



[BOOKS]

Managing Strategy

While the title of Bob Paladino's *Five Key Principles of Corporate Performance Management* (CPM) was intriguing, I opened the book and began reading with a bit of skepticism. I was searching for the real story in the book. I wanted to see how the book measures up to the bold statements Paladino makes in Chapters 1 and 2 summarizing the goal of his book: "*Five Key Principles* provides practical executive and practitioner best practice examples on how to establish a new CPM Office to manage strategy using integrated CPM processes....Establishing a dedicated CPM Office led by an Officer who understands and will facilitate delivery of comprehensive, integrated solutions around the *Five Key Principles* will enable your enterprises to overcome these challenges. Organizations that deploy single tools or methods and move through different methods each year, using the 'initiative du jour' approach in an ad hoc manner, do so at their own peril."

Paladino succinctly presents his five key principles in Chapter 1. They are:

1. Establish and deploy a CPM Office and Officer
2. Refresh and communicate strategy
3. Cascade and manage strategy
4. Improve performance
5. Manage and leverage knowledge

In the next chapter, he addresses the barriers to implementing strategy and explains why companies often fail to implement strategy successfully. From his experience, he has identified four major types of barriers to implementation: vision, management, resources, and people. In addition, time is a critical element in implementing any CPM

change, so Paladino discusses Charles Fine's concept of Clock Speed. He wraps up this enlightening chapter with a discussion of what he has identified as obstacles to CPM project and process success.

In Chapters 4 through 8, Paladino discusses each of the five key principles as they relate to case studies

from various industries. This is an effective approach to illustrate the practical uses of each principle. Each case study is replete with examples of how these companies utilized the CPM principles to integrate balanced scorecards, Lean management, Six Sigma, and other proven techniques into a comprehensive and coordinated program for organizational improvement. The CPM Office provides a central authority to unify the various tools, ensuring that performance management processes are congruent with the vision, mission, and values; fit the long-term strategies and short-term objectives; and are relevant and achievable.

The last chapter of the book provides an easy self-diagnostic approach and research resources for additional information on various performance improvement methods.

Paladino lives up to his commitment to his readers with his practical examples of organizations using the implementation of a CPM Office to integrate seemingly disparate performance management methodologies into a comprehensive and coordinated model for performance improvement. The challenge that organizations face is to take the first step by identifying the person to lead the CPM Office and facilitate the accomplishment of the other four principles.—Paul L. Shillam, CMA, CPA

