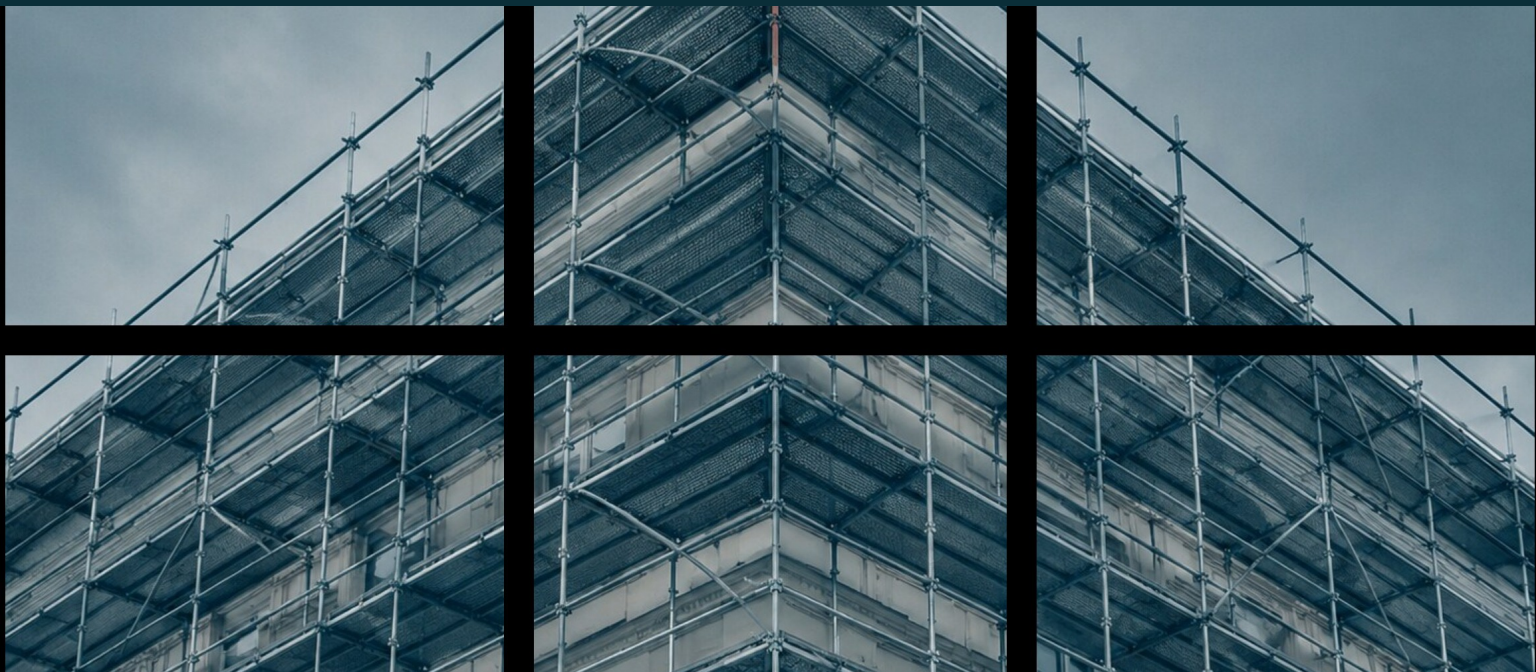


BEYOND REASSURANCE

The Quarterly Business Review Is Theatre, Not Steering

A Practitioner's Perspective on quarterly governance in complex transformation



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“The credibility of every green depends on the demonstrated possibility of red.”

The ritual we cannot seem to give up

The pattern recurs with a regularity that ought to embarrass us. A transformation programme of real consequence — new operating model, systems replacement, a reshaping of how the organisation earns its keep — arrives at the end of its quarter and assembles its most senior people into a room for half a day. Slides are prepared for a fortnight beforehand. The status is presented. The status is, almost without exception, amber trending green. Questions are asked, most of them answered before they are finished. Actions are noted. The meeting closes to a general sense of reassurance, and everyone returns to the work they were doing before, which continues exactly as it would have continued had the meeting never taken place.

I have sat through a great many of these. The honest account is this: the quarterly business review, as most organisations practise it, is a ritual that has forgotten it was once meant to be an instrument. It consumes the scarcest resource a programme has — the sustained attention of the people who can actually change its direction — and returns almost nothing in the way of direction changed.

The shape of the ritual

It is worth being precise about what the ritual actually is, because its defenders will say it is a governance forum and leave the description there, as though naming it settles the matter.

What happens in practice is a performance of accountability rather than the exercise of it. The programme prepares a narrative. The narrative is optimised, consciously or not, to survive the room. Risks that are genuinely troubling are either resolved on paper before the meeting or softened into a form that invites no follow-up. The celebrated failure mode — the report that is green on the surface and red underneath, the watermelon — is not an accident of poor reporting. It is the natural product of a forum where the reward for honesty is scrutiny and the reward for confidence is to be left alone.

The senior people, for their part, arrive under-prepared, because the pack landed the night before and it is ninety pages long. They cannot interrogate what they have not had time to read, so they ask the questions that can be asked from the summary slide: is it on time, is it on budget, is it on scope. These are the three questions least likely to reveal anything, because they are the three questions the programme has spent the fortnight preparing to answer.

Why it hardened into ceremony

None of the people involved are foolish, which means the ritual is not sustained by foolishness. It is sustained by structure, and the structure has at least three load-bearing causes.

- The review measures the wrong thing. It reports on the delivery of activity — milestones hit, spend against plan, deliverables signed off — because activity is legible and countable a quarter at a time. Whether any of that activity is moving the organisation toward the outcome the programme was chartered to produce is a slower, muddier question, and the quarterly cadence has no patience for it. So the forum fills with the measurable and quietly evicts the meaningful.
- The cadence belongs to the calendar, not to the work. Real decisions on a transformation do not queue up politely to arrive on the last Thursday of the quarter. They arrive when a supplier misses, when a design assumption breaks, when the sponsoring executive changes. A forum that meets on the calendar's schedule rather than the work's schedule will always be reviewing decisions that are already three weeks stale, or pre-empting ones not yet ripe.
- The forum has no teeth it is willing to show. A review that could stop a programme, reset its scope, or replace its leadership would be attended very differently. Most cannot, or will not. Stopping is an admission; resetting is a renegotiation nobody wants to open; and so the forum confines itself to the decisions it is comfortable making, which are the small ones. Everyone learns quickly what the room is actually for, and calibrates accordingly.

A governance forum reveals its true purpose not in its terms of reference but in the largest decision it has ever actually taken. For most quarterly reviews, that decision is the approval of a change to the reporting template.

What a review that steers would look like

I am not arguing that senior people should stop meeting to look at transformation. I am arguing that if the meeting is going to cost what it costs, it should earn its keep, and there are a handful of things that separate a forum which steers from one which merely convenes.

1. It opens with the decision, not the status. The first item is not here is where we are but here is what we need you to decide, and here is what happens on each path. A review whose agenda is a list of decisions will attract different preparation and different attendance than one whose agenda is a list of updates.
2. It reports outcomes leading, activity trailing. The programme is asked, first, what evidence there is that the intended change is beginning to happen — early signals of adoption, of behaviour shifting, of the benefit case becoming real — and only then how the plan is progressing. When the leading question is about outcome, the watermelon has nowhere to hide, because you cannot fake a movement in the world as easily as you can fake a colour on a slide.
3. It reads before it meets. The pack is short, it lands with enough time to be read, and the meeting assumes it has been. The hours are spent on the questions the pack could not settle, not on being talked through the pack.

4. It is willing to say the largest word. A forum that has, at least once, actually paused or reshaped a programme is a forum whose amber means something. The credibility of every green depends on the demonstrated possibility of red.

The practitioner's test

There is a simple test I have come to apply, and I offer it without much ceremony because the point of this piece is to be suspicious of ceremony. After the review has closed, ask what would have been different if it had not happened. Not what was reported, not what was reassured — what was decided that would not otherwise have been decided, or changed that would not otherwise have changed.

If the honest answer is nothing, then what took place was not a review. It was a ritual with a review's furniture. And the organisation has paid, in the most expensive currency it holds, for the feeling of being in control rather than the substance of it.

The reassuring feeling is not nothing — I understand its pull, particularly for a sponsor carrying the weight of a programme they cannot personally see into. But a transformation does not fail on the day the review turns red. It fails in the many quarters when the review stayed green because green was easier to present than true. The remedy is not a better template or a tighter status definition. It is the willingness to build a forum that can bear bad news early enough to act on it — and the discipline, quarter after quarter, to keep asking of it the only question that matters: what did we actually decide here that we would not have decided anyway.