing all components that (a) support performance and (b) ensure that the complete performance system will benefit from the improvements.

Job Aids: A Sample of Improvement Activities to Consider

Expectation Feedback

Possible improvement activities include clear performance guidelines, reference manuals for processes and procedures, realistic job previews, managerial coaching, quality assurance programs, quality on-boarding or orientation programs, benchmarking, performance appraisals, upward and peer evaluations, identification and documentation of performance indicators, goal setting, routine one-on-ones, and individual improvement plans.

Tools, Environment, and Processes

Possible improvement activities include electronic performance support, job aids, performance aids, process reengineering, knowledge management, process improvement, ergonomics, workstation design, warning systems, labeling and color coding, safety planning, social networking, quality management, team colocation, and six sigma.

Rewards, Incentives, and Recognition

Possible improvement activities include bonus systems, commission systems, profit sharing, merit award systems, annual awards ceremony, employee of the month, job sharing, flex hours, job enrichment, telecommuting, education benefits, personnel in the spotlight, empowerment, and delegation.

Organizational Capacity

Possible improvement activities include recruitment programs, retention programs, early retirement, phased retirement, interviewing, job rotation, mergers, acquisitions, crowd-sourcing, outsourcing, succession planning, affirmative action programs, outplacement centers, cross training, internal recruitment programs, interview standards, and competency models.

Knowledge and Skills

Possible improvement activities include classroom training, e-learning, team learning, mentoring, coaching, quality on-boarding or orientation programs, on-the-job training, brown-bag lunch sessions, webinars, podcasts or vodcasts, and tuition reimbursement.

Motivation and Self-Concept

Possible improvement activities include job crafting, job sharing, flex hours, education benefits, career mentoring, career ladders, job rotation systems, and motivational communications.

Resources

Possible improvement activities include restructuring, supply chain management, cash flow analysis, budgeting and accounting systems, career management programs, career ladders, outplacement, and cost reductions.

Continuous Monitoring

Possible improvement activities include performance monitoring, quality management, six sigma, program evaluations, training evaluations, goal/question/metric programs, financial analysis, client surveys, balanced scorecard, key performance indicators, managerial dashboards, and needs assessments.

Vision, Mission, and Objectives

Possible improvement activities include mega planning, strategic planning, future search, SWOT analysis (see page 127), appreciative inquiry, scenario planning, workforce planning, job forecasting, tabletop analysis (see page 180), values identification, and risk management.

References and Resources

- Gilbert, Thomas F. 2007. *Human Competence: Engineering Worthy Performance*. Tribute ed. San Francisco: Pfeiffer.
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- Wedman, John F., and M. Tessmer. 1993. "Instructional Designers' Decisions and Priorities: A Survey of Design Practice." *Performance Improvement Quarterly* 6 (2): 43–57.

Websites

Many resources (including podcast interviews) on how to use the performance pyramid in a needs assessment are available at <http://www.needsassessment.org>.

Website and manual for using the performance pyramid are available at <http://needsassessment.missouri.edu/>.