

Performance Control Theory

Performance and Control

To perform is to achieve one's aims, to accomplish what one sets out to accomplish and it is these accomplishments that define performance. As Tom Gilbert (1974) wrote so many years ago, "If you think about it, then, it is only the accomplishments of performance that we value – never the behaviors that produce them" (p. 13). Performance, then, is defined not by behavior but by the effects or outcomes of behavior, what Gilbert termed "accomplishments" and what Gilbert Ryle (1949) even earlier termed "achievements."

"Performance," then, refers to the achievement of a result or outcome. In turn, "outcome" refers to a change in the value of some variable – from its current to its desired value. Finally, "control" refers to the ability to direct or influence the course of events in such a way that an intended result or outcome is achieved.

To control performance is to bring about alignment between the intended or desired value for some variable and its perceived or actual value.

Depending on the variable in question, the actions involved might rest on a single individual or more, perhaps a team or other unit. In some cases, the variable might reflect the actions of larger numbers of people, perhaps the entire organization. However, the locus of control of an individual's performance always rests with the individual in question. The locus of control over performance when the actions necessary to achieve the outcome in question involve the actions of more than one individual might rest with the individuals involved, a supervisor or team leader or perhaps a manager or even an executive. In all cases, the essence of controlling performance is the same: to bring about alignment between the intended or desired value for one or more variables.

How then is performance controlled? What are the basic elements of control and how do they operate? These questions are explored next.

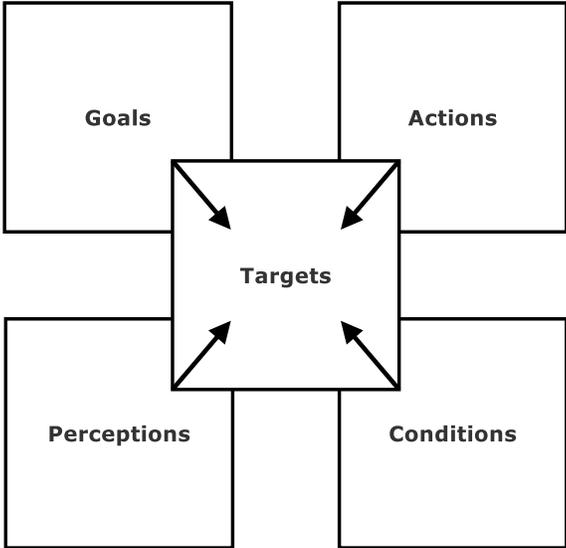
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There is an excellent theory pertaining to human behavior known as Perceptual Control Theory (PCT), articulated by the late William T. Powers in several papers and books. Two of his more important books are listed at the end of this column. Basically, Powers' theory holds that we behave in ways that serve to control our perceptions. PCT, then, is a theory of control, not a theory of behavior in the ordinary sense of that term.

Because it is a theory of control, PCT offers an excellent explanation of how performance is controlled (or not). Indeed, to be precise, PCT would hold that performance *is* control. Consequently, I like to think of PCT as standing not just for Perceptual Control Theory but also for Performance Control Theory.

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Performance Control Model



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As the Performance Control Model above indicates there are five major elements involved in the control of performance: Targets, Goals, Actions, Conditions and Perceptions. A brief review of each follows.

- **Targets** are the focal points for action, the center of attention; they are the variables we want to bring to a certain value and maintain at that value. The variable might be something like the reject rate in a process, the sales volume for a region, the retention rate for employees, or the turnover rate in inventory. Whatever they are, they are variables and our aim is to control their value. As the arrows indicate, the other four boxes tie to the Targets box in one way or another.
- **Goals** specify the desired value of our targets. Thus the reject rate goal might be something like “less than one percent” and the sales goal might be something like “\$200 thousand per quarter.” Goals serve to specify the result we’re after with respect to our targets. It stands to reason that to achieve any goal the performer must be clear about it and committed to achieving it. Absent clarity and commitment actions will be misguided, poorly executed or simply not undertaken.
- **Actions** are those things we do to bring our targeted variables to their desired states. With respect to the reject rate goal we might redesign the process, isolate and repair some malfunctioning portion of it, or perhaps realize that we need to change the inputs, not the process itself. Of extreme importance here is the fact that change is often indirect; we take action over here in order to realize a result over there. To be successful, we must know how “over here” is connected to “over there” so that, ultimately, our direct, immediate actions have the desired effects on our target variables.

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- **Conditions** are those circumstances or situations in which our targets are embedded and in which our actions are taken. These can be helpful or hindering and, in some cases, of no consequence whatsoever. In any case, they include other actors and factors that might also affect the variables we wish to affect. Consequently, our actions must offset or preclude any untoward effects stemming from the conditions in which we are operating.
- **Perceptions** inform us of the current state of our target variables and of changes to them owing to our actions or the effects of other actors and factors. We compare our perceptions of the current state of our targeted variables with our goals for those variables and if an unacceptable discrepancy exists, we act to close it. If no such discrepancy exists, we have succeeded in bringing the target variable to its desired state and no further action is necessary except to maintain the target variable in its desired state.

Control, as the late Peter Drucker observed, is always against some standard. We control our performance in light of the target variables whose value we intend controlling and our goals or desired values for those targets. We do so by acting in ways that alter the value of our target variables and we are informed about the efficacy of our actions by our perceptions of those values and changes in them. Thus it is that a grasp of Perceptual Control Theory explains and, when properly understood and applied, enables the control of performance.

The Control of Performance: A Recap

- The performer has a perception of the current state of the outcome he or she is trying to achieve (i.e., a specific value of a particular variable).
- The performer compares the perceived state of the intended outcome with the intended or goal state.
- If an unacceptable gap exists between the perceived and intended states, the performer engages in action.
- Effective actions, whether directly or indirectly, affect the value of the target variable.
- Bringing the value of the target variable to some specified state and keeping it there is the goal, the intended outcome, the performance in question.
- There are, however, other actors and factors in that same setting and these, too, can affect or, to use a PCT term, “disturb” the value of the target variable and, on occasion, can overwhelm the performer’s best efforts. But, for the most part, the performer’s actions offset the effects of these other actors and factors. Nevertheless, whenever analyzing performance, we must take into account the conditions under which the performance is to occur and the effects on the target variable of what Perceptual Control Theory terms “disturbances.”

Selected References

1. Gilbert, T.F., (1974). Levels and Structure of Performance Analysis: A Praxis Technical Paper (No. 1). Praxis Corporation: Morristown, NJ.
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3. _____ (1998). *Making Sense of Behavior: The Meaning of Control*. Benchmark Publications: New Canaan, CT.
4. Ryle, G. (1949). *The Concept of Mind*. Hutchinson of London: London.