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How CPM can achieve sustainable competitive advantage, June 5, 2007

By [Robert Morris](#) (Dallas, Texas) - [See all my reviews](#)



Note: Robert Morris is Ranked #12 by Amazon as a reviewer.

Many senior-level executives are about to launch or are now in the midst of performance improvement initiatives of one kind or another such as TQM, Lean, Six Sigma, or some variation thereof. For them especially, the material that Bob Paladino provides in this book will be of substantial value because he offers a remarkably comprehensive briefing on all manner of best practices from a variety of sources which include the U.S. President's Malcolm Baldrige National Quality Award recipients, the Kaplan and Norton Global Balanced Scorecard Hall of Fame inductees, recipients of the Deming Quality Award, Fortune magazine's "100 Best Companies to Work For," Best Practice Partner Award recipients selected by APQC (previously known as the American Productivity Center and the American Productivity & Quality Center), and Forbes magazine's "Best Managed Companies." From this abundance of information, Paladino has identified "five key principles" that, in my opinion, are relevant to any organization (regardless of size or nature) that is committed to producing more and better results in less time, and at a lower cost. Hence the importance of effective corporate performance management (CPM).

He carefully organizes his material within nine chapters, devotes a separate chapter to each principle, and then in the final chapter provides a three-step "CPM Diagnostic" to conduct a self-assessment and baseline where each reader is at this point in her or his corporate performance management "journey." (Paladino's choice of the word

"journey" is appropriate, given the fact that performance improvement initiatives are best viewed as a "marathon" rather than as a "sprint.") I especially appreciate Paladino's brilliant use of a lean best practice case study approach to strategy management to bring together disparate methods into an integrated, simplified CPM framework.

In fact, most case studies are segmented and extended within Chapters 3-9, coordinated with his focus on a separate best practice in each chapter. The commendably varied exemplar (i.e. high performance) organizations include Crown Castle International, the City of Coral Springs (FL), the Tennessee Valley Authority, LB Foster Company, the American Red Cross, Ricoh, and Sprint Nextel. Supplementary case studies include those of the Florida Department of Health (Chapter 6), Houston Chronicle (Chapter 7), and Raytheon Company (Chapter 8). Important lessons can be learned from these high-performance organizations, lessons that can help others to avoid becoming one of the nine of ten that fail to implement their business strategies.

Paladino cites the results of rigorous and extensive research conducted by Robert S. Kaplan and David P. Norton that reveals four common barriers: vision (only 5% of the workforce understands the strategy), management (only 15% of executive teams spend more than one hour per month discussing strategy), people (only 25% of managers have incentives linked to strategy), and resources (only 40% of organizations link budgets to strategy). To repeat, important lessons can be learned from these high-performance organizations, lessons that can help others to avoid becoming one of the nine of ten that fail to implement their business strategies.

Whether or not decision-makers who read this book learn these lessons and then take appropriate action in response to them is, of course, for them to decide. There's "bad news" and "good news." First the bad news: Most probably won't. Now the good news: Most probably won't.

Source: www.amazon.com