Replacing the Annual Performance Appraisal Ritual

Presented by
Ronald J. Baker, CPA

HR12
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1:45 PM – 3:15 PM
Replacing the Annual Performance Appraisal Ritual

An Iatrogenic Disease?

- More than 90% of academic studies of appraisals offer no evidence of effectiveness.
- Yet, 97.2% of US —and 91% of worldwide— companies use them.

“An Iatrogenic Disease?

“The fad of 360-degree feedback is supposedly objective because it’s anonymous. So is hate mail.”

Ron Baker, Founder
VeraSage Institute
@ronaldbaker
What about the law and firing employees?

• Tom Coens labor lawyer—appraisals offer no protection in court
• Not required by law; “at will” employment
• They’re not “legal backup” to avoid being sued
• Most lawsuits are employees who get positive comments
• You can still document underperforming employees for termination
• You can fire anyone, anytime—not based on an arbitrary annual date

“The dumbest managerial tool.”

An Iatrogenic Disease?

“Appraisal is not the system that drives pay, careers, and status; it is an incidental effect of those dynamic systems. Appraisal is primarily the paper-shuffling that sanctifies decisions already made.”
According to management research firm CEB, 95 percent of managers are dissatisfied with performance reviews, and nearly 90 percent of HR leaders say the process doesn’t even yield accurate information.

According to management research firm CEB, a company of 10,000 employees spends roughly $35 million a year to conduct reviews.

It’s not about saving money, it’s about return on investment (ROI).

Companies that don’t do performance appraisals
• Accenture
• Adobe
• Deloitte
• Gap
• Medtronic
• Microsoft
• Netflix
• P&G
• 6% of Fortune 500 companies, according to management research firm CEB
Replacing the Annual Performance Appraisal at Medtronic

1. Eliminated ratings, 1-5
2. Eliminated forced bell curve
3. Instituted quarterly “performance acceleration,” focuses on forward-looking goals, has no numbers or ratings, one-page summary

Replacing the Annual Performance Appraisal at Accenture

1. 330,000 employees, eliminated APAs September 1, 2015
2. Eliminated rankings
3. Eliminated once-a-year evaluations
4. Instituted more “fluid” system, feedback on an ongoing basis

Human Capital, Not Cattle
“After all, the caveman had the same natural resources at their disposal as we have today, and the difference between their standard of living and ours is a difference between the knowledge they could bring to bear on those resources and the knowledge used today.”

Thomas Sowell, *Knowledge and Decisions*, 1996

The World Bank: 2006 and 2010

How Knowledge Workers are Unique

- They own the means of production
- Firms need them more than they need firms—balance has shifted
- KWs have unique value, not jobs
- Office is their servant, not their master
- Effectiveness is far more important than efficiency
- Judgments are more important than measurements
- Ultimately, they are volunteers
3 ways to allocate our time

1. Nonmarket time
2. Investment time
3. Labor market time
   (Wealth = Knowledge and Growth = Learning)

Gary S. Becker,
Nobel-Prize winning economist,
Human Capital

Knowledge-Worker Effectiveness—Drucker

• “What is the task?” (Definition, delegation, deadline)
• Autonomy (Greek for “self-governance”)
• Continuing innovation
• Continuous learning and teaching
• Quality more important as quantity
• Treated as Human Capital Investors (volunteers)

Henry Ford, My Life and Work, 1923

Factory organization is not a device to prevent the expansion of ability, but a device to reduce the waste and losses due to mediocrity. It is not a device to hinder the ambitious, clear-headed man from doing his best, but a device to prevent the don’t-care sort of individual from doing his worst.
“Performance can only be built on strengths. One should waste as little effort as possible on improving areas of low competence. And yet most organizations concentrate on making incompetent performers into mediocre ones. Energy, resources, and time should go instead to making a competent person into a star performer.”

Peter Drucker

Replacing the Performance Appraisal

1. Key Predictive Indicators for Knowledge Workers
2. Peter Drucker’s Manager’s Letter
3. After-Action Reviews

According to management research firm CEB, two-thirds of employees who receive the highest scores in a typical performance management system are not actually the organization’s highest performers.
### Knowledge Worker KPIs

- Marginal Contribution to Firm Revenue/Value
- Customer Feedback
- Interpersonal skills
- Effective Listening Skills
- Effective Communication Skills

### Knowledge Worker KPIs

- Continuous Learning & Coaching Skills
- Effective Delegator
- Ability to Deal with Change

### Knowledge Worker KPIs

- Number of Customer Contacts/Week
- Pride/Professionalism
- Passion
- HSDs
Peter Drucker’s Manager’s Letter

- Twice a year
- Define objectives of executive/you
- What performance standards apply?
- What must you do to obtain objectives?
- What helps/hampers you?
- What resources do you need?
- Becomes the covenant

Drucker’s Manager’s Letter

- Twice a year
- Define objectives of executive/you
- What performance standards apply?
- What must you do to obtain objectives?
- What helps/hampers you?
- What resources do you need?
- Becomes the covenant

Peter Drucker’s Orchestra

- What results have to be achieved to make a difference?
- How is the firm helping you to achieve your professional goals and aspirations?
- What does the firm do right and what should it continue doing?
- What are the firm’s weaknesses and what should it stop doing?
Peter Drucker’s Orchestra

- What critical things should the firm start doing?
- Why do you work here?
- Does the firm deserve your loyalty?

Capturing Tacit Knowledge: After Action Reviews

AAR Questions

- What was supposed to happen? (objectives)
- What actually happened? (“ground truth”)
- What were the positive and negative factors here?
- What have we learned and how can we do better next time?
Replacing the Annual Performance Appraisal at Deloitte

1. 65,000 employees, eliminated APAs
2. Previously, it spent 2 million hours a year on performance reviews
3. Ratings might look “objective” but they are very subjective
4. Our highest rated teams were all strength-based
5. No cascading objectives, no 360-degree feedback

Deloitte’s Three Objectives for Performance Reviews

1. To recognize performance through variable compensation (annual comp decision)
2. To see performance clearly (the quarterly or per-project performance snapshot)
3. To fuel performance (weekly check-in with team leader)
### Revealed Preference: What would you do, not what do you think?

1. Given what I know, I would award this person the highest possible compensation increase
2. I would always want him or her on my team
3. This person is at risk for low performance
4. This person is ready for promotion today

### Knowledge Worker Compensation Model

### The Law of Compensation: the appraisal will always support the recommended pay action

3 factors determine pay:
1. Want to retain employee?
2. Is a raise necessary to do it?
3. Firm’s budget.
Why People Work

- *Intrinsic Rewards*—inherent in the work itself. Purpose.
- *Opportunity to Grow*—how will firm enhance my intellectual capital?
- *Recognize Accomplishments*—how does firm celebrate successes?

Compensation Model

1. Salary
2. Profit-sharing
3. On-the-spot bonuses
4. Learning

“Appraisals were designed by the clinical and abnormal psychologists for their own purposes. He is legitimately concerned with what is wrong, rather than with what is right with the patient… therefore, very properly looks upon appraisals as a process of diagnosing the weaknesses of a man.”

Peter Drucker
The Presenting Problem

What are you going to replace it with?

“You don’t look at a pile of laundry and think, I’d better make sure I’m putting enough hours into this.”

Jody Thompson and Cali Ressler
“It doesn’t make sense to hire smart people and then tell them what to do; we hire smart people so they can tell us what to do.”

Steve Jobs
Apple

“Above all people know instinctively that there has to be trust if any organization is going to work. …Yet organizations need trust if they are not going to clutter themselves up with rules, checks and checkers. Too much time is spent in organizations making sure that what should have happened is happening. If people know what they have to do and are competent to do it, they should be left alone to get on with it.”

Charles Handy, Myself and Other More Important Matters

“Go to the theater. Everyone is listed. They don’t talk about human resources. Managers are reserved for things, not people (stage manager, lighting manager). They are directed, not managed, by someone who leaves the scene once the project is underway. Audience feedback, the people who matter, doesn’t have to wait for annual performance appraisal.”

Charles Handy, Myself and Other More Important Matters
“If I had a son or daughter, would I be willing to have him or her work for this firm? If yes, why? If no, why?”

Peter Drucker

Additional Resources

- The corporate kabuki of performance reviews
- In big move, Accenture will get rid of annual performance reviews and rankings
- Reinventing Performance Management, HBR article on Deloitte

Thank You!

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Some Disadvantages of Appraisals

• More about maintaining control than fostering responsibility
• Boss takes responsibility for development
• Counterproductive to driving out fear
• Inhibits authentic communication
• Encourages “sucking-up” behavior
• Applies one-size-fits-all approach
• Contains background “noise”: discipline, termination, pay raise, bonus, promotions, etc.
• Provides less and delayed feedback

Some Disadvantages of Appraisals

• Ranking people does not help them perform better
• HR focuses on 100% compliance, not conducting quality reviews and effective communication
• No clear focus on business purpose, strategic value, or customer service
• Filling out forms is not delivering effective feedback
• 7 good things, 3 bad things, not effective approach
• Any acknowledgment of deficiencies will be used against team member
• Provides the illusion of control
• Annual appraisal like dieting only on your birthday wondering why you’re not losing weight
Your opinion matters!

Please take a moment now to evaluate this session.

Thank You!
REPLACING THE ANNUAL PERFORMANCE APPRAISAL RITUAL

RONALD J. BAKER

FOUNDER

VERA SAGE INSTITUTE
Appraisal is not the system that drives pay, careers, and status; it is an incidental effect of those dynamic systems. Appraisal is primarily the paper-shuffling that sanctifies decisions already made.

—Tom Coens and Mary Jenkins, Abolishing Performance Appraisals

Human capital determines the performance capacity of any organization. Today’s knowledge workers, unlike the factory workers of the Industrial Revolution, own the means of production. Ultimately, knowledge workers are volunteers, since whether they return to work is completely based on their volition.

Consequently, it is difficult to understand the continued reliance on the “annual agony”—the performance-appraisal apparatus. Despite over 50 years of academic studies uncovering scant empirical evidence of its effectiveness at actually improving performance, firms cling to it in an uninformed belief that there is no suitable replacement.

The price being paid is high [see Exhibit A]. It has become, to borrow a term from the medical profession, an iatrogenic illness—that is, a disease caused by the doctor. An estimated ten percent of all hospital patients suffer from this type of disease. As professionals, we need to apply the Hippocratic principle of primum non nocere (“first, do no harm”) to the performance appraisal process.

The Origins of Performance Appraisals

The modern antecedent of the appraisal process was explained by Peter Drucker in his seminal book, The Effective Executive:

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Appraisals, as they are now being used in the great majority of organizations, were designed by the clinical and abnormal psychologists for their own purposes. He is legitimately concerned with what is wrong, rather than with what is right with the patient. The clinical psychologist or the abnormal psychologist, therefore, very properly looks

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upon appraisals as a process of diagnosing the weaknesses of a man.²

The appraisal tends to focus on weaknesses, not strengths—what psychologists call the “presenting problem.” But good leaders—like good coaches—design performance processes and tasks around a person’s strengths, and ignore—or make irrelevant—their weaknesses.

What about the Law?

Two primary defenses for maintaining performance appraisals are that they are required by law, and that they are required documentation to terminate an employee. Both assertions are false. Most workers in the United States are employees at will; they can be fired for any reason, or no reason at all, with or without warning. There are exceptions to this doctrine, and they have grown over the years, yet there is no explicit legal reason to perform performance appraisals.

Tom Coens, coauthor of the definitive book, Abolishing Performance Appraisals, is a labor and employment lawyer with thirty years of experience. His book dispels the myths surrounding the effectiveness of performance appraisals from a legal perspective:

Absenti a contractual obligation, appraisals are not expressly required by laws pertaining to discharge, and discrimination.

Yes, the employer can defend against wrongful discharge cases with appraisal evidence, but employees can also use appraisals to their advantage. Employee plaintiffs and union advocates routinely deploy appraisals to demonstrate that an employee fired for incompetence or poor performance was, in fact, a good employee.

Are you in business to defend lawsuits or to provide high-quality services and products to your customers? Even without appraisal, you could orchestrate reams of checklists for supervisors to fill out every week about each employee’s productivity, errors, and deficiencies. Very likely this would give you plenty of evidence to defend a lawsuit. At the same time, the impact of such monitoring would send messages of distrust, engender fear, and undermine commitment.³


Jay Shepherd is another unapologetic management-side lawyer who practiced for 17 years. In his indispensable book, *Firing at Will: A Manager’s Guide*, Jay explains why he, too, is a critic of performance appraisals, labeling them “the dumbest managerial tool,” and explains how they can actually hurt your chances in court:

I’ve seen this scenario happen more times than I can count: A company fires an employee for poor performance. The employee, unhappy with that decision, comes up with a reason to sue the company (usually some form of employment discrimination). In its defense, the company insists that the employee’s performance sucked and that the firing was legitimate.

Then in the discovery process of the lawsuit, the company turns over the employee’s personnel file. And this is what the file looks like: A résumé. A cover letter. An employee information sheet. A W-4. And three annual performance appraisals filled with “satisfactory” and “meets expectations” entries. In other words, *not* the sort of file that screams out “lousy employee.”

Now your documentation routine is actually hurting your chances in court.4

It is time to move to a model where courage is valued over caution, and command and control is replaced with connect and cultivate. Ultimately, it is the intensity of interactions with intelligent people, along with great ideas, that attracts and develops talent—not the efficiency of a firm’s administrative processes.

**Replacing the Performance Appraisal**

Three strategic resources replace the performance appraisal system:

1. Key Predictive Indicators for Knowledge Workers
2. The Manager’s Letter
3. After-Action Reviews

**Key Predictive Indicators for Knowledge Workers**

A critical distinction is being made between a key *performance* indicator and a key *predictive* indicator. The former is merely a measurement—such as the number of patents filed, or new customers—but lacks a falsifiable theory. The latter, by contrast, *is a measurement, or judgment, guided by a theory*, which can be tested and refined, in order to explain, prescribe, or predict. It is the search for *cause and effect*.

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Knowledge work is not defined by *quantity*, but *quality*; not by its *costs*, but its *results*. The traditional tools of measurement need to be replaced by *judgment*. And there is a difference between a measurement and a judgment: a measurement requires only a scale; a judgment requires wisdom. It is better to be approximately right rather than precisely wrong.

So many firm leaders worry that if they get rid of objective measures, they will introduce subjective bias into the decision-making process. So what? To get rid of bias we would have to give up emotions and discernment, which is too high a price to pay. Neurologist Antonio Damasio has studied brain-damaged patients, demonstrating that without emotion it is impossible to make decisions.

Admittedly, the following KPIs raise rather than answer questions, but at least they raise the right questions—such as *What are the characteristics of becoming a successful CPA?* Better to be approximately relevant rather than precisely irrelevant. Enlightened firms allow their team members to decide which of the following KPIs are most important to track and develop.

*Client Feedback*

What are the customers saying—good and bad—about the team member? Would you trade some efficiency for a team member who was absolutely loved by your customers? How does the firm solicit feedback from its customers on team-member performance?

*Effective Listening and Communication Skills*

It is easier to teach listening and speaking, which are solitary undertakings, than to teach listening and speaking, which always involve human interactions. But how do you measure listening and communication skills?

I observed a panel discussion at the American Institute of Certified Public Accountant’s Group 100 meeting of executives in corporations and government agencies that hire CPAs, lawyers, and consultants. The number-one capability they look for—and it influences their decision to hire one firm over another, even before price or quality—is *communication skills*.

*Risk Taking, Innovation, and Creativity*

How often do employees take risks or innovate new ways of doing things for customers or the firm? Do they engage in creative thinking in approaching their work? Google allows its technical people 20 percent time to work on projects of their choice, resulting in a myriad of innovative services for customers.
Knowledge Elicitation

Aristotle said, “Teaching is the highest form of understanding.” Knowledge elicitation is the process of assisting others to generate their own knowledge. Note that this encompasses more than simply learning new things; it involves educating others so that they are able to generate their own knowledge. One of the most effective techniques for knowledge workers to learn any subject—especially at a very deep level—is to teach it. How often do the team members facilitate a “lunch and learn” about an article or book they have read or seminar they have attended? How good are they at educating their customers and colleagues?

Continuous Learning

What do team members know this year that they did not know last year that makes them more valuable to the firm and its customers? This is more than simply logging hours in educational courses; it would actually require an attempt to judge what they learned. How many books have they read this year? More important, what did they learn from them? Does the firm adequately invest in its people’s education to fulfill this mission?

One of the objections we hear to investing more in people’s education is “they will leave, and possibly become an even stronger competitor.” This is no doubt true, although a firm faces the risk of their leaving anyway. But what if you do not invest in their education and they stay?

Effective Delegator

Peter Drucker believed that up to one-quarter of the demands on an executive’s time could be consigned to the wastebasket without anyone noticing. Does your firm encourage its knowledge workers to become effective delegators, as opposed to hoarding work to meet irrelevant billable hour quotas?

Pride, Passion, Attitude, and Commitment

If you thought some of these other KPIs were hard to measure, how would you measure pride? Although not a substitute for actual talent, pride in one’s work, customers, colleagues, employer, and values are critical to operate with passion and commitment.

High-Satisfaction Day™

I am indebted to John Heymann, CEO, and his Team at NewLevel Group, a consulting firm located in Napa, California, for this KPI. An HSD is one of those days that convinces you, beyond doubt, why you do what you do. It could mean landing a new
customer, achieving a breakthrough on an existing project, or receiving a heartfelt thank-you from a customer. Sound touchy-feely? John admits that it is. But he also says that the number of HSDs logged into the firm’s calendar is a leading indicator—and a barometer—of his firm’s morale, culture, and profitability.

With the exception of technical and accounting skills, I defy anyone to objectively measure the successful characteristics of a CPA; just like we can’t measure a doctor’s beside manner—it has to be experienced. Efficiency metrics cannot count all the energy, enthusiasm, and commitment that employees decide not to contribute.

The Manager’s Letter

Another practical suggestion to hold people accountable for their future contribution is what Peter Drucker called the manager’s letter:

[Setting objectives] is so important that some of the most effective managers I know go one step further. They have each of their subordinates write a “manager’s letter” twice a year. In this letter to his superior, each manager first defines the objectives of his superior’s job and of his own job as he sees them. He then sets down the performance standards that he believes are being applied to him. Next, he lists the things he must do himself to attain these goals—and the things within his own unit he considers the major obstacles. He lists the things his superior and the company do that help him and the things that hamper him. Finally, he outlines what he proposes to do during the next year to reach his goals. If his superior accepts this statement, the “manager’s letter” becomes the charter under which the manager operates.5

Procter & Gamble utilizes what it calls the Work and Development Plan, in lieu of performance appraisals, which lays out the work to be achieved in the upcoming year, how it links to the business plan, the measures and timing for success, and expected results.

What makes the manager’s letter so valuable is its focus on opportunities, results, output, and value, rather than problems, inputs, costs, and activities. Performance appraisals can only report on the past, revealing problems, never opportunities [see Exhibit B].

After-Action Reviews (AARs)

The U.S. Army’s use of AARs began in 1973, not as a knowledge-management tool but as a method to restore the values, integrity, and accountability that had diminished during the Vietnam War.

Reflection without action is passive, but action without reflection is thoughtlessness. Combine experience with reflection, and learning that lasts is the result. What percent of your firm’s time is devoted to improving the work, not just doing the work?

The objective is not just to correct things, but to correct thinking, as the Army has learned that flawed assumptions are the largest factor in flawed execution [see Exhibit C for a sample AAR Agenda].

But perfectionist cultures, however, resist this type of candid introspection, as they tend to be intolerant of errors, and they associate mistakes with career risk, not continuous learning. The medical world has an appropriate axiom for mistakes made: forgive and remember. AARs should not be used for promotions, salary increases, or performance appraisals.

Confronting People with Their Freedom

*You can’t keep on doing things the old way and still get the benefits of the new way.*

—Thomas Sowell

Because knowledge workers are volunteers, we could learn a lot from the not-for-profit sector. They know how to leverage people’s gifts, whereas performance appraisals are more concerned with people’s weaknesses.

Management thinker Charles Handy has spent his career arguing that organizations are living communities of individuals, not machines. He offers a splendid metaphor that I believe is applicable to knowledge workers and the performance appraisal process:

Go to the theater. Everyone is listed. They don’t talk about human resources. Managers are reserved for things, not people (stage manager, lighting manager). They are directed, not managed, by someone who leaves the scene once the project is underway. Audience feedback, the people who matter, doesn’t have to wait for annual performance appraisal.⁶

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Author and consultant Peter Block says, “The real task of leadership is to confront people with their freedom.” Performance appraisals, like timesheets, inhibit autonomy and responsibility; they are the buggy-whip of the knowledge era—an example of yesterday holding tomorrow hostage. Do we have the courage to replace such an ineffective process?

Performance appraisals are, after all, an iatrogenic illness, which means: physician, heal thyself.
Exhibit A: Deleterious Effects of Performance Appraisals

The following are some of the more serious negative effects of the performance appraisal (PA):

- PAs are counterproductive to “driving out fear,” the one emotion that Dr. Edwards Deming believed needed to be eliminated to improve human performance;
- PAs focus on the weaknesses of the worker rather than his or her strengths;
- Learning is overshadowed by the evaluation and judgment inherent in the PA;
- Even if PAs convey both strengths and weaknesses, it is human nature for negative feedback to drown out positive feedback;
- Effective feedback should occur as needed, not on an arbitrary date on a calendar;
- PAs are a symbol of a paternalistic boss-subordinate relationship based on command and control rather than the knowledge worker being responsible for his or her own development;
- PAs impose a one-size-fits-all approach that impedes relevant, authentic feedback to different individuals;
- Too much “noise” surrounds the PA process: discipline or termination, pay raises, bonuses, promotions, and the like, lessening the focus on performance improvement;
- Ranking people against each other does not help them do a better job. Ranking people, also, by definition, creates “bottom performers,” regardless of the absolute value of their work;
- PAs devote far too much scarce leadership attention to underperforming employees rather than top performers;
- PAs are extremely costly to administer relative to their meager benefits;
- PAs provide no effective method for holding people accountable for future results, since they focus on the past;
- Any self-acknowledged weakness by a team member can be used against them, deterring learning and self-development;
- PAs confuse delivering effective feedback with filling out bureaucratic forms and check-the-box administrative activities that have no connection to strategic purpose or value creation;
PAs reinforce a requirement for human-resources departments to keep KGB-like dossiers on team members;

PAs create a false impression that a scientific and objective process is being applied to measure individual performance. Yet all PAs, in the final analysis, are subjective and based on judgment;

PAs obscure the fact that a firm is an interdependent system, and what matters is the performance of the whole, which is not merely the sum of its components;

PAs provide the illusion of protection from lawsuits and allegations of wrongful termination, when in fact they rarely offer that protection—and often backfire in litigation.

According to author Daniel Pink, “Performance reviews are rarely authentic conversations. More often, they are the West’s form of kabuki theatre—highly stylized rituals in which people recite predictable lines in a formulaic way and hope the experience ends very quickly.”

Exhibit B: Questions for Constructing a Manager’s Letter

Peter Drucker, who coined the term knowledge worker in 1957, believed the main focus needs to be on the task to be done—with all other distractions eliminated as much as possible—and this is defined by the individual workers themselves. Ultimately, all development is self-development, with the knowledge worker being responsible for his or her own performance. The following issues show what might be included in a manager’s letter:

- What is your task?
- What should it be?
- What should you be expected to contribute?
- How fair are those expectations?
- What hampers you in doing your task and should be eliminated?
- How could you make the greatest contribution with your strengths, your way of performing, and your values to what needs to be done?
- What results have to be achieved to make a difference?
- What hinders you in doing your task and should be eliminated?
- What progress are you making in your career?
- How is the firm helping you to achieve your professional goals and aspirations?
- What does the firm do right and what should it continue doing?
- What are the firm’s weaknesses and what should it stop doing?
- What critical things should the firm start doing?

These questions will enable the firm and the employee to focus resources and attention on external opportunities, rather than internal bureaucratic procedures, rules, and systems.
Exhibit C: Sample AAR Agenda

Date: 12/31/2011 9:00 AM
Click here and enter location of meeting

<table>
<thead>
<tr>
<th>Facilitator</th>
<th>Click here and enter facilitator name</th>
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<tr>
<td>Scribe</td>
<td>Click here and enter scribe name</td>
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<td>Requested attendees</td>
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<td>Resources</td>
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<td>Please bring</td>
<td>At least three things that you think went well and three things that you think could have gone better.</td>
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<tr>
<th>Objectives</th>
<th>Dialogue leader</th>
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<td>Introductions</td>
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<td>Review after action review</td>
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<td>ground rules</td>
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<td>• For learning, not criticism--absolutely no personal attacks</td>
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<td>• No hierarchy exists</td>
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<td>• Facilitator and scribe must be different people</td>
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<td>• Do not overanalyze; stay at a high level</td>
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<td>What were the objectives?</td>
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<td>What actually happened and why was it different?</td>
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<td>• What went well?</td>
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<td>• Why did these things go well?</td>
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<td>• What could have gone better?</td>
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<td>• Why did these things go wrong?</td>
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<td>What are we going to do different next time?</td>
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<td>Each person should rate the success of the engagement</td>
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What are the specific follow-up items?

Other Information

Please be prompt. Thank you for your attendance.

AICPA Resources

Private Companies Practice Section Human Capital Center

Other Resources

Because all good humor contains an element of truth, this clip from the UK version of the TV show *The Office* is a good companion to this article: http://www.youtube.com/watch?v=I9LLZJFBWdc

Bibliography


*Peter Drucker: Shaping the Managerial Mind*, John E. Flaherty, San Francisco: Jossey-Bass Publishers, 1999


Ronald J. Baker

Ronald J. Baker started his CPA career in 1984 with KPMG’s Private Business Advisory Services in San Francisco. Today, he is the founder of VeraSage Institute—the leading think tank dedicated to educating professionals internationally—and a radio talk-show host on the www.VoiceAmerica.com show: The Soul of Enterprise: Business in the Knowledge Economy.

As a frequent speaker, writer, and educator, his work takes him around the world. He has been an instructor with the California CPA Education Foundation since 1995 and has authored fifteen courses for them, including: You Are What You Charge For: Success in Today’s Emerging Experience Economy (with Daniel Morris); Alternatives to the Federal Income Tax; Trashing the Timesheet: A Declaration of Independence; Everyday Economics; Everyday Ethics: Doing Well by Doing Good; and The Best Business Books You Should Read.


Ron has toured the world, spreading his value-pricing message to over 150,000 professionals. He has been appointed to the American Institute of Certified Public Accountant’s Group of One Hundred, a think tank of leaders to address the future of the profession; named on Accounting Today’s 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2011, 2012, 2013, 2014, 2015, and 2016 Top 100 Most Influential People in the profession; voted number three, six, and nine, of the Top ten Most Influential People in the profession in 2012, 2013, 2014, 2015, and 2016; selected as one of LinkedIn’s Influencer Bloggers; and received the 2003 Award for Instructor Excellence from the California CPA Education Foundation. He graduated in 1984 from San Francisco State University, with a Bachelor of Science in accounting and a minor in economics. He is a graduate of Disney University and Cato University, and is a faculty member of the Professional Pricing Society. He presently resides in Petaluma, California.
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