

## PERFORMANCE MANAGEMENT: LIP SERVICE OR TOTAL COMMITMENT?

"Total commitment is paramount to reaching the ultimate in performance."

**Tim Flores – NF L Team Coach (U.S.)**

***Do your managers fully endorse the principles of open and honest feedback in the Performance Management Review process, or is it perceived as just another bureaucratic headache!***

*Deirdre Murray, Managing Consultant / Executive Coach with People Resources Consultancy identifies 10 Key Steps to Successful Performance Management in your organisation.*

### 1. **BUY-IN**

Performance management, if effectively implemented, can represent a complete shift in organisational culture. Performance management is not just about the review itself, it is an integral part of the whole human resource management process from recruitment through to competency and personal development plans, retention strategy and career profiling.

Failure by senior management to agree on the fundamental objectives of performance management from the outset can create cynicism and reluctance from some managers to become fully engaged in the process. A half-hearted attempt in the past can make managers unwilling to try another 'new system'. It's a case of been there, done that, worn the T-shirt syndrome!

Therefore, it is critical that the internal or external consultant seek full consultation and support from all those involved to ensure that all concerns are dealt with and that the process has the full backing of all those involved in its implementation.

### 2. **SENIOR MANAGEMENT SUPPORT**

The role of the Chief Executive or Managing Director is critical from inception right through to implementation and evaluation of the performance management process.

Too often, senior management provide passive support during the initial launch but fail to follow through in the actual implementation. They feel they have 'done their bit' and can now they can go back to the day job!

As John Kotter tells us, 'Leaders must lead by example.' If managers fail to see the process being fully endorsed by the Chief Executive and the top team, then it offers little motivation for the middle managers whose support is essential.

Integration of individual and departmental goals with overall business strategy and objectives will ensure that the process cascades down throughout the organisation and aligns everyone to the overall strategic vision.

### **3. INTERNAL V. EXTERNAL CONSULTANT?**

Do you use an internal or external consultant? Many companies have significant in-house expertise and would be quite capable of launching and implementing a new performance management system.

However, where internal expertise is not available or where buy-in for the project is critical, it may be beneficial to involve an external consultant who can offer expertise and advice on the correct type of system suited to the culture of the organisation as well as providing an objective unbiased viewpoint.

### **4. CHOOSE THE RIGHT CHAMPIONS**

It is important to select and involve your best people from the earliest opportunity to support and communicate the benefits of the new system. These 'Champions' will be able to communicate a positive message to those involved and be able to deal effectively with those more resistant to change.

Even your best cynics, if convinced of the merits of the new system, can become your most powerful champions in trying to bring about positive change within the organisation.

When people have had a strong input and involvement in any process they are much more likely to support it rather than try and sabotage it at a later date.

### **5. WHAT TYPE OF SYSTEM SHOULD YOU IMPLEMENT?**

Each organisation has different needs, therefore, it is important to tailor the system to suit the culture of your organisation. Just because other businesses have full 360 degree feedback

systems does not mean that this would be an appropriate approach to adopt initially within your own organisation.

If performance management is new to your organisation, it would be more beneficial to introduce a one-to-one feedback system between manager and employee rather than launch immediately into a full 360 degree process that may put everyone on the defensive.

Having established an open culture of regular feedback and review, you can then seek to enhance the extent of feedback each employee can receive through 360 degree feedback, once the culture is more supportive.

## **6. WHAT TYPE OF DOCUMENTATION DO WE NEED?**

Again, tailoring the documentation to suit your needs is so important. The use of language is an important consideration particularly when dealing with a multi-cultural workforce.

Managers would run in horror at the thoughts of completing a 20-page review of each of their 16 staff! Simplicity, clarity and precision must be the order of the day. The design of documentation should follow the 'KISS' principle (keep it simple stupid!) at all times.

Over-elaborate documentation will make the process a bureaucratic nightmare and deter managers with a high employee ratio.

## **7. HOW OFTEN SHOULD WE CONDUCT REVIEWS?**

Many organizations conduct a performance management review at least once a year. However, this can be insufficient due to the changing nature and volatility of many organisations. An interim review every six months is therefore recommended to deal with any changes or obstacles to goal achievement that may arise.

Performance management process is about 'purposeful conversation' and therefore it is important to ensure regular communication is maintained throughout the year and not just at review stage.

**8. HOW MANY GOALS OR KEY PERFORMANCE INDICATORS SHOULD WE SET?**

Many managers will identify 3 or 4 key goals or objectives that will add value to the organisation. These should cascade down from the overall business and departmental strategy.

Goals must be 'SMART' (Specific-Measurable-Attainable-Realistic-Timebound). As the research will show us, goals that are beyond the person's ability to achieve them will be de-motivational. (Locke & Latham, 1990.)

Mutual involvement in setting these goals will ensure commitment from both parties.

**9. WHO SHOULD WE TRAIN?**

Training for all those involved is critical as part of a smooth implementation process. Involvement of the Senior Management team in the initial stages reinforces engagement in the process and clarifies the purpose, objectives and benefits of the new system.

In addition, any issues that may arise during the initial roll-out can be identified and anticipated.

I would normally recommend one or two-days training for senior and middle management with all reviewees receiving a half-day session to highlight the objectives, benefits and implementation process.

**10. WHAT IF REVIEWER AND REVIEWEE FAIL TO AGREE?**

If implemented effectively, the performance management system will be a very positive and motivational tool.

However, where disagreement occurs, for whatever reason, it is important that the manager and employee discuss it objectively and try to come to some resolution. Otherwise, the matter should be referred through an established Appeals Procedure to the Functional Head and ultimately the Human Resources Director.

With ongoing evaluation of the system itself by the Human Resources Department, any changes required can be adapted on a timely basis to meet the needs of the company.

## **CONCLUSION**

The clarity and focus that performance management provides is an enormous advantage for any organisation. With good planning and preparation, ongoing consultation with managers and staff and continuous monitoring and evaluation, the process can act as a highly motivational tool in creating a high-performing organisation.

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