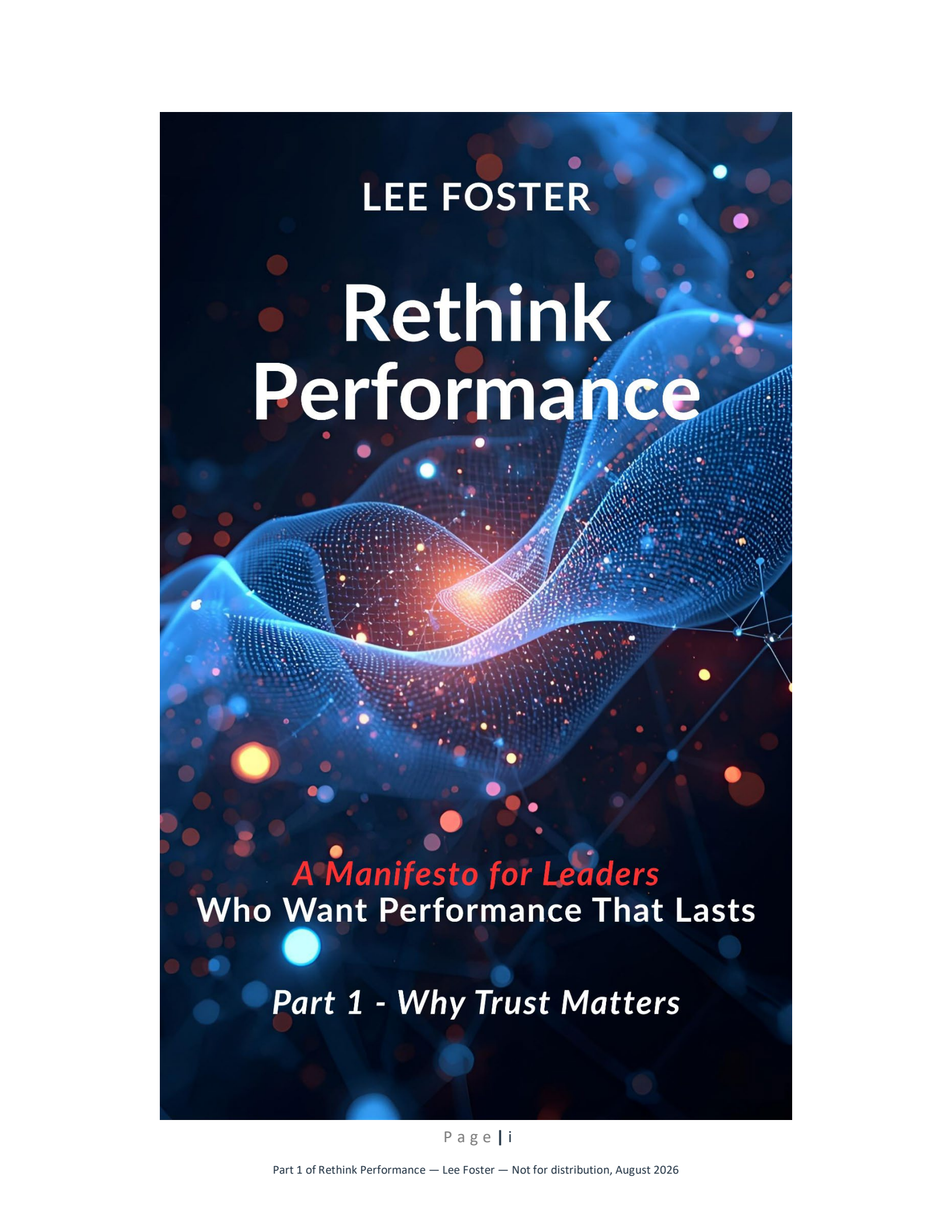




LEE FOSTER

Rethink Performance

A Manifesto for Leaders
Who Want Performance That Lasts

Part 1 - Why Trust Matters

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A Manifesto for Leaders

Who want performance that lasts

Part 1 – Why Trust Matters

By Lee Foster

“Innovation moves at the speed of trust.”

— Julia Spicer OAM

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The examples in this book are drawn from the author's research and professional practice. Some details have been condensed or de-identified to protect participants and organisations.

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How to use this book

Rethink Performance is designed to be useful on its own and even more useful when applied to a real initiative.

Choose one project, program or change effort that matters to you. It may be progressing, struggling or still taking shape. Keep that same initiative in mind as you read. The questions at the end of each chapter will help you notice what conventional reports may not yet show.

If this ebook is part of the **Rethink Performance Video Sprint**, use the same initiative throughout the five videos. The sprint asks for about an hour of focused effort across ten days. Complete it to unlock the **InnoWise® Alignment check** and find where your project really sits in its lifecycle.

You do not need to provide confidential organisational information. The aim is to develop a clearer view of the conditions shaping performance, not to disclose sensitive details or make a judgement about individuals.

The central question

Can you see why a technically sound project is losing momentum before the conventional KPIs reveal the problem?

Introduction — Performance starts moving before the KPI does

Performance is usually discussed as an outcome. Standard metrics would normally measure whether the work was delivered on time, within budget and to the required standard. We track milestones, defects, benefits and risk. These measures do matter. However, they primarily tell us what has already happened. These are lag indicators and they often tell us too late.

By the time cost, schedule or quality begins to reveal a problem, the conditions that produced the result may have been deteriorating for months. People may no longer agree on the problem. Critical knowledge may sit with one person or one part of the organisation. It may be too late to prevent delay, rework or lost momentum. Decisions may be repeatedly deferred. Stakeholders may comply in meetings but remain unconvinced outside them. The project can appear active while its ability to move is quietly weakening.

Leaders often respond by adding another report, meeting, process or layer of control. More visibility at the outcome level can be useful, but it does not necessarily reveal what is happening underneath the work. The deeper question is not only, *“Are we delivering?”* It is, *“Do the conditions still exist for delivery to succeed?”*

My work as an engineer and researcher has led me to three conditions that deserve much more attention:

1. **Trust** — whether people have sufficient confidence in the problem, the evidence, the approach, one another and the support around the work.
2. **Knowledge** — whether the right insight exists, moves to where it is needed, in the form that it is needed and becomes part of the organisation’s or communities capability.
3. **Energy** — whether people and the system have the capacity, attention and resources to keep the initiative moving.

These conditions are interdependent. Knowledge does not flow simply because a document exists. People decide whether to share it, question it and use it. Those decisions are shaped by trust. When trust and knowledge weaken, effort becomes harder to sustain. Energy is consumed by rework, uncertainty, defensive behaviour and repeated decisions.

The result of a loss in any of these conditions eventually appears in the conventional metrics. The cause, however, began much earlier.

A different performance architecture

The InnoWise® framework emerged from my research into knowledge, governance and innovation in a project-based environment. It does not replace engineering discipline, project management, governance

or commercial controls. It does, however, add visibility to conditions that those systems often assume will take care of themselves.

The framework is unique as it treats the three core principles as follows:

- trust as a structural condition,
- knowledge as system memory, and
- energy as adaptive capacity.

Together, the principles of the framework help explain why capable teams can struggle inside technically sound initiatives; and, why some projects regain momentum after one honest conversation while others continue to consume effort without resolving the real issue. The shift may appear subtle, but it changes the questions leaders ask.

The questions that the InnoWise® framework and tools ask are designed to bring performance management closer to its source. For instance,

- Instead of asking whether the plan is being followed, we also ask whether the people involved still trust that the plan addresses the right problem.
- Instead of asking whether documents have been completed, we ask whether the knowledge needed for decisions is understood, credible and available to the people who must act.
- Instead of interpreting slow progress as resistance or poor motivation, we ask what is draining the system's capacity to move.

What this book will — and will not — do

Part 1 of Rethink Performance makes the case for seeing trust, knowledge and energy as early performance conditions. It offers a practical lens, examples from project environments and questions to apply to your own work.

The book does not pretend that one person's view can diagnose an entire organisational system. Nor does it reduce trust to a single score as context matters. A project that is still forming requires different questions from one that is trying to embed a completed solution.

That distinction is central to the Innovate Wisely approach:

Locate the work before you measure it. Measure the right conditions before you decide what to do.

The chapters that follow will help you understand why. We begin in Chapter 1 by examining why conventional performance measures often reveal problems too late. Chapter 2 explores trust as a structural condition, Chapter 3 knowledge as system memory and Chapter 4 energy as the capacity to

act. Finally, these elements are brought together in Chapter 5 to show how leaders can recognise emerging constraints earlier and create a clearer path forward.

If you are following the **Rethink Performance Video Sprint**, head to section 8 for additional information and guidance.

1 Chapter 1 — What your performance metrics see too late

Another strategy that looked convincing on paper but quietly stalled in practice.

Another strong idea that never quite became normal work.

Most organisations do not lack strategies, plans, dashboards or capable people. Many have sophisticated systems for tracking delivery. Yet projects still lose momentum, transformations underdeliver and useful ideas struggle to become adopted practice.

The scale of the gap is difficult to ignore. Clayton Christensen and his co-authors reported that more than 90 per cent of approximately 30,000 new consumer products launched each year failed. In 2018, the World Economic Forum reported that companies would spend more than US\$1.2 trillion on digital transformation that year, while analysis suggested only about 1 per cent of those efforts would achieve or exceed expectations.

The exact rate will vary with the definition of success, the sector and the type of initiative. The figures should not be used to suggest that every experiment ought to succeed. Innovation involves uncertainty, and learning can be valuable even when an idea is not adopted. The figures do show the size of the opportunity to turn more investment, knowledge and effort into sustained outcomes.

The problem is not that conventional metrics are wrong. Time, cost, scope, quality, safety and benefit measures remain essential. The problem is that they are mainly evidence of consequences:

Traditional metrics show the wake behind the boat.

Leaders need that view, but they also need to know what is happening at the bow:

- whether people can see the obstacle,
- whether the crew shares the same map, and
- whether anyone has enough confidence to change course.

1.1 Symptoms are not causes

When an initiative begins to drift, the first explanations are often familiar:

- communication has broken down,
- stakeholders are resisting change,
- scope is creeping,
- decisions are taking too long, or
- the team needs to be more accountable.

Each explanation may be true. However, none is yet a diagnosis. For example:

“Poor communication”, can describe several very different conditions. People may not know who holds the relevant knowledge. They may not trust the information being presented. They may fear the consequences of raising a concern. The project’s purpose may have changed without being reconsidered. Leaders may be sending frequent updates while avoiding the one conversation the initiative needs. And applying a generic communication action to all of those conditions is unlikely to solve the problem.

The same applies to resistance. What looks like resistance may be a rational response to an unclear problem, an untested assumption, previous experience, workload pressure or a solution that does not fit operational reality. Labelling people as resistant can hide valuable knowledge and make trust worse. Performance improves when leaders become more precise about what they are seeing. The secret sauce here is to be able to have the means to see.

1.2 The assets that rarely meet

Whilst undertaking the research behind InnoWise® I recognised the pattern through the industry I was working in: water treatment and supply. Across my organisation, I observed that treatment plants often had two rich knowledge assets that did not connect as well as they should.

The first knowledge asset was the operators. Experienced operators knew their plants through years of changing seasons, unusual source water, equipment behaviour and hard-won judgement. They could recognise a problem before it appeared in a report.

The second asset was the formal records: drawings, procedures, laboratory results, incident reports, models and folders of project information. Of course, both knowledge assets mattered. However, neither was complete alone.

Furthermore, when experienced people retire or move on, knowledge leaves with them. New engineers could study drawings and data yet remain disconnected from the lived experience of those who had operated the system. Previous trials would be repeated because no one knew where the result sat or who remembered the outcome or the decision.

“We tried that before. It didn’t work,” a colleague once said. The next sentence mattered more: “But nobody asked me.”

The immediate issue appeared to be a missing conversation. The structural issue was that the organisation had no reliable way to connect knowledge, confidence and decision-making at the point where they were needed.

The pattern extends well beyond water treatment. APQC reports (2021) that fewer than 20 per cent of the hundreds of organisations assessed using its Knowledge Management Capability Assessment Tool

had reached Level 3 or higher. Where Level 3 marks the point at which knowledge management moves beyond localised and repeatable practices to common, standardised approaches that support knowledge sharing across organisational silos.

Fewer than 20% of organisations had achieved standardised knowledge-management practices or higher

The cost of remaining below Level 3 is rarely captured as “knowledge loss”. It appears later as duplicated work, inconsistent decisions, avoidable risk, rework or another delayed project. By contrast, stronger knowledge-management practices help project teams find and reuse relevant knowledge, connect with the right expertise, deliver better and faster results, and help future teams avoid repeating mistakes.

1.3 Activity can conceal decline

Busy projects are not necessarily healthy projects. A team can produce reports, hold workshops, update schedules and close actions while confidence in the initiative declines. People can remain polite and professional while withdrawing the discretionary effort that helps solve difficult problems. A steering committee can receive green status reports while the operational team quietly believes the proposed solution will not work.

The lagging metrics remain stable until the accumulated friction becomes too large to hide. Leaders therefore need visibility across three connected layers of performance: the conditions that shape the work, the behaviours those conditions produce and the outcomes that eventually follow. These relationships and when each layer usually becomes visible are summarized in Table 1.

Table 1: What Leaders See

What leaders see	What it reveals	When it usually appears
Conditions — trust, knowledge and energy	Whether the system can keep producing sound decisions and coordinated action	Early
Behaviours — candour, sharing, decision speed and follow-through	How the conditions are affecting the work	During delivery
Outcomes — time, cost, quality, risk and benefits	What the system has produced	Later

Trust, knowledge and energy provide the earliest indication of whether the system can continue producing sound decisions and coordinated action. During delivery, the effects become visible through candour, knowledge sharing, decision speed and follow-through. Measures such as time, cost, quality, risk and benefits appear later, showing what the system has already produced. Viewing all three layers

together helps leaders respond to weakening conditions and behaviours before they become poor outcomes.

For managing performance only at the outcome level is like managing water quality only at the customer's tap. The endpoint matters, however reliable performance depends on understanding what is happening throughout the system.

1.4 My reason for asking a different question

Water is life

That belief, that 'water is life', shaped my engineering career and my desire to improve how we treat and manage it. Consequently, water providers are appropriately cautious. A poor decision can have serious public-health consequences. Technical rigour, evidence and risk management are non-negotiable.

Yet caution and improvement must coexist. Climate pressure, ageing infrastructure, water scarcity and community expectations demand better solutions. I became increasingly curious about why sound ideas were so difficult to progress inside organisations full of capable, committed people. The question that eventually took me back to university was simple:

Why do good ideas die inside good organisations?

My research did not reveal a shortage of ideas. It revealed the importance of the system around them:

- how knowledge was governed,
- whether people trusted the problem and the proposed response, and
- whether the work continued to attract enough energy to move.

While technical capability remained essential, it was not (and is not) sufficient on its own.

1.5 Pause and notice

Think about the initiative you chose at the beginning of this book.

What would have to weaken before the schedule, budget or quality measures moved — and where might you see that change first?

Do not solve it yet, just take notice of the earliest signals.

11 About Innovate Wisely™

Innovate Wisely™ helps organisations rethink performance by making trust, knowledge and energy visible across projects, programs and organisational systems.

Its InnoWise® framework complements technical, project and governance disciplines through three practical tools:

- the **InnoWise® Process Mapping Checklist**, which locates work in the relevant project context;
- the **Trust Analyser™**, which measures stage-specific confidence and draws insight from scaled responses and language; and
- the **Knowledge Canvas™**, which turns insight into a practical map for knowledge, stakeholders, adoption and learning.

The tools can support individual reflection, guided project work or multi-stakeholder diagnostics. The level of evidence and facilitation is matched to the complexity of the decision.

Innovate Wisely works particularly with councils, utilities, infrastructure organisations and teams delivering complex change — environments where technically sound solutions depend on trust, knowledge and organisational alignment to become sustainable outcomes.

Learn more at www.innovatewisely.com.

12 About the author



Lee Foster is a water engineer, researcher and founder of Innovate Wisely™. Across more than 30 years in water engineering, Lee has worked in treatment, operations, planning and complex infrastructure environments where technical decisions carry real community consequences. Her engineering experience taught her that strong solutions do not succeed through technical merit alone. They also depend on whether the right knowledge is available, whether people have confidence in the work and whether the system can sustain the effort required to deliver it.

Lee holds a Master's in Engineering and a Master's in Business Management and Innovation by research. Her peer-reviewed research with Queensland University of Technology integrated knowledge management, knowledge governance and innovation into the framework that became InnoWise®.

Today, Lee works with councils, utilities, project teams and delivery partners to make trust, knowledge and energy more visible in decision-making. She is the creator of the Trust Analyser™, Knowledge Canvas™ and InnoWise® Process Mapping Checklist. Her aim is practical: help organisations see performance risk earlier, make better decisions and leave each project more capable than it began.

Performance improves when trust is measured.

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