



Performance Management – Part 1

Rodney Brim

Performance Solutions Technology

Overview

Setting up a performance management system can deliver tremendous results. We've seen it deliver hundreds of millions of dollars in value in months. Today it has become an important tool in building an organizational culture of choice, and delivering great results.

What we've also witnessed is that it's not very common to have a good "road map" when embarking on setting up or executing a performance management system. This series of white papers is written as a guide to help you avoid common mistakes and address critical steps in dealing with the people, process and technology side of performance management.

This white paper series addresses belief systems and expectations about how people will respond. Each guideline is described in terms of:

- A myth (inaccurate belief system that will get you into trouble) and
- Reality.

Let's get started:

Applying People and Performance Management:

Myth:

Performance Management is an easy-to-apply improvement process.

Reality:

Performance Management is a gritty push for people to perform higher than they have previously to date.

Start by adopting an accurate perspective, it will guide the rest of your approach, expectations and approach

Understand that performance management is really a nice term for the reality of a gritty, unending push for high performance. Think about it. No one spends money on performance management with the goal of reaching mediocre performance. For the rest of this white paper, translate the word performance management into the climb, the drive, the engagement and negotiation through resistance in pursuit of improved performance.

For some the thought of creating higher performance looks like a palm sweating battle. It can certainly have that at times. It also has times where you get a tremendous sense of accomplishment and relief as obstacles are removed. Inevitably it has both a push and pull component. Let me explain.

You generate a pull that draws people to higher performance when you remove their discomforting obstacles and clearly identify what's in it for them.

You generate a push when you enroll one or more people to lend their support, the power of their position, and ultimately their insistence with others when being tested, that “Yes, we are going to use the new processes and tools required to achieve a higher level of performance.”

Static or Dynamic Performance Management

Myth:

Once you get people to a high performance level, it will be self sustaining

Reality:

High performance requires periodic, but regular, support, recognition and accountability - period.

A second common misconception to avoid is the belief that performance management and the pursuit of high performance is a static state. You know, once you’ve got everyone comfortable with the new way of working, they’ll keep doing it on their own. Read this one very carefully.

High achievement is not a self sustaining state for over 90% of the population. For most people it’s an occasional event, usually prompted by an impending deadline, threat or unusual opportunity. Stop pushing for high performance and high performance drops to something less.

Does that mean most everyone needs someone to support them, recognize them and hold them accountable to regularly hit “home runs?” The answer is “Yes!!!” Think of managing to high performance as similar to piloting a hot air balloon. If you don’t give it regular energy (heat) it stops creating lift and you descend. To use a sports example, no professional team competes without their performance management embodied in a coaching staff.

Performance Management – Nature or Nurture

Myth:

People welcome the accountability and visibility that comes with performance management.

Reality:

Resistance to performance management in pursuit of high performance outcomes is normal and to be expected.

Managing for high performance quickly gets at your definition of human nature and human potential. If you haven’t guessed it yet, we are strongly on the nurture, not the nature, side of human performance.

Stated another way, high performance is something that requires some essential skills and capacity (nature), but it’s never enough without someone, some environment, providing a role that nurtures that capability.

But here’s where it gets convoluted. As much as we need the nurturing, the coaching, the challenging, to perform at our best, human nature is such that we both resist the accountability and visibility that accompanies performance management. So plan on people both resisting the process at one or more times, as well as delivering better results than they would without performance management.

Performance Management Follow Through

Myth:

Getting your team to a higher level of performance doesn't need to require much of your time, just get the right consultant, and/or the right software.

Reality:

High performance requires regular investment in the form of both support and walking the talk from whoever is driving it.

We have one more belief system to review with you in this area. It's the belief about what it takes to get people up the performance curve. We describe it this way, high performance is something you invest time and resources in, not assign or purchase as in a software or a workshop.

Let me say it another way, simply put, follow-through in this area doesn't occur without consistent follow-up. Back to a sports analogy, you don't get a basketball team to play "above the rim" by buying them new basketball shoes, or by simply assigning/telling them the new requirement.

Processes of Performance Management

We now need to look at three important core processes that you will need to launch and navigate, to successfully execute a performance management system. These processes will help you be successful in implementing and maintaining a performance management system. We've written it in a style that brief and succinct to make it easy to get your arms around each process. Let's get started:

1. 'Why' and 'What's in it for Me'

Our first process has to do with the questions you ask. It is as important as running to first base... first, after hitting the ball when you play baseball. Performance management works best when you have answered two very important questions. Those questions are simply:

- "Why" and
- "What's in it for me"?

You know we just said it works best if you answer these questions, but that's actually too mild of a statement. It should be a mandatory step in your guidelines. You may be asking, "Why are these mandatory"? Here's the brief answer – there's no performance management solution that can succeed based upon its merit and capability, without the benefit of solving personal problems for users. Like politics, performance management is always local.

By-the-way, most performance management initiators have not taken the time (sometimes faced the discomfort) to identify the problem and figure out how much it costs them before they set out to obtain a performance management solution.

Why not? Partly because it seems so very human to figure out "there's got to be a better way", but not get clear of what isn't working about the current system. To help you avoid this miss-step, let's go over how to address both questions.

Answering the “Why?” Question.

Starting into a performance management program without establishing the “Why” in very clear and personal terms, results in feeling like a solution is being forced on the workforce, a solution without a real necessity. Solutions without a problem inevitably feel, and are treated, as a burden and shed at the first sign of requirement relaxation. Bottom Line: Establishing “Why” is critical. It needs to be personal; for some it will be uncomfortably honest, it needs to be revealing, exposing. It’s the basis for establishing the reason for the mission.

Answering the “What’s in it for me.” Question

What’s in it for me? If establishing “Why” is the push motivator, establishing “What’s in it for me?” is the pull motivator. You’ll want to use both positive, (what’s in it for me) incentives for higher performance (ex. increased compensation, free time, autonomy, job security etc.) and the reduction of negative (why) experiences (ex. less frustration, less time wasted, less worry).

Clearly performance management needs to be defined as something that benefits everyone involved not just upper management. Raising performance just isn’t sustainable if done only under coercion or pressure to comply, even if the “Barbarians are at the gate.”

2. Measuring Performance Management

Performance management needs performance metrics – period. For the majority of organizations, that means you need to track metrics that presently aren’t being tracked and you may not even be sure what or how to track. If failing to establish “Why” and “What’s in it for me” is the first, most obvious mistake, not establishing metrics is the second biggest mistake you want to avoid.

You must set aside time and resources to establish how you’re going to measure the performance improvement. Track metrics that have what’s called “face validity” (e.g. makes common sense, clearly tied to valued outcomes). Finally, take the time to measure your performance indicators before you start the performance improvement process, otherwise you won’t have a baseline for comparison purposes.

3. Performance Management as New Habits

The final process issue we want to address works best if you look at culture and current work levels as a set of habits. Performance improvement is essentially the development of new habits. It needs to be built into a daily process, a daily system for operating. It needs to match up to the simple statement; “If we practice the following new operating habits, we expect to reduce the following experiences (as measured by) and increase the following positive outcomes (as measured by).” By identifying the process as habits, you will avoid the mistake of setting up the solution as a “silver bullet” and effectively reinforce the concept that it will take practice before the new (higher performance) behaviors will become the customary way to do business

The Author

The author of this series, Rodney Brim, is CEO of Performance Solutions Technology (PST). PST develops and assists organizations in deploying performance management software solutions, and presents these guidelines based upon our work with 1,000's of companies to help ensure your success and avoid common myths in the pursuit of performance management. Performance Solutions Technology is found on the web at <http://www.PerformanceSolutionsTech.com>

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