

Results-Oriented Management

A briefing for export groups

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What is the objective of this session?

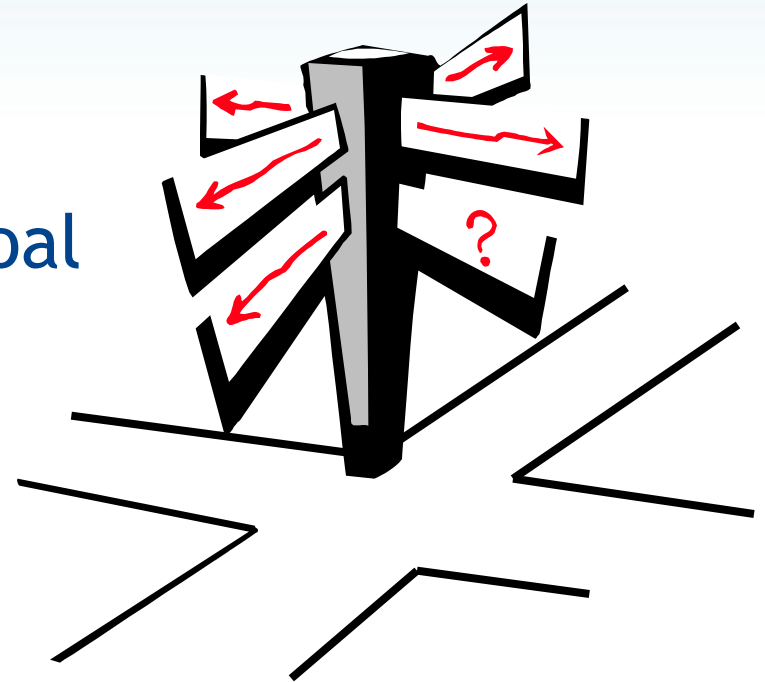
- To define Results-Oriented Management (R-OM)
- To ensure that all:
 - Have a clear appreciation of the main elements of R-OM structure
 - Can see how R-OM can help measure progress
 - Can apply R-OM principles to developing the UES

Agenda

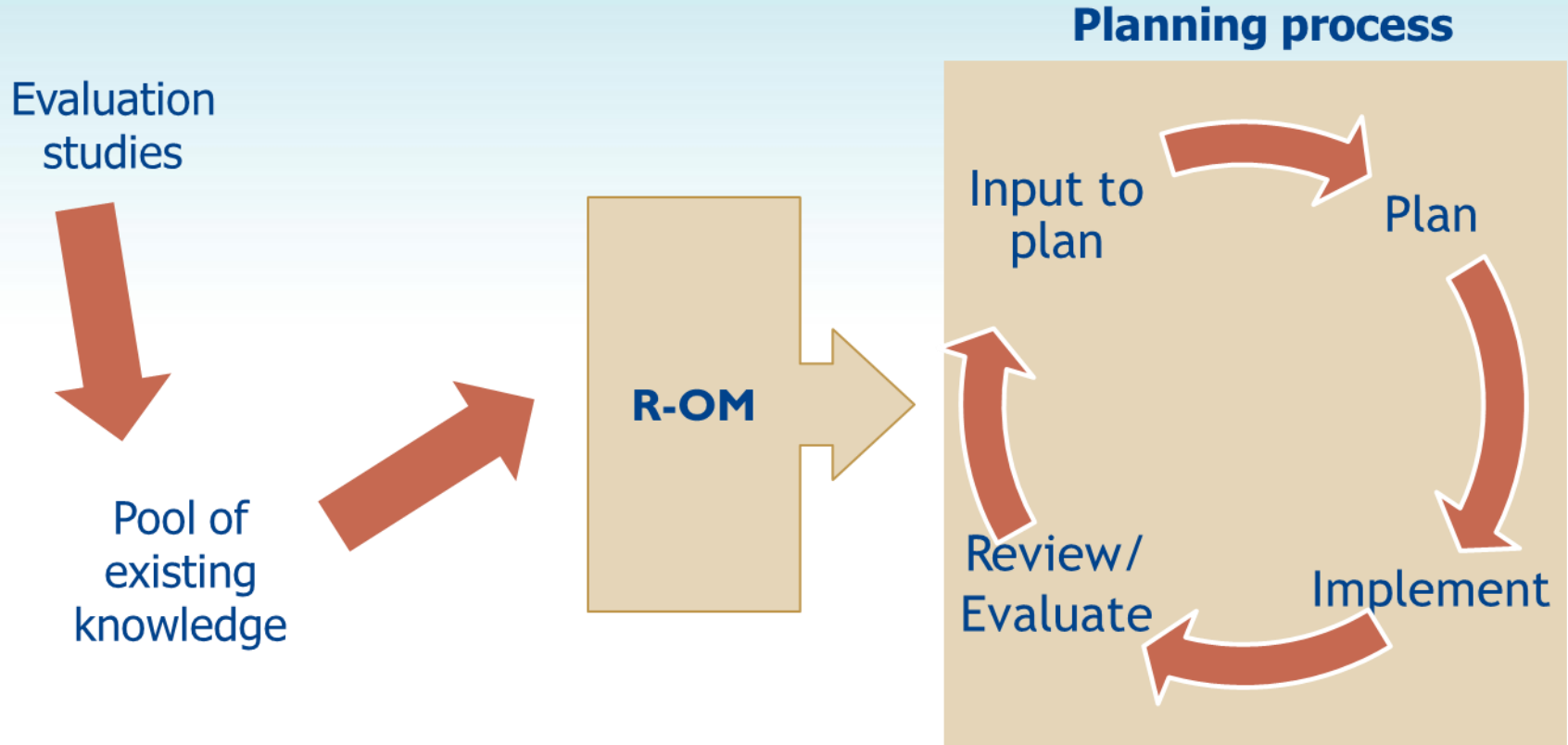
- To consider:
 - Why R-OM & its relevance
 - Terms used in R-OM
 - The importance of a hierarchy of objectives
 - Constructing a market development program using R-OM
 - Defining constraints
 - Progress measurement
- We will end with some role-playing examples

R-OM a way of simplifying

- **R-OM:** a structure for thinking about the market development issues you confront.
- **R-OM** - helps define your direction to achieve your goal & the route you take



An integral part of planning



Broad role of R-OM

- To improve the quality of programs by providing:
 - Developing a clear **rationale & direction** for future work
 - **Systematic learning & feedback** about program performance

It asks key questions ...and challenges basic assumptions

- Why the program?
- What are the objectives?
- Who are the targets?
- What is the message to change behavior?
- Why the activities?
- How do activities contribute to progress?
- And how does the program contribute to sales



Importance of R-OM

- Industry partners work as an agency on behalf of others
- No easy measure of success such as profitability
- THUS, need for:
 - Evidence about rationale of programs
 - Measurement of progress & success
 - Evidence about value for money



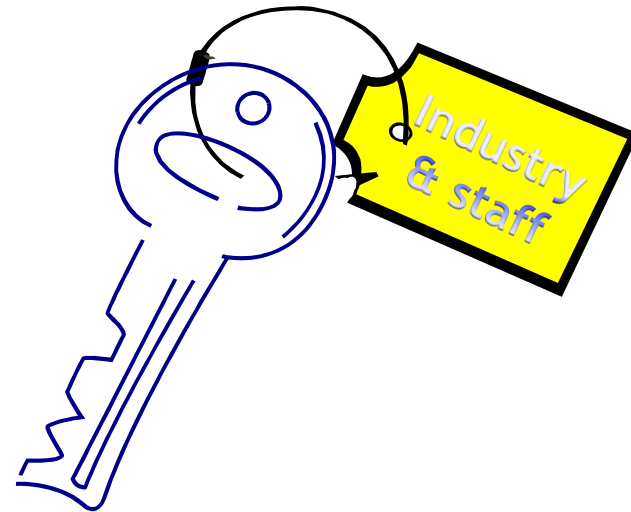
Critical to the UESFAS will look for...

- Evidence of a clear rationale of the export strategy;
- An explicitly logical structure of the program;
- Performance measures relevant to measuring progress towards the overall goal



Success of R-OM depends on:

- Involving all in the process (staff & industry)
- All need to see & understand the benefits



Explanation of terms: What is...

› An objective?

- Objective is an intent
- Describes a proposed change which is measurable & desirable
- The proposed change describes the results of program inputs (Activities + resources)

› A constraint?

- Something that **you can influence** that stands in the way of achieving your goal

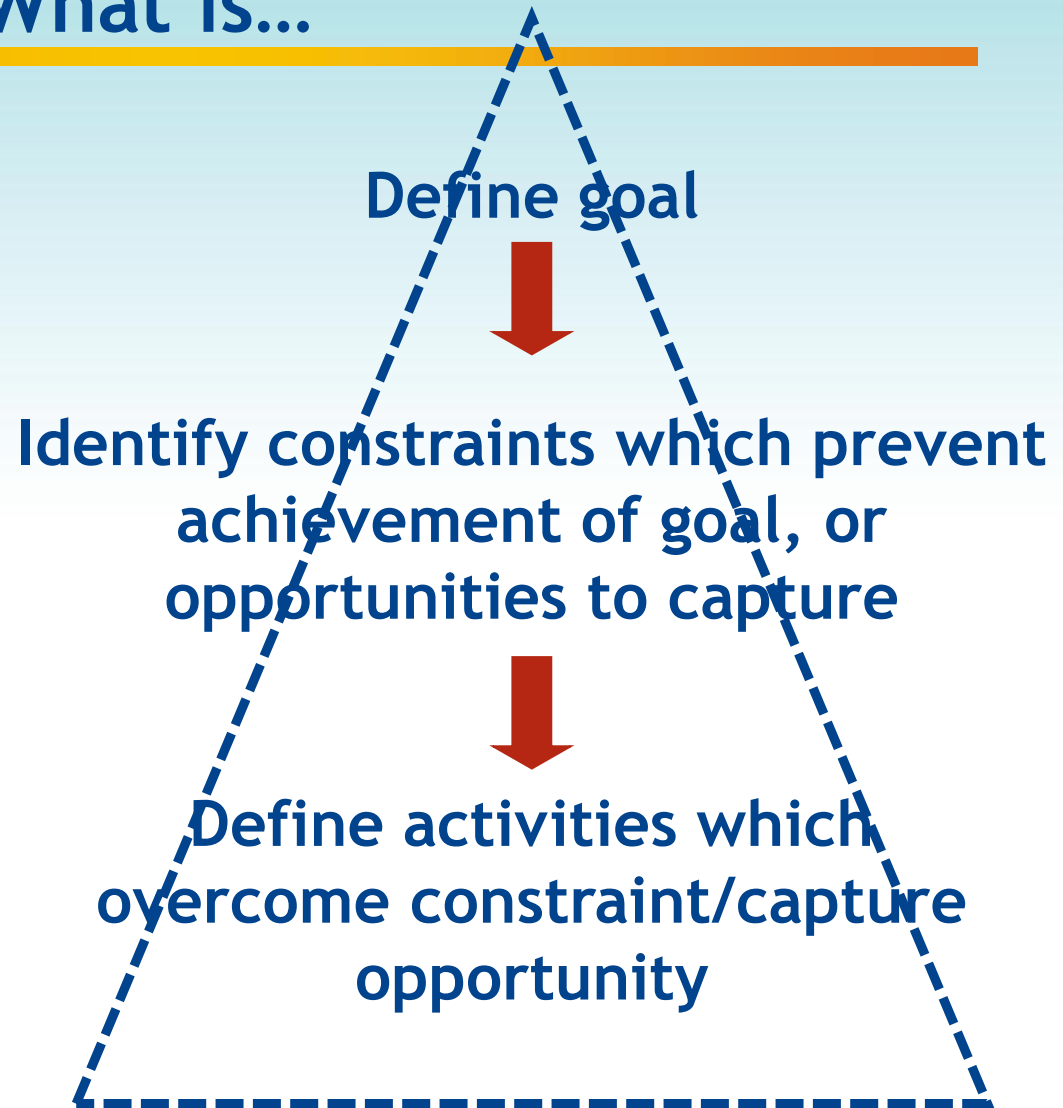
› An opportunity?

- Something that **you can influence** that you can exploit to achieve your goal
- As shorthand, we refer to them both as ‘constraints’

Explanation of terms: What is...

➤ A hierarchy of objectives?

Showing the links between your market goal, the constraints you are confronting, & the activities you use to overcome constraints.



Explanation of terms: What is...

› Rationale?

- The thought process behind a program or action
- Shows how an activity (or group of activities) contributes to overcoming the constraints

› An underlying assumption?

- The assumptions behind your program structure

Explanation of terms: What is ...

- › **A performance measure?**
 - Indicator of progress in working to the overall goal

- › **Top-down?**
 - Focusing on constraints before you think about activities

The power of the hierarchy of objectives

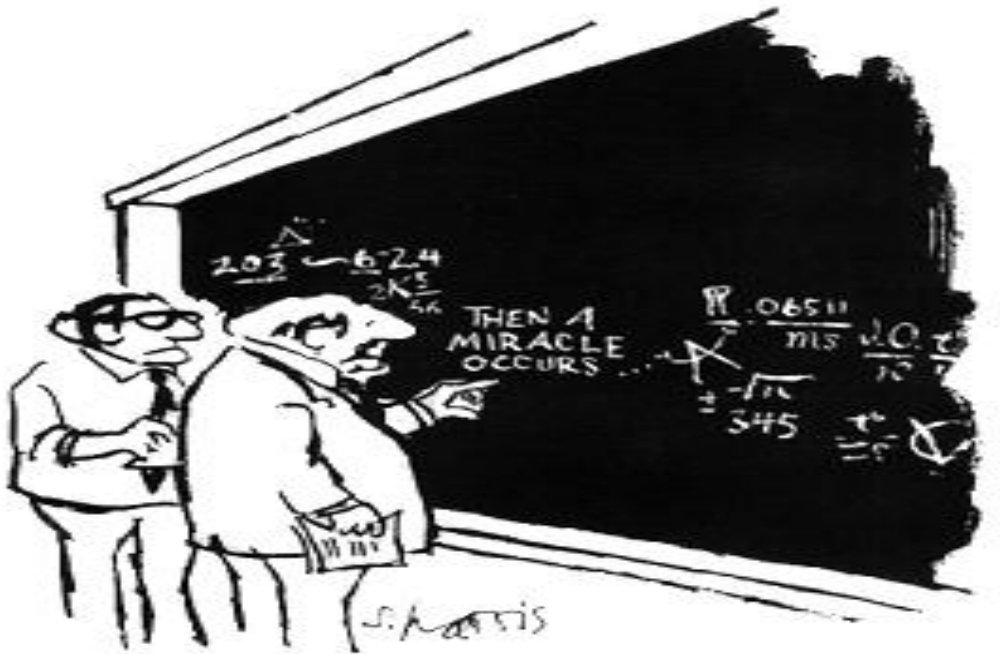
- Helps simplify issues
- Reveals basic thought process behind program
- Reveals the assumptions of program
- Provides assurance about rationale of program
- Ensures the approach is top-down
- Identifies what you can influence
- Provides basis for measuring progress toward achieving the goal(s)
- Clarifies where you should measure progress

R-OM - an evaluative management system

- Serves as a platform for evaluation
- Is the program logical?
- Is the program working?
- Do the activities impact the constraints?
 - Are attitudes more favorable?
 - Are they changing behavior?
- Does overcoming the constraint impact the goal?
 - Are we selling more?
 - If not, why not?

Evaluation - the logic model

Develop program to increase US exports of product X to country Y



"I think you should be more explicit here in step two."

↓
Define
constraints/opportunities

↓
Plan activities

↓
Implement activities

↓
Miracle occurs

↓
US exports increase

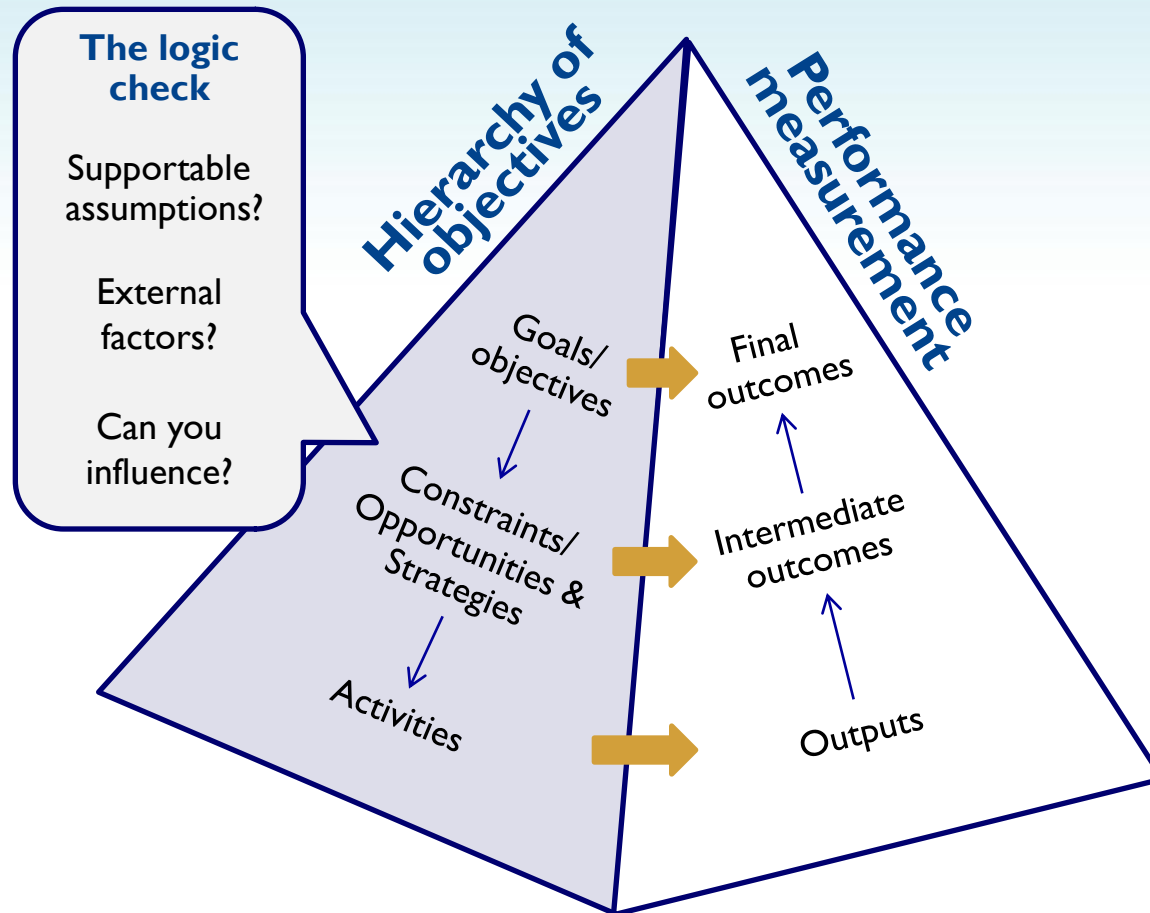
A prerequisite - a solid market assessment

- A strategy should be based on a sound market assessment
- You need to understand:
 - Your product attributes, resources available, priorities
 - Competitive environment & market context
 - Concepts to achieve success
 - Consequences of your program
- If you are unsure of your constraints, you may need to invest in more market assessment
 - Your constraint may be ‘you do not have enough information to develop an effective program’
 - Your activity may be ‘to undertake the necessary market assessment’

Characteristics of good program/activity design

- Clear specification of what needs to be done to achieve market goal
- Sound rationale (clear link between an activity, overcoming a constraint, & achieving a goal - explicit underlying assumptions)
- Performance measurement (objective & verifiable)
- Plan for measuring progress (monitoring, assessing & reporting)
- Assimilate results into future plans

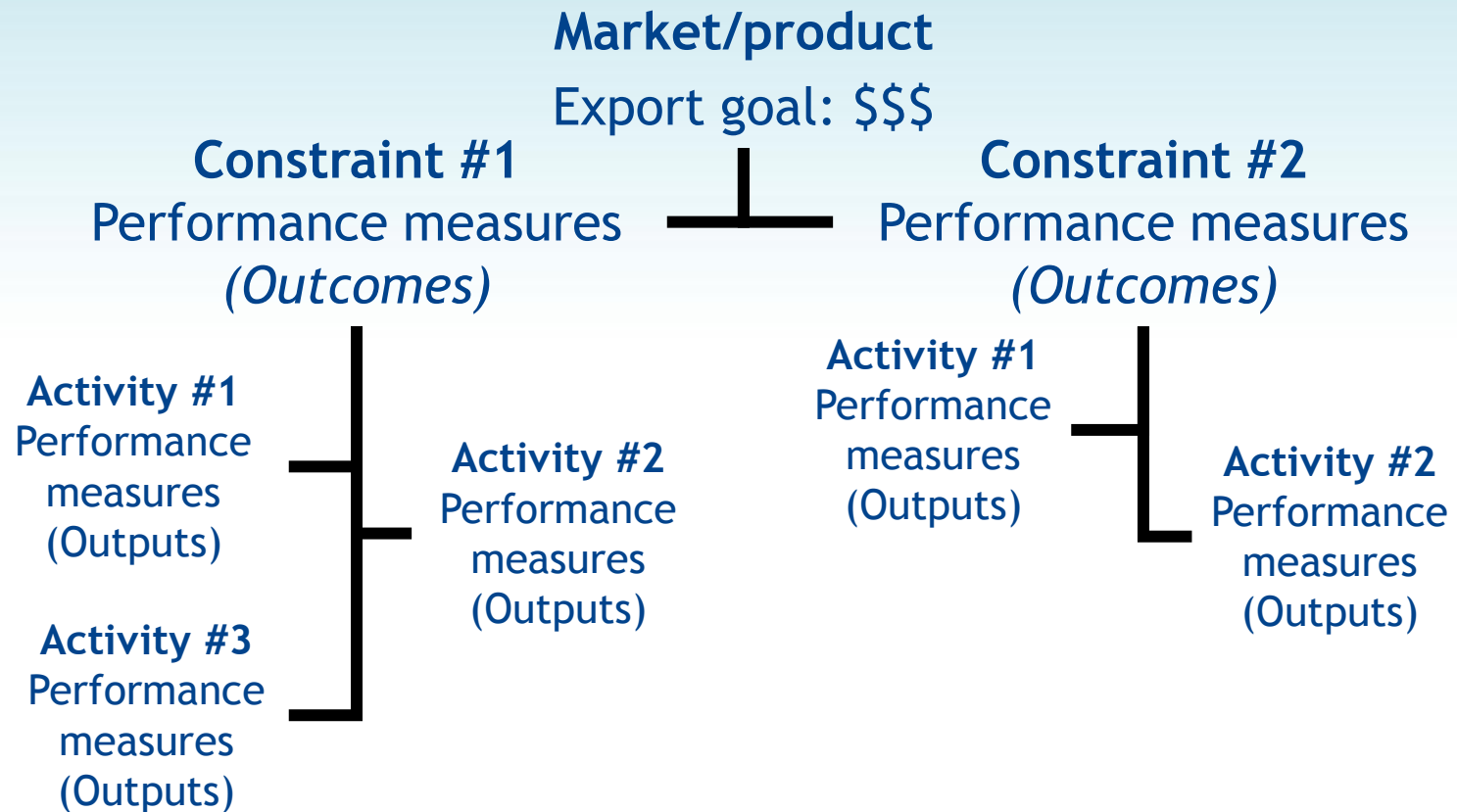
Hierarchy of objectives leads to a logic check & progress measurement



Importance of top-down thinking

- » When developing plans:
 - **Think**
 - ❖ Opportunities/constraints
 - **Not**
 - ❖ Activities/projects
 - **Only consider constraints & opportunities you can influence**

Structure of program - reveals your hierarchy



You work through communication

- Introduce change through communicating with people
- You work to introduce change:
 - **directly** by influencing purchasing, or,
 - **indirectly** by mobilizing others to:
 - ❖ Recommend your product, or,
 - ❖ Work to change regulations (e.g. market access)
- Effective communication requires a specific **target** & a **message** that needs to be conveyed to the target
- Understanding of decision-making process for:
 - purchasing or
 - policy/regulation development

Not to be forgotten

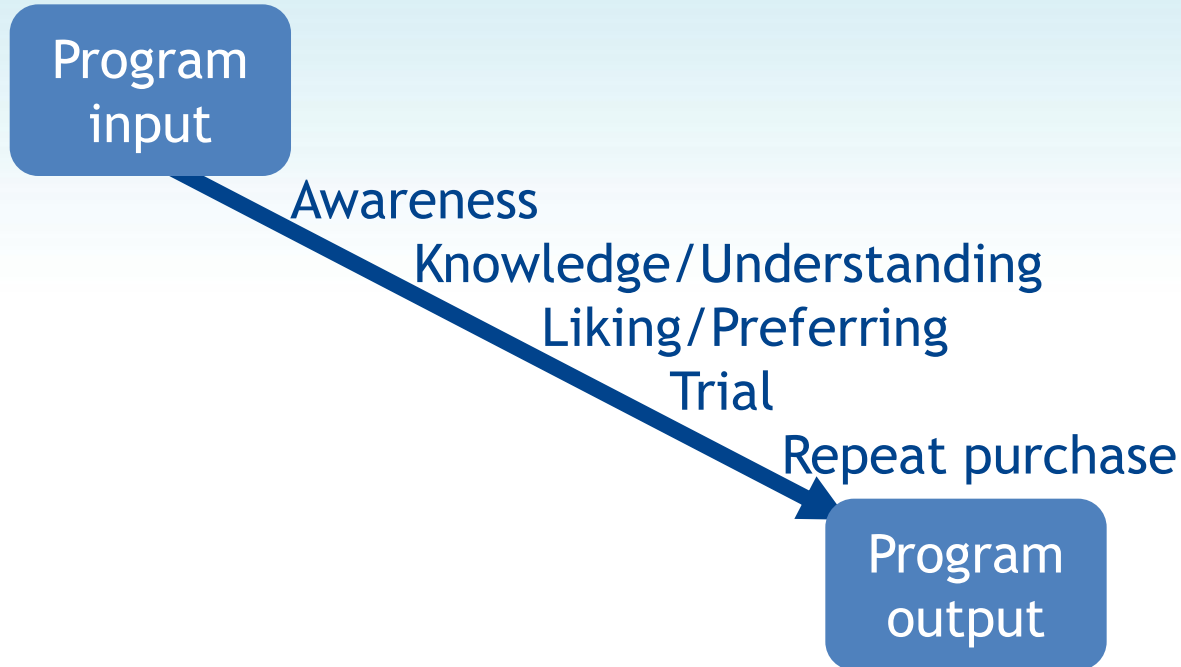
- Not all your constraints are overcome by communication activities
- Additionally you undertake activities to generate information
 - To understand your market
 - To identify your constraints
 - To identify potential trading partners/contacts & trade leads
 - To strengthen your case
 - Etc.

Communication

- To move the person(s) towards changing purchasing/advising/lobbying behavior
- Converting learning into action
 - identify target
 - identify message
 - communicate message
 - follow-up
- For communications to be effective, the target has to:
 - be aware of the message,
 - have his/her interest raised,
 - evaluate the message positively, and
 - often conduct a trial before adopting

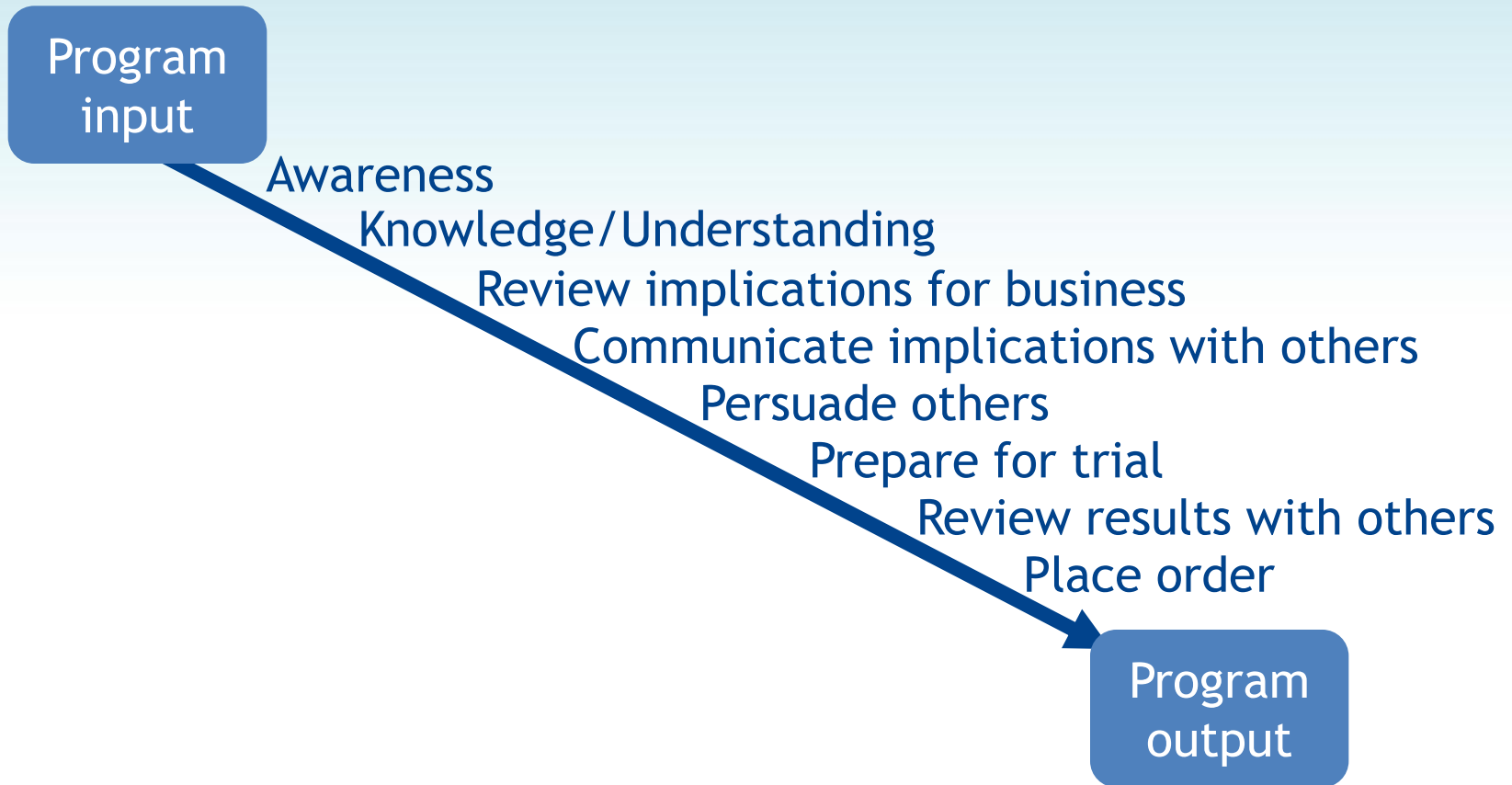
The communication continuum

Consumer decision-making

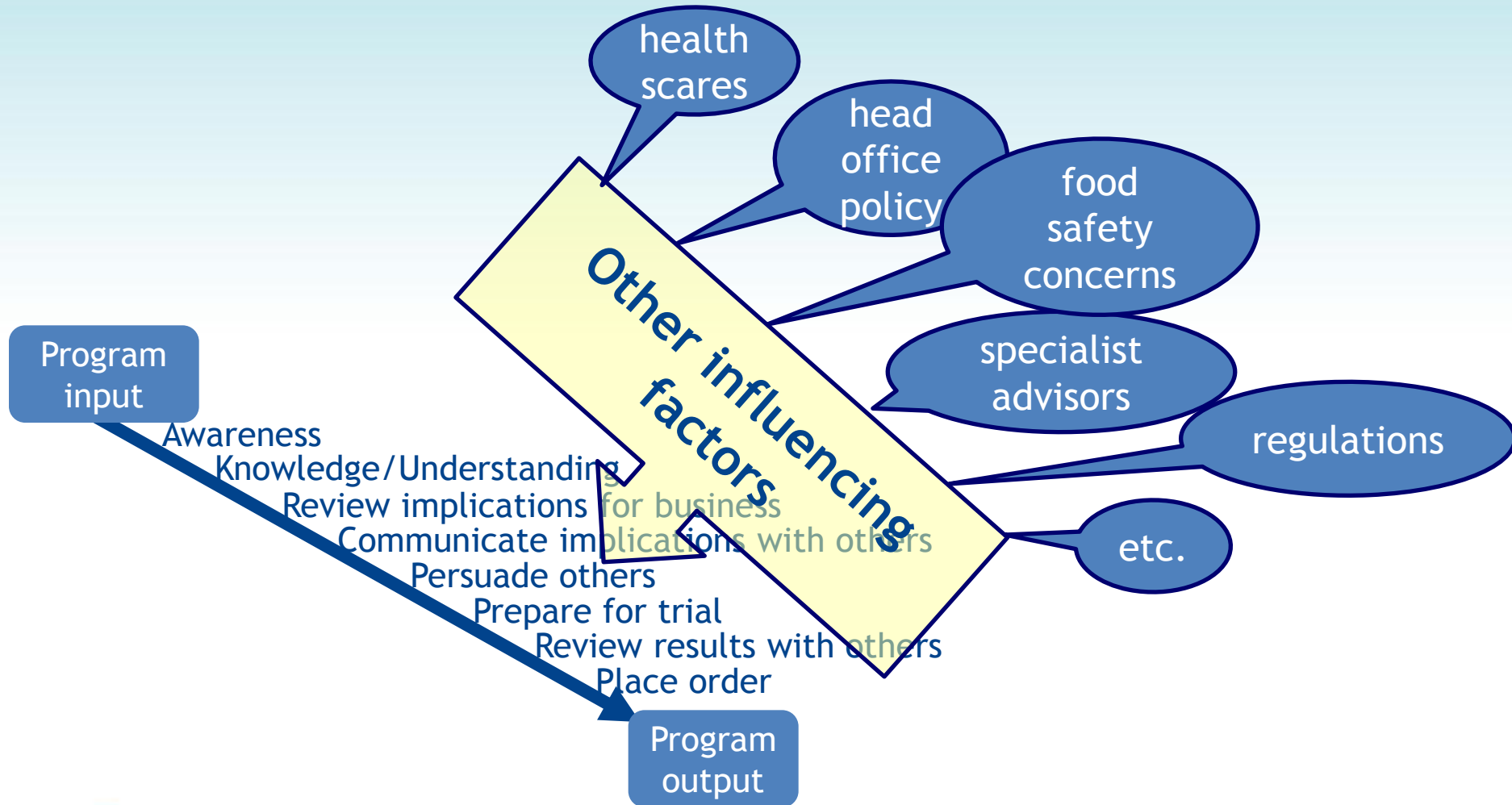


The communication continuum

Company decision making (involves others)



Decision-making can be challenging to understand



Constraint definition - Drill down

› Drill down

- to identify specific target
- be specific about the message

› Targets: Do you know

- Who influences decisions?
- How many can you realistically communicate with?
- What resources are available?

› Message: Do you know

- What you want to tell them about your products?
- What differentiates your products from others?
- Will this make a difference & influence their behavior?

For most activities, you are communicating

- The main tools are communication tools.
- In fact, most of the program work is communication.
- The key skill is communication.
- So this gives a clue at what we should be measuring.

Matching performance measures to the hierarchy

- › Outputs measure what you have done (activities)
- › Outcomes measure progress at the constraint stage?
- › E.g.: An event (course, workshop, etc.)
 - identify targets - outputs
 - prepare message - outputs
 - get targets to event - outputs
 - communicate with targets - outputs
 - change attitudes - outcome (intermediate outcome)
 - change buying behavior - outcome
 - sell more product/sell more US product - Export goal

The logic model & performance measures



Specifying performance measures

- › Appropriate, practical & plausible;
- › Pitched at the appropriate level of the hierarchy of objectives;.
- › Targeted
- › Components of Quantity, Quality & Time
- › Objectively verifiable
 - You must be able to measure. Only measure what is considered to be important.

R-OM stages - in a nutshell

1. Develop your hierarchy of objectives
2. Confirm the goals
3. Identifying constraints/opportunities which you can influence & which impact goals
4. Check these are realistic to confront given resources available
5. Express those constraints clearly & concisely identifying your targets and message
6. Identify outcomes that are measurable

R-OM in a nutshell (cont'd)

7. Identify clear outcome milestones that will indicate progress
8. Identify activities which will address the constraints
9. Identify activity results that will illustrate progress toward overcoming constraint
10. Implement program
11. Measure outputs & outcomes
12. Review overall progress
13. Provide feedback for future plans

In summary

- › Think top-down:
 - What are your goals?
 - What constraints prevent you from achieving the goals?
 - How can you overcome the constraints?
- › The hierarchy of objectives is at the heart of R-OM
- › No single objective - a hierarchy
- › Hierarchy reveals rationale & assumptions
- › Focus on the constraints which you can influence to impact the goal

In summary

- Define very specific constraints
 - Who is the target?
 - What is the message to change behavior?
- Define measurable, appropriate performance measures that indicate whether you are successfully communicating your message & changing behavior
- Each activity should impact a constraint
- Performance of activities need to be measured to check they contribute
- Assessment & feedback into planning process

Some (fictional) examples of drilling down!

- Consumer product - Market communications issue
- Commodity product - Market access issue (later)

Good constraint & opportunity hunting

Thank you!

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