Chapter 2
Building Performance Systems That Last

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EXECUTIVE SUMMARY

LIFTOR is a human performance system that promotes the safe and efficient operation of industrial forklift trucks. The original installation occurred in 1985. In the ensuing 30 years, it was installed at 16 sites. In spite of meeting its design goals, not all of these installations have survived, but because the same problem existed, and the same system was used to solve it, we can attribute the failures to differences between the sites. Some sites were closed for reasons unrelated to LIFTOR. Others failed because of systemic conflicts, but most of them failed after specific events occurred, such as new managers, new budgeting or contracting policies, or loss of support from corporate headquarters. Most of them could have been prevented by relying less on a corporate champion, and more on good cost-effectiveness reporting, coupled with more systematic training and involvement of front-line managers.

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ORGANIZATION BACKGROUND

Introduction

National LIFTOR (LIFT Truck Operating Resources), is one of the most thorough and comprehensive industrial performance management systems (PMS) in existence. Yet, of the 16 original installations on record, many failed prematurely. Others continued to work, original mission intact, for nearly 30 years. Which factors caused these differences? What are the implications for the design of performance management systems in the future?

A Performance System Analysis: LIFTOR Success and Failure

The LIFTOR performance management system did not start out as such. It evolved from a performance-based training initiative in one factory & distribution center. With successive installations, it took more than 20 years of continuous refinement before we could confidently explain any accident or failure in performance as a failure to follow one or more standardized LIFTOR practices. At that point, the LIFTOR performance system had become a truly comprehensive performance system!

Figure 1 is a summary of the LIFTOR installations in our study.

It's in the Same System, Different Sites

The above analysis covers 30 years at 16 different industrial sites across four different states (USA), with 1923 forklift operators. From this analysis, we have learned about successful implementations and also about the reasons for failures of the LIFTOR system. The success of this system is well-documented (Monaco and Schneider. 2015). Here, the authors observe key reasons for failures and explain them along with recommendations for future installations. All of this is possible because LIFTOR has been implemented uniformly as a standardized system. By comparing sites with different working environments, we can make valid inferences about the causes of both successes and failures.

Classifying Outcomes

Over the collective 153 site-years of their existence, these sites trained and certified 1923 forklift operators to LIFTOR performance standards. Classifying the sites by the proximal cause for their demise, we see that: