Management for Professionals

Anthony L. Barth
Wiaan de Beer

Performance Management Success

A Best Practices and Implementation Guide for Leaders and Managers of All Organizations

Springer

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A Best Practices and Implementation Guide for Leaders and Managers of All Organizations

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ISSN 2192-8096 ISSN 2192-810X (electronic)
Management for Professionals
ISBN 978-3-319-64935-1 ISBN 978-3-319-64936-8 (eBook)
DOI 10.1007/978-3-319-64936-8

Library of Congress Control Number: 2017953004

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Printed on acid-free paper

This Springer imprint is published by Springer Nature
The registered company is Springer International Publishing AG
The registered company address is: Gewerbestrasse 11, 6330 Cham, Switzerland

Acknowledgments from Tony Barth

In reviewing and reflecting on all of my personal notes, observations, and firsthand experiences gained on the subject of Performance Management – from personal employment in major Fortune 100 organizations and from consulting engagements spread over decades of work – it became very apparent to me that a *story*, or in this case a resource guide, about Performance Management was very worthy of sharing. A definite pattern of organizational needs and opportunities, along with a pattern of effective solutions relative to organizational success and Performance Management, remains consistent – over time, across industries, and across all sizes and types of organizations. Empirical evidence is empirical evidence – what works, works.

I consider myself extremely fortunate to have come in contact with many industries, organizations, and managers at all levels – who have applied and practiced Performance Management for the benefit of their organizations, their team members, and their own personal success.

My own experience relative to Performance Management has been gained in a variety of ways:

- As a process owner of Performance Management with major organizations such as FMC Corporation and Rohm and Haas Company (now Dow Chemical) and The Home Depot
- From domestic and international consulting engagements, including Performance Management training and educational interventions with line and staff management, as well as with the direct reports of managers
- From Best Practice research and Best Practitioner exchange, including interviews with managers and supervisors deemed to be the best at Performance Management within their respective organizations
- Of most personal importance, from my own firsthand application of Performance Management principles experienced with my own direct departments of organizational responsibility during my work life

I consider myself blessed to have worked under the direction and coaching of many outstanding leaders and managers over the many years of my professional career. For that I am extremely grateful. However, I also recognize that I can't pay them back, but I can share with you, our readers, their collective secrets and lessons learned relative to Performance Management. The lessons they have all taught me,

which were applied in impactful and enduring ways to achieve a high performance organizational culture, will be shared with you throughout our guide.

Note: organizations studied, and served, with learning applied include AgroFresh, Agway Inc., Cabrini University, Campbell's Soup, City Harvest, Constellium, Corn Products International, DuPont Dow Elastomers, FMC Corporation, FriendsLifeCare, Health Partners, Lenox China and Crystal, Long and Foster Realtors, PCS Phosphate, Penn State University, Philips Lighting Company, Rohm and Haas Company, Sealed Air Corporation, Sipcam Agro USA, The Home Depot, University of Delaware, University of Phoenix, Weichert Realtors, and Western Electric Inc.

Preface

A central purpose of this guide is to identify a framework which links several variables associated with Performance Management, a potentially complex and dynamic subject. Yet based on empirical evidence, empirical conditions, and empirical studies of implementation success – as cited by *Best Practitioners* of Performance Management across organizations and industries – a set of common elements does in fact exist relative to the successful implementation of a Performance Management Process (PMP). The elements are listed as follows:

1. Organization strategy
2. Performance Planning
3. Development Planning
4. Coaching and Feedback
5. Performance and Development Reviews (midyear/annual)
6. Recognition and reward (midyear/annual)
7. People-focused – respect and trust

Recognition of the common elements is based on more than an assumption or a conceptual inventory. Just as it is extremely beneficial to identify and recognize common elements of success, it is equally essential to recognize patterns in variations of Performance Management implementation – especially in the context of human behavior and organizational dynamics. Nevertheless, a set of common elements does tend to exist. What works, works. An additional key purpose of this guide is the identification of actual *Best Practices* useful in the implementation of the common elements supporting a successful Performance Management Process. We also believe our guide will equally benefit organizations that do not have a Performance Management Process currently in place, as well as provide a comprehensive framework in a *Best Practices consideration sense* for those organizations seeking to improve an existing Performance Management Process. Continuous learning and improvement enjoys no limits.

Performance Management Success may or may not be viewed as an original contribution, given the history and extensive tangential range of available literature associated with Performance Management, along with knowing that the claim to originality is a difficult one to establish. However, I hope this guide will be viewed as an original contribution in the sense that common elements, along with some

patterned variation, are collectively identified in an integrative, visual framework that captures their successful implementation. What also does make *Performance Management Success* unique is the focus on the elements of the framework at a macro-level view, yet balanced with a conciseness and realism brought to bear from the applied success of multiple *Best Practitioners*. The completeness of this guide, and the design of the chapters in sync with the flow of the framework elements, identifies benefits, barriers, resource tools and solutions to address barriers, a case study success application, *Best Practitioner* views-comments-actions, and successful behaviors of leaders and managers – for each of the common PMP elements. The potential educational value of this guide – for all leaders and managers – is highly unique. An additional value added of this guide will be as an organizational effectiveness and a training and development resource tool for leaders and managers – at all levels and within all organizations.

The topic of performance is like the weather – everyone likes to talk about it, but few understand what is truly happening within organizations or worse, yet, understand *why*? Individuals and organizations are no different when it comes to performance – regardless of the performance level of focus: individual, team, unit, or organization-wide level. It is important to recognize that Performance Management *lives and exists* simultaneously at all four (4) levels within organizations or institutions. All four (4) levels deal essentially with two basic questions: How am I (or we) doing? And how can I (or we) improve and do even better? Organizations often lose sight of these basic questions or do not know how to best address these very real issues. More proactively, organizations can treat these questions as opportunities – to align people with strategy and goals, to reinforce an optimal performance culture, and to drive and sustain ongoing performance improvement.

People join teams or organizations to contribute and succeed. They certainly don't join to fail or not contribute to a larger mission and purpose greater than themselves. Yet teams and organizations mess up or miss opportunities to not only improve performance but also leverage and sustain high performance.

Organizational performance, organizational culture, and organizational success are interrelated. Ideally, they should all reinforce one another. How? Through an effective Performance Management Process (PMP) that *lives and functions and thrives* at multiple levels within institutions: at the individual, team, unit, and organization-wide level.

All members of teams, or organizations, want to be a part of a high-performing culture. Who would not want to be? That's why people join an organization. And there is no need to get hung up on consistency of semantics defining a high performance organization or a high-performing culture. All organizations have a unique culture. The key question therefore is – does that culture enable and support maximum performance? What are considered *enabling* elements or attributes within a culture? What are considered *detracting* elements or attributes within a culture (Appendix PMO-2) (Appendix PMO-3)? What is most important again is helping individuals and teams to measure performance, improve and build on performance, and sustain a high level of performance success over time.

Performance results and a performance culture work hand in hand. *What* (results and goals) is accomplished and *how* (enabling processes and behaviors) it is accomplished are both absolutely essential to an individual's success, as well as the overall organization's success. Results and culture are not mutually exclusive. In fact, an effective Performance Management culture that consistently enables higher levels of performance can provide a competitive advantage that is difficult to duplicate. Understanding an organization's culture, and implementing an effective Performance Management Process, is absolutely key. The PMP, which is made up of building block elements, helps to both shape and reinforce a desired culture. And a well-functioning culture only serves to support and sustain higher performance over time. An organization's culture and strategy must be in alignment. And a Performance Management Process can serve as a *bridge* for both culture and strategy implementation through alignment of goals and alignment of priority actions along with demonstrated key behaviors required. Simple in concept – but often difficult to achieve. Why?

The answer is relatively straightforward. Many organizations do not understand what an effective Performance Management Process *looks like, feels like, and requires* for effective implementation. It is not a quick fix. It does require commitment and applied practice over time. But once a Performance Management Process and a high-performing culture are established, there is no turning back. Organizational success will not allow you to do that.

The PMP itself does not need to be complex. On the contrary, common elements exist that are foundational and interrelated. The starting point involves total alignment of expectations and goals. The only way to measure performance is to begin with a clear-cut, attainable, well-aligned, and communicated set of expectations – both results-wise (*what*) and behavioral action-wise (*how*). First, start with a road map of how the year will look for the organization and for each unit, team, and individual within the organization. This will not only make a review of the year easier but also avoid surprises at year-end. Second, continually touch base throughout the organization during the year at all organization levels, both formally and informally, with the benefit of management direction and coaching and feedback on performance metrics of importance. Third, the foundational Performance Management Process will prove invaluable during periodic reviews of performance at any individual or organization-wide level, especially when individual, team, and unit evaluation – in the spirit of contributions – are built into the process. Individuals, teams, and units need to have a clear *line of sight* to know how they contributed to the overall organization's success.

Expectations associated with Performance Management can assume many forms. A series of *Propositions* – which can be thought of as *beliefs, principles, predictors, or expectations* – of Performance Management success have been identified and appear within many chapters of the guide. The *Propositions* represent a summary of high-order beliefs of many *Best Practitioners* and their respective organizations regarding successful Performance Management implementation.

Organizational success is contingent upon alignment of expectations – at all levels. What is problematic is that many organizations underestimate the power and impact of a well-functioning Performance Management Process. A PMP should

convey and reinforce how expectations and success will be defined. And an organization's management and recognition of achievement, or success, says a lot about its culture. It is also problematic that many organizations do not truly understand, or leverage, the impact of their current organizational culture on total performance. Culture, in its simplest sense, can be thought of as a *way of life*. A *way of life* most definitely extends to how work is performed, at all levels, within organizations. That *way of life* can be driven, reinforced, and sustained by an effective Performance Management Process that consistently aligns with a cultural direction.

Are you ready for a deeper dive into the *what* and the *how* of an effective Performance Management Process and to support a higher performing culture for the organization you now belong to? Great! I invite you to read on to gain a better sense of the essential Performance Management Process elements, as well as understand better and prepare for barriers along your way. Essential behaviors and actions for leaders, managers, and supervisors have also been identified to support your journey, your continual learning, and your application of essential principles and Best Practices – on the job – where it matters most and will make a significant difference. You are invited to become a *Best Practitioner* of Performance Management within your own organization. Success ahead.

West Chester, PA, USA

Anthony L. Barth
Wiaan de Beer

Endorsements

"At last!!! A practical, useable guide to Performance Management – perhaps the most important but yet the least mastered of all management responsibilities. Tony Barth's guidance will help you design and implement a system that will improve not only your team members' performance but yours as well. P.S. This resource guide is not just for human resource managers – but for ALL levels of leaders and managers."

Nance Dicciani, Ph.D.
Former President and CEO of Honeywell Specialty Materials, Honeywell International, and Senior Executive Vice President of Rohm and Haas Company

"Tony Barth has done it again, applying his vast human resource management wisdom and experience to the important subject of Performance Management. Written for leaders at every level, this practical guide explains his comprehensive process for developing employees to achieve the organization's goals. This book should be in every manager's tool-kit."

George M. Schwartz, Ed.D.
Chair of Professional Studies at Immaculata University and Former Senior Human Resource Business Partner with GE and Rohm and Haas Company

"Tony Barth IS Mr. Performance Management. Having worked both with and for this professional businessman has been a unique learning experience and my pleasure. Not to sound *cliché*, but Tony has probably forgotten more about the subject of Performance Management than most people in leadership positions will ever know. Too much literature on this topic today seems destined to do nothing more than sell consulting services; that is clearly NOT Tony's modus operandi. His intention, as it has always been, is to help inform and educate – so as to transform the hearts and minds of leaders so that they can humanly maximize organizational effectiveness. *Performance Management Success* does precisely that."

David Spirk
President and Lead Consultant at Spirk & Associates and Former Director and Senior Human Resource Business Partner in various Fortune 200 international organizations

"There is no hotter topic over the last several years facing organizations as they struggle to get value from their Performance Management Processes. Tony Barth clearly recognizes the strategic value the process holds at both organizational and individual levels. Tony strips the heaviness and complexity off the process and coherently lays out the core essentials in a way that leaders and managers of organizations at any level can easily understand not just what to do, but the why. This work will become your Performance Management bible thanks to the unique and pragmatic perspective shared here. It truly is a Best Practice resource."

Dave Gartenberg
Vice president, Human Resources, at Slalom Consulting and Former General Manager, Customer Services and Support Human Resources, at Microsoft Inc.

"Performance Management takes valuable time and is hard work, but is it worth it? Done right, you bet it is. Tony Barth's work provides leaders with a practical hands-on guide for immediate application that will yield a high ROI. Tony's years of experience helping organizations succeed by helping individuals succeed, one person at a time, will be your go-to resource for getting the most out of your investment in Performance Management and, more importantly, your investment in people."

Dianne Carmody
Americas Marketing Director at Houghton International

"The ability to attract, develop, and retain outstanding talent sets high-performing organizations apart, and an effective Performance Management Process is critical to sustaining an organization's success. Tony Barth has distilled his decades of human resource experience into practical Performance Management practices that should be used by all levels of management. His insights will help leaders create and enhance the organizational culture in which talent can thrive."

Lee Johnston
Nonexecutive Chairman of the Board at Delta Phoenix Inc. and Former Rohm and Haas Company and DuPont Company Senior Executive

"The connection between organizational culture, organizational performance, and organizational success is critically important for top management. Tony Barth's guide definitely provides a contribution towards application of Performance Management Best Practices by providing a comprehensive framework of performance from the strategic organization stage up through organization and individual evaluation stages. His framing of barriers, and solutions, is highly unique and most instructive. As both a workbook and resource reference, it will be very appealing to a wide range of senior managers, new managers, and professionals, as well as graduate business schools who teach Performance Management. Great work!"

Mary Van Brunt, Ph.D.
Dean of the School of Business, Arts, and Media of Cabrini University

"Performance Management Processes are often challenged as ineffective by management and skeptically viewed by employees. There is no perfect or totally objective system. In *Performance Management Success*, Tony Barth helps to reverse that view – and totally captures and distills the essence of elements that provides success in managing performance."

Carol Asselta, SPHR; SHRM-SCP
Managing partner at AKziom Consulting, Former Director of Human Resources at American Water, and Former Director of Human Resources at Exelon

"I learned about Performance Management at Rohm and Haas many years ago, featuring a curriculum designed by Tony Barth (including goal setting, employee development, coaching and feedback, and recognition). I have not only taught these skills and techniques for countless years ever since; I have personally used them to supervise my own employees. They work! Thank you Tony for contributing to my training and development in this critical leadership and management area."

Tom Sauer
Manager, Training and Development, at Gulf Coast Regional Blood Center and Former Human Resources Manager at Rohm and Haas Company

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Introduction: Performance Culture and Organizational Effectiveness

1

All organizations exist to be successful in how they function and how they perform. Organizations do not strive to fail. On the contrary – organizations strive for success and sustained high performance. However, without successful and sustained high performance, many organizations do not survive and cease to exist. This is a fact of organizational life.

Organizational performance, which includes long-term survival and continued success, can be viewed at multiple levels ranging from an overall enterprise or organization-wide performance level to an individual team member performance level. Given the importance and need to plan for, facilitate, and manage overall organization and individual team member performance, a critical question needs to be raised as to why so many organizations struggle in achieving a supportive and high-performance culture. Posed another way – why do organizations struggle in implementing an effective Performance Management Process (PMP)? The reasons are many and begin with organizational culture. The interrelationship of organizational culture and Performance Management is not well understood and, therefore, not effectively leveraged for the benefit of organizations.

Proposition 1 Under norms of preferred behavior, organizations seek to identify, preserve, and leverage cultural attributes – or organizational behavioral *descriptors* – consistent with their mission, vision, and key goals and objectives. Further, under norms of efficiency and achievement, organizations seek to implement and leverage specific cultural attributes along with processes and systems that ensure the fulfillment of mission, vision, and goals – with focus on processes which are totally consistent with reinforcing a desired high-performing culture.

© Springer International Publishing AG 2018
A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_1

What gets measured, tracked, and communicated at the top of an organization, and is continually reviewed – discussed – and reinforced throughout an organization, speaks volumes about an organization's culture. And the importance of organizational culture? A culture can help sustain an appropriate performance environment that *enables* the achievement of desired results. And the importance of a PMP relative to organizational culture and success? Since a PMP *reaches* all members of an organization, and influences their performance contributions, the potential impact is extremely significant. In essence, a PMP has the potential to either totally reinforce a desired culture or help to change an underperforming culture. Either strategic choice will potentially be extremely impactful. This cannot be overstated enough.

The impact of organizational culture on performance success is pervasive at all levels – with success often being contingent on the influence of culture upon mission and strategy, processes and systems, and certainly evident in the impact of leadership and management behaviors and actions demonstrated daily with respective team members. Organizational culture helps to drive and support organizational mission and strategy. And a robust Performance Management Process (PMP) helps to drive and support organizational mission, strategy implementation, and organizational culture. The challenge, and the opportunity, to fully understand and leverage the culture of an organization to help drive performance results is of paramount importance. Execution of an effective PMP to help shape, reinforce, and sustain a high performance organizational culture is the next step in that change process. A successful organizational culture, and a successful PMP, are not mutually exclusive. They work together. An effective PMP should ideally *mirror* a desired organizational culture to leverage and reinforce the synergy and effectiveness of both working together (Appendix PMO-3).

If one of the most impactful levers of change available to all organizations – to drive and support a high performance culture – is a successful Performance Management Process, why do so many organizations miss the mark with their Performance Management efforts?

Based on decades of firsthand empirical evidence, reasons for unsuccessful Performance Management Process implementation, and sustainability, include lack of understanding organizational culture and the impact of a PMP on culture; core process elements are not well understood and linked; benefits are not clearly identified; top management ownership, role modeling, and recognition are lacking; managers are not sufficiently trained in delivery and support; and implementation effectiveness is difficult to measure, which limits improvement.

A deeper understanding and appreciation of organizational culture, and a successful performance environment, is an essential starting point. By culture we mean a set of shared beliefs, assumptions, values, and norms that give rise to shared patterns of behavior within an organization. Organizations exist to service the needs of key stakeholders, including customers and team members. Determining how organizations should be structured must be a function of compatibility with organization mission, values, and strategy. Whether organizations will be successful in achieving their mission will largely depend upon the congruence between their strategy, structure, processes and systems, and culture.

Many organizational change initiatives founder because organizational culture is not factored into the equation. For early points of clarity and emphasis, I want to be very clear here that we are focusing in our guide only on company (enterprise) or the corporate culture of an organization that an individual is affiliated with. We are not addressing an individual team member's country(s) or national culture(s) of origin. Nor are we addressing the country(s) or national culture(s) in which team members are actually performing or working within. These dimensions certainly need to be addressed and understood in the total context of organizational performance and success. The topic of *culture* is indeed complex, and culture does *live and exist* at many levels. Again, our focus within our guide is only on organizational culture.

It is essential to think about (organizational) culture as a *way of life*. And within that shared sphere of life, culture can be thought of to include a shared system of *meanings*. It dictates what we pay attention to, how we act, what we value, and what we reward. It is not an exaggeration to say culture pervades and radiates meanings into every aspect of the organization or enterprise. Individual team members and organizations attribute meanings to their working environment. In a collective team member organizational sense, a connected system of meanings fosters and reinforces the existence of mutual beliefs. Said another way, the sharing of meanings essentially leads to the creation of *value orientations* within organizations – which get imbedded over time. Examples of value orientations include safety first, customer satisfaction and/or customer orientation, results and/or bias for action, teamwork and/or collaboration, and honesty and/or integrity. Pay for performance, and the acknowledgment and rewarding of demonstrated performance, represents a strategic and operational extension of the value orientation associated with the achievement of results.

Regardless of the value orientations focused on and reinforced by organizations, explicit values greatly influence the ways team members perform and conduct business and the ways team members are managed and, perhaps of most importance, guide the responses of team members during times of pressure and duress. Within most organizational cultures, a core set of dominant or preferred value orientations does tend to exist. Value orientations should ideally be declared and broadly communicated for all members; unfortunately, they often are not.

Thinking about culture as having essentially two layers, or levels, can also help provide a more complete context for understanding and managing organizational culture overall. It can also help to *demystify* culture as well by recognizing that some cultural elements are more observable and are therefore *explicit* to team members. On another dimension, or layer, some cultural elements are less observable and are therefore only *implicit* to team members. It is important to examine and understand each layer of culture in terms of its intent, impact, and consistency relative to the thoughts and actions of organizational members. Each layer has meaning and offers a context to either support or inhibit team member performance as judged by the thoughts, actions, and ultimate behaviors of team members demonstrated within a team or a unit. Each layer deserves attention.

A useful starting point is frequently the explicit layer of a culture. An outer layer of symbols is in fact observable to team members and typically includes such things as artifacts, pictures, art, buildings and facilities, food, language, shrines and

monuments, and even revered stories about organizations. All of these items represent an *explicit* layer of culture for team members, all of which conveys meanings and values to its team members.

However, a less explicit layer of organizational culture exists that is much deeper and much more profound and powerful and deals with more implicit basic assumptions. This deeper, *implicit* layer includes norms and values of an organization. Norms can best be thought of as the mutual sense an organization has of what is *right and wrong*. Values can best be thought of as determinants of what an organization defines to be *good and bad* and are therefore closely related to the ideals – or value orientations – shared by an organization.

The two sets of layers tend to not be independent of one another. In most cases, the explicit layers symbolize the deeper, more basic implicit values and assumptions about an organization's culture. Consistency of the two layers is essential in determining the relative strength or weakness of an organization's overall culture and its impact on its team members. People do pay attention to and react to the environment around them. How can they not. No surprise on that front. Of more importance, they also have to perform and contribute within a given culture.

In the ultimate analysis of culture, the essence of culture is not what is visible on the surface. It is the shared ways in which members of an organization understand and interpret the world of work they find themselves confronted with. Culture does in fact impact organizations in both visible and invisible ways. The effects of culture may or may not be directly measurable by objective criteria, but culture will certainly play an extremely important role in the success of an organization. What is key is to recognize that cultures essentially supply both a social context and an operational context for team members to perform within. It provides a context for decision-making, problem-solving, and interactions with others. Perhaps of most importance, questions need to be raised about the context of an organization's culture as to whether the culture encourages and empowers team members to achieve maximum performance – or not? Or does the context of the culture inhibit or discourage its team members in the pursuit of organizational goals and initiatives? The question absolutely needs to be raised, on a continuous basis.

Since culture, by all accounts, does not evolve or change quickly, it is essential to understand those shared beliefs, assumptions, values, and norms currently in place that can be harnessed to support the strategy of the organization and those that need to be changed or replaced. Accordingly, as we look at the present culture within organizations, we must not only identify cultural themes but also discover what holds them in place, or not. These underpinnings can be institutional, managerial, or individual in nature. The good news here is that Performance Management is an *underpinning* that touches all performance-related elements within any organization, including team members who make it all happen.

Just as organizational culture is often misunderstood, a clear definition and understanding of what is meant by *Performance Management* is often lacking in many organizations. For purposes of simplification and focus, Performance Management can be thought of as a comprehensive, cyclical, year-around process where every individual team member of an organization is aligned and focused in

their actions and results to achieve common goals and improve performance through:

- Goal setting and clarifying expectations
- Receiving and providing Coaching and Feedback
- Reviewing results on goals and expectations
- Recognizing and rewarding members for their performance contributions

When Performance Management works, it results in significant benefits to both the overall organization and its individual members. When it does not work well, or worse is ignored, it causes frustration and missed opportunities, resulting in a significant disadvantage for an organization. *Performance Management Success* has been developed to provide organizations with step-by-step framework guidance for successful implementation in concise, practical, and simplified terms. Our specific purpose in writing a practical resource guide is to identify and simplify common, essential elements that support a robust and successful Performance Management Process (PMP) – applicable to all organizations and across all industries. Of equal importance, *Performance Management Success* provides an educational resource guide for all levels of managers - top, middle, and first line. Our guide provides a comprehensive framework, for step-by-step implementation and practical resource tools, and captures actual managerial and supervisory behaviors and comments from a vast range of organizational *Best Practitioners* supporting high performance organizational cultures. A people-focused approach, based on establishing respect, relationship building, and trust – in support of core process elements – is also featured to help ensure organizational success and competitive advantage.

To assist our readers in fully understanding and applying the concepts and learnings captured within *Performance Management Success*, we have featured two consistent frameworks referenced throughout our guide: a Performance Management Process framework of common elements and the identification of potential implementation barriers. Our PMP framework represents a positive view of a proven process, effective across all organizations and across all industries. The chapter ordering in the guide reflects the general, dynamic flow of the overall framework. Although the common PMP elements can be thought of as steps to be implemented, in a sequential order, in practical reality, many steps will actually overlap or occur in parallel. However, for the purpose of this guide, we elected to present the elements in a sequential order to better explain each element, which will also help to clarify the linkage and impact with other elements in the overall Performance Management Process.

The identification of potential implementation barriers has been deliberately identified and validated for the purpose of summarizing and presenting realistic issues and challenges that need to be addressed – for achieving and maximizing Performance Management Success. Further, specific barriers are identified to provide a more comprehensive and realistic implementation perspective, opposed to only accepting a negative sense of reality. We believe the consistent use of these two frameworks – a set of common PMP elements along with realistic barriers – when

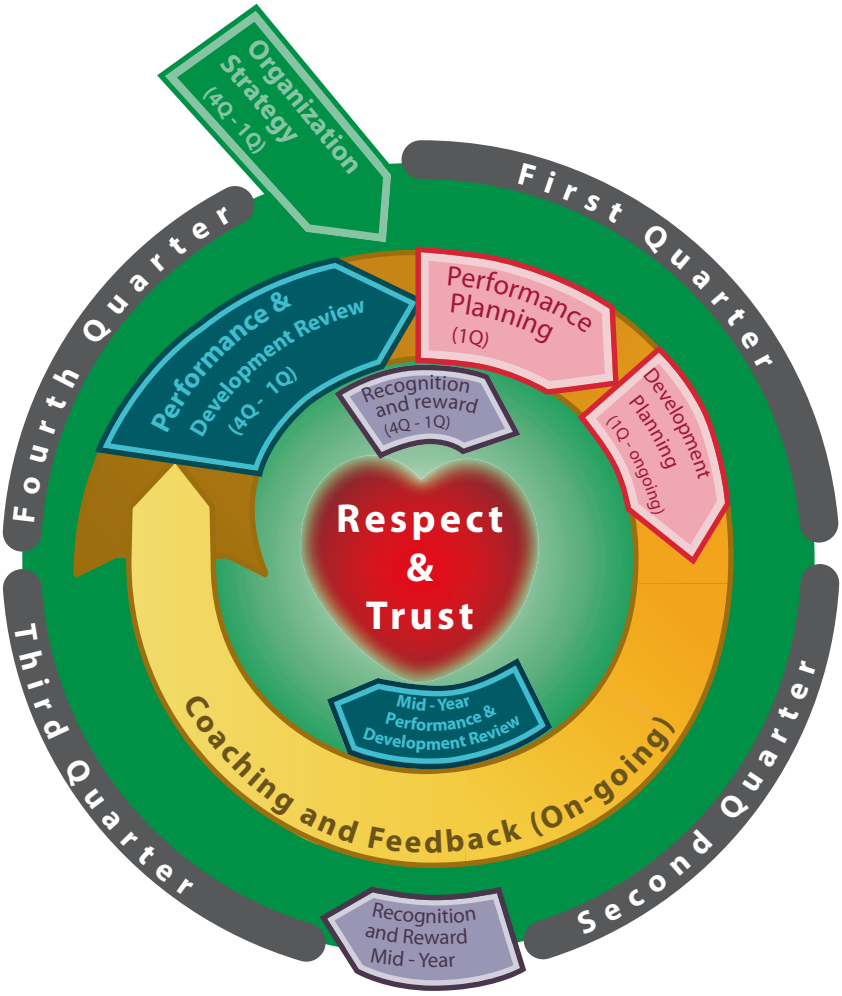
addressed together, will serve to stretch the application of knowledge and help to support the ultimate achievement of organizational success.

It should be noted that we elected to present our Performance Management Process (PMP) framework at a high, overview level of the common elements, opposed to presenting in depth on any particular PMP common element. For example, relative to the common element of organization strategy, an organization may have key goals associated with customer satisfaction, profitability, and/or productivity of products or services; however, we elected not to reference various data-driven approaches or performance improvement methodologies such as *Lean Six Sigma* or *Agile* that may support those goals. We recognize that just as organizational strategies need to vary, so will organizational options and choices for improvement of more specific operational business processes.

To also assist our readers, an Appendix of resource tools has been created for our end users as a summary reference at the conclusion of our guide. The various Appendix resources – as cited within each chapter devoted to each common PMP framework element – are coded within the text body for ease of cross-reference in the Appendix. A Glossary with definitions of key PMP framework terms, including use of acronyms, has also been identified and appears in our guide before the Appendix resource section. An additional Appendix – Recommended Resource Readings – has also been identified to help extend our reader's applied knowledge of Performance Management.

Will the journey in implementing a successful Performance Management Process ever be simple and short? The unequivocal answer is no. However, with appropriate planning, training and education, commitment to continuous learning and improvement, and effective managerial role modeling – all organizational leaders can become Performance Management *Best Practitioners* in support of their organizations, their teams, their individual team members, and themselves. We invite you to join in contributing to your own success. Become a Performance Management *Best Practitioner*. The choice is yours. So are the benefits.

Performance Management Process Overview



Barriers

Performance Management Process (PMP)

Barriers at Overall Organization/Group Level

- Culture within organizations not well understood or leveraged
- Common PMP process elements not well understood or linked
- Benefits of a PMP process not clearly identified
- Top management ownership and role modeling lacking
- Managers not sufficiently trained and skilled to deliver
- Implementation effectiveness difficult to measure and improve

Barriers at the Individual Team Member/Team/Department Level

Performance Planning: Barriers

- Linkage lacking with an understanding of organizational strategy
- Management commitment lacking to appropriately launch PMP process
- Clarity lacking in expectation setting: of roles, objectives, key behaviors

Development Planning: Barriers

- No connection with Performance Planning.
- Managers and associates lack accountability to plan, monitor, and assess.
- Development resource alternatives not well understood or fully utilized.

Coaching and Feedback: Barriers

- Untimely and/or unbalanced (+/−).
- Focus is only on "what" (results) and not on "how" (process, behaviors).
- Intent suspect: limited and/or untrained and unskilled sources providing.

Performance and Development Reviews (Midyear and Annual): Barriers

- Insufficient planning, time, and resources allocated.
- Incompleteness and subjectivity due to lack of multiple assessment inputs.
- Managers and associates lack accountability to prepare, participate, and own.
- Focus is only "backward looking" and not also "forward looking."

Recognition and Reward Reviews (Midyear and Annual): Barriers

- Inability to objectively recognize actual performance; hence, reward inaccuracies
- Understanding, assumptions, and limitations in use of recognition and reward
- Untimely and/or inappropriate recognition and reward alternatives

Respect and Trust: Barriers

- Accountability, credibility, and consistency lacking in desired behaviors, actions
- Untrained or unskilled role models not demonstrating respect and trust
- Culture: no differentiation of PMP rewards for positive vs negative models

Levers of Organizational Change

2

The Impact of Performance Management and First-Line Leaders: On Culture and Organizational Change

Overcoming the Barriers

Organizations, regardless of institutional size and industry affiliation, need to continually deal with performance results in pursuit of goals and objectives, as well as the need to continually adapt to change as it impacts the organization's performance culture. Performance results, or desired outcomes, can be thought of as the *what* that is desired to be achieved. Organizational culture, or the enterprise's work environment, can be thought of as the *how* the desired goals and objectives will be achieved and supported over time.

Within all organizations, it is extremely beneficial to think about both performance results (the what) and organizational culture (the how) at a higher order level, to help provide the most meaningful context to support an organization's mission and vision for success. Organizational work context should not be ignored. In reality, sadly, it often is ignored. Why? There are many reasons, which will be further identified and addressed within our *Performance Management Success* guide. Stay the course and continue to read ahead.

For the purpose of providing meaningful context relative to achieving organization-wide performance results and the ongoing performance contributions of all team members, we will identify early on one of the most important reasons why organizational work context is ignored, not planned for, or leveraged and hence not addressed. The reason? The linkage of Performance Management – and a desired high-performing work culture – is not often thought of as working closely in tandem.

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_2

In reality, there are many reasons for this misunderstanding or misutilization. Culture within organizations is not well understood or leveraged. And for that matter, neither is Performance Management well understood nor leveraged as an essential organization-wide process in support of driving, delivering, and sustaining organizational success. And that is precisely why *Performance Management Success – A Best Practices and Implementation Guide for Leaders and Managers of All Organizations* has been developed and shared with you our readers.

Empirical evidence of success, collected over decades of organizational work experience, has been by and large ignored to date on the subject of actual Performance Management Process implementation. With the benefit of our guide, that is no longer the case. An educational and implementation tool in *Performance Management Success* now finally exists. Our goal is to help our readers by providing a strategic and operational resource tool in support of establishing a successful Performance Management Process for leaders and managers across all organizations.

Performance Management as a process, along with a potentially high-performing organizational work culture, in reality are extremely closely interrelated. They are not mutually exclusive. They are also not dissimilar. Just as culture can be thought of as a *way of life*, Performance Management as a process can be thought of as a *way of life* also. In fact, Performance Management can – and should – take on a *life* that is very dynamic, impactful, and sustaining within any organization. It can do that in a variety of ways, including continuous communication of an organizational scorecard with performance metrics at all levels, total alignment and consistency of goals and objectives in support of key initiatives, ongoing reinforcement of performance accountability and reward for achieving desired results, institutionalization of essential organizational behaviors (or *competencies*) for all team members, ongoing coaching and feedback from multiple sources at any time, a formal and informal recognition and reward system that acknowledges both team and individual contributions, and a focus on continuous learning and development at all levels. All of the above examples help to drive and shape an organizational culture, via Performance Management, that results in competitive advantage that will very likely be unique and therefore difficult to duplicate by others.

Strategic processes and systems can and do have significant impact on establishing or changing a work environment for maximizing organizational success. Performance Management is one such process that helps ensure organizational success. That should not be a surprise, given the creation of our *Performance Management Success* guide.

Organizational change, in pursuit of planned goals and objectives – and the achievement of success – is never easy. Trust me on that score, in light of decades of internal and external consulting work personally performed with organizations spanning all industries and organizational sizes. What is surprising is how often two potentially impactful levers for successful organizational change are so often bypassed, ignored, and/or underutilized. What is even more surprising regarding the organizations that I have come in contact with over decades of work is the fact that both levers are readily available to senior leaders of organizations. Both levers are often not deployed for their maximum benefit. They are simply not well understood

nor strategically and operationally leveraged in support of maximizing organizational goals, objectives, and performance results.

The first lever of change that is often underutilized is Performance Management as a key process to help achieve planned results – on an ongoing and annual basis. In its most robust sense of understanding and implementation, Performance Management needs to be thought of as both a strategic and operational lever for change. Performance Management can and will serve an organization with both a support process (the how) that will lead to desired and planned organizational goals and objectives (the what). Performance Management as a process *reaches* all four (4) levels (enterprise wide, business unit or staff function wide, department/team, and individual team member) of an organization. Performance Management as a work process personally *touches* each and every team member within any given organization. The strategic and operational choice therefore is why not deploy your Performance Management Process as a key lever in support of planned change?

Change is often not easy, or successful, for a multitude of reasons. And the reasons are many: the lack of a strategy or a proactive plan for change; lack of clarity and communication relative to the need for change; lack of commitment of purpose for change; lack of supporting resources, including education and training for impacted organizational members beginning with leaders and managers; lack of compatibility of supporting processes and systems aligned with the initiative(s) of change; and the existence and toleration of a current state organizational culture that may not be compatible or consistent with the planned change(s). These reasons are not all inclusive. But any one of them can also be debilitating to an organization.

Performance Management – as a process – has the potential to be totally aligned and consistent with an organization's strategic plan and, just as important, the organizational work culture that is desired to help ensure the delivery of planned results. There is no better organizational work process than Performance Management that can potentially help address all of the barriers and challenges cited earlier that prevents planned change.

A second potentially powerful lever for organizational change, in addition to Performance Management as a process, is also readily available to all organizations and across all industries. That lever happens to already exist within the membership ranks of any organization or institution – and it's called *Leadership*. Leaders and managers can be either *victims* of a culture or the *shapers* of a desired culture. What senior leaders of an organization need to fully understand is that culture is *man-made*. It is confirmed by other organizational members, it gets conventionalized through leadership and managerial actions aligned with essential process and support systems, and the culture begins to take on a real life on a daily basis for all team members within the organization.

Organizations can be large and complex. Organizations can also be small and complex. Regardless of organizational size and industry, change can be difficult even in the best of circumstances. Therefore, why not use all leaders within an organization to assist in the change process. The key is to effectively use one particular level of management within an organization – once an overall strategy and direction is set by its senior leaders – to help advance and institutionalize a desired culture in

support of an organization's mission and vision. That potential lever for change is called *First-Line Leaders*, surprisingly an often underutilized lever for leadership change and action within an organization and also a lever for change that is frequently underdeveloped.

Who is a First-Line Leader? If you are a front-line manager, supervisor, department head, foreman, section leader, team leader, project leader, sergeant, squad leader, teacher/educator, coordinator, or senior professional, then you are a First-Line Leader. First-Line Leaders truly are an organization's first line of offense and defense.

What do First-Line Leaders typically do within organizations? They fulfill a vital *linchpin* role that ensures strategic and operational alignment with middle and top level management. They are expected to support the larger organization's mission, vision, and key goals and initiatives. They make short-term decisions that directly impact and guide the performance of team members who they work directly with – on a daily basis. First-Line Leaders typically provide work and learning direction to nonsupervisory personnel and typically provide performance assessment and recognition of team members. Their role can be formal or informal. Regardless, the role is potentially powerful and impactful.

Why are First-Line Leaders so critically important to an organization?

- They frequently interface with the end users of an organization's products and/or services.
- They make daily management and leadership decisions that impact 50–70% of their organization's members.
- The organization's members often decide whether to stay or leave, solely based on how their First-Line Leader treats them. Respect and trust is key here. Good or bad, team members will always judge their First-Line Leaders.

Given the fact that First-Line Leaders are required to provide daily operational support for their teams – and must deliver results – day in and day out, why not deploy them most appropriately to help achieve a planned culture and organizational change.

Two levers in support of culture and organizational change have been identified here for you our readers: a Performance Management Process as one lever and deployment of First-Line Leaders as an additional implementation lever. Each lever can work effectively and independently of each other – to help address any range of initiatives deemed critical to an organization's success. In reality, they can work together most productively, as they should.

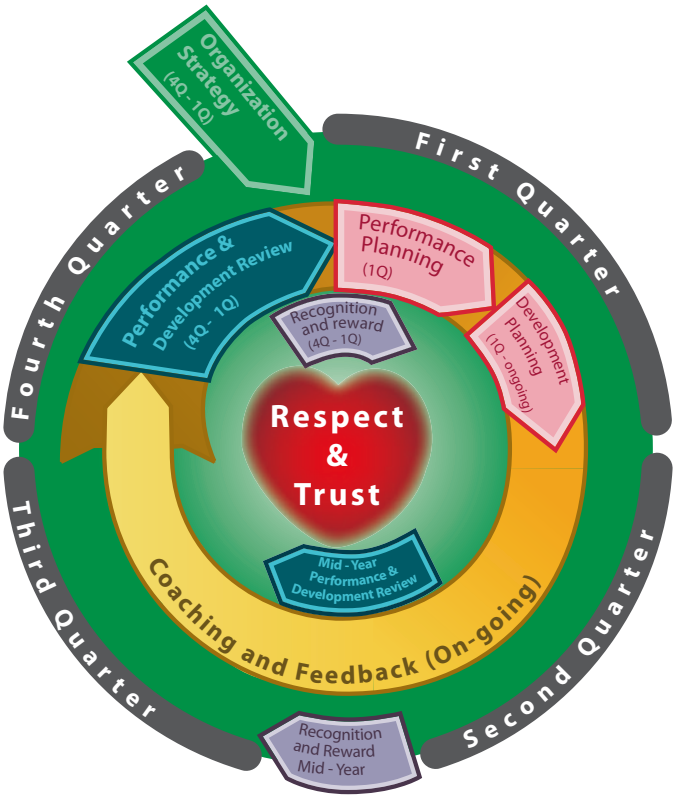
Since Performance Management – as a robust and strategic process – is one critical potential lever for change, it is also vitally important to understand the place and role of First-Line Leaders linked to that process. Through an ongoing Performance Management Process, First-Line Leaders collectively reach and touch a significant majority of an organization's membership, both on a daily and ongoing basis. The potential synergistic effect – of the two levers supporting change initiatives – being deployed simultaneously, and leveraged, in an aligned and consistent fashion, can

provide enormous benefits for organizations. An investment and commitment in both levers in support of change will generate a significant and competitive advantage for organizations.

Our guide will focus on all essential common framework elements supporting a successful Performance Management Process implementation, beginning with the essential element of organization strategy that initiates the overall process.

Organization Strategy

3



Overview

Organization strategy reflects the formulation and identification of an overall direction for organization success. It provides an organization with a meaningful context, or a framework, to identify key goals and initiatives with a focus on results desired – both for the coming year (short term) and subsequent years (longer term). The breadth of the timeline (i.e., 1–3 years or more) reflects the complexity and the challenge of effectively setting organization strategy.

Organization strategy is typically determined by executives and top management within an organization. Senior-level managers typically include the chief executive officer (CEO), president/chief operating officer (COO), and all of their immediate

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direct reports from all business/line operating units, as well as key functional units – such as finance, human resources, legal, and information technology. The breadth of involvement and ownership of top management across the entire organization reflects the complexity and the challenge of effectively implementing organization strategy.

Essential factors for the top management of organizations to include in the review of their annual organizational strategic planning work are both external and internal driven. External factors include key customer and supplier requirements, industry considerations and trends, and competition. Internal factors, particularly in response to the external factors, include the organization *mission* (purpose or reason why an organization exists), the organization *vision* (an ideal state of what an organization aspires to become), and actual performance results achieved, or not, from the immediate past year(s).

Proposition 2 Under norms of alignment in support of organizational mission, vision, and key goals and objectives, organizations seek to maximize success through an interlocking cascade of key goals and objectives throughout the organization – all driven by organization strategy as a starting point – in the form of overarching organizational goals and objectives that guides and focuses performance for all units and team members.

Organization strategy essentially involves two key steps. The first step involves the formulation and identification of an overall organization strategy. The second step involves the communication and implementation of the strategy to achieve desired goals and objectives. Organization strategies vary, appropriately so, across enterprises and industries. But what does not vary, across enterprises and industries, is the potential use of a Performance Management Process (PMP) that features aligning and cascading objectives in support of executing organization strategy. The plan of using a PMP – as a strategic vehicle to deliver and support an organization's strategy – is both a strategic and operational choice.

In addition to the formulation of key goals and objectives consistent with organization strategy, essential behavioral dimensions or behavioral attributes can also be identified for consistency and support with an organization's strategy and culture. Desired behavioral dimensions are actually *leadership competencies* (or *organizational* competencies) that can apply to all team members within an organization, since leadership is not limited by organizational title or by organizational level. *Leadership knows no bounds or limits*. Leadership competencies can be thought of as requisite knowledge, skills, and abilities to be developed and applied – and demonstrated on a daily basis by all members within an organization. Leadership competencies are intended to provide direction and support consistent with delivery of strategy and a desired organizational culture. Examples of leadership competencies include customer orientation, interpersonal effectiveness, creative problem-solving, global perspective, and integrity.

Leadership competencies are typically planned for, and assessed, as part of ongoing Performance and Development Reviews for team members within an

overall Performance Management Process framework. Leadership competencies can serve many purposes within organizations, including help drive and sustain planned results; help shape a desired culture; provide a basis for hiring selection criteria; support promotional and staffing assignments; and provide direction for identifying training and development offerings for team members within organizations. In summary, leadership competencies need to be aligned with – and support – organization strategy, key goals and objectives, and organizational culture. Just as goals and objectives need to cascade throughout an organization, the same need exists for essential leadership competencies to consistently cascade – and be modeled by all members – as well.

Organization Strategy and Aligning and Cascading of Objectives? Why Do? Importance? (Appendix OS-1) (Appendix OS-3)

Organization strategy impacts each and every individual team member within an organization. An effective Performance Management Process, which supports the implementation of organization strategy, therefore needs to exist and *interlock* at multiple levels within an organization. The absolute importance and value of total alignment is critical to any organization's success. Total alignment around goals and mission, along with a steadfast commitment to delivering results, often overcomes a lot of obstacles, with an ultimate positive outcome for the total organization, business and function-wide units, departments and teams, and individual team members. Total alignment, which is achieved through an interlocking process of Performance Agreements at multiple levels throughout an organization, ensures consistency of purpose with a communication and performance tracking focus on the delivery of key results.

Aligning and Cascading of Objectives: How Best Done? (Appendix OS-2)

The cascade process of Performance Agreements, from the organization-wide level to business unit or function-wide levels to department or team levels, can occur relatively quickly, usually within a 2–3-week total time span. Two key factors help to ensure both the quality of Performance Agreement work and total time efficiency (i.e., 2–3 weeks for top-to-bottom organization-wide cascade) for the total cascade process to initially occur.

One factor includes having an effective model, template, or framework of a Performance Agreement representing the alignment of top management at the organization-wide (total enterprise) level, followed by the creation and availability of Performance Agreements to help guide the content descent work at subsequent levels.

The second key factor involves having all appropriate stakeholders present at the same time, in one large group setting, for each respective level of Performance Agreement work to be done. The importance of essential membership present at meetings to create and/or finalize a unit, department, or team Performance

Agreement should not be underestimated. Just as a group-setting process occurred at the organization-wide level (of all top management), the same group-setting approach should be adopted as well in developing a Performance Agreement at the business unit or function-wide unit level and for all departments or teams within units. Group meetings to create Performance Agreements absolutely needs to include all essential team members – as well as other relevant parties outside of a unit or team – as deemed appropriate for information, ownership, and alignment purposes. This will require various members of an organization to attend and actively participate in more than one Performance Agreement meeting session. The benefits of overlapping participation, at multiple organization levels, helps to ensure effective linkages of information, involvement and ownership, and timely resource coaching for subsequent cascading meetings. Managers need to ensure that objectives are aligned both within and across work units at every level of the organization.

Once a Performance Agreement is created, whether it be at the organization-wide level, business unit or function-wide unit level, or department or team-wide level, it should be subsequently monitored and reviewed as a group for progress on at least a quarterly basis. Reviewing and discussing progress on a regular basis ensures total alignment and focus, continuous problem-solving and decision-making relative to key objectives, and, of most importance, appropriate ownership of key responsibility areas and related results. A communication and joint review process of this nature reinforces team and personal responsibility and accountability for results. Open dialogue, in a group or team setting, is absolutely essential.

Benefits of Using a Performance Management Process with Aligning and Cascading Objectives to Support Organization Strategy? Why Do? Importance? (Appendix PMO-5)

The benefits of effectively using a Performance Management Process (PMP) with aligning and cascading objectives, in support of organization strategy, are many:

Cascading objectives ensures alignment of objectives with a consistency of purpose and focus, in support of organization strategy, throughout the entire organization.

Cascading objectives reinforces the prioritization of key goals and objectives throughout the organization.

Cascading objectives provides an effective starting point for launching a PMP each year – throughout the organization.

Cascading objectives provides an effective opportunity to identify and reinforce role clarity, for all team members, in support of key goals and initiatives.

Cascading objectives promotes organizational effectiveness through effective communication, clarity of expectation setting, facilitating collaboration and engagement, and instilling accountability for ownership, action, and results.

Barriers

There are many reasons why a PMP with aligning and cascading objectives, to support organization strategy, does not have a more positive effect within organizations. Three (3) barriers that frequently diminish the potential positive impact of an aligning and cascading process in support of organization strategy are noted below (Appendix PMO-4).

Barrier #1 Organization strategy is not communicated or interpreted effectively to team members throughout the organization.

In the absence of information, individuals are left with only their own interpretation. Unfortunately, managers often provide little or no interpretative information relative to an organization's mission, vision, or key goals and objectives. In other words, managers do not effectively share, communicate, or translate for the benefit of teams and team members, what the larger organization is trying to achieve, and what the larger organization's key priorities are. As a result, organization strategy is not sufficiently understood, or supported, throughout the organization. Effective managers, in successful organizations, make the time to review organization strategy thoroughly within their own units of responsibility and serve their teams as coaches and trainers in the alignment and cascading objectives process. Not only is alignment achieved, organization success is supported, and frustration and miss-communication is avoided.

Barrier #2 Top management ownership and role modeling are lacking, along with a lack of commitment, to ensure an effective and successful process.

Commitment to the achievement of an organization's goals and objectives is absolutely essential for all members of an organization. That commitment begins with all managers who are closely viewed by team members lower in the organization. Managers need to serve all team members as a role model focused on the accomplishment of desired results. The focus on results, for all team members, reinforces an ownership of personal responsibility and accountability. The achievement of results also requires a commitment to a Performance Management Process (PMP) that helps to drive, support, and sustain desired results. Commitment by managers to a PMP begins at the top of any organization, with top managers serving as role models and coaches for other managers. A culture of commitment within an organization can build rapidly through the continuous actions, communications, and personal standards demonstrated first by top levels of organizational management.

Barrier #3 Managers often lack knowledge and skills in an alignment and cascade objective-setting process.

Effective processes often require significant planning, time, and effort, along with continuous learning and enhancements. PMP knowledge and skills are absolutely essential in the delivery of an alignment and cascade objective-setting process. The requisite knowledge and skills can be supported by management education. In the case of a PMP, the most effective learning and the development of management

knowledge and skills frequently occurs via on-the-job learning and experience gained from the role modeling of top management and the use of key organizational resources and tools such as Performance Agreements (that are intended to be cascaded) and internal and/or external coaches. The later certainly includes the direct coaching and feedback of top managers – for the benefit of other lower-level managers and ultimately all organizational team members. As with any process, once it is initially implemented, the continuous learning and improvement never ceases.

Overcoming the Barriers

All of the barriers noted above can be overcome through management education (i.e., applying our *Performance Management Success* guide) and appropriate planning, effort, and time devoted to organization strategy and the objective-setting process, the building of essential knowledge and skills via on-the-job training and continuous learning, and the setting of expectations for self and others. Barriers can also be addressed through the use of success-tested resource tools (noted below), as well as the application of practical managerial Best Practices (noted below).

Resource Tools

Performance Agreements

An essential Performance Management tool that is initially identified at the top management level for the purpose of beginning the goal-setting cascade process is an organization-wide Performance Agreement. Some organizations refer to the organization-wide Performance Agreement as a *scorecard*, *scoreboard*, *dashboard*, or *cockpit* because this document provides an organization with a *holistic* view of key performance goals, objectives, and metrics typically for a 1–3-year time period. Key metrics, or measurement of results and success, can be thought of as *key performance indicators* (KPI) or *key business analytics*. The Performance Agreement helps organizations focus broadly on a full range of key areas of importance to an organization. The organization-wide Performance Agreement Scorecard serves as a template to next guide the subsequent creation of a Performance Agreement within each major organization unit – at the business unit or overall function unit level – prior to descending to the department unit level or team level and ultimately to the individual team member level.

Many organizations take a *balanced scorecard approach* that attempts to organize or structure their organization-wide Performance Agreement typically using four to five *overarching areas,* or key cluster areas, of importance to focus on. The overarching areas identified serve the purpose of organizing and facilitating the prioritization and communication of key organization-wide objectives. Organizations elect to refer to the overarching areas in various ways, such as *block metrics*, *organizational voices*, *organizational initiatives*, *spheres of influence*, or *performance screens*.

Examples of overarching (cluster) areas used by organizations, for the purpose of an organization-wide Performance Agreement Scorecard, include the following key cluster combination of overarching areas:

- Financial, operational, people, process
- Customers, shareholders, employees, community, process
- People, technology, customers, operations
- Customers, employees, community and environment, stockholders
- Customers, employees, suppliers, shareholders, legal and ethics

What is most important is that organizations identify appropriate overarching areas that are totally consistent with and supportive of their own mission, vision, and strategic plans. By focusing on the most appropriately identified combination of overarching areas, key objectives can be identified in support of each essential area, along with specific metrics of performance for each key objective for at least 1–3 years (Appendix OS-1) (Appendix OS-3) (Appendix PP-3).

Organizational Consultants: Resource Facilitators

Whether an organization elects to implement a new Performance Management Process (PMP) or elects to assess and revise their current PMP, the use of an internal organizational consultant(s) and/or an external organizational consultant(s) can provide a much needed resource(s) for successful implementation. Organizations often have access to knowledgeable, credible, and experienced consultants – who are especially versed in Performance Management strategy and all PMP elements. PMP work requires essential knowledge and skills spanning organizational knowledge, PMP process and content elements, and process facilitation skills – particularly with top management sponsors who are investing in organizational change. A designated internal consultant (or project manager) working closely with a designated external consultant can serve as a very effective resource implementation team. An internal consultant has many advantages including firsthand organizational knowledge of both the organization and the management team. An external consultant has many advantages also including total objectivity, freshness of perspective, and extensive experience of the PMP and change leadership. All of these knowledge and skill sets are critical for successful implementation of organization strategy supported by an effective PMP.

Perhaps the most impactful internal consultant(s) available to any organization are members of the top management team – who are directly involved in the Performance Management cycle launched every year within organizations. Organizational ownership, credibility, proven track record, and role modeling excellence can help serve the organization in the ongoing PMP implementation and cascading process. Senior managers should not be overlooked as key resources who can help drive, support, and serve as a coach in delivering ongoing implementation support.

Best Practices

What sets the Best Practitioner leaders and managers apart from others regarding the subject of organization strategy and aligning and cascading of objectives? Effective leaders and managers consistently exhibit the following capabilities (Appendix PMO-1) and do all consistently well:

- Process-minded
- Organized and disciplined
- Balanced in terms of both results and people-participation orientation
- Communicators and teachers who take the time to effectively interpret strategy to help guide the creation of subsequent goals and objectives
- Feedback oriented when monitoring and tracking progress of results

Practitioner Common Views:

- Organization strategy is the starting point that must be revisited and supported by an effective Performance Management Process – each year.
- Organizational capability is created when the leadership, knowledge and skills, and personal commitment of each team member is consciously aligned with the overall organization's purpose, goals, and priorities.
- Managers recognize the absolute importance of their own role modeling – to their team members – in creating and sustaining a high performance work culture. Total alignment with total accountability for results – all in support of organization strategy.

Practitioner Comments:

- Top management leaders of their respective business or function-wide units absolutely need to help *translate* and interpret the meaning of higher-level organization-wide objectives into meaningful Performance Agreements for their own unit and departments/teams within their own organization.
- Senior managers need to practice what we preach in the use of Performance Management as an ongoing process. We are the role models for other managers who we lead and coach.
- Superior talent alone (knowledge, skills) does not necessarily guarantee a victory on the playing field. When a collection of all-star players play their *own game*, opposed to a *team game*, the outcomes often do not translate to victories for the team.

Practitioner Best Practices:

- Senior leaders use every team meeting as an opportunity – whether periodically planned or unplanned – to continually review and discuss collective unit progress relative to their own team's overall Performance Agreement Scorecard. Continually communicate, update, and reinforce team progress.

- Elevate the importance of *Performance Management* as a focused and essential organization-wide competency and also as an overall process to be reinforced for continuous improvement in support of achieving planned performance results.
- Senior-level executives make managing unit/team/team member Performance Management an organization-wide objective for all managers/supervisors, by adding Performance Management as a specific improvement objective on each manager's Performance Agreement.
- Units, departments, or teams consistently monitor, review, and discuss their collective progress, as a group, relative to their specific Performance Agreement. Such a communication and review process reinforces team and personal responsibility and accountability for results.
- Managers ensure that objectives are in fact aligned both within and across work units at every level of their respective organization.
- Inform your people that they can make a strategic/operational difference – help them understand and see that. Managers should review and discuss *higher*-level organizational goals and objectives with their department or team as a total group – prior to each team and/or individuals' (lower in the organization) setting their own goals and objectives. Meet and discuss frequently to create a *clear-line-of-sight* understanding of organization goals and objectives, at both the group and individual level, to consistently clarify and reinforce the direct impact of performance contributions for all teams/individuals.

Success: Case Study

Organization Strategy

Once upon an organization, Larry – the CEO of a fortune 100 international manufacturer – was growing increasingly irritable and impatient with performance results. Although the overall industry was experiencing a cyclical downturn, he was dissatisfied with a continued lackluster sales performance, declining profitability, increasing costs, loss of market share, eroding workforce morale, and, of most importance, unfavorable customer satisfaction ratings. As Larry well knew, not a pretty picture, on all fronts. Larry was about to meet with his COO/president, Raj, and his vice president of human resources, Bianca, for their regularly scheduled weekly check-in meeting, which was the first week of December.

Larry: You're both well aware of our most recent metrics. Not good at all. I was hoping for something else, but I was fooling myself. We need dramatic change, and now. Hope you agree. What are your thoughts?

Raj: I totally agree. We need to meet with each Business and Functional Director, and read them the riot-act to help reverse performance. I'm getting as impatient and intolerant as you. I just don't see a consistent appreciation across our senior team for what is needed, or a sense of urgency for that matter either. Really, really bother-some.

(continued)

(continued)

Larry: I don't want to meet one-off with each of our Management Council members on all of this. Part of my hesitancy is we really lack alignment and priority-setting across the board. Unfortunately, we have to assume a good part of the blame here.

Bianca: Results are certainly not what we want them to be, and our entire organization seems to lack a sense of focus to support any change. In my opinion, we need an overall organizational culture change to totally rally around our mission and get the attention of our total workforce, starting with our senior leadership team. Sadly, we don't have it now. Again, it has to begin with our senior team.

Raj: Alignment is important, I agree. But so is accountability for priorities and results. I'm just not sure how we can best set the stage for all of this in the most effective, operational way.

Larry: I've given this a lot of thought this past year. Timing is everything. So is urgency and focus. As you both are well aware, we're now facing year-end performance results and performance reviews for that matter. We're also facing the start of a new performance business cycle. It's a great opportunity to introduce meaningful change across the board. And to me, that change absolutely means total alignment around our mission and key objectives, along with consistent priorities and metrics – that everybody can understand – throughout the organization. I definitely want no confusion, no doubt, no wasted resources. I want total commitment and buy-in. Bottom-line – we need results, we need continuous improvement, and we need change – all with a far greater sense of urgency.

Bianca: I agree with everything that's been said. Not only do we have an opportunity in front of us for improving results, we also face a significant communication challenge too. Like you, Larry, I've been spending a lot of time this year examining our overall Performance Management efforts. I'm not satisfied with what I'm seeing – and for a lot of reasons. Performance Management is being implemented very inconsistently across the board. Some units are doing better than others, but they are far more the exception rather than the rule.

Raj: What exactly are you seeing, or not seeing Bianca? What do you mean?

Bianca: For starters, we do not have a uniform Performance Management Process that is well understood and applied. Even senior management in many of our units does not approach Performance Management as s key process to help support and deliver results. If you drill down, key elements like Performance Planning and Employee Development are not well linked at all. On top of that, senior management ownership and role modeling is often lacking. They see no benefit in doing it well, and we don't reward or penalize them either. If our senior team doesn't set the overall tone and pace, how can we expect our managers and first-line-leaders to all do the same – below them? Is it any wonder why we have problems achieving a consistent, high performing work climate.

(continued)

(continued)

Larry: You mentioned *tone* and *work climate*. To me that translates immediately to a high performing organization, or lack of one, and work culture too. I would like nothing better than to deliver results and clearly identify performance contributions – though-out our organization. The Board of Directors would certainly applaud that. I know that for sure. Raj, what's your take on this.

Raj: I agree with Bianca's comments. You know me, I have little patience with a process or a system that is not doing what it's supposed to be doing. If our Performance Management Process is broken, let's agree on what needs to be done next, and get on with it. We don't have the luxury of time or resources to miss this. Agree totally with you on this.

Bianca: To me, it's somewhat straight-forward and very doable. But we gotta stay focused. We need to be absolutely clear on our overall Performance Management Process, including clarifying the linking and benefits of all key elements. People need to see what's in it for them. We also need to train all of our managers and first-line-leaders, quickly, on what will be changing and what will be implemented. Clear, timely communication and expectation setting, early on, will be key. And it has to start with our senior Management Council as one unified team.

Raj: That also begs the question of ultimately measuring the effectiveness of what we will be doing and building in improvements as we go. Better to plan for all of this early on.

Larry: I like what I'm hearing. Again, we have a great opportunity for organizational change – right in front of us. We can't miss it. To me, it begins with the creation of a company-wide Performance Management Agreement document. Something absolutely clear, focused, and simple to monitor. This document needs to be aligned with our strategic mission, with key objectives and metrics – for at least the next three (3) years. I would like to create a *straw-man*-version of a document to present to our senior Management Council at our mid-December meeting. What better time than to gain their inputs and buy-in for the start of our next annual performance cycle. What we need is a relatively simple *scorecard*, of sorts, a one or two page summary document at most, that could serve all of us as a company-wide Performance Management Agreement. Can you two pull together a draft for us to review prior to the December Management Council meeting?

Raj: I'm totally on board. We have no choice. Change is needed. Amen to that.

Bianca: I already have some ideas on this that Raj and I can build on. We can also collect some key inputs from others along the way, this week and next, that will create early support from our senior leadership team. Exciting times ahead, for sure. Let's get at it. Larry – Raj and I will have a draft document for you to review by mid-week.

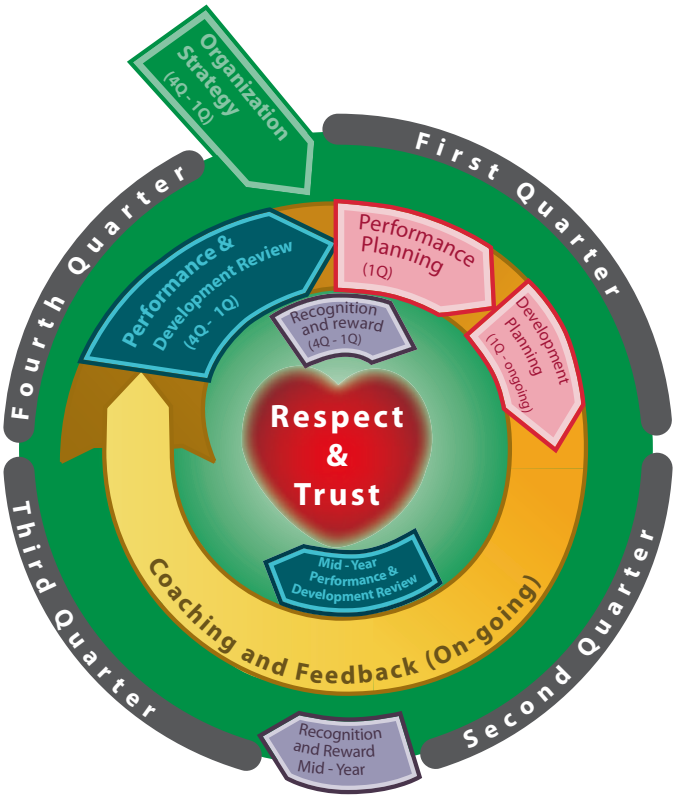
Larry: Thanks. In fact, thanks a lot. This is an exciting opportunity we're all facing. I'm really looking forward to seeing this all come together.

Key Factors Contributing to Organization Strategy Case Study Success: Summary

- Focus on alignment and priority-setting – company-wide
- Expectation setting beginning with highest senior-level managers
- Using Performance Management as an essential *change lever* to support and deliver organization strategy
- Recognizing importance of overall work climate for achieving a high-performing culture
- Senior management ownership of process – accountability and responsibility
- Alignment and consistency of messaging – with focus on Performance Management as a support process – beginning with senior-level management
- Timely linkage of Performance Management Process launch – with start of new annual business performance cycle
- Creation of a *straw-man scorecard* (Performance Agreement) incorporating senior-level management inputs – to foster early buy-in with full senior team
- Honest, open, candid exchange – sharing of needs, challenges, opportunities.

Performance Planning

4



Overview

The overall success of an organization depends on the actions and performance of each and every organization member working together to achieve common goals. To meet the challenges facing any organization, it is vital that all members fully understand the importance of their individual contribution to the organization-wide objectives, know precisely what is expected of them at their respective level within the organization, and have an opportunity to support firsthand a culture of high performance.

Performance Planning (PP) represents a critical step that flows from, and supports, the greater organization-wide strategy and key initiatives, including goals and objectives. In practical terms, *higher levels* of Performance Planning actually first occurs at

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_4

the overall organization strategy-setting level involving top management – with the entire organization serving as the overarching context or focus. It is during the organization strategy process step within the overall Performance Management Process (PMP) that performance objectives begin to align and cascade throughout the total organization – from top management of the total enterprise to business and function-wide units, to departments and teams, and ultimately to each and every individual team member.

Proposition 3 Organizations seek to ensure alignment of responsibilities and delivery of accountabilities for all team members through an expectation-setting process, at the start of each performance cycle year, that clarifies key results intended in the form of goals and objectives, along with essential behaviors – or organizational behavioral *competencies* – sought in support of planned results that are expected to be achieved. This early process work provides a foundation for subsequent Performance Reviews.

Superior performance – at all levels of an organization – is the desired outcome of any PMP. Helping to achieve that desired outcome at the individual team member level is the essential step of Performance Planning. It should be every manager's and first-line leader's organizational responsibility to achieve superior performance in all sectors of an organization they are responsible for. No individual team members should be excluded. Role clarity relative to performance is absolutely essential, and it begins with a good understanding of the individual team member's role. Role focus at the individual team member level includes a complete understanding of the overall purpose of their role, key responsibility areas (KRA) for their position, and key behaviors or organizational competencies required of their role to support the organization. Individual performance objectives and/or project assignments need to be mutually developed and aligned with the goals of their organizational unit, department, or team to which the team member is assigned (Appendix PMO-6).

Performance Planning also provides a foundation for Development Planning to both link to and build on. By first focusing on the role to be performed, including key objectives to be addressed and essential behaviors needed, a useful, everyday work context is identified that can serve as a timely venue to support Development Planning.

Benefits of Performance Planning? Why Do? Importance?

The benefits of effectively doing Performance Planning (PP), at the individual team member level, are many (Appendix PMO-5):

PP ensures individual team member alignment with overall Organization strategy and key initiatives Alignment of focus on organizational priorities supports consistency of purpose, guides work efforts in support of key results, and creates a total synergy and leveraging impact that would not exist otherwise. By having all team members aligned, in effect all individuals are on the *same page* which helps to ensure desired organizational results.

PP ensures role clarity and a useful context for expectation-setting By devoting time early at the start of each performance cycle with each team member, a greater understanding of role purpose and individual responsibility areas (KRA) in support of organization strategy and key initiatives will be gained. This helps to create a meaningful context for each individual team member that will guide personal responsibility and accountability for performance contributions throughout the performance year (Appendix PMO-6).

PP ensures line-of-sight (LOS) impact of performance contributions By taking the time to explain and clarify – in advance – how each individual's performance contributions will impact the mission and goals of the organization, individuals will know firsthand whether or not their efforts and results are contributing to the *big picture*. This will also provide a useful context for personal and timely self-correction in the pursuit of desired organizational results.

PP ensures predictability of performance focus, contributions, and results By investing time in an early expectation-setting process with each team member, performance clarity will be gained that will help managers and their team members to minimize guessing, uncertainty, and anxiety and help avoid future surprises at both the personal level and department or team level.

PP provides a useful context to help support meaningful Development Planning (DP) By achieving a better understanding of organizational priorities, along with greater role clarity of personal responsibilities and accountabilities and essential key behaviors required, a timely and meaningful context for individual DP is achieved. PP provides an early opportunity to begin to identify individual team member strengths, development needs, and personal interests – all within the context of their role and goals and objectives of importance to both the team and the individual team member. The benefit of linking both PP and DP will help to ensure the success of each element. Synergy is key here.

Barriers

There are many reasons why Performance Planning (PP) does not have a more positive effect within organizations. Three (3) barriers that frequently diminish the potential positive impact of PP are noted below (Appendix PMO-4).

Barrier #1 Organization strategy and key organizational initiatives are not adequately clarified or interpreted for individuals throughout the organization – resulting in inadequate PP at the individual team member level

PP provides the context for the creation of an individual team member Performance Agreement that reflects key performance objectives for the performance year. Individual objectives need to be linked to cascading objectives from higher levels in the organization. All managers must take steps to interpret, clarify, and discuss organization strategy and goals in order for individual team members to

create appropriate goals at the individual team member level. In the absence of this learning exchange, individual team members will set inappropriate goals and objectives unlinked and non-supportive of organization strategy and initiatives.

Barrier # 2 Management commitment is often lacking to appropriately launch a complete Performance Management Process (PMP) – beginning with PP for each individual team member

For a PMP to work effectively, all managers must consistently demonstrate and reinforce a total personal commitment to implement all PMP elements. PP represents the first essential element for a successful PMP at the individual team member level. There are no shortcuts, and the expectations for performance that managers set at the individual team member level – early on – will absolutely impact the delivery of results for individuals and teams in the future.

Barrier #3 Clarity of context for team members is often lacking for early expectation-setting purposes involving individual team member roles, understanding of key result areas (KRA) and priority objectives, and identification of essential behaviors in support of the organization

All individual team members require assistance in understanding their assigned roles within organizations – in order to deliver on what is truly expected of them. The setting of meaningful objectives can only take place if each individual team member totally understands their role relative to their organizational unit, department, and team needs. Managers need to take the time to review and discuss the overall role in the context of organization strategy and needs. This sets the stage for effective setting of objectives at the individual team member level (Appendix PMO-6).

Overcoming the Barriers

All of the Performance Planning (PP) barriers noted above can be overcome through management education (i.e., our *Performance Management Success* guide), appropriate manager planning, effort, and time devoted to PP, the building of essential PP knowledge and skills via on-the-job training, and the setting of PP expectations for self and others. Barriers can also be addressed through the use of success-tested PP resource tools (noted below), as well as the application of practical managerial Best Practices (noted below). All of the barriers need to be understood and addressed – by both managers and their immediate team members. For maximum impact and benefit, all parties need to fully contribute and actively participate in the PP process.

Performance Planning Resource Tools

Effective PP resource tools are available to help address the barriers. Resource tools to help managers provide the most meaningful context for successful performance are individual team member position descriptions and appropriate Performance Agreements that may exist higher in the organization at the overall unit, department, and/or team levels. Individual performance objectives or project assignments flow

from these resource tools. Another highly relevant resource tool would be prior Performance and Development Reviews, if available.

Individual Position Description

A very beneficial yet often underutilized resource tool to assist the PP step at the individual team member level is a position description (Appendix PP-1). A position description is intended to provide meaningful context to team members by effectively explaining their role in a written document format. This aids communication and understanding and promotes clear ownership of key responsibility areas (KRA). Of most importance, this tool helps to guide individual performance contributions and the ultimate achievement of annual results – for which the individual is accountable to achieve.

Ideally, a position description should be a relatively simple, straightforward one (1)-page document that provides a team member with a:

- Position summary of the overall role to be performed
- Key responsibility areas (KRA) or key results areas (KRA) expected to perform and achieve
- Knowledge, skill, or experience requirements essential for a specific role in the organization
- Organizational competencies, or key behaviors, required of the role in support of the organization – such as customer focus, results oriented, and teamwork
- Position metrics of importance to help assess role performance

Individual Performance Agreement (or Performance Objectives)

At the individual team member level, the development of performance objectives (or a Performance Agreement) is first required to define and measure performance results. Performance goals should be established at the beginning of each performance period. For example, if an organization is on a calendar year basis, this would typically be completed during January. Individual objectives established during this step will help guide performance throughout the year. Whatever *higher-level* Performance Agreements exist (i.e., organization-wide, unit-wide, or department and team levels), they should be shared and discussed with individuals to assist them in preparing their own key individual objectives (Appendix PP-3).

The Performance Planning (PP) process – at the individual team member level – should result in a written summary document(s) outlining performance objectives and the specific measurements that will be used to assess achievement. Teams and individuals may use whatever format is workable for them and their manager in preparing this document. The form itself is not as important as is the mutual planning and ongoing dialogue of: clarity of each objective, clarity of key actions and time frames supporting each objective, and how the objectives will be measured (Appendix PP-2) (Appendix PP-4).

It is important to again stress that it is during this PP step that documented objectives are linked to unit and department or team objectives for every team member. At the individual level, objectives should be mutually set between managers and their individual team members. Ideally, objectives are negotiated and are *evergreen*, meaning they are updated as needed throughout the performance year.

Best Practices

What sets the Best Practitioner leaders and managers apart from others regarding the subject of Performance Planning? Effective leaders and managers consistently exhibit the following capabilities (Appendix PMO-1) and do all consistently well:

- Continually provide a *big picture* context in support of goals and objectives.
- Clarify and interpret higher order goals and objectives – at the individual team member level.
- Serve as a role model.
- Listen and ask questions.

More specifically, what personal PP beliefs, behaviors, and actions set Best Practice managers apart from others? We have discovered a number of consistent Best Practitioner beliefs, behaviors, and actions deployed supporting PP, which are summarized below.

Practitioner PP Common Views:
- Understanding, cascading, and alignment of the goal setting process requires education and orientation – both at the team and individual levels.
- Focus on priorities and what makes a difference – all team members clearly know what is important, with continual reinforcement.
- Alignment, documentation, and communication of goal setting are essential each year – along with recognition and flexibility that goals can be set and changed during the year in response to external changes.

Practitioner PP Comments:
- It is important to define expectations and behaviors up front with your people, and act those behaviors yourself. It is critical to lead by your own behaviors.
- Expectations are shared, two way, and always in a timely manner.
- Clear expectations help enable people to achieve results.

Practitioner PP Best Practices:
- Discuss annual expectations early each performance cycle with all team members, focused on Performance Management as an organization-wide competency, along with appropriate goals and objectives and essential behaviors – to be assessed and monitored in support of Performance Management.
- Use all essential resource tools to aid annual Performance Planning for team members, including appropriate higher order Performance Agreements, team member's most recent Performance Review, and current position description.
- Senior level managers make managing department/team/team member Performance Management a performance planning objective for all subordinate

managers/supervisors, by adding Performance Management as a specific improvement objective on each manager's/supervisor's individual Performance Agreement.

- Personal behaviors (i.e., actual practices) are documented for each leader, along with metrics (i.e., company-wide Performance Management standards), as part of the PP process.
- Employee goals and objectives are summarized within a Performance Agreement milestones document – along with an Actions In Progress document of specific actions, steps, resources, and timing that supports the Performance Agreement milestones.
- Performance Management in daily practice reflects a dynamic state, and not a rigid static state – in order to ensure ongoing organizational success.

Success: Case Study

Performance Planning

Once upon an organization, Mary –the regional marketing and sales director of a financial services organization – was eager to launch Performance Planning for all of her regional financial managers and financial service representatives. Performance Planning represented a key early step in the company-wide annual Performance Management Process, and Mary really wanted to make sure her entire team got off to a great start. Mary was no rookie when it came to the importance of expectation setting with all of her team members and wanted to use Performance Planning as a catalyst to begin the annual process.

Mary elected to use both the company-wide and the national marketing and sales (functional unit) Performance Agreements as frameworks that guided the creation of a team-wide (regional) Performance Agreement for herself and her three (3) managers. Mary and her Sales Managers had jointly created the Performance Agreement that was going to be cascaded down to all of Mary's financial service representatives within her region.

Bob, one of Mary's three sales managers, was about to meet with Juanita, a financial services representative – who reported directly to Bob. As scheduled, Juanita entered Bob's office for their meeting.

Bob: Good morning Juanita. Before we talk about Performance Planning for you for this next cycle coming up, I want to thank you again for your recent ideas and inputs. Mary and I incorporated inputs, wherever we could from team members, to create a marketing and sales Performance Agreement for our entire regional team. I'd like to use our team agreement as a framework or an umbrella of sorts for your own Performance Planning this year. How does that sound?

(continued)

(continued)

Juanita: Glad to hear that my ideas were helpful to you and Mary. Let me thank you for the opportunity to have a voice and be heard. That was not the case with your predecessor a year ago. It was very heavy-handed and one directional only at that time. Quite frankly, I resented that. I felt totally left out. Sorry for saying that – maybe I shouldn't have shared that?

Bob: Your honest inputs are very important and needed. They were important a few weeks ago for the benefit of the overall team and again will be important today as we look forward to a new performance year ahead. Are you as excited as I am to begin a new performance year?

Juanita: I am. But I'm also more than a little nervous about working with you as our new manager this year. Sorry – there I go again.

Bob: Thanks for your honesty and candor. I appreciate that. What's making you nervous now with me?

Juanita: Last year was a challenge, and results were not good, as you well know. I'm sure that's part of the reason why you were assigned to your new role working with us. The company-wide and functional business strategies were never really explained to us, and we had no context as individuals to help set personal goals and objectives. We all felt like we were operating in the dark, with no alignment to what was important to your predecessor and our team. No wonder we had problems.

Bob: Sorry to hear that again. My goal is to strengthen our team's Performance Management Process and to build on our collective strengths and incorporate best practices wherever we can. That's why I took the time last month to fully explain to you (and others) what our overall strategy is and how we, as a team, can contribute to that strategy. If you recall, I also asked you, and all of our service reps, to review and update your position descriptions as an essential starting point too. I'm a strong believer in using written position descriptions as a valuable communication tool to help with expectation setting.

Juanita: I found all of that very helpful. Prior to that, I never really knew what my key responsibility areas (KRA) were, and I had no clue as to what specific metrics or key organizational behaviors would be used to evaluate my overall performance. I like the early clarity of this go-around. It'll hopefully make a huge difference for me.

Bob: Really glad to hear that. I'm really trying to avoid surprises – for you and for me. More importantly, I want to support your performance contributions and impact on our team.

Juanita: One other thing. The steps you're taking will really help me set realistic goals and objectives this year. I know we'll be working on them real soon.

(continued)

(continued)

Bob: I appreciate all of your early feedback, and more importantly I feel like you're really committed to a good year ahead – both as an individual Service Rep and as a key member supporting our team efforts. It's going to be a challenging year, and we need everyone's top performance. Do you have any other questions about your role, your key responsibility areas (KRA), or key behaviors that will be of importance to you and our team?

Juanita: No Bob. It's all been spelled out for me, in clear terms, and in advance. I really like your approach. Thanks again for taking the time to do this with me. I appreciate that. Believe me, if I have any questions, I know where I can find you.

Bob: Great. Our Performance Planning meeting today is only our starting point. I plan to spend a lot of one-on-one personal time with you individually, and also as a total team with all of our reps, to review our performance progress as a team and make changes as needed. My expectations are to have individual monthly check-in meetings as well as short formal bi-weekly team meetings too. How does that all sound?

Juanita: Sounds good to me. No objections, whatsoever.

Bob: Great. Now that you have a better sense of our team strategy and goals, why don't you create a preliminary draft of your own individual goals and objectives, and we can follow-up on that work next week. Let's not also forget your last annual Performance Review – as well as your key goals and objectives from last year. You can look at that, and I will too. We'll use your work as a starting point for us to build on. I'll set up a meeting in Organizer for that, okay?

Juanita: Sounds good.

Bob: Fine. One other early planning thought for you before I let you run. I would also like to focus on your own Development Planning in the upcoming weeks as well. All of us have developmental strengths and improvement areas – and I would like to have a separate meeting focused on your development needs and a plan to support that. We can link that closely to Performance Planning, to take advantage of on-the-job work opportunities where real learning can help both you and our team results too. So begin to think ahead about that also, okay?

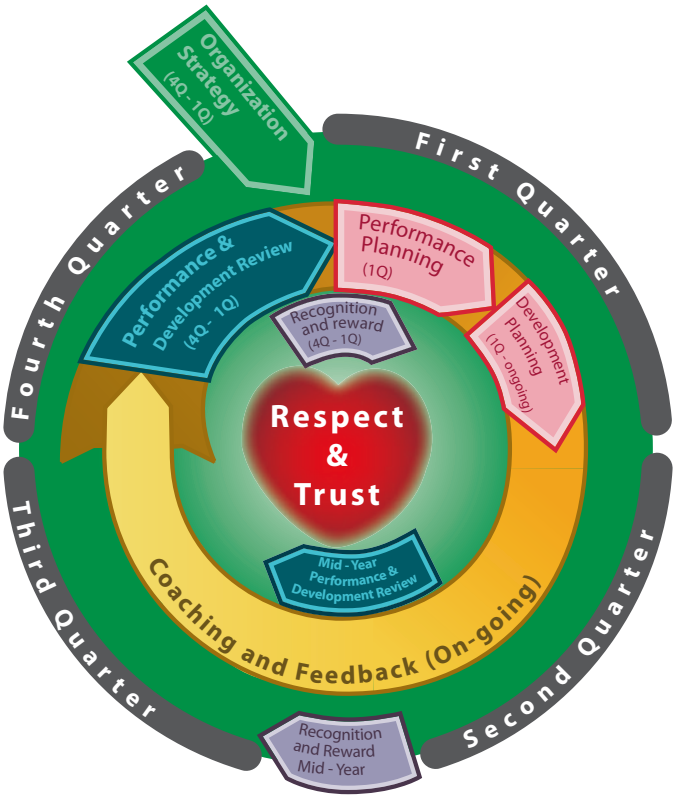
Juanita: Wow. What a difference a year makes. Having a new manager onboard who respects Performance Planning and Development for team members is really gonna be exciting. I can't wait to get started on all of this. Have a great day. Thanks again.

Key Factors Contributing to Performance Planning Case Study Success: Summary

- Use of higher order cascade of Performance Agreements (company-wide, unit/team level) – as a beginning planning context at team member level
- Individual team member goals and objectives – linked to higher (team) level goals and objectives – cascaded downward
- Focus on clarity of expectation setting in Performance Planning discussions as a foundation and catalyst – *stage setter* for advanced, forward thinking
- Clear linkage of Performance Management Process elements – both preceding and following Performance Planning (organization strategy/development)
- Use of essential resource tools for individual team member context planning: position description and prior year Performance and Development Review – along with prior year individual goals and objectives
- Early-on planning clarity, communication to identify: key responsibility areas, metrics for evaluation, key organizational behaviors – no surprises
- Created an open, trusting environment for exchange – with honest, candor, two-way feedback – with opportunity for team member inputs to help the team
- Focus and emphasis on both team member performance, as well as impact on team – all fostering *line-of-sight* impact
- Team member commitment gained through communication, two-way exchange, and setting of realistic and meaningful goals and objectives
- As a manager, allocated and committed the time for planning and discussion with a team member(s), demonstrated patience, and gained credibility and integrity by not criticizing the failures of his predecessor

Development Planning

5



Overview

Development Planning (DP) is a key process step within the overall Performance Management Process (PMP) that provides focus and support for individual team member development. DP ideally flows from and supports the organization-wide strategy, at the enterprise level, and also supports Performance Planning (PP) – at the individual team member level.

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_5

Proposition 4 Organizations seek to ensure the continual growth and high performance of team members – with focus on both individual member strengths and weaknesses – that links with and utilizes Performance Planning to maximize developmental planning opportunities and minimize developmental costs. Further, organizations seek to implement Development Planning for competitive advantage, opposed to an optional luxury, to continually improve performance and continually extend team member knowledge, skill, and ability.

Performance and development are not mutually exclusive. They work together: performance focuses on the results or outcomes desired, and development focuses on the means by which the results or outcomes are achieved and applied. The means for achieving results includes individual team member knowledge, skills, and abilities (KSA) gained, as well as acquiring essential experience to deliver the results required. For both organizational and individual team member success, development must be planned for and ongoing.

Purpose of Development Planning?

All individual team members have both personal strengths and weaknesses to build on and improve. Individual strengths (i.e., flowing from KSA) need to be identified for the purpose of protecting, nurturing, and further leveraging of those strengths to maximize personal contributions. Individual weaknesses, or developmental gaps (i.e., flowing from KSA), also need to be identified for the purpose of growth and improvement to maximize contributions. The development of team members is not an option or a luxury. Untapped workforce potential, and lack of team member contributions, will adversely impact organizational success.

Development Planning and Performance Planning: Why Separate Events?

DP is important enough to warrant a separate but definitely linked step in the overall PMP as it relates to PP. By deliberately separating the attention devoted to the two planning meetings, it both focuses and reinforces the importance of DP to the overall organization and the individual team member.

Development Planning should immediately follow the Performance Planning step, or meeting, in order to fully and timely use each individual team member's position description and performance agreement (i.e., performance objectives) as a foundation to build on and support. This also ensures the identification of on-the-job learning opportunities in support of both performance results and development plans. Development, whenever possible, should take place on-the-job. The work environment is the most fertile ground for growth and development every day. Recognize though that development should be planned for, monitored, and

measured to assess ongoing progress. DP should generate a structured, documented individual development plan. Without a structured development plan, learning will be haphazard, random, and without focus.

Development Planning Responsibility?

Development Planning (DP) is truly a shared responsibility between each manager and individual team member. Every manager should initiate a DP discussion with each of their team members. To help focus an effective and meaningful discussion, managers and individuals should review areas or opportunities for improvement from the prior annual performance review (if such a prior review exists) along with appropriate organizational behaviors (i.e., organizational or leadership competencies) required to meet their performance agreement objectives and position description. Each individual should feel accountable for his/her own development and for assessing knowledge and skills and improvement needs relative to organization, unit, and department or team requirements (Appendix PMO-6).

Individual Development Plans: Focus?

Each manager should work closely with their individual team members in developing a documented action plan – that identifies both strengths to further leverage and grow, as well as prioritization of any gaps or needs requiring focus and attention. Development plans should ideally focus on one (1) key strength to further build on and at least two (2) developmental areas to improve and address.

Development plans need to include specific developmental activities to help support and address each area of need. Selected developmental activities can come from a vast range of potential developmental options including: specific on-the-job assignments or tasks, specific projects, committee participation, job rotation, job enlargement, self-study, and training – both on-the-job training and/or formal internal or external training opportunities. Timelines and specific outcome results, in support of developmental planning needs, should also be clearly identified. The identification of clear outcomes helps with focus, motivation, and ownership of key actions and provides a means to assess successful fulfillment of a need, or not (Appendix DP-1) (Appendix DP-2).

Benefits of Development Planning? Why Do? Importance?

The benefits of effectively providing Development Planning (DP) within an organization are many (Appendix PMO-5):

DP helps to improve current job performance Teams and organizations essentially exist for the purpose of achieving their mission, goals, and objectives. To accomplish that, individual performance of all team members and overall organizational

performance needs to be achieved. The need to continually improve current job performance can only occur with appropriate planning, assessment, and support. Individual planning – at the team member level – will help to ensure success by focusing on essential knowledge and skill requirements needed for each individual team member in their current role. This also includes assessment and planning relative to each individual's strengths to further leverage, as well as performance gaps to be improved and addressed.

DP helps to provide essential KSA for additional future roles In addition to focusing on improving an individual's current job performance – where appropriate – DP can also help to ensure the acquisition of essential knowledge and skills for additional future roles of increased responsibility within the organization. This will be particularly supportive of individuals in organizations who excel at what they do, who are extremely experienced at what they do, or who may be interested in future advancement opportunities. Again, appropriate DP will be a benefit to the individual and the organization – in both the short and longer term.

DP helps to drive and support an organizational culture of continuous learning and continuous improvement Learning and development is a continuous process for all individuals within an organization – it is not an option or a luxury for organizations. On an individual level, and a collective organizational level, enhanced knowledge and skills not only enables superior performance but also facilitates competitive advantage for an organization. For any organization to maximize success on a continuous basis, all members must be totally aligned and performing to their full capability. That means that all team members have to pull their own weight, add value every day, adapt to demands on the organization, and continue to learn, grow, and perform in the process. Tapping into the "upside" potential of a workforce – on both a short-term basis and long-term basis – benefits each and every team member and ultimately the overall organization.

Barriers

There are many reasons why Development Planning (DP) does not have a more positive effect within organizations. Three (3) barriers that frequently diminish the potential positive impact of DP are noted below (Appendix PMO-4).

Barrier #1 DP often lacks a connection with Performance Planning.

The actual work to be performed occurs every day, on-the-job. Without the benefit of this real-world context, DP assumes a more isolated context – that lacks relevance and meaningfulness, lacks prioritization, and lacks application and reinforcement – where it matters most, with on-the-job planning and performance. By understanding and leveraging the connection of Performance Planning with Development Planning, development for individuals increases significantly. The lack of appropriate training and education in the overall Performance Management Process (PMP) contributes to this missed opportunity.

Barrier #2 Managers and employees lack accountability to plan, monitor, and assess individual team member Development.

If organizations do not understand the value and benefit of effectively supporting the ongoing development of their team members, mutual accountability for managers and team members to do this will be totally lacking. This dilemma is often driven by organizational culture, organizational strategy, and workforce priorities – or lack of. If accountability is lacking to do effective Development Planning, managers and team members alike will not assume any responsibility to plan for, monitor, and assess development of the workforce.

Barrier #3 Resource alternatives for Development are not well understood or fully utilized.

If education, awareness, and training are lacking for both managers and individual team members relative to supporting development, alternative resources will not be appropriately deployed. On the contrary, resource alternatives are often ignored and therefore underutilized – in the absence of PMP knowledge and skill. When available resource alternatives for development are not well understood, or valued, development is adversely impacted – to the detriment of both individual team members and the overall organization (Appendix DP-1).

Overcoming the Barriers

All of the Development Planning (DP) barriers noted above can be overcome through management education (i.e., our *Performance Management Success* guide); appropriate organizational planning, effort, time, and recognition and reward devoted to DP; the building of essential knowledge and skills via formal training and on-the-job training; and the setting of expectations for self (manager) and individual team members.

Barriers can also be addressed through the use of success-tested DP resource tools (noted below), as well as the application of practical managerial Best Practices (noted below). All of the barriers need to be understood and addressed – by both managers and their immediate team members. For maximum impact and benefit, all parties need to fully contribute and actively participate in the DP process.

DP Resource Tools

Effective Development Planning (DP) resource tools are available to help address the barriers. Resource tools to help managers provide the best possible DP for their own performance improvement and development, as well as the performance improvement and development of their team members, includes the following:

- PMP education and training offerings, including focus on Development
- PMP role responsibility and accountability matrix, including focus on Development

- Individual Development Plans (IDP)
- Development Planning – Learning and Developmental Opportunities (resource checklist).

PMP Education and Training

Knowledge and skill of the Performance Management Process (PMP) can be achieved through a variety of means, including observation and role modeling, on-the-job experience, and certainly through management education and training. Learning frequently begins with awareness raising through education and training. Learning about the overall purpose of the PMP, and all key elements of the PMP, can help to provide a consistent and complete view for the benefit of all levels of management, and for all team members within an organization – to help achieve organizational alignment and synergy.

The real beneficiaries of managers performing their PMP duties are of course the team members who work with their managers. Team members truly deliver the results required within any organization. It is for this reason that appropriate education, or orientation, be also provided to all non-management members of an organization – relative to the overall PMP and key elements of the PMP process. This approach also helps to build a high-performing organizational culture – with clear expectations for both results and process with all team members.

PMP Role Responsibility and Accountability Matrix: For Managers and Direct Reports

Role clarity provides an excellent opportunity for expectation-setting, both at the individual team member level and also at the organization-wide level. By clearly identifying and communicating responsibility and accountability for elements of the PMP, including Development Planning, an organization can create standards that serve as guidelines, or organizational norms, to help ensure success. For example, for Development Planning, all individual team members need to take responsibility for their own development. This means essentially that all team members need to engage in self-assessment, reality checking, goal setting, action planning, and personal accountability for implementation of plans. Managers and supervisors also have a *joint* responsibility to provide support and opportunities for the growth and development of individual team members. This means essentially that managers need to coach and provide feedback about performance on the current job and advise and provide appropriate opportunities to achieve personal short-term and longer-term goals.

Responsibility and accountability matrices can also serve to provide organizational standards for ongoing Development Planning discussions, or meetings, with their immediate manager – throughout the performance and development year being focused on (Appendix PMO-6).

Individual Development Plans

Each manager within an organization should work closely with their individual team members in developing a documented Individual Development Plan (IDP). An IDP is essentially an action plan that identifies both strengths to further

leverage and grow, as well as prioritization of any key gaps or performance needs requiring focus and attention. IDPs should ideally focus on one (1) key strength to further build on and at least two (2) key developmental areas to improve and address (Appendix DP-2).

IDPs need to include specific developmental actions, or activities, to help support and address each area of need. Selected developmental activities can come from a vast range of potential developmental options including specific on-the-job assignments or tasks, specific projects, committee participation, job rotation, self-study, and training – both on-the-job training and formal internal and external training opportunities. The identification of key people resources, such as a manager's coaching and feedback, should also be considered and identified as needed. Time lines and specific outcome results, in support of developmental planning needs, should also be clearly identified. The identification of clear outcomes helps with focus, motivation, and ownership of key actions to be taken. A documented IDP also provides a communication and tracking tool to monitor and assess progress taken, over time (Appendix DP-1).

Development Planning: Learning and Developmental Opportunities (Idea Generation Resource List)

A vast range of developmental planning options is available to choose from, depending on the specific need at hand. Learning and developmental opportunities are extensive and are only limited by one's creativity and resourcefulness.

A sampling of developmental resource options (in alphabetical order) include association memberships, buddy assignments, committee assignments, customer visits, developmental coaching, job aids, job enlargement, job rotation, mentoring, presentations, project assignments, reading assignments, self-paced learning, shadowing (observing role models), task force assignments, and trainer assignments (Appendix DP-1).

It should be noted that the vast majority of the above-noted Learning and Developmental opportunities are relatively inexpensive to do and are readily available within the immediate workplace environment. In fact, many of the options fall within the control of the individual team member and/or the immediate manager. The list of alternative options is intended to spark ideas and expand planning and learning options for developmental planning needs. They are not intended to be an exhaustive list – but can serve as a beginning idea-resource list for potential consideration to benefit team members and managers.

Best Practices

What sets the Best Practitioner leaders and managers apart from others regarding the subject of Development Planning (DP)? Effective leaders and managers consistently exhibit the following capabilities (Appendix PMO-1) and do all consistently well:

- Personal role modeling that demonstrates success for both performance improvement and continuous development

- Performance and development diagnosis, including the planning, monitoring, and assessing of improvement and results
- Consistency of purpose and application of the Performance Management Process – for self and others

More specifically, what personal beliefs, behaviors, and actions set Best Practitioner managers apart from all others? We have discovered a number of consistent Best Practitioner beliefs, behaviors, and actions deployed supporting DP, which are summarized below.

Practitioner DP Common Views:

- The ongoing development of people is seen as a WIN-WIN for both the organization and individual team members. Focus on helping people see how their strengths and addressing of shortcomings or gaps can help them and the organization.
- Team member development can be thought of from a motivational perspective – take a *what-is-in-it-for-me (WIIIFM)* approach to show benefit(s) for team members.
- Raise awareness with team members to focus on both the delivery of results (the WHAT) as well as essential knowledge and skills (the HOW) in the delivery of results, including both *hard* skills and *soft* skills (i.e., people skills).

Practitioner DP Comments:

- I personally adopt a teaching, modeling philosophy with a developmental approach to help others prepare for meetings, presentations, and events. It shows that I care about them and want their success.
- If I can help people reach their potential, the results will come. I trust that approach.
- The driver for Performance Management is team member development, not really the Performance Review, alignment, or accountability. Performance Management is not just about the WHAT (results) but also about the HOW or the key behaviors behind the results.

Practitioner DP Best Practices:

- Identify area(s) of annual focus for Performance Management improvement with all team members and especially leaders within your unit; and continually monitor, coach, and reinforce developmental progress focused on each team member's strength(s) and/or improvement opportunity(s) in support of Performance Management essential behaviors and results.
- Senior manager(s) are directly involved by providing their inputs into the development plans for at least the key leaders within their unit – and they also review the resulting development plans.
- Identify specific gaps and improvement areas and link the importance of addressing to team member performance and also career aspirations.

- Identify a few (i.e., 2–3) key areas to focus development on for each team member – including 1–2 areas for improvement, as well as one area of personal strength to expand and leverage. Keep all focus simple and actionable.

Success: Case Study
Development Planning

Once upon an organization, Sam – a department head of a retail store that merchandised and sold housewares and home improvement products – was responsible for a small team of five (5) retail associates. The store enjoyed a good, solid reputation in the minds of customers, and a steady stream of sales supported that. Sam previously was a department head for another major home improvement organization and had joined his current employer a year ago. Sam was responsible for ordering inventory, merchandise displays, sales, and the total management of his team. His team of five consisted of one experienced associate who had been with the store many years and four other associates who all had only joined the organization during the past year's peak hiring season. Two of the associates had transferred into Sam's unit from other internal store departments, which was not unusual. The store enjoyed a relatively good reputation for retaining its team members over time, which was one of the reasons why Sam had decided to join the organization a year ago.

Sam's role within the store was also being expanded on a few fronts, due in part to his own strong performance and the need for the store to add some new merchandise and services to compete more effectively in their industry. Sam was being challenged to not only increase his own responsibilities but to also increase the knowledge, skill, and abilities (KSA) of his entire team. A new retail sales year had just been launched last month, and Sam had conducted a team meeting with all of his associates to review the overall store mission, store and department sales goals, and the generic job description of a store retail associate. Sam had a follow-up meeting during that time period, to meet personally with each associate – to focus on various key duties required within the department, to set personal goals and assignments for each person, and to review key behaviors such as customer service, sales initiative, continuous improvement, and teamwork – all behaviors of importance to the store's success. Sam was being challenged with the need to develop the knowledge, skills, and abilities of all of his of team members and decided it was important and timely to focus on that now. Sam elected to meet first with Charlie, his most experienced associate. Although Sam was excited by the need and opportunity to further develop all of his team members, he knew he might have a challenge dealing with Charlie for a variety of reasons. Charlie enjoyed a strong performance rating over many years with the organization, had a solid retail background, and was a proud individual who was somewhat fixed in his ways. The latter characteristic was one of the reasons why Charlie was bypassed a

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year ago when Sam was hired as the new department head. Sam's scheduled meeting with Charlie was today. Sam was sitting in the store training conference room, ready for the meeting, when Charlie entered the room.

Sam: Good morning Charlie. How are you doing today?

Charlie: Okay. No complaints. Just another day to make customers happy and make some money for everybody.

Sam: Thanks for coming. I know we're all busy, especially at this time of year, with our recent sales promotions and store-wide sales program. But I also think it's important, and timely, for me to meet with all of our team members – on an individual basis. You're my first meeting.

Charlie: Lucky me. Only kidding. I'm always willing to spend time with you. I'm just not sure why we need to meet now since we already spent time going over everyone's job descriptions? I did do what you asked me to do – I did write down what I thought are my personal strengths and some areas for improvement. I also jotted down some things about my personal interests. But again, I'm just not sure why or how you plan to use this information. I think I'm pretty good at what I do – and I think you know that I already have a lot of knowledge about how things work and how things get done around here.

Sam: Your personal inputs are very important to me. And timely too. I want to take total advantage of our recent team and individual Performance Planning meetings and use those meetings to link and leverage Development Planning attention to help focus on your individual strengths and needs and your personal interests too. I want to link back to your job description and our department goals – to help benefit you and our team.

Charlie: Okay. But I'm not sure where this is all going. Is this your initiative? Or a store-wide initiative?

Sam: Actually more of my initiative now, although I believe the company might be also heading in this direction. Regardless, I know the value of doing Development Planning with team members. Trust me, I have some firsthand experience in doing this. This is not a luxury or an option to do – there are real benefits to be gained here. For all of us.

Charlie: I'm all ears. This is new to me. Where do you want to begin?

Sam: For starters, I see where you noted that you have outstanding customer service skills, along with a lot of product knowledge too. That's great. Those are skill sets of absolute importance to our department, store, and company success. And those skills will be pivotal to our newer team associates too. I'd like you to take on more of a direct coaching and shadowing role with all of them. Not only will that help each of them, but it'll also leverage and increase your skills here as well! That's a WIN-WIN in my book. I want you to be more conscious of being a formal role model for all of them. Almost like a *buddy system*. How does that sound?

Charlie: That seems like a no-brainer for me to do. I'm okay with that. In fact, I already do some of that.

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Sam: Good. I also see that you jotted down some thoughts that *change* is a concern for you and you much prefer maintaining the overall status-quo of things?

Charlie: Yeah, I'm not always convinced we need to continually change. We are pretty successful here, you now. I also think I'm a pretty strong performer too.

Sam: I agree you are a strong performer. I want to protect that, support that, and build on that too. Change is inevitable in our industry – and we're no exception. For example, I would like to share with you – throughout the year – the summary results of our customer surveys and secret-shopper reports too. You will see a lot of room for improvement in that information. Whether we like it or not, it does spell out the need for ongoing change – for us to remain successful as an organization. So, I'll make it a point for us to periodically visit together on these surveys and reports, to see what we can change. I want to get your good ideas here on what we need to change and ask you also to take a leadership role in helping to support that work. Sound okay?

Charlie: I'm willing to give it a shot, if you think it'll help us.

Sam: I'm more than willing to give it a shot. I would like you to summarize, in writing, all that we have talked about here so far – leveraging your customer service skills within our team and taking advantage of your abilities to help deal with change to benefit our team and store too. In fact, here is a tool (Development Plan template) that you can use to help guide and structure your early thoughts. You take a shot at it first, and then I'll review what you jot down, okay? We can then use that document as a working tool, over time, to keep us focused on the good things you are working on every day. Said another way, we can use our real work, on a daily basis, and my ongoing coaching and feedback, along with customer service data, to help benefit you – and our team. Remember that our customers will benefit too from all of this.

Charlie: Sounds reasonable.

Sam: Good. One other thought. You jotted down some interest in supervisory advancement and some broader store role(s) for that matter too.

Charlie: Yeah, I definitely have those interests. No one ever asked me about those things in the past. Sad, isn't it?

Sam: More of a missed opportunity, I think, both from a store and personal standpoint for you. I'd like to also treat our Development Planning work here for you to do two (2) other things. I'd like to appoint you to be a team lead, which would mean that you'll serve our team members as a *job coach*, and you'll also formally fill-in for me as acting department head, whenever I'm out of the store. I would also like to nominate you to one of our store-wide committees, such as safety and security or associate relations. Why don't you incorporate your ideas into the Development Plan I've asked you to draft up for me. Can you do that by next week? That will become a useful tool for us to both agree on, apply, and monitor.

Charlie: You got it. This makes good sense to me now. I think I do have a lot to offer. Sounds like I might be recognized for more of that now. About time, I have to say. Thank you for that!

Key Factors Contributing to Development Planning Case Study Success: Summary

- Linked Development Planning (DP) with Performance Planning as a *real work* starting point of context, and clarified Coaching and Feedback support
- Linked DP to key resource planning tools: job description, store department goals, and Development Plan template
- Emphasized the benefit of doing DP for both individual team member gain and overall department team gain as well
- Supervisor understood the need, benefit, and opportunity to enhance (develop) knowledge, skill, and abilities (KSA) for all team members
- Identified key behaviors and priorities to focus on in support of both store success and individual team member success
- Stressed importance of doing DP – not a luxury or option for the team
- Devoted time and planning preparation to focus on DP – for both supervisor and team member
- Clarified new store role assignments for team member and linked to store goals and objectives
- Gained team member commitment and ownership through clear communication – oral and written, with an action-planning request, and acknowledgment of team member skills

Coaching and Feedback

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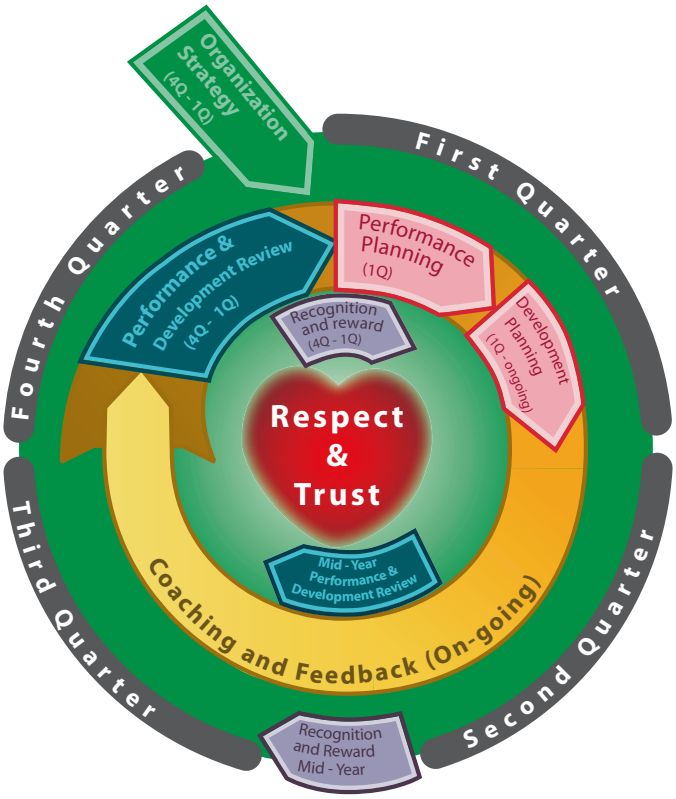

Overview

Coaching and Feedback (C&F) are extremely important elements that exist throughout the entire Performance Management Process (PMP). Although the PMP framework depicts C&F as following Development Planning, C&F in reality is very much a key part of every element that makes up the entire PMP process. While there are events, such as objective setting driven by the calendar, continuous dialogue of C&F – among and between team members – can be thought of as the *glue*, or as a common thread of *elasticity*, that connects and links all process elements together in a real-time sense.

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_6

Coaching and Feedback are usually talked about together, as one collective element. In reality, they are separate elements but often are interrelated interactions or events. Effective feedback is an integral part of coaching. Hence the semantic order of coaching followed by feedback.

Proposition 5 When the range of performance and development variation presented by the environment is recognized as a result of Performance Planning and Development Planning, organizations will seek to treat all opportunities and adapt by continually applying Coaching and Feedback resources aimed at improving performance and continually extending team member knowledge, skill, and ability. Further, organizations seek Coaching and Feedback opportunities integral with inputs from multiple organizational stakeholder levels (managers, fellow team members, customers, suppliers) on an ongoing basis.

Coaching and Feedback can best be viewed as regular, ongoing interactions – often deployed together – that help organization members maintain or improve their performance throughout a performance cycle year. Ideally, C&F should occur frequently, on an ongoing basis, can be both formal and informal, and can come from multiple sources related to a team member's work environment. C&F can also be thought of as skills that serve as a vital *linchpin* to effectively link and connect, in an almost transparent way, all elements or steps that make up the entire PMP process framework. Let us examine each element of Coaching and Feedback in more depth.

What Is Coaching?

Coaching is an ongoing process that helps individuals perform and develop to the best of their abilities to achieve organizational and personal objectives. It can also be thought of as a two-way process based on mutual respect and trust, opposed to a one-directional, one-time program or one-time event. For individuals to perform and grow, and develop their skills and abilities, that requires an environment that stimulates and supports their efforts and interests – on an ongoing basis.

A key element required for successful coaching is the ability of the coach to create a supportive climate. Individuals who are effective coaches have the ability to create a relationship with team members where they are viewed as supportive partners.

To coach successfully, managers need to establish a coaching relationship where the individual believes you, as a coach, have their best interests at heart. As a manager and a coach both, you will need to help people see a tangible payoff for making the effort to improve current performance or learn new skills. Building a coaching relationship to do all of this requires: mutual respect, a high degree of personal trust, and open two-way communication (Appendix PMO-6).

Although coaching can be a formal event at times, it is usually not the case. The more effective and impactful coaching interactions are usually informal, proactive, regular, spontaneous, collaborative, voluntary, and focused on reinforcement,

development, or enhancement of skills and behavior. Coaching, therefore, is not to be confused with counseling, which tends to be more of a formal, diagnostic, structured, and problem-centered process of a corrective nature.

Coaching can be both *backward-looking*, as in reflective insights gained or lessons learned, and also be *forward-looking*, as in preparatory planning. In reality, coaching can occur before an event, during an event in a real-time sense, and also after an event. There are no time limits to the opportunities available to provide coaching. Opportunities exist everywhere and at all times.

What Is Feedback?

Feedback can be thought of as a vital source of information about how we actually perform our work and about our relationships with others. Building and establishing relationships is at the *heart* of coaching. Coaching and Feedback really works best when used together as part of a communication and relationship-building process. If managers want to build, maintain, or test relationships with others, feedback is a manager's only source of information. Feedback is information about past performance or behavior – delivered in the present in a way that will, or should, influence future behavior and performance.

Just as coaching can best be thought of as a two-way process, feedback can turn one-way communication into two-way communication. Feedback can be used by both a manager and a team member to ensure that a message has arrived successfully. For example, a team member feeds back to a manager by repeating the critical details of what the manager has said; or a manager can ask the team member to repeat what has been said to be sure the message has been received accurately.

Feedback is a way of communicating information to an individual about his or her past performance. It is a way of reinforcing positive performance and suggesting changes for improvement (i.e., coaching). Performance feedback works best when it focuses on: behavior opposed to the person (avoid a sense of personal attack), the specific rather than the general (the more details and facts the better), quantitative descriptions opposed to qualitative judgments (facts rather than opinion), and observations rather than inferences and assumptions (a manager's firsthand observation is much more impactful than guessing or speculation).

Benefits of Coaching and Feedback? Why Do? Importance?

The benefits of effectively providing Coaching and Feedback (C&F) within an organization are many (Appendix PMO-5):

C&F threads together and permeates through all Performance Management Process elements This includes organization strategy, Performance Planning, Development Planning, Recognition and Reward, and Performance and Development Review. C&F is a key part of every element that provides an ongoing link that ensures two-way communication throughout the entire Performance Management Process.

C&F helps team members maintain or improve their performance Given the importance of organizational and individual performance, C&F ensures a two-way communication process of sharing information and feedback about performance that will help individuals: meet or exceed expectations; be successful both in what people do, and how they do it; and accomplish and maintain success.

C&F builds team member self-esteem or self-worth and helps build confidence When a manager provides C&F in support of a team member, the manager is not only attempting to improve or maintain performance. What is also impacted, on a much more subtle basis, is the effect on a team member's self-esteem or self-worth. When a manager takes the personal time to focus attention on a team member to help improve performance or provide recognition, a very powerful signal is sent directly to that team member. In effect, what a manager is *saying* to a team member when they provide C&F is that you are an important asset to the team or organization, which enhances their sense of value and importance as an individual. Self-esteem is a tremendously important factor in building confidence for a person, which translates directly into delivering performance results that benefits all concerned.

C&F helps to build morale and reinforces a team culture or spirit that values the importance of mutual support, performance success, and a sense of teamwork The responsibility for creating a motivating and positive environment that supports ongoing C&F is shared by all managers and team members. C&F can come from any number of potential sources. This includes an immediate manager, peers or fellow team members, subordinates, members of the organization in other units or departments, as well as internal and external customers. There really are no limits to the various sources of C&F available to team members. By initiating C&F from others, especially your own team members, you help to create and reinforce a team culture or spirit that values the importance of giving and receiving C&F. A culture of openness and improvement is not lost on the key members you are trying to influence and support. This helps to reinforce a real-time sense of teamwork – for the benefit of all.

Barriers

There are many reasons why C&F does not have a more positive effect within organizations. Three (3) barriers that frequently diminish the potential positive impact of C&F are noted below (Appendix PMO-4).

Barrier #1 C&F is provided by untrained or unskilled sources – resulting in C&F that is often neglected, *inappropriate*, *unbalanced*, *unrealistic*, *and/or untimely*.

C&F may be neglected, or be totally nonexistent, for a variety of reasons. It does require planning, effort, time, skill, and courage to either deliver or accept. C&F provided may also be inappropriate if performance situations are misdiagnosed.

Appropriate analysis and data-gathering – including good observation and listening skills – helps to validate specific needs and the subsequent identification of appropriate C&F offerings. C&F that is either totally negative or critical, or totally positive and *sugar-coated*, does not provide a complete and balanced basis for improvement either. C&F also has to be relevant and realistic; in essence doable and attainable opposed to making an impossible request that may frustrate and shut down the recipient. C&F, for maximum effect, also needs to be provided in a timely manner to ensure immediate impact, learning, and application. There often are no shortcuts or immediate quick fixes when dealing with C&F.

*Barrier #2 C&F often tends to focus only on the WHAT (i.e., results) and not on the HOW (*i.e., *the means or the process by which people achieve the results) – resulting in an incomplete picture*

A balanced and total context or perspective is once again essential for effective and meaningful C&F. If C&F focus is only on the end-results or outcomes (i.e., the WHAT), that is not a complete and useful context to fully understand, improve, and build on total performance. What also needs to be taken into account is a C&F assessment of how the results were achieved or not achieved. This requires learning and growth focused on the process undertaken to achieve the results in question, as well as the role and impact on people involved in any given situation. Results are indeed important – but not in the absence of process and people impacted. All relevant factors need to be understood for total improvement.

Barrier #3 A culture of fear or mistrust may exist – which may prevent an open, honest exchange of C&F.

If people are conflict averse, due to fear of either providing or receiving C&F, it may be withheld. Or if it is provided, due to fear – it may not be honest and accurate. People may be fearful of rejection or fearful of angering and disappointing another individual. Mistrust or uncertainty of C&F may also exist if it is always provided from only one source, which is typically the immediate manager. When this occurs, team members will lack the benefit of a more comprehensive and objective performance and learning environment to help them more fully understand the need and benefit for improvement. The perceived incompleteness, subjectivity, and/or credibility of receiving C&F from only one source may also come into question. The more confirming multiple sources of C&F made available for managers, and team members alike, the better.

Overcoming the Barriers

All of the C&F barriers noted above can be overcome through management education (i.e., our *Performance Management Success* guide) and appropriate planning, effort, and time devoted to C&F; the building of essential C&F knowledge and skills via on-the-job training; setting of expectations for self and others; creating a team-oriented culture of open, two-way communication; and creating a team

culture based on trust, honesty, and respect. Barriers can also be addressed through the use of success-tested C&F resource tools (noted below), as well as the application of practical managerial Best Practices (noted below). All of the barriers need to be understood and addressed – by both managers and their immediate team members. For maximum impact and benefit, all parties need to fully contribute and actively participate in the C&F process.

The importance of ongoing C&F, involving managers and individual team members, should not be understated. A manager's own observation or experience with team members occurs on-the-job, literally every day, opposed to other sources of input such as 180° or 360° multi-rater feedback input from others in addition to the manager. However, a manager can and should take advantage of as many sources of input, as possible, to help improve a manager's effectiveness with his/her team members. A manager can also benefit personally from seeking or requesting C&F from others, both upward and downward in an organization.

C&F Resource Tools

Effective C&F resource tools are available to help address the barriers. Resource tools to help managers provide the best possible C&F for their own performance improvement and development, as well as the performance improvement and development of their ream members, includes the following:

- 180/360° Multi-rater feedback
- Performance Management feedback tool for manager/supervisor
- Manager's monthly C&F journal log
- Developmental feedback form– STOP START CONTINUE behaviors
- Developmental feedback form – STRENGTHS and WEAKNESSES or OPPORTUNITIES

180/360° Multi-rater Feedback

Feedback can be collected from a range of sources (i.e., multi-raters) who can provide input comments about a selected individual. Input sources can include the immediate manager or supervisor, peers or fellow team members, subordinates (if applicable), selected individuals from other departments or teams in the organization, and wherever possible – from key internal or external customers. People selected for their inputs should be people the individual interacts with on a regular basis, throughout the year.

If multiple levels of an organization are used to provide feedback – from a level above, on a lateral basis, and from a level below – that is typically considered a *360°* feedback effort. In other words, feedback is coming from all directions. Key internal or external customers may also provide inputs. If only a limited number of inputs are requested, from approximately half of the organizational levels noted above, the feedback data generated is typically referred to as a *180°* feedback effort. Sources are usually mutually selected and confirmed by the immediate manager and the

individual for whom the input information will be focused on. Either the immediate manager or the individual in question can directly request and receive the inputs, or a more neutral third party can serve as a data input collector and a provider of a summary of the data.

Regardless of the number of input sources selected or the mechanics of the data collection and summary process, the information provided by the people the individual works with in accomplishing his/her objectives can provide both the team member and immediate manager with valuable information. This information can be used to support ongoing performance and Development Planning efforts, either on a midyear or annual review basis. A final cautionary note: a manager should not fully rely on 180/360° feedback, or any positive or negative data, which conflicts with the manager's own firsthand observations or experience.

Performance Management Feedback Tool for Manager/Supervisor

Given the importance of the overall Performance Management Process (PMP) to organizations and all managers and supervisors within organizations, it is extremely beneficial to all managers and supervisors to receive feedback from their direct reports about how each manager or supervisor is performing relative to the key elements of Performance Planning, Development Planning, Coaching and Feedback, and Performance and Development Review (Appendix CF-1).

The overall purpose of this tool is to provide ongoing C&F for the benefit of each manager or supervisor in organizations – to improve their impact and effectiveness of the total PMP process. The ultimate beneficiaries of course are the direct reports, in a collective sense, who complete the feedback – given that the ultimate feedback provided to managers and supervisors will result in an improved environment for team members to perform and develop. Managers also benefit by gaining this feedback information, which is intended to help them perform their own jobs better.

The feedback information can ideally be secured on a quarterly basis or at a minimum of twice a year – at midyear and year-end. It is recommended that this information be requested by the immediate manager of the manager or supervisor being assessed, to ensure anonymity of responses. This information can also be used by a second-level manager in his/her ongoing C&F efforts with each manager in turn. Organizations may elect to incorporate data findings, and progress made or not, from this C&F effort in both the manager's midyear and annual Performance and Development Review. The intent of this tool is to avoid surprises to a manager or supervisor and is intended to be fair in giving people advance feedback prior to any final annual review. A key benefit of deploying this information – on a regular basis – also results in improving the overall PMP within an organization over time.

Manager's Monthly C&F Journal or Log

A very useful tool to assist managers in observing and assessing work results, key behaviors on-the-job, and/or for providing ongoing coaching (with feedback) – is a journal or logbook. This tool can be a simple binder, with a designated page(s) for each team member for manager note-taking purposes, and on an ongoing basis. A simple one-page form can typically have three (3) headers or columns: a performance

area (i.e., key responsibility area) or competency (i.e., key organizational behavior) header, a comments column or header (i.e., to record specific behaviors observed or actions taken), and a date column or header (i.e., for the specific incident observed or reported on). The keys here are specifics and organization – for data recording purposes aimed at performance improvement – for all team members. It is important to preserve objectivity here – and avoid favoritism and/or targeting of specific individuals unfairly. Constructive, consistent data collection is the goal.

The recording of specific performance and development related behaviors and actions throughout the year – in such a Journal or Log – will greatly assist a manager's ongoing C&F efforts for their team members. A manager's notes will also provide a useful picture or record of any trends or patterns, both favorable and unfavorable. The notes will also provide useful documentation to support periodic and annual Performance and Development Review discussion(s). This tool should capture both positive and improvement-oriented events, be done consistently with all team members, with findings shared in a timely and private manner with each team member. This tool is intended to avoid surprises to team members. The intended spirit is one of open and honest two-way communication regarding all notes, with ongoing C&F being the main focus.

Developmental Feedback Form: STOP START CONTINUE Behaviors

The Developmental Feedback form can be used as part of a 180/360 degree multi-rater feedback data collection process or can be used as a totally independent tool to capture meaningful developmental feedback. The focus is on the identification of specific STOP START CONTINUE behaviors relative to how an individual is performing their current position. In addition to the specific behaviors to STOP START CONTINUE, the requester can also request the identification of recent behavioral examples in support of the feedback provided. Again, information can be requested anonymously, or not, and it should be requested from sources who work regularly with the requester. This helps with to ensure more credibility and objectivity (Appendix CF-2).

Developmental Feedback Form: STRENGTHS and WEAKNESSES or OPPORTUNITIES

Much of the information provided above relative to the STOP START CONTINUE behavior tool also applies for the STRENGTHS and WEAKNESSES or OPPORTUNITIES form. The major difference is that this resource tool focuses on feedback relative to knowledge, skills, and abilities (KSA) in an individual's current position. The data collection focus is on strengths, with an explanation or example(s), and weaknesses or opportunities, with an explanation or example(s). Both tools can be periodically used over time (i.e., twice a year), to help provide a progress check in support of C&F for a given individual (Appendix CF-3).

Best Practices

What sets the Best Practitioner leaders and managers apart from others regarding the subject of Coaching and Feedback (C&F)? Effective leaders and managers consistently exhibit the following capabilities (Appendix PMO-1) and do all consistently well:

- Listen.
- Ask questions.
- Give honest, balanced, timely, and specific Coaching and Feedback.
- Generate ideas for development and improvement.

More specifically, what personal C&F beliefs, behaviors, and actions set Best Practitioner Managers apart from all others? We have discovered a number of consistent Best Practitioner beliefs, behaviors, and actions deployed supporting C&F, which are summarized below.

Practitioner C&F Common Views:
- Ensure honest, fair, candid discussions of both strengths and improvement areas, aimed at improvement and benefiting the individual.
- Maintain a nonjudgmental and non-threatening approach with people, with focus on specific behavioral examples.
- Utilize patience and listening for total understanding relative to both giving and receiving feedback.

Practitioner C&F Comments:
- We need to be honest and fair with balanced *straight talk*. Withholding feedback does not help individuals. I want my people to know and hear what is said about them, so that they have options and choices to act on.
- Coaching and Feedback – my view is only a point-in-time, another input for team member use and benefit. Negative, difficult feedback is couched positively, constructively – and we are both in this together to make it work.
- I'm rooting for you, I believe you can improve, and I am interested in you as a person in being successful. I want their best interest, a WIN-WIN for them and our team.

Practitioner C&F Best Practices:
- Give people choices, or options, about what they can do to improve. This helps employees better understand and also internalize what is being discussed.
- Use direct observation and inputs from others to help support and coach people, such as use of 180/360° multi-rater feedback process.
- Demonstrate first what you are trying to coach, next allow the individual to immediately apply and personally demonstrate the knowledge or skill back to you, and next jointly debrief and provide appropriate feedback as soon as possible.

Success: Case Study

Coaching and Feedback

Once upon an organization, Tara – a dentist, owned and managed a successful, growing dental practice. Her practice was supported by a staff of five (5) other individuals: 1 full-time dental technician, 3 part-time dental technicians, and 1 office receptionist/scheduler/insurance coordinator. Doctor Tara prided herself on her unique ability to be both a top-flight dentist, well versed in the most current dental practices and technology, as well as an entrepreneur who was also a skilled manager versed in excellent customer service and the proactive supervision of her staff. Tara had witnessed firsthand, while gaining experience working for other dental organizations earlier in her career, the absolute importance of outstanding customer service continually supported by a skillful staff. Tara was convinced that happy team members helped to create happy customers. Happy team members to her meant having a staff of people who knew clearly what her dental mission was all about (Organization Strategy), knew what they were responsible and accountable for (Performance Planning), were focused on requisite knowledge and skills (Development Planning) to support her business and their individual team member needs, and received the benefit of ongoing Coaching and Feedback – to ensure a successful and satisfying work environment for all.

In Tara's prior career work experience, she had witnessed an opposite set of work conditions – than the set of work and team attributes noted above. Especially in the area of Coaching and Feedback, Tara was resolved to foster an environment of respect and trust, with open communication, and continuous learning for all involved. She was absolutely convinced to do this based on what she had sadly experienced earlier in her career: Coaching and Feedback that was untimely (delayed or nonexistent), focused only on the end-result (not including how the results were achieved), and delivered in a work and team environment that was suspicious and untrusting, among team members who were untrained and unskilled in essential aspects of proactive Coaching and Feedback.

Tara was about to debrief the overall office workday with Colleen – her full-time dental technician. Tara enjoyed these exchanges at the end of each day. She viewed this daily event as a timely opportunity to both recap daily customer experiences and learnings with Colleen (post-coaching basis) and also provide Colleen with the benefit of coaching relative to next-day customer events (pre-coaching basis). Tara also encouraged Colleen to offer upward Coaching and Feedback to her during these sessions – all in the spirit of teamwork and continuous improvement. Colleen was about to share with Tara a customer interaction she had witnessed earlier in the day involving Sandra, one of the part-time dental technicians. Colleen's recounting with the patient follows (the setting: Colleen was making copies of some documents at the copy machine, just adjacent to Sandra's dental station, and happened to overhear Sandra's closing remarks to her patient):

(continued)

(continued)

Sandra: Well, that finishes up our work for today. Everything looks good. Again, your personal maintenance routines are super. Continue to do everything you're now doing. Your x-rays all look good as Doctor Tara confirmed, with the one exception of keeping a wary eye on that upper right cracked filling. So, all hopefully looks good until we see you again for your next six (6) month check-up, or sooner, if you decide to proceed with her performing crown work to replace the cracked filling. Do you have any questions for now?

Patient: Thanks. Everything sounds good for now. My only question is whether my current dental insurance will cover the expense of the crown she was talking about?

Sandra: That shouldn't be a problem – Dr. Tara works with all insurance plans.

Patient: I'm very glad to hear that. You know, crowns are expensive. That relieves my mind a lot. Thanks again. Have a good summer ahead.

Sandra: Thank you – I will. And I hope you and your family enjoy the summer too.

(As the patient departed her station to head to Laura, the receptionist/scheduler/insurance coordinator, Colleen quickly stepped into Sandra's work area.)

Colleen: Sandra, I hope you don't mind me saying this, but I just happened to overhear the end of your conversation with your patient – while I was making some copies at the copy machine. You were very positive and thorough with your wrap-up examination and closing comments. Dr. Tara would be proud of you – as I am as a team member too. But one quick caution for you. You may want to hustle to Laura's workstation before your patient departs, to ask Laura to confirm his dental plan coverage for any future crown work. You don't want patients to guess about their dental plan coverage or raise their insurance coverage expectations unduly. I personally have seen some very unhappy customers along the way – who made assumptions about their insurance coverage plans – and were very, very disappointed and angry when they discovered lack of coverage after the fact. You might want to hustle up now to Laura's area, and ask her to confirm his coverage while he's still in the office today. Keep everybody informed and happy.

Sandra: Thanks for the good advice. Let me go up there right now and catch him.

(Dr. Tara listened quietly during the entire debrief of Sandra's interaction, and recovery, with her patient.)

Tara: Let me thank you, Colleen, for taking the initiative to offer your Coaching and Feedback to a colleague. It was timely, specific, balanced, and very relevant and helpful to all involved, for both our patient and Sandra. I really appreciate what you did there.

Colleen: I'm glad to hear you say that. I wasn't really *eavesdropping*, but I couldn't help avoid overhearing what was being said. I was afraid that Sandra was making a big assumption there that could really come back to haunt her and the practice.

(continued)

(continued)

Tara: I agree totally. The last thing we want is an unhappy customer, who might be misled and could leave our practice in a huff over an insurance miscommunication. I don't ever want to see that happen. And I don't want to see our team members blamed for not doing the right thing. Thanks again for what you did. I am very proud of your prompt action. Don't stop with your feedback and coaching with Sandra, or anyone else in our office, including me, for that matter. For your information, I won't plan on saying anything directly to Sandra on this – unless she brings it up to my attention. I'm glad you shared this with me, because I can reinforce this all with our team moving forward. I would hope and trust that Sandra would do the same in return for you, too, if the opportunity presented itself.

Colleen: Well, it's been a long but good day overall. I'm going to head out now. See you bright and early tomorrow.

Tara: Good night, and safe travel home. (Dr. Tara said this with a huge smile on her face, knowing that she had helped to create a teamwork environment of trust and support among co-workers. Tara appreciated the fact Colleen had taken it upon herself to provide Coaching and Feedback proactively to Sandra and had exercised courage to share news of this event with her – without fear of betraying trust to Sandra by doing so.)

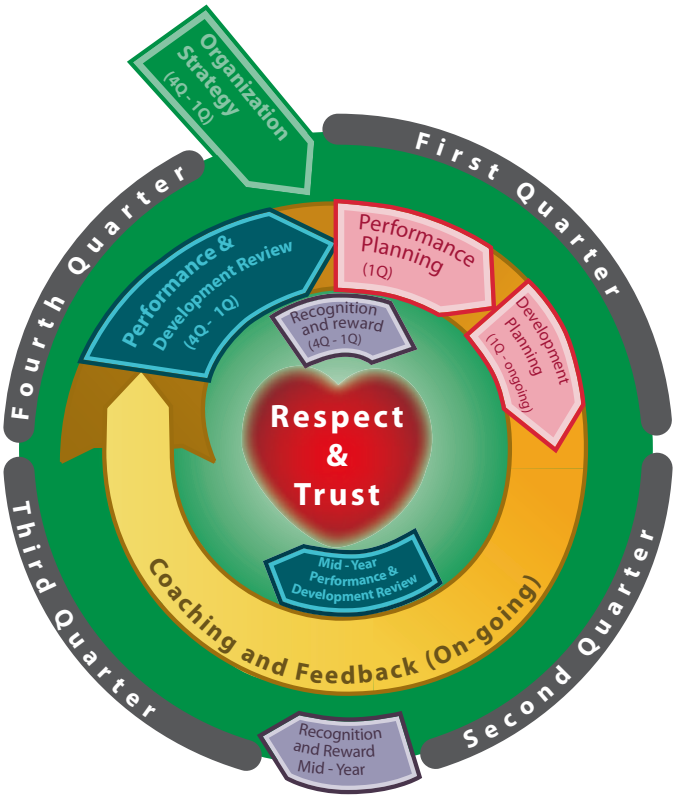
Footnote: Early the next day, Sandra thanked Colleen for her assistance and her respect and support of her as a co-worker. Sandra said she was very pleased to have the benefit of Colleen as a valued team member.

Key Factors Contributing to Coaching and Feedback Case Study Success: Summary

- Owner's career reflection and commitment to essential performance elements (C&F) helped ensure customer and team member success.
- Emphasis on an organization strategy – and a work culture – focused on excellent customer service.
- Owner's recognition of value of ongoing C&F helped ensure a successful work environment (culture) with team work and continuous improvement.
- Owner's daily commitment and role modeling of practicing C&F two-way – both upward and downward – encouraged all members to do same.
- Owner's effective acknowledgment of a C&F incident with a team member – reinforced a proactive support culture for all involved.
- Creation of a teamwork environment of trust and support among co-workers.
- C&F was applied appropriately – immediately between two peer co-workers and reinforced by owner after the fact – demonstrating applied learning.
- Work culture existed that enabled: courage, trust, open two-way communication – without fear of reprisal.

Performance and Development Review

7



Overview

Periodic reviews of individual or team progress toward objectives are an important part of the overall Performance Management Process (PMP). Periodic reviews can help individuals and teams refocus efforts and get assistance from others to meet specific challenges.

Periodic reviews can be either informal or formal. Managers should conduct informal progress reviews regularly, which can be weekly, monthly, or quarterly, depending on importance and need. The essential purpose of informal reviews is to provide coaching and feedback throughout the performance year, particularly if an

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_7

individual or team seems to be having a performance problem or is encountering barriers and roadblocks. The important point to stress is to provide *check-ins* with individuals and teams to ensure alignment – and success – of performance and development in support of objectives and action plans.

Proposition 6 Organizations seek to ensure the engagement of team members in an ongoing review and discussion exchange process that formally summarizes earlier acknowledged performance and development activities. Further, organizations seek to implement Performance and Development Review discussions on both a backward- and forward-looking basis focusing on performance and development for team members, which also provides a basis for recognition and reward.

At the individual level, more formal review meetings that are documented provide a valuable summary of progress achieved relative to both overall performance and also individual team member development. Formal Performance and Development Reviews (PDR), within an increasing number of organizations, occur both on a midyear basis and an end-of-the-year basis. Key themes include: avoid surprises or assumptions leading up to more formal review meetings, do not underestimate the value and reinforcement of summary work, look both back and forward, and ensure that ongoing discussions with full dialogue exchange occurs with all team members (Appendix PDR-1).

Midyear Performance and Development Review: Purpose and Focus?

At the individual level, a formal, documented midyear Performance and Development Review can provide a lot of benefits to both the individual and the team they serve – and the team they serve certainly includes the manager. A formal midyear review provides a meaningful opportunity to review and discuss each individual's performance and development relative to:

- Performance Plans – Individual team member Performance Agreement/ Objectives
- Development Plans – Individual team member Development Plan

By focusing on both of these specific areas early-on (i.e., at midyear), it allows individuals to gain comprehensive and valuable coaching and feedback early enough in the performance cycle year to change or correct their course of action(s), if necessary, and helps to ensure the achievement of expected performance and development objectives over the course of the full year. A midyear review also provides motivational acknowledgment of progress made or needed.

Annual Performance and Development Review: Purpose and Focus?

The annual year-end Performance and Development Review (PDR) represents a summary step in the overall Performance Management Process. In many ways the annual Performance and Development Review closely resembles the midyear Performance and Development Review. However the annual PDR is much more comprehensive and spans a team member's total performance and development for the entire performance cycle year. The annual Performance and Development Review should be held during the fourth quarter of the year (assuming a calendar year basis) or at the latest – early in the first quarter of the next year.

Discussion during the Performance and Development Review meeting also represents an excellent opportunity to:

- Review the individual's performance results from both a *backward* look and a *forward* look (i.e., a forward look provides an early opportunity for Performance Planning for the next performance cycle year).
- Include coaching and suggestions for actions that will improve performance and development opportunities potentially available to the individual team member.
- Incorporate recognition and reward discussions, as appropriate, at this time.
- It may also be an appropriate time to discuss upcoming organizational developments that may impact the individual's position requirements. By sharing information about the broader goals of the organization, the unit, or department/team, the manager also gives the individual an early opportunity to begin to align personal goals and development plans with team, unit, or organization-wide objectives.

Benefits of Performance and Development Reviews? Why Do? Importance?

The benefits of effectively conducting Performance and Development Review (PDR) meetings within an organization are many (Appendix PMO-5):

PDR provides a focused opportunity to summarize, review, clarify, and reinforce Performance and Development results and plans. The personal one-on-one time a manager spends with each individual team member provides both the manager and the team member with a meaningful opportunity to fully review and discuss and better understand individual performance contributions and personal progress relative to ongoing development and career interests. Ideally there should be no surprises during these meeting exchanges given ongoing coaching and feedback prior to the meetings. The meetings serve the useful purpose of summarizing performance contributions and helping to improve and build on performance, with focus on reinforcing expected results and key behaviors.

PDR provides an opportunity to look both backward and forward in time – relative to Performance and Development plans and results. Although the foundation and focus of these meeting exchanges is on recent Performance and Development plans and results accomplished, the opportunity to build on Performance and Development results with a future plan in mind is extremely timely and opportunistic. The benefits of also looking forward in time provide an early prioritizing and reinforcing perspective that serves both the manager and team member to proactively plan forward.

PDR provides an opportunity for managers to gain feedback on the PMP within their respective teams, as well as gain team member feedback on how each manager can also improve personal performance in support of the team member. A timely opportunity exists to benefit the manager by checking in with each team member by asking two key questions. The first question should focus on how the overall PMP can better serve the needs of each individual team member and the department or team. The second question should focus on how the manager can better support the Performance and Development results for each individual team member. The resulting information gained can be extremely beneficial to both the manager and the team member. A general summary of the findings can also be shared, honestly and beneficially, with all department or team members – in a collective sense. Doing so helps to create transparency, credibility, and trust.

PDR provides an opportunity to review and plan for individual team member development progress in the overall context of performance on-the-job. The most meaningful forum in support of continuous development is an individual's work team and everyday workplace. By focusing on performance results and key position duties, developmental opportunities can be identified and maximized to better plan and support for continuous learning and development. The benefits of thinking about Performance and Development in a *holistic* sense truly leverages the collective impact of each element.

PDR provides a documented basis for recognition and reward – both monetary and nonmonetary A manager truly needs to first identify (i.e., recognize) actual performance impact and contributions – on both an individual and team member basis – for the purpose of providing appropriate monetary and nonmonetary recognition and reward. Without a documented basis for validating performance and development, unfairness and inconsistency of recognition and reward could potentially result. The beneficial outcome here is to avoid guessing, with a deserved and earned focus on true documented discussion of impact and contribution. The alternative is guessing and/or not actually documenting knowledge of outcomes and results.

PDR provides a meaningful opportunity to reinforce an individual's self-esteem relative to an overall sense of personal contribution and continuous improvement. Managers should not underestimate the benefit of personal time accorded to each individual team member. The time invested by a manager not only helps to reinforce and improve Performance and Development results for the individual team member, but more importantly sends an essential signal to each team member

that they are important, valued, and worthy of the time taken and personal attention. Personal and proactive attention can only help to build individual team member self-esteem – which tends to strengthen performance for the greater benefit of the team member, the team, and the manager.

Barriers

There are many reasons why Performance and Development Reviews (PDR) do not have a more positive effect within organizations. Three (3) barriers that frequently diminish the potential impact of PDR are noted below (Appendix PMO-4).

Barrier #1 PDR lack sufficient planning, time, and resource allocation – which greatly limits potential benefits of effective face-to-face meetings.

The creation of organizational *norms*, or Performance Management standards of behavior, will reinforce the value and benefits of managers both planning for and executing an effective Performance Management Process (PMP). Organizations can set expectations for all managers to plan for and deliver a PMP in support of organizational strategy that impacts every individual team member within the organization. Once appropriate expectations are identified, and communicated, successful implementation of a PMP can be monitored, including a satisfactory PDR meeting with all team members (Appendix PMO-3) (Appendix PMO-6).

Barrier #2 PDR are often incomplete and subjective due to the lack of multiple assessment inputs.

To help avoid a PDR for a team member that is based solely on the judgment of the immediate manager, additional meaningful feedback inputs can be secured relatively easily. A manager and team member can work together to jointly identify a number of key sources to provide additional feedback for the benefit of completing a more complete PDR for an individual team member. Additional inputs can come from internal or external customers who have frequent contact with the team member. Other sources can include fellow team members or peers, subordinates if appropriate, and other managers who may have ongoing contact with the team member during the performance cycle year. The team member should also be requested to complete an objective self-assessment. The more sources the better to ensure a thorough, complete, and balanced review(s) to help validate the most effective PDR possible. Beneficiaries of such a process are many: the team member, the manager, and the organization served by all involved parties.

Barrier #3 PDR lack both manager and individual team member responsibility and accountability to prepare, participate, and personally own.

In the absence of clear expectations for both managers and team members relative to planning for and executing a PDR, the lack of accountability and ownership for PDR will occur. Managers within organizations can easily address this barrier by simply taking the time to effectively communicate PMP standards, or expectations for behavior, in order to support specific accountability and ownership for

achieving intended results. Accountability standards can be readily conveyed to all parties via effective communications, both oral and written, as well as through appropriate training and education in a PMP for managers and team members alike (Appendix PMO-6).

Barrier #4 PDR focus is only backward looking, and not also forward looking.

The majority of PDR within many organizations tend to focus only on past performance, and hence are only *backward* looking. Managers can also use the PDR meeting as an opportunity to begin to discuss and plan for improved or sustained Performance and Development by extending the meeting discussion – and focus – to the upcoming performance cycle year. The context and timing for managers to do this can occur during the PDR meeting with each team member. The impact this will convey to team members is that the PMP is truly dynamic, and not static, and that Performance and Development requires continuous learning and improvement and is both past and future oriented.

Overcoming the Barriers

All of the Performance and Development Review (PDR) barriers noted above can be overcome through management education (our *Performance Management Success* guide) and appropriate planning, effort, and time devoted to PDR; the building of essential PDR knowledge and skills via on-the-job training and experience; setting of expectations for self and others; effective Coaching and Feedback and role modeling from their own immediate manager; and an overall Performance Management Process culture that recognizes and rewards Performance Management excellence.

Barriers can also be addressed through the use of success-tested PDR resource tools (noted below), as well as the application of practical managerial Best Practices (noted below). All of the barriers need to be understood and addressed – by both managers and their immediate team members. For maximum impact and benefit, all parties need to fully contribute and actively participate in the PDR process.

PDR Resource Tools

Effective PDR resource tools are available to help address the barriers. Resource tools to help managers provide the best possible PDR for their own performance and development, as well as the performance improvement of their team members, include the following:

- Role modeling support from immediate manager
- Performance Management Process training and education
- Expectation setting and communication of standards – for both managers and team members

- Position descriptions
- Individual Team Member Performance Agreements (SMART goals)
- Prior Performance and Development Review documentation
- Manager's Monthly Coaching and Feedback Journal or Log
- Multi-rater assessment inputs for individual team members (180/360° inputs)
- Performance Management Feedback Tool for Manager/Supervisor
- PMP Best Practitioner views, comments, and actions supporting PDR
- Individual team member self-assessment inputs

Role Modeling Support

One of the most impactful and readily available resources to managers and supervisors within all organizations for conducting effective PDR are their own immediate managers. Effective managers in the organization can provide a firsthand demonstration for others to model as well as provide Coaching and Feedback to their subordinate managers and supervisors for improving PDR. Coaching and Feedback guidance can also be directly exercised when a second-level manager approval sign-off is utilized. This additional or second-level signature approval provides many benefits: ensures an additional meaningful input, raises the standards via a second-level review, and certainly allows for additional Coaching and Feedback to managers and supervisors completing a PDR for their team members.

PMP Training and Education

Knowledge and skill of the Performance Management Process (PMP) can be achieved through a variety of means, including observation and role modeling, on-the-job experience, and certainly through management education and training. Learning frequently begins with awareness raising through education and training. Learning about the overall purpose of the PMP, and all key elements of the PMP, can help to provide a consistent and complete view for the benefit of all levels of management and achieve organizational alignment and synergy. Training and education in a Performance Management Process needs to be made available to managers as sponsors and champions but also to team members within all organizations. In actuality, all members of an organization are participants and recipients of a Performance Management Process – there are no exceptions.

The real beneficiaries of managers performing their ongoing PMP duties are of course the team members who work with, and for, their managers. Team members truly deliver the results required within any organization. It is for this reason that appropriate education, or orientation, be also provided to all nonmanagement members of an organization – relative to the overall PMP and key elements of the PMP process. This approach also helps to build a high performing organizational culture – with clear expectations for both results and process with all team members.

Performance Management Role Accountabilities (Expectation Standards)

The use of a performance management role accountability summary that clearly outlines specific behaviors and actions for both managers and team members provides a working outline of key responsibilities and accountabilities to be performed – in support of effective PDR. Time devoted by a manager who communicates and personally reviews PMP role accountabilities with their team members will be well invested. In addition to serving as an effective expectation-setting tool, clarity of role accountabilities will serve as *standards* and support planning and essential actions that will improve the PDR for all parties involved (Appendix PMO-6).

Position Descriptions

One of the most useful resources available to both managers and team members are current *position descriptions or job and role descriptions*. This resource tool provides meaningful information for a team member about their overall position purpose, key duties or key responsibility areas (KRA) to be performed, essential behaviors or competencies important to an organization, and also key metrics that will be used for PDR purposes (Appendix PP-1).

Individual Performance Agreements (SMART Goals)

For PDR purposes, the position description identifies areas of responsibility; and the Individual Performance Agreement (SMART goals) identifies and summarizes the status of goals and objectives for each individual. Results accomplished, or not, will provide a key basis for assessment purposes relative to both Performance and Development. A manager should request each individual team member to fully assess and update their individual goals and objectives as a key input for their PDR summary meeting discussion. A thorough review and discussion of Individual Performance Agreements will provide both the manager and the team member with actual outcomes, or results, that will serve as the basis for the upcoming PDR meeting and subsequent summary assessment (Appendix PP-2) (Appendix PP-3) (Appendix PP-4).

Prior Performance and Development Review Document

A useful starting point for the purpose of creating a new, current PDR is to first review the most recent PDR document, if one is available. This will enable a manager to review most recent work accomplishments and improvement opportunities identified within the last performance cycle. A review of this recent history may likely offer insights into progress made and/or improvement areas still needed. Reviewing and fully understanding a prior PDR can provide additional, useful context to better communicate and plan for a complete current summary of Performance and Development.

Manager's Monthly Coaching and Feedback Journal or Log

A very useful tool to assist managers in observing and assessing work results and key behaviors on-the-job – and for providing ongoing coaching (with feedback) – is a journal or logbook. This tool can be a simple binder, with a page(s) for each team member for manager note-taking purposes, on an ongoing basis. A simple one-page form can typically have three (3) headers or columns: *first header*, a performance area (i.e., key responsibility area) or competency (i.e., key organizational behavior) header; *second header*, comments column or header (i.e., to record specific behaviors observed or actions taken); and *third header*, a date column or header (i.e., for the specific incident observed or reported on).

The recording of specific performance and development-related behaviors and actions throughout the year – in such a journal or log – will greatly assist a manager's ongoing Coaching and Feedback (C&F) efforts. A manager's notes will also provide a useful picture or record of any trends or patterns, both favorable and unfavorable. The notes will also provide useful documentation to support periodic and annual Performance and Development Review discussion(s). This tool should capture both positive and improvement-oriented events and be done consistently with all team members, with findings shared in a timely and private manner with each team member during the performance cycle year. This tool is intended to avoid surprises to team members. The intended spirit is one of open and honest two-way communication regarding all notes, with ongoing C&F being the main focus.

180/360 Degree Multi-rater Feedback Assessment

Feedback can be collected from a range of sources (i.e., multi-rater inputs) that can provide input comments about a selected individual. Input sources can include: the immediate manager or supervisor, peers or fellow team members, subordinates (if applicable), selected individuals from other departments or teams in the organization, and – wherever possible – from key internal or external customers. People selected for their inputs should be people the individual interacts with on a regular basis, throughout the performance cycle year.

If multiple levels of an organization provide feedback – from a level above, on a lateral level basis, and from a level below – that is typically considered a *360°* feedback effort. Key internal or external customers may also provide inputs. If only a limited number of inputs are requested, from approximately half of the organizational levels noted above, the feedback data generated is typically referred to as a *180°* feedback effort. Sources are usually mutually selected and confirmed by the immediate manager and the individual for whom the input information will be focused on. Either the immediate manager or the individual in question can directly request and receive the inputs, or a more neutral third party can serve as a data input collector and a provider of a summary of the data.

Regardless of the number of input sources selected or the mechanics of the data collection and summary process, the information provided by the people the individual works with in accomplishing his/her objectives can provide both the team

member and immediate manager with extremely valuable information. This information can be used to support ongoing performance and development planning efforts, either on a midyear or annual review basis. A final cautionary note: a manager should not fully rely on 180/360° feedback, or any positive or negative data, which conflicts with the manager's own firsthand observations or experience.

Performance Management Feedback Tool for Manager/ Supervisor

Given the importance of the overall Performance Management Process (PMP) to organizations and all managers and supervisors within organizations, it is extremely beneficial to all managers and supervisors to receive feedback from their direct reports about how each manager or supervisor is performing relative to the key elements of Performance Planning, Development Planning, Coaching and Feedback (C&F), and the Performance and Development Review.

The overall purpose of this tool is to provide ongoing C&F for the benefit of each manager or supervisor in organizations – to improve their impact and effectiveness of the total PMP. The ultimate beneficiaries of course are the direct reports, in a collective sense, who provide the feedback. Feedback on managerial behavior is all about improved PMP support for the individual team members. Managers also benefit by gaining this feedback information, which is intended to help them perform their own jobs better. Again, all parties benefit as a result.

The feedback information can ideally be secured on a quarterly basis or at a minimum of twice a year – at midyear and year-end. It is recommended that this information be requested by the immediate manager – of the manager or supervisor being assessed – to ensure anonymity of responses. This information can also be used by a second-level manager in his/her ongoing C&F efforts with each manager in turn. Organizations may elect to incorporate data findings, and progress made or not, from this C&F effort in the manager's midyear and annual Performance and Development Review. The intent of this tool is to avoid surprises to a manager or supervisor and is intended to be fair in giving people advance feedback prior to any final annual review (Appendix CF-1).

PMP Best Practitioner Actions and Behaviors

A review of Best Practices utilized by other manager practitioners can provide a very practical perspective of specific views, comments, actions, and behaviors that have been found to be helpful in conducting PDR. There is nothing really better than models of proven effectiveness that can be shared with managers for the purpose of modeling and repeating like performance – all of which benefits team members, other managers, and the total organization. No need to *reinvent the wheel* if experience and knowledge of prior success is readily available for sharing from others.

Team Member Self-Assessments

Engaging a team member in their own PDR process provides many benefits for the team member and his/her immediate manager, including motivation and true ownership of individual Performance and Development. A manager can use this information to help gain additional input and a more complete view of achievements and current needs for each individual team member. Some self-assessment inputs will be very balanced and objective, where others may be less so. Regardless, by providing individual team members with the opportunity to *self-assess*, a more meaningful dialogue will ultimately result to support the reality of a more complete PDR. A manager should use all of the resources available, beginning with the individual team member. Hence a useful starting point for a team member is often a self-assessment.

Best Practices

What sets the Best Practitioner leaders and managers apart from others regarding the subject of PDR? Effective leaders and managers consistently exhibit the following capabilities (Appendix PMO-1), and do all consistently well:

- Personal planning
- Effective resource allocation – time, effort, and two-way involvement
- Role modeling – *actions speak louder than words*
- Patience and listening skills – to gain complete understanding
- Feedback and Coaching skills – including both giving and receiving feedback
- Effective written and oral communication – including respect, honesty, directness, and trust.

More specifically, what personal PDR beliefs, behaviors, and actions set Best Practice managers apart from all others? We have discovered a number of consistent Best Practitioner beliefs, behaviors, and actions deployed supporting PDR, which are summarized below.

Practitioner PDR Common Views:

- Focus on documented objectives, such as Individual Performance Agreements (SMART objectives) and Individual Development Plans – as a basis for discussion with team members.
- Maintain a perspective that is always honest, fair, and candid, along with supportive discussions focusing on both strengths and improvement areas – with an overall theme aimed at improvement and benefit(s) to the team member.
- Focus on a select, few key messages during the PDR to ensure attention, prioritization, and retention.

Practitioner PDR Comments:

- It is important for managers to give and get two-way Coaching and Feedback through continuous exchange(s) of coaching, feedback, and acknowledgment.
- I do not *soften* the comments in fear of the team member missing the essential message; however, I do *couch* the feedback by recognizing contributions, as well as the desired state intended.
- I complete written performance review summary documents (midyear and annual) for my team members, along with a lot of ongoing messages and get-togethers throughout the year that I frequently write up and summarize to make sure issues and messages and priorities are not missed.

Practitioner PDR Best Practices:

- Create a unit or team culture environment that empowers team members to continually *self-monitor* their actual ongoing performance throughout the performance cycle(s) – in advance of more formal reviews. This creates ownership and reduces surprises during the more formal review sessions(s).
- Use *line-of-sight* understanding of individual team member performance impacts, gained earlier in performance cycles with/for all team members through ongoing meetings and discussions over time, to help team members better prepare for more formal review session(s). Clarity of *line-of-sight* performance impacts will serve as a buildup and a supportive context to more formal review session(s) with team members.
- Provide team members with an opportunity to prepare and self-assess their own performance summary before a review, and obtain the self-assessment prior to the actual 1:1 meeting. This tends to reduce tension and builds genuine goodwill; the goal here is not to necessarily get quick agreement, but to better gain understanding of all parties' views.
- Honest *straight-talk* is helped by using organizational competencies (i.e., key leadership behaviors), requesting individual self-assessment, using multi-source feedback, and itemizing specific behaviors to STOP START CONTINUE.
- In larger organizations, as part of the annual PDR process, unit managers should meet as a group with all sectional/team leaders to further assess and rank employees (across sections/teams) on the basis of overall performance contributions, impact, and track record; this helps to ensure validation, consistency, and agreement on performance ratings – both on an absolute rating basis and a comparative relative ranking basis.

Success: Case Study

Performance and Development Review

Once upon an organization, Tom – the athletic director and a senior physical education (PE) teacher for a large public school district (SD) – was preparing to complete end-of-the-year Performance and Development Reviews (PDR) for his staff of eight (8) individuals. Tom had been promoted into his current AD position one year ago, having inherited the AD role from a long-standing predecessor. Tom was promoted during very challenging times, which included tight budget controls, parents demanding expanded program participation, a revised team member evaluation system (iObservation online system), and a younger staff that was relatively inexperienced.

When Tom first assumed his new position, with responsibility for PDR, he reflected back on his own personal experience with PDR over his many years. His previous experience with PDR was not at all favorable. As a recipient, Tom felt his own reviews were driven by checklist-type forms, included minimal self-assessment that was essentially unacknowledged, had limited evaluation inputs from other key internal customers, had no meaningful discussion of *domain* or category evaluation dimensions (Danielson *Framework for Teaching*) by which teachers were rated, missed the opportunity to identify personal recognition and commendations, and totally lacked linkage with professional development areas relative to strengths and improvement. The more Tom thought about PDR, the more he personally vowed to improve the PDR process for all impacted stakeholders – students and parents, school administrators, and, last but not least, the PE teachers under his tutelage.

During the first half of the past school year, Tom met with his team as a group to overview his personal expectations and standards of performance, which included an open dialogue of all key domain or category dimensions of: planning and preparation, classroom environment, instructional delivery, and professionalism. Tom also took the initiative to introduce to his full team the concept of *behavioral competencies* focusing on supporting four (4) recently declared values of importance to the entire SD: vision, respect, community, and excellence. Tom also completed PDR during the first half of the year with each of his PE team members and spent considerable personal time in the process with each individual.

One particular team member whom Tom was looking forward to completing the annual end-of-the-year PDR with was Logan, who had just joined the SD only three years ago upon her college graduation. Logan was a star athlete in her own right, having excelled as both a college softball and basketball player. Tom had noticed a growing sense of frustration, irritability, and lack of communication with Logan – especially during the last year of the former AD's stewardship. Logan had not received much Coaching and Feedback during her first few years of employment, but that had all changed significantly during her first year reporting to Tom.

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Tom and Logan were concluding Logan's year-end PDR late in the day in Tom's office. Almost an hour had been spent between the two of them.

Tom: Just to recap what we covered today during your year-end PDR, let me do a quick summary, and then you can add any comments. Is that OK?

Logan: Sure. That's good to me.

Tom: OK, here goes. Looking down at my notes, your overall performance, from the first half of this year and to the end-of-the year as of today, has surpassed where you were a year ago. You have progressed nicely in all four (4) domain/category areas – which is commendable. I hope you feel good about that. Your self-assessment, peer observations, and my own observational assessments – were all relatively consistent. We both agree on your areas of strengths, as well as some areas for continued improvement. I would like to commend you again for the initiative you took with the girl's freshman softball team this past Fall – the team spirit carried over into the Spring season with outstanding results. Congratulations again. Your use of team newsletters and *Question and Answer* sessions with parents was novel, and your focus on leadership characteristics with the entire team – and team captains – reinforced the new values for the SD. Very well done. On the Professional Development front, we will look for additional opportunities for you to gain even more exposure with the school administration, much like you did with your recent committee work on creating a *bully-free culture*. Your contributions there were very valuable, and you also improved your written communication and organizational skills in the process – which was a need of a year ago. I'd also like to see you perform the role of Assistant Varsity Coach for girls' Basketball next Fall. I believe you have a lot of potential and capability for moving forward in your professional career here. How does that all sound? What are your thoughts?

Logan: Wow – that's a lot to digest when you present it like that. I can't believe we covered all of that ground in only an hour or so. I really don't know what to say.

Tom: Not to worry – I will certainly provide you with a signed copy that captures all of what I just essentially shared with you, before you leave my office.

Logan: I'd like to thank you Tom for taking the time and effort for this meeting, as well as our prior review meetings building up to this year-end review. That wasn't the case with your predecessor. I honestly have to say, prior to you assuming his role, I felt very neglected, almost discounted. My reviews in the past were empty, superficial, and I always felt like I had no one to turn to for coaching and guidance. My first two years here were very frustrating and unfulfilled. I feel very proud of what I've done this past year, and I'm look forward to supporting you and our team even more so next year. So thanks again for all of that.

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Tom: Really glad you feel that way. I feel very good about the progress our entire department made this year. It was a challenge, but you helped our department, our school, and our community too. Don't forget any of that – we'll build on that in coming years.

Logan: I'm very happy to be a part of it. Anything else you need from me at this time?

Tom: Yes there is. I would like to hear from you about how our Performance Management Process (PMP) worked for you, or not, this past year? I would also like to pick your brains on what I can do better, as a Department Head, to help you and help our overall team perform their duties?

Logan: Regarding the overall process, I liked a lot of the things you did.

Tom: Can you be more specific?

Logan: I liked the way you met with all of us, early in the year, to review your own expectations and standards of performance for the entire department. I liked your open-door policy and your availability – it made for a safe environment for all of us.

I liked the coaching and feedback you personally gave me throughout the year. You have been a very good mentor for me here. That's much appreciated. I liked the way you compared and summarized information from my own self-assessments – with the information from peer observations and your own assessment of me. That was all very reassuring. The recognition you gave me was also very motivational. I also appreciated how you took my personal career interests into account for my professional development. Geez, everything was done better from a year ago. Just the time you devote to me and our department members, on all of this, is super! Don't stop what you're doing. Please don't.

Tom: Thank you. Don't ever hesitate to offer me any constructive feedback either, OK? I can certainly use it. The more, the better. Two last thoughts for you, which were triggered by the comments you just made. I would like you to serve as a personal mentor for Susan, who joined our department this past year. I know you'll be able to relate to her very well. I also want you to think about how we can build in more feedback from our parents and students too, regarding our overall services and programs, OK?

Logan: I hear you. I can't tell you how excited I am about next year. I feel even more committed than I was before. Thanks again for all of your sharing with me today.

As Logan left his office, Tom smiled to himself. He realized the power and impact of honest and meaningful coaching and feedback. He also realized the importance of serving as a role model for Logan and his team.

Key Factors Contributing to Performance and Development Review Case Study Success: Summary

- Department Head reflected on own PDR unfavorable experience from past and made personal commitment to address and improve and build on.
- Early, consistent stage setting with entire team by communicating in advance PDR expectations including standards of performance.
- Invested personal leader time to prepare and conduct PDR(s) with team member(s).
- Conducted both midyear and end-of-the-year reviews – contributing to comprehensive, progressive full cycle review discussion and exchange.
- Incorporated multisource performance review inputs for team member: self-review, peer reviews, and immediate supervisor observations and review.
- Conducted prior review meeting (midyear) along with regular, ongoing Coaching and Feedback (C&F) sessions with team member(s).
- Invited and encouraged *upward* feedback from team member(s) on overall PMP process, as well as a critique of immediate supervisor – about himself.
- Created and maintained a motivating and engaging culture over entire performance cycle – with openness, trust, and two-way communication.
- Department Head role modeled and continually reinforced a complete PMP process – with effective communication, mentoring, and two-way C&F.
- Withheld any sharing of personal criticism relative to the individual leader the Department Head succeeded.

Recognition and Reward

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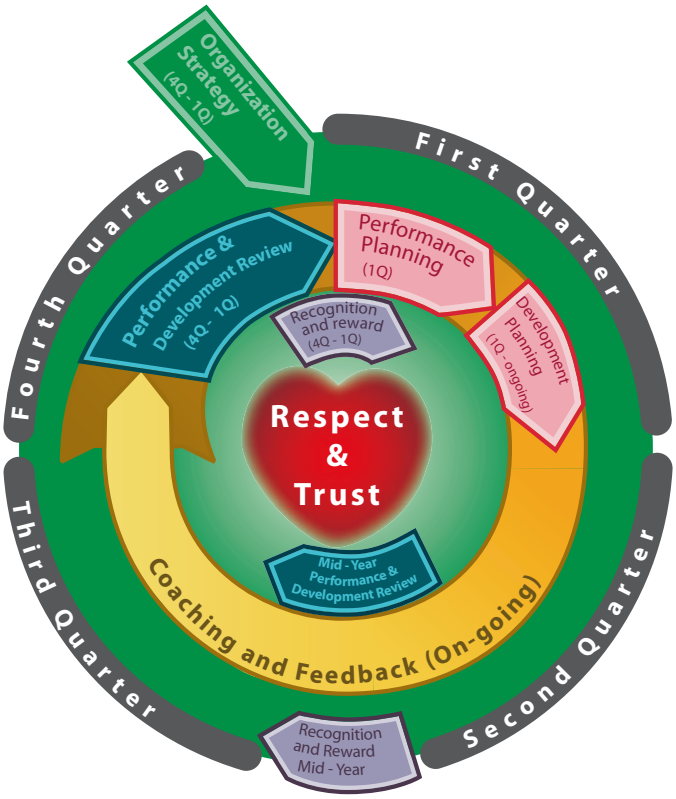

Overview

Individual team members, and teams, have a fundamental need for acceptance and appreciation and a sense of adding value to whatever organization they are affiliated with. Recognition and Reward (R&R) represents a means by which a manager, or an organization, can respond to – and validate – the presence and contribution(s) of team members and the teams that individuals belong to.

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_8

Proposition 7 Organizations seek first to recognize and validate accomplishments of unit and team member performance as a result of performance plans and reviews, followed by appropriate recognition and reward commensurate with the accomplishment. Further, organizations recognize the complexities of organizational dynamics and seek to balance recognition and reward measures with existing organizational norms, policies, and priorities, as well as the needs and preferences of individual team members.

R&R can potentially assume many dimensions and reflect the complexities of organizational dynamics that exist. R&R can be viewed as informal, or spontaneous, and can occur at any appropriate time. R&R can also be viewed as formal, or planned, that occurs at predetermined points in time. In terms of the nature of the R&R itself, the recognition and reward *payout* can be either monetary and/or nonmonetary. The R&R options available to managers, teams, and entire organizations are many. The entire area of R&R deserves appropriate organizational attention and absolutely needs to be consistent and supportive of the overall organization's strategy and performance culture desired. R&R represents a powerful lever for organizations to make a positive impact with its team members.

Based on performance results, recognition and rewards can take on many different forms. The valuable contributions individuals make to organizations can be acknowledged in a variety of ways – and the more ways, the better. For example, continuous R&R can be deployed via ongoing and two-way Coaching and Feedback. Planned R&R can also be deployed via periodic review periods, such as a midyear and annual Performance and Development Reviews.

The most effective managers and organizations use all appropriate R&R options available to them to drive and reinforce desired results and behaviors. Even when informal, or spontaneous, means of R&R are utilized, organizations also need to periodically summarize and document R&R decisions or outcomes. For example, most organizations use the midyear and annual year-end Performance and Development Reviews as the basis for reviewing and determining appropriate midyear and annual year-end recognition and reward reviews. These planned reviews provide an opportunity to summarize and more formally acknowledge individual team member – and team – contributions to the organizations they serve and support. An increasing number of organizations are using the formal midyear and end-of-year reviews as the primary vehicle for also ensuring a continued relationship between pay (i.e., tangible monetary recognition and reward) and performance. Organizations tend to refer to this relationship as *pay for performance*.

Monetary and Nonmonetary R&R: What Is the Difference? Value and Impact?

Recognition and Reward (R&R) can essentially be thought of as both tangible (i.e., monetary, objects, or artifacts) and intangible (i.e., nonmonetary, verbal). Individual team members, and also teams, value both means of R&R – and managers need to be alert and sensitive to both means of acknowledgment.

Tangible R&R can assume many different forms, including pay and non-pay. For example, monetary R&R can result in individual base salary or base wage adjustments, as driven by performance results and contributions of individual team members. Other examples of tangible R&R incentives can be potential monetary bonus payouts – again based on individual and/or team-based performance results. Managers may also elect to use tangible nonmonetary forms of R&R such as hats, jackets, mugs, food events, and other tokens of appreciation – to recognize and to help reinforce and sustain desired results and behaviors.

Intangible (nonmonetary) forms of R&R can also be extremely effective and impactful. Examples of intangible R&R can be as simple and straightforward as genuine and timely praise, a compliment, or a word of thanks for individual results and personal efforts. Coaching and Feedback also falls into this category of R&R. Many managers tend to greatly underestimate the personal importance and impact of intangible forms of R&R to individual team members in the course of everyday organizational activity.

Managers need to effectively utilize all means of R&R (monetary and nonmonetary) available to them to continually inform organization members that they are appreciated – and that their results and efforts are valued in support of organization-wide initiatives. An effective combination of all appropriate R&R – as used and reinforced by managers – results in higher levels of motivation, enthusiasm, and achievement for the individual team member and the organization. An effective Performance Management Process reinforces the organizational culture to bestow appropriate recognition and rewards for both individual team members and teams (Appendix RR-1) (Appendix RR-2).

Benefits of Recognition and Reward Reviews? Why Do? Importance?

The benefits of effectively utilizing appropriate Recognition and Reward (R&R) reviews within an organization are many (Appendix PMO-5):

R&R provides an opportunity to acknowledge (i.e., recognize) performance results and contributions at the individual team member and/or team level. Recognition really has two (2) key dimensions. The first is recognizing or validating the actual performance results or behavior(s) that occurred. The second dimension is the linking, and acknowledgment, of performance results or behavior(s) with appropriate recognition and rewards. Recognition that is fair and objective avoids guessing, subjectivity, and unfairness – as perceived among team members.

R&R provides an opportunity to reinforce desired results (the what) and/or desired behaviors (the how) at the individual team member and/or team level. Desired results and behavior(s) will tend to be repeated if team members believe they are appropriately recognized and rewarded for the results and behavior. What tends to get measured, monitored, tracked, and rewarded will be reinforced and repeated over time.

R&R provides an opportunity to establish, reinforce, and sustain an organizational culture with appropriate R&R. Recognition and rewards will contribute significantly to an organization's culture. Tangible and intangible R&R, or monetary and nonmonetary forms of R&R, all drive and support an internal culture and become ingrained in the *work lives* of team members.

R&R reinforces a team member's self-esteem and self-worth. The sheer act of recognizing and rewarding a team member, or a team, both validates and communicates to team member(s) that they are valued, respected, and appreciated for their contributions. When a manager takes the time to recognize the contributions (or even lack of contributions) a team member is making, the very fact that a manager is even taking the time to inform a team member signals to that person that they exist, they are important, and they are a member of a team and organization. Performance success all begins with a positive mind-set and *can-do* attitude – which is only reinforced with appropriate R&R.

Barriers

There are many reasons why R&R reviews do not have a more positive effect within organizations. Three (3) barriers that frequently diminish the potential positive impact of R&R reviews are noted below (Appendix PMO-4).

Barrier #1 Inability to objectively recognize actual performance - resulting in reward inaccuracies

A manager cannot accurately, if at all, reward a team member for desired performance results and/or desired behavior(s) if they cannot pinpoint actual performance achieved or actions taken. In the absence of validated and documented performance, subjectivity, guessing, and unfairness occurs. When these barriers occur, or are played out within organizations, the exact opposite effect of what was being planned for and reinforced will occur and hence may be totally counterproductive.

Barrier #2 Lack of understanding, inappropriate assumptions, and self-imposed limitations relative to the use of recognition and reward

Many managers fall into the trap of assuming that what motivates them as an individual will also motivate fellow team members as well. This is certainly not true. Managers also often assume that forms of monetary R&R are the primary or only forms of R&R of importance to team members. This is also certainly not true.

As a result of not truly understanding the concept and effectiveness of R&R, inappropriate actions follow – which can be detrimental to the team member, the team, the manager, and the organization. Often limitations in the use of R&R by a manager are only limited by their own creativity and flexibility in the work place.

Barrier #3 Untimely and inappropriate recognition and reward

Many managers miss the opportunity at hand, by either delaying the use of recognition and reward or by totally missing the recognition of an event. Timing is everything in the case of R&R. Team members need to see and understand important linkages of effort and results – relative to the receipt of appropriate R&R. R&R can also take on different forms of delivery – including private or public recognition. When managers do not understand this, or abuse what a team member most prefers and feels comfortable with, the ultimate results can be totally counterproductive.

Overcoming the Barriers

Recognition and Reward Resource Tools

A number of potential R&R resource tools are available to help managers to address the barriers. Resource tools to help managers provide the best possible R&R for the performance improvement and development of each of their team members include the following:

- Job reward worksheet
- Leader recognition menu
- Individual recognition interest inventory
- Team recognition interest inventory

Job Reward Worksheet

The job reward worksheet is simply a listing of various motivational job factors (i.e., work variety, autonomy, feedback, growth opportunities, etc.) that can be ranked by team members in order of importance to each individual, or the individual can be asked to identify the most critical few of highest importance. This can be a very useful and practical tool for a manager to share with each team member to validate items of personal importance to each member – opposed to assuming or guessing about preferences. In effect this list can be thought of as a *job reward matrix* that can help evaluate motivation to perform a job. An astute manager can use this tool for *reward* purposes by recognizing (validating) and ensuring appropriate items are provided, or planned for in the near term, to motivate and reinforce job performance and commitment. Note that the job reward items are comprised of both *intrinsic* (internal driven) and *external* (outside driven) factors. Organizations can create their

own list of appropriate motivational factors for use, or refer to the *Sleeping Giants* guide (Appendix 2: Recommended Resource Readings).

Leader Recognition Menu

The leader recognition menu is essentially a proprietary or confidential management document for use only by managers, and not for open communication with team members. It is intended to serve managers as a resource and coaching tool with each individual team member, on an as-needed basis. The recognition menu forces a manager to identify all potential forms of recognition available to them for their appropriate use in working most effectively with each team member. The recognition menu spans potential forms of monetary recognition, nonmonetary recognition, and places where recognition can be exercised, and also identifies key decision makers who can approve the availability of recognition options prior to their use. Organizations can create their own internally approved confidential document for use by leaders and managers, or refer to the *Sleeping Giants* guide (Appendix 2: Recommended Resource Readings).

Individual Recognition Interest Inventory

The individual recognition interest inventory and team recognition interest inventory are resource tools that can be handed out to individual team members at the same time. These tools or forms are intended to be confidential and voluntary to complete. The use of this voluntary and personal information can help a manager provide the most appropriate recognition tailored to each team member. Items identified for more effective coaching and reinforcement use by managers include prioritization of personal values, work values, as well as forms of recognition of specific personal value, and non-value also. Again, the intent of this tool is to avoid a manager guessing or assuming about a team member's preferences. Organizations can create their own recognition interest inventory(s) – for Individual team member and/or team use – or refer to the *Sleeping Giants* guide (Appendix 2: Recommended Resource Readings).

Team Recognition Interest Inventory

As noted above, the team recognition interest inventory is a voluntary resource form that is used much like the individual recognition interest inventory. The primary difference is that this recognition tool helps a manager to better focus on the identification and prioritization of forms of recognition for the entire team that is both valued and non-valued, as identified by each team member. By collecting and reviewing the individually completed team recognition interest inventory documents, a manager can gain a more precise and collective sense of forms of recognition preferences team members prefer for their team.

Best Practices

What sets the Best Practitioner leaders and managers apart from others regarding the subject of R&R? Effective leaders and managers consistently exhibit the following capabilities (Appendix PMO-1) and do all consistently well:

- Time spent with their people – to fully gain understanding of each individual team member; availability and visibility to team members
- Analysis of individual needs and motivators
- Understanding of recognition and reward
- Flexibility in applying alternative R&R options
- Creativity

More specifically, what personal R&R beliefs, behaviors, and actions set Best Practitioner managers apart from all others? We have discovered a number of consistent Best Practitioner beliefs, behaviors, and actions deployed supporting R&R, which are summarized below.

Practitioner R&R Common Views

- Focus on providing consistent messages, reinforced by appropriate organizational actions regarding R&R. Be fair and consistent with R&R criteria – for all of your team members.
- Focus on results and contributions specific to results.
- R&R should be continually used over the entire course of a performance year – opposed to only on an annual year-end basis; timing is everything.

Practitioner R&R Comments

- It is important for leaders to give and get two-way Coaching and Feedback through continuous and mutual coaching, feedback, and acknowledgment.
- I use feedback as a means to recognize both past and recent contributions, as well as keep focus on future desired states.
- Coaching and Feedback opportunities occur every week, along with acknowledgment, recognition, and reward opportunities too. Use them all.

Practitioner R&R Best Practices

- Take time to know your individual team members, and use all appropriate monetary and nonmonetary means of recognition available.
- Use public and private opportunities, as appropriate, to communicate R&R involving individuals and teams, and incorporate learning and fun in the process as well.
- In larger organizations, as part of the ongoing R&R review process, unit managers should meet jointly with all fellow sectional leaders to further assess and rank team members on the basis of performance contributions. This helps ensure validation, consistency, and agreement about performance and helps determine and drive R&R options for deserving recipients for recognition purposes within organizations.

Success: Case Study

Recognition and Reward

Once upon an organization, Greg – a lieutenant colonel in the army – was reflecting on both his current role as a battalion commander, as well as *key enablers* that had aided his own personal career progression to date. Greg was very proud of his career advancement over two decades, which spanned tours of duties in both active and national guard units. On reflection, he was very pleased and proud to have grown a career working in conjunction with the US Department of Defense. He was also extremely mindful of his senior role within the army of training and equipping soldiers – and helping to create leaders among them – to rapidly respond when called upon to serve our nation. Greg's personal discipline of self-reflection and focus on developmental improvement had continued to support his growth and success.

Greg's self-reflection moved beyond his own career success and prompted him to think about several promotions involving senior army members. He acknowledged that all of these promotions did in fact recognize both outstanding performance records of accomplishment and strong leadership skills that truly focused on motivating soldiers. Greg concluded that these two aspects were not inseparable and that an effective Performance Management Process helped ensure this success. All of these resonated strongly with Greg's focus on mission and results, a high performance culture of excellence, and effective recognition and reward at the unit and individual level. Greg's belief in these principles was driven by personally witnessing the lack of these factors in various army units he served during his career. In fact, Greg often witnessed far too many instances of recognition and reward (R&R) that grossly underutilized nonmonetary alternatives, where R&R was untimely and non-personalized and where R&R was perceived by soldiers to be unfair or inappropriate for the actual performance contribution event.

Greg had also grown weary of mounting morale issues under his command, as well as the overall treatment of recognition and reward as an *afterthought*. As a result, he vowed to institute a more proactive, impactful, and consistent approach relative to recognition and reward for soldiers under his command during the past year, and his battalion did achieve positive results in this area.

Greg decided to meet with his subordinate commanders, Matt, Carl, and Betty – to acknowledge their success in applying Performance Management more effectively throughout the battalion this past year. He also wanted to treat the exchange of Best Practices focused on recognition and reward as a learning experience – all in support of a high performance culture of excellence. Greg had asked Matt, Carl, and Betty to come prepared to share their Best Practices of success with soldiers in each of their respective command units. The group meeting was about to begin.

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Greg: Thank you for coming and preparing for our meeting. As you all are well aware, we made very positive progress as a battalion this past year, on a lot of fronts. I'd like to take this opportunity to acknowledge and thank all of you for your personal contributions. Your role modeling and reinforcement, especially of recognition and reward principles, helped to raise morale to a new level that I hadn't seen before. My thanks again – to each of you. I also want to make sure that we use this opportunity today to share what specifically worked well for each of you this past year – relative to recognition and reward. I don't want to assume anything or miss the opportunity to leverage our collective learnings as a command group in moving forward. Who would like to go first?

Matt: I'll jump in. A key insight for me this past year was the real value of using more nonmonetary forms of recognition for our soldiers. Promotions certainly provide a bump in pay to help recognize a soldier, but promotions don't occur everyday. There has to be much more in our arsenal, no pun intended.

Greg: I totally agree with you Matt. We made better progress this year with our focus on the *Commander's Coin of Excellence*, Service Awards, and Impact Awards. It's not always just about money or pay, is it?

Betty: Let me share with you what really worked for me regarding the *Commander's Coin of Excellence*. I was very cognizant of using them much more selectively for on-the-spot recognition of soldier excellence. These coins were being handed out almost too freely by myself and others, and their impact was being watered down a little bit. I stopped using them as a *nice to meet you gesture* and really raised my performance standards for giving them out. Although I still gave out coins to individual soldiers, along with a simple handshake, I began to plan for more timely opportunities to award soldiers in front of a formation of their peers to make it more impactful. Boy – did that all make a world of difference!

Greg: Thanks Betty for the insights on the *Commander's Coin of Excellence*. I'd encourage all of us to think about what Betty has done. Good stuff. What about Service Awards – who has some recommendations for greater success here?

Carl: Let me say first that recognition of service is very, very important to soldiers, and we do recognize service, but that also raises an issue of what kind of medal can be given out for service recognition.

Greg: I'm not sure what you mean. Can you say more?

Carl: When a soldier has been assigned to a unit for a while and has served well and faithfully over some time period, it is traditional that before that soldier departs, the soldier is recognized for his/her service with a medal. What medal the soldier is awarded is based on his/her rank and

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performance contribution. But as we all know, precedence takes issue here. Medals are ranked by precedence – based on their importance. For example, we all clearly know that the Medal of Honor is our nation's highest award, and it is granted only in cases of extraordinary valor and can only be approved by the POTUS – which is based on the strongest recommendation of the service chief. Our most basic medal in the army is the Army Achievement Award, which can be awarded by a lieutenant colonel commander, like yourself, Greg. We've been consistent in applying the guidelines for that award, which is good. We've kept our performance standards high for that, and we also try to consistently present that award in front of the soldier's peers with a degree of ceremony. For example, other soldiers stand at attention, while the citation order was being read aloud. I wouldn't change anything about that part.

Greg: I certainly understand that there are some guidelines and unwritten understandings about what an individual soldier can, or should, receive depending on circumstances.

Matt: Let me jump in here and offer an example. Someone may feel that because of a lower ranking soldier's hard work, he/she truly deserves a particular medal that only more senior ranking soldier's usually receive. Maybe she does work harder than anyone else at her rank, but what is limiting her for the reward is that the scope of her responsibilities is narrow and therefore limiting due to her low rank.

Greg: I just heard a couple of key things here. First, let's always make sure we recognize and reward good performance and good results – and not necessarily just *hard* work. I want to keep our focus on meritorious performance and meritorious service. I would also like to see us continue to apply high performance standards associated with our Army Achievement Award, but I would also like to see us avoid being *hung up* by level of rank in terms of awarding appropriate medals. If soldiers meet the standards or criteria for a medal award, regardless of rank, they should get it. We all know soldiers like medals because you wear the medal ribbon, including oak-leaf clusters for multiple awards of the medal, on your dress uniform. It informs everyone about who you are and what you have done. We all get that. Let's not forget the importance of that *visibility* and the impact of the self-esteem generated from that.

Betty: Let me add one other Best Practice that really makes a difference relative to awards for service. When someone is receiving an award for service, the soldier's family member(s) should be invited to the award ceremony

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to celebrate in that soldier's achievements and contributions. It makes a huge difference. Huge.

Greg: Thanks Betty. What about Impact Awards – who has a success story here?

Matt: I've seen good success in this area when we focus on when a soldier does something really extraordinary. For example when a soldier performed an extraordinary act of valor, we nominated the soldier immediately for the *Silver Star*. Also when a soldier completely revitalized a logistics function – that was badly broken – the soldier was immediately awarded the *Army Commendation Medal*. The key here is obvious – the closer the award is to the actual event, the more impact it has.

Greg: Thanks Matt. Betty, I know you've had good success in a lot of R&R areas this past year. Any additional thoughts?

Betty: I totally support all that has been offered and shared. I would only add some general comments for emphasis. What really worked well for us this past year were things like the higher the rank of the presenter, the more meaningful; a real impact occurs when the commander/presenter not only has the citation read but also takes the time to fully explain why it is important that a soldier be recognized with that particular award; and a nice additional touch occurs when a commander tells others in formation some personal anecdotes about how worthy a particular soldier is.

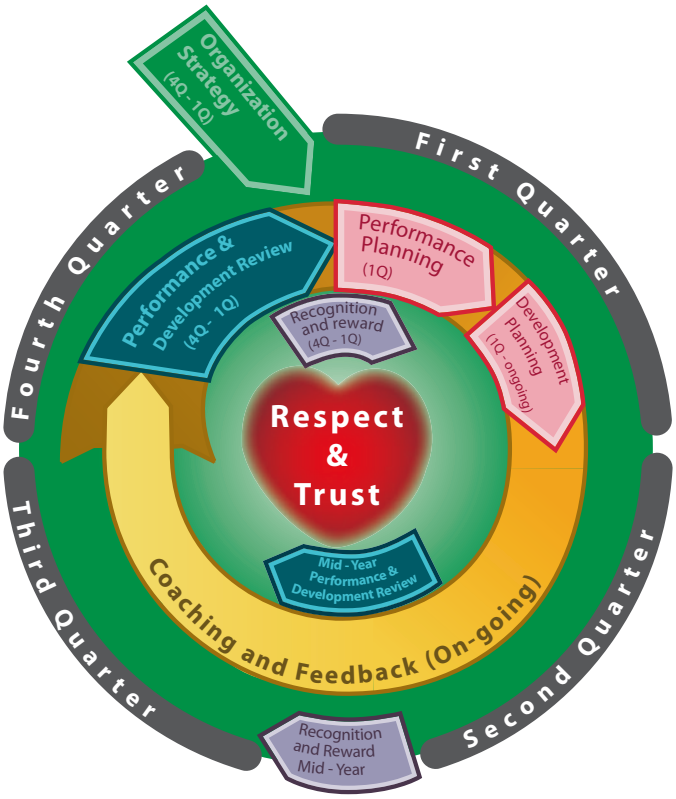
Greg: Thanks Betty. A lot of valuable learning and reinforcement was shared here as a leadership team. And a lot of the sharing focused on nonmonetary recognition and reward. To me, it has always been more about the daily *little things* that make the most difference that supports attitude, morale, performance, and pride. A simple but sincere *thank you*; a *pat on the shoulder for a job well done*. I'd also encourage all of us to serve as a peer coach to support each other and continue to offer and share successes relative to recognition and reward. I'm very proud of what we've accomplished this past year, in large part to all of your good work and efforts. Morale throughout the battalion has dramatically improved. None of this could have been done without your personal attention and devotion to doing the right thing for our soldiers. Thank you all again. Job well done!

Key Factors Contributing to Recognition and Reward Case Study Success: Summary

- Commander reflected on own career advancement experience and planned for unit improvement opportunities – focusing on recognition and reward (R&R).
- Understood, valued key elements (i.e., R&R) of a total PMP process, with focus on linkage to overall organizational success (i.e., addressing morale).
- Awareness of underutilization of R&R support system planning and implementation – and impact on performance, motivation, and unit success.
- Commander committed time and resources to address unit needs and issues – by implementing an effective R&R approach – with senior leader *buy-in*.
- Encouraged senior leader reflection, applied learning, and exchange of R&R Best Practices – aimed at unit improvement.
- Commander and senior unit leaders invested preparatory time for assessment of application in support of sharing Best Practices.
- Commander role modeled acknowledgment and contributions of senior unit leaders – with effective communication and respectful recognition.
- Focused and reinforced a comprehensive range of R&R options and applications within unit for senior leader use – gained impact consistency.
- Created culture of performance excellence (using R&R) via: engagement, two-way communication, Best Practice sharing, and modeling acknowledgment.

People-Focused: Respect and Trust

9



Overview

As a manager or a supervisor, are you people-focused? What is your fundamental *belief in people*? Why should these questions be important to you for Performance Management Success?

An effective Performance Management Process (PMP), operating simultaneously at multiple levels within an organization, will support the attainment of results. However, the mechanics, or the interconnectedness of all parts of any process, are only as good as the people who collectively execute a process. Managers as leaders can provide the direction, and ongoing support, for team members who actually perform and deliver organizational results.

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_9

This brings us to the key role and skills provided by all managers and supervisors. It also brings us to another key question: "is there anything else that will help me personally achieve all of the benefits anticipated by effectively implementing Performance Management?" The answer is definitely yes – and it deals with a manager or supervisor always being people-focused and having a strong proactive belief in people. Feedback from successful managers consistently backs this up.

Proposition 8 Organizations and their supporting social and organizational structures encourage team members to exercise discretion in applying and receiving respect and trust – to ensure the building of successful relationships. Further, organizations recognize that the establishment of a culture of respect and trust is not a given, but is continually earned and sustained over time, and is applicable to both team member interactions and the ongoing functioning and success of key organizational processes and systems.

By being continually people-focused, a manager takes the *heart of the matter* of Performance Management to the most effective level of application and success. How is that possible? By each and every manager and supervisor helping to create, implement, and sustain an effective PMP that is built on the two (2) key elements of respect and trust. Respect and trust absolutely supports personal relationship building and accountability among people – to do what they need to do. This includes working alone at times and working together when needed to benefit a team, department, unit, or a total organization. What truly elevates a PMP to a higher level is the role played by managers and supervisors in the creation and sustainability of an organizational work culture that has respect and trust at its *core or heart*. Best Practitioners of Performance Management consistently tend to focus on the elements of respect and trust to help achieve this.

Let's briefly examine each element of respect and trust and describe what it means within an effective PMP. We will also identify how managers and supervisors can help to create and earn respect and trust within an organization and how that helps to foster personal relationship building and accountability among team members.

Respect

What is respect and how is it created? Respect is all about showing honor, esteem, consideration, or regard – for someone or something. With focus on people, respect is created by managers and supervisors when they show personal consideration and sincere regard for others who work with them. Respect starts and ends with how you treat others. And how you treat others completely sets a tone, or not, for a trusting relationship. People will quickly forget what you may have specifically said, but they will always remember how you made them feel. The highest compliment a manager or supervisor can pay a team member or a customer is to say "I respect you."

The reason why successful managers or supervisors can connect effectively and *win others over* often lies with one word – respect. When a manager or supervisor affords others their undivided time and attention, team members feel respected, appreciated, valued, and significant. What separates the successful managers and supervisors from all others is that they are more than just believers in the essential nature of respect – they also practice what they preach. The challenge for a manager and a supervisor is to show a team member that they respect them as an individual. They also fully know that they can't gain respect from others, until they first show respect to others. The demonstration and creation of respect precedes the creation of trust – and when team members don't respect you, they don't let you into their work lives. Or more simply said, they will absolutely not trust you.

As noted earlier, respect can apply to both someone and something. Effective managers and supervisors – who are champions of the Performance Management Process (PMP) within their own respective organizations – show respect for the entire PMP process. Their actions speak louder than their words. Performance Management as a process is shown respect, and the process is shown respect by being practiced every day. However the better managers and supervisors also clearly know that they need to respect the people who work with them – who apply and bring the PMP to life. It is all about people, working within a process, who achieve results. Managers and supervisors need to be continually mindful of that.

Trust

What is trust and how is it created? Trust is all about having a firm belief in the honesty or reliability of someone or something. With focus on people, trust is created by consistent actions and words, with no surprises. Consistency is the cornerstone of the really great managers and supervisors. Consistency builds trust. The creation of trust also inspires confidence in the leadership and management of fellow team members. People will trust a system of principles or beliefs from managers and supervisors to help guide their actions and decisions – even more so than a mission statement or a vision statement. Why? Because people experience their own manager or supervisor on a daily basis, along with a Performance Management culture that surrounds their work efforts – every day.

Trust is an integral part of communication and persuasion. Managers and supervisors can't really build trust if people don't think their managers and supervisors believe in what they are saying. People must believe that managers and supervisors say what they mean, and they mean what they say. There is no deviation from that. Consistency of words and actions, over time, builds a trusting relationship.

Effective managers or supervisors – who are champions of the Performance Management Process (PMP) within their own respective organizations – also create and reinforce trust in the total process. When people trust a process, success builds and results follow. Performance Management, as a daily work process and an organizational work culture, is no different. People must trust both the process itself and the managers and supervisors who guide the process every day.

Accountability and Relationships

What is accountability and how does it foster relationship building? In Performance Management terms, it is all about people being accountable to one another for individual and team and organization success. Success within an organization is essential at all levels – individual, team, unit, and organization-wide. The elements of responsibility and accountability need to work together for every member of an organization – to ensure success at all organization levels.

Responsibility can be thought of as what people are expected to do or perform – or work obligations they *own* within an organization. Responsibility sets the stage for performance expectations. Accountability – for those same areas of responsibility or expectations – follows. Accountability is really about the successful delivery of results relative to expectations. Within organizations, all people need to be accountable for their actions; and there are consequences for both positive and negative actions relative to expected results.

A culture of an organization includes consequences for actions and results achieved, or not achieved. When a culture of high accountability exists within an organization, the word *commitment* comes to mind. When people are truly committed, or give their personal commitment, that communicates a serious tone of an intention or absolute desire to get something done. When you gain or give your commitment, you put your personal reputation and your honor *on the line* for others to observe. It is all about credibility – you do what you say you will do, or you do not. The establishment or earning of credibility requires consistency – which creates trust.

Accountability can, and should, exist at many levels within an organization. This includes accountability for each individual's own performance contributions and results, along with accountability to fellow team members and team or unit success as well. For managers and supervisors, that means they also have to be accountable for themselves, and accountable to support their team members, which they do so by being accountable for implementing and supporting a total Performance Management Process (PMP) for their people and their organization.

Accountability and the building of relationships in the pursuit of goals and results are not mutually exclusive. Relationships are about people working together effectively based on building a relationship of mutual respect and trust. Maintaining positive relationships with others often results from having the courage to provide *straight talk* in a respectful and trusting way.

How can a manager or supervisor establish an organizational work culture of mutual respect and trust with team members? Managers and supervisors can do this through any number of personal actions that builds rapport with others. The key is to continually demonstrate:

Openness and honesty
Accessibility and availability
Continuous two-way communication
Committed listening – which allows people to be heard and be fully understood

Reliability and credibility
Consistency of words and actions
We – not I – attitude and perspective
Being *for* someone – a mindset of we are in this together
Sharing of vulnerabilities and challenges
Sharing of feelings – *speaking from the heart*
Empathy and sympathy
Taking time and demonstrating interest
Requesting feedback and ideas from others
Engaging demeanor and body language – including verbal-visual-vocal impact on others
Withholding judgment – by attacking problems, not people

Benefits of Building Respect and Trust? Why Do? Importance?

The benefits of effectively creating respect and trust within an organization are many (Appendix PMO-5):

Respect and trust supports open two-way communication When mutual respect and trust is evident, a safe culture is created that invites and encourages the flow and exchange of information between and among team members. Communication that is timely, honest, and meaningful – without fear of reprisal or censorship – can only improve a team's effectiveness.

Respect and trust supports teamwork and commitment to goals, objectives, and results When mutual respect and trust is evident, a team culture is created that promotes a spirit of commitment to the welfare and success of team initiatives and the mutual support of fellow team members. When team members respect and trust each other, a team culture of motivation – commitment – and synergy is created that supports success and stimulates a spirit and feeling of belonging and contributing to a greater team cause.

Respect and trust supports continuous improvement When mutual respect and trust is evident, team members are open and receptive to the exchange of coaching and feedback – from all sources and on a continuous basis. When team members respect and trust each other, they do not challenge or reject suggestions or ideas relative to improving performance. On the contrary, they welcome and invite ongoing inputs for self-improvement and team improvement based on respectful and trusting support from fellow team members. A culture of continuous learning and improvement benefits all members.

Respect and trust supports an effective Performance Management Process When an organizational culture of respect and trust is evident, team members willingly and positively believe that organizational processes and work systems exist to

support their best interests – and the interests of the organization. When team members respect and trust a process, they will embrace and ensure the success of the process – opposed to challenging or second-guessing its effectiveness. When team members respect and trust a process, they will respect and trust the results that flow from that process.

Barriers

There are many reasons why respect and trust are not created, sustained, or leveraged within organizations. Three (3) barriers that frequently diminish the potential positive impact of respect and trust are noted below (Appendix PMO-4).

Barrier #1 Inconsistency of manager actions and words

Actions always speak louder than words. Team members will make conclusions based on specific behaviors and actions performed by managers and supervisors. Actions that are personally witnessed within the organization take on greater importance than empty words that precede non-actions. The key is consistency of manager actions – with manager words. When inconsistencies occur, team members will privately or openly mistrust what is being communicated. When that occurs, mutual respect and trust is lost. Once lost, respect and trust is very difficult to regain.

Barrier #2 A culture of fear or mistrust may exist – which may prevent an open, honest exchange of communication.

Fear or mistrust – whether perceived or real – can be most detrimental to relationships, communication, and team effectiveness. If fear or mistrust is present in a relationship or exists within a team, all members ultimately suffer. Culture is difficult to change and requires time to do so. Without understanding the actual climate or culture that exists, managers cannot work effectively with their team members. If team members fear or mistrust managers and their actions, communication and performance will be significantly impacted to the detriment of team members, managers, and the organization.

Barrier #3 Managers are untrained or unskilled in interpersonal relations and communications – which adversely impacts relationship building and developing rapport with team members.

Respect and trust is absolutely essential to building relationships and accountability with others. If managers are not trained, educated, and coached in how to effectively manage and communicate with others, poor results will follow. The management of people requires a range of knowledge and skills – including overall sensitivity to team members. Without appropriate training and coaching, managers will not be adequately prepared to maximize the results and efforts of their respective team members. Building relationships – and accountability to fellow team members – requires the support of training, coaching and feedback, and effective

communication over time that team members respect and trust. There are no shortcuts in creating and building an effective management culture in this regard. Essential knowledge and skills are needed.

Overcoming the Barriers

Effective respect and trust-related resources are available to help address the barriers. However, managers need to understand that the ability to create and build respect, trust, and relationships with others largely comes from their own initiative taking, actions taken, and insights gained (and acted on) from various developmental options and coaching and feedback tools.

Resource Tools

Resource tools to help managers create and sustain an ongoing culture of mutual respect and trust and building rapport with team members include the following:

- LEADER acronym model to ensure leader success (*Sleeping Giants* guide: learning, expectations, action, development, engagement, recognition)
- The Commitment Spectrum – for team member engagement and recognition (team member involvement) (*Sleeping Giants* guide)
- Personal relationship and rapport building – skills and actions summary
- Performance Management Feedback Tool for manager/supervisor
- Developmental Feedback Form – STOP START CONTINUE behaviors
- Developmental Feedback Form – STRENGTHS and WEAKNESSES or OPPORTUNITIES
- Interpersonal skills training
- Coaching and Feedback, mentoring from senior leader(s)

LEADER Acronym Model

The LEADER acronym model as referenced in *Sleeping Giants: A Wake-Up Guide For First Line Leaders of All Organizations* provides key concepts associated with being an effective manager and an effective leader – all of which applies to multiple levels of management. The six (6) model concepts include learning, expectations, action, development, engagement, and recognition. The model provides knowledge and skill building for leaders with a focus on maximizing the effectiveness and contributions of fellow team members. The concepts in *Sleeping Giants* focus on all key elements of respect, trust, relationship building, and accountability for both team members and leaders. The guide can serve as a developmental resource for leaders and includes action-planning tools for immediate application.

The Commitment Spectrum

The Commitment Spectrum contained within *Sleeping Giants* focuses on Engagement and a leader's ability to maximize the involvement, commitment, and contributions of each team member. The five (5) commitment levels cited within the Commitment Spectrum can serve as a guide for self- and team member coaching and include awareness, agreement, support, ownership, and conviction. Key elements of respect, trust, relationship building, and accountability are ingrained within the model and can serve as a template to help promote self-esteem and value-added contributions of team members (Appendix PF-1).

Personal Relationship and Rapport Building: Self-Assessment

A key list of leader knowledge and skill dimensions that supports the creation of building relationships and rapport with team members includes openness and honesty, accessibility, continuous two-way communication, consistency of words and actions, empathy and sympathy, committed listening, and requesting feedback and ideas from others. This list can serve a manager as a guide for self-coaching. As a manager reviews the list of dimensions, a manager can make personal notes for each dimension listed relative to how frequently and how effectively they are applying each item. A manager could also prioritize which dimensions require improvement and which could result in a personal action plan for implementation (Appendix PF-2).

Performance Management Feedback Tool

Given the importance of the overall Performance Management Process (PMP) to organizations and all managers and supervisors within organizations, it is extremely beneficial to all managers and supervisors to receive feedback from their direct reports about how each manager or supervisor is performing relative to the key elements of Performance Planning, Development Planning, Coaching and Feedback (C&F), and the Performance and Development Review (Appendix CF-1).

The overall purpose of this tool is to provide ongoing C&F for the benefit of each manager or supervisor in organizations – to improve their impact and effectiveness of the total PMP. The ultimate beneficiaries of course are the direct reports, in a collective sense, who complete the feedback – because managers will be expected to improve their personal Performance Management efforts in support of their team members. Managers also benefit by gaining this feedback information, which is intended to help them perform their jobs better, again, a WIN-WIN for all parties.

Developmental Feedback Form: STOP START CONTINUE Behaviors

The Developmental Feedback Form can be used as part of a 180/360 degree multi-rater feedback data collection process or can be used as a totally independent tool to capture meaningful developmental feedback. The focus is on the identification of specific STOP START CONTINUE behaviors relative to how an individual is performing their current position. In addition to the specific behaviors to STOP START CONTINUE, the requester can also request the identification of recent behavioral examples in support of the feedback provided. Again, information can be requested anonymously, or not, and it should be requested from sources who work regularly with the requester. Anonymity may help to ensure additional credibility and objectivity (Appendix CF-2).

Developmental Feedback Form: STRENGTHS and WEAKNESSES or OPPORTUNITIES

Much of the information provided above relative to the STOP START CONTINUE behavior tool also applies for the STRENGTHS and WEAKNESSES or OPPORTUNITIES form. The major difference is that this resource tool focuses on feedback relative to knowledge, skills, and abilities (KSA) in an individual's current position. The data collection focus is on: strengths, with an explanation or example(s), and weaknesses or opportunities, with an explanation or example(s). Both tools can be periodically used over time (i.e., twice a year), to help provide a progress check in support of Coaching and Feedback for a given individual (Appendix CF-3).

Interpersonal Skills Training

Many managers and supervisors have not had the benefit of formal training focused on communication and interpersonal skills. Essential skills such as oral communication, listening, coaching, and giving and receiving feedback are skills that are absolutely essential to all managers and supervisors within organizations. Sensitivity, confidentiality, and empathic skills are also essential. All of these skills are instrumental in effectively implementing a Performance Management Process that requires continuous interfacing between leaders and team members. Do not assume that managers and supervisors have acquired or developed these skills on the job. The lack of these skills will significantly deter the building and establishment of respect and trust. The good news is that with appropriate diagnosis and planning, these skills can be enhanced in leaders through targeted training, practice, development, and reinforcement – all supporting respect and trust.

Coaching and Feedback: Mentoring from Senior Leader(s)

Senior leaders, including immediate managers one level above the manager or supervisor in question, are readily available to be called on for their guidance, support, and Coaching and Feedback. Mentoring is another source and form of gaining Coaching and Feedback on the topics of respect, trust, building relationships, and accountability. Coaching and Feedback can occur on an ongoing basis with the immediate manager you report to and/or can also be gained during more formal periodic Performance and Development Review discussions. Another extremely valuable source of Coaching and Feedback can come from a manager's direct reports or team members. By doing so, managers support and reinforce the concepts of respect and trust and self-esteem building – by directly inviting feedback and ideas from team members. The insights gained from senior managers relative to interpersonal knowledge and skills will be invaluable and represent an untapped resource for knowledge exchange.

Best Practices: Beliefs, Behaviors, and Personal Actions

Best Practices in support of creating respect, trust, building relationships, and accountability have been captured (below) and are available for manager review and reflection. The Best Practices noted are intended to provide real-world *samples* of what has proven to be effective for other managers and supervisors. Personal actions and behavior modeling can follow and be monitored for self-coaching and progress impact with fellow team members.

Best Practices

What sets the Best Practitioner leaders and managers apart from others regarding the building of respect and trust and the building of relationships with team members? Key knowledge and skills tend to focus on serving as a positive role model for others (actions aligned with words) combined with outstanding interpersonal skills. Effective leaders and managers exhibit the following capabilities (PMO-1) and do all consistently well which helps to build rapport with others. They continually demonstrate:

- Consideration of others
- Tolerance and patience
- Honesty, sincerity, and objectivity
- Listening skills
- Enthusiasm
- Persuasiveness and the ability to influence others

- Set high personal standards
- Tact and diplomacy
- Social poise, self-assurance, and confidence
- Flexibility and the ability to communicate with different types of people

More specifically, what personal beliefs, behaviors, and actions set Best Practice managers apart from all others? We have discovered a number of consistent Best Practitioner beliefs, behaviors, and actions deployed supporting the building of respect and trust and building relationships with team members, which are summarized below.

Practitioner Common Views:

- Developing a mindset and demonstrating an attitude of communication, dialogue, and access to your team members.
- Maintaining a focus more on the success of other team members and maximizing their contributions, opposed to only focusing on themselves as leaders.
- Maintaining a spirit of *we're in this together* mindset and approach that requires involvement of all, and working on issues together.
- Always be conscious of role modeling Performance Management with team members.
- Ongoing dialogue and continuous interactions are far more valuable with team members than just completing formal forms or checklists.
- Maintaining a belief that people do matter and truly are the most important asset and belief that all people are important, want to be accepted, and contribute to a team.

Practitioner Comments:

- Having good personal relationships fosters honest, *straight talk*. If you do not offer honest straight talk to a team member, you're doing a disservice, because everybody else is observing and knows the real situation.
- You earn people's respect and trust and gain credibility by acting and doing.
- By developing relationships with people, Performance Management takes on a different dimension. It all works if people believe you are *for* them – it's about *caring for* people by listening and investing time with people one-on-one.
- We need to build respect and trust between manager and team member so that discussions not only occur regularly but add-value to the team member and the organization.
- My monthly progress or check-in meetings with my team members regarding their performance goals are very informal and are really more for their benefit and esteem to talk about whatever they wish to. It's their agenda, and I listen to them. I also gain a valuable pulse by checking in on people within my organization.

Practitioner Best Practices:

- As a leader and manager, create an environment that allows team members to be *fully heard – listen generously* for total understanding, be open-minded, be empathetic, and reserve judgment, even when/if you are in disagreement.
- As a leader and manager, you need to avoid focusing only on problems, blaming, and attacking people on a personal basis; instead focus on finding solutions, clarifying responsibilities and accountabilities, and identifying lessons learned to help address future interactions or situations.
- Your team members need to believe and feel that you as a leader or manager are genuinely *for* them. And only consistent, constructive actions of personal support – over time – can demonstrate and prove that and will truly earn their respect and trust.
- As a leader and manager, you can build strong two-way relations by putting yourself in the *shoes* of your team members by: being visible and accessible, never asking anything of others that you would not ask of yourself, asking team members directly how you can better support them and make their jobs easier, and continually inviting their *upward* feedback regarding your own performance.
- Feature and highlight Performance Management as a significant topic of each leader meeting – exchange Performance Management Best Practices, ideas, successes, and problem-solving. Doing so reinforces learning, recognition, and rapport building with team members and teams.
- Communicate and dialogue with team members about organization-wide Performance Management standards or expectations, and personally apply and reinforce by modeling the required behaviors within your team/unit.
- Adopt a key metric(s) within each leader's personal Performance Agreement on the quality of their Performance Management effectiveness. Monitor and review progress during Performance and Development Review meeting(s).

In summary, *relations* are hard work. And relationship building is not only hard work but is often only accomplished over time with the support of the essential elements of respect and trust. Respect and trust – in the context of a truly people-oriented, high performance culture – is required to ensure the effective functioning of any Performance Management Process. Best Practitioners of Performance Management earn respect and trust within their respective organizations by continually demonstrating a *people-focused* orientation – that clearly benefits all. I invite you to join the Best Practitioners in their success by living and demonstrating a similar approach, every day in all of your organizational activities. Always remember that your actions will speak more loudly than your words.

Performance Management Process: Evaluation

10

Performance Management Process implementation – and effectiveness – is difficult to assess and measure for many organizations. As a result, evaluation is often not undertaken, resulting in minimal accountability for achieving Performance Management results, organizational learning, or organizational improvements. Many organizations offer comments that they prefer to not implement something they cannot assess and measure.

In reality, there are several ways by which an organization can meaningfully measure the implementation and effectiveness of a Performance Management Process, on a larger scale or on a focused basis. Quantitative metrics can be assessed, as well as qualitative behaviors, practices, or competencies related to Performance Management and a supportive organizational performance culture. The following list is not intended to be all-inclusive regarding evaluation options for organizations. It is intended to provide leaders with alternatives for action.

- Annual organization-wide results – Performance Agreement Scorecard
- Organization-wide employee survey (every 2–3 years)
- Organization pulse point surveys
- Performance Management Success criteria (annual assessment)
- Focus groups
- Unit Leadership Development Committee audits of Performance Management
- Performance Management feedback tool for managers/supervisors
- Annual Performance and Development Reviews – including Individual Performance Management objective(s) for all managers/supervisors
- Annual Performance and Development Reviews for all individual team members
- Human Resource Department – spot-check audits
- Exit interviews

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_10

Annual Organization-Wide Results: Performance Agreement Scorecard

An annual measure of an organization's overall success typically occurs via a balanced scorecard approach (BSA) or a Performance Agreement Scorecard (PAS) – at the overall organizational level. An organization-wide scorecard provides a concise yet overall picture of an organization's performance and success or lack of success. It can be used to measure the effectiveness of specific initiatives, entire departments or units, or the entire organization. An organization-wide scorecard includes performance metrics, typically from four to five organization-wide perspectives or *voices*, such as financial, customers, internal business processes, and learning and growth. For each given organizational perspective (i.e., financial, customers, etc.), performance measures compare current performance against key performance indicators. At this level of evaluation, a *macro* assessment can be conducted. An effective Performance Management Process supportive of organizational results can take well-deserved credit or discredit (Appendix OS-1) (Appendix OS-3).

Organization-Wide Employee Survey

Many organizations elect to conduct an organization-wide member survey, typically an on-line and/or a paper and pencil format, to assess a range of focus areas – which invariably includes Performance Management dimensions. Performance Management dimensions assessed may include questions focused on the following:

- Goal alignment: *I have goals and objectives that are aligned with the goals and objectives of my workgroup*.
- Development planning: *I have a reasonably good idea of my possible career paths/progression in the company.*
- Coaching/feedback: *My supervisor gives me regular feedback on my performance.*

Data can be compiled and scored on any number of selected dimensions, providing an organization with a basis of favorable response, not only question-to-question but a comparison to other departments, to the overall organization, and/or to prior year(s) response. Progress and unit accountability can be readily determined (Appendix PMO-3).

Organizational Pulse Point Surveys

An effective resource tool available to organizations for relatively quick evaluation is a pulse point survey, which is an on-line questionnaire of typically eight to ten questions that may be sent to a random number of team members within a given

department, unit, or organization. Some questions may tend to focus solely on Performance Management:

- *I understand how my Performance Agreement supports the goals of the business: Agree? Disagree?*
- *I have a written Performance Review: Agree? Disagree?*

Some questions may also be devoted to more short, qualitative open-ended questions, such as:

- *I would like to see more attention in the following area(s) of the Performance Management Process: Performance Planning, Development Planning,* etc.
- *Overall, did you feel your experience with the Performance Management Process was valuable: Yes? No? Additional comment?* (comment space)

Advantages are many in doing quick assessments: they are relatively inexpensive to do, expedient, and timely, and can be done on an ongoing, periodic basis – all aimed at measuring progress and improvement.

Performance Management Process: Success Criteria or Performance Culture Practices

Annual assessments can also be conducted, online and/or paper and pencil, on an annual basis focused on specific Performance Management Success criteria – or Best Practices – that are important to an organization. Some examples of questions focused on success criteria or performance culture practices – that are intended to drive and support the achievement of organizational results – may include the following:

Best Practices:
- *Performance objectives cascade throughout the business – to units, to teams, to individuals.*
- *Communication is open and honest; differences are appreciated and sought*.

Performance Culture Practices:
- *We acknowledge each other's contributions and celebrate our successes.*
- *We actively coach and receive coaching from each other.*
- *We create opportunities together.*

Advantages are much the same as in pulse point surveys noted above, as well as a means to quantify assessment data of importance on more qualitative behavioral dimensions or performance culture practices of importance to an organization or a business unit. Essential behaviors and culture drive and support results and are important to measure (Appendix PMO-3).

Focus Groups

Focus groups or invitations extended to various cluster groups of team members – based on similar level within an organization or similar function, etc. – will provide an organization with a useful opportunity to capture more open-ended, qualitative response data on any number of Performance Management-related topics of importance. The data can be summarized on a qualitative or anecdotal basis and/or on the basis of frequency of topic or issue reference.

Unit Leadership Development Committees (ULDCs): Audit Process

Standing committees (ULDCs) comprised of senior leaders within an organization, a unit, a staff function, and/or a department – that meet periodically to focus on leader talent identification and development – may also provide an additional means to evaluate and assess the effectiveness of a Performance Management Process within their respective domain(s). Focus can be on any specific dimension of a Performance Management Process of importance to that organization. All or a few designated leader members within a given ULDC can serve an auditor role. In an audit, an organization's Performance Management Process (PMP) policies, practices, procedures, and strategies undergo a systematic and comprehensive evaluation. This helps to establish whether specific areas, dimensions, or processes are adequate and/or effective. Audit results may also be helpful to identify gaps in PMP practices, which can be summarized and prioritized for corrective action. Advantages are many: a more personal one-on-one approach, more in-depth flexibility to probe on questions and answers, and an excellent developmental opportunity for a ULDC member(s) to model behaviors in subordinate interviews.

Performance Management Feedback Tool for All Managers and Supervisors

A relatively simple questionnaire, of twenty-two (22) questions in total – focusing on the key Performance Management Process (PMP) dimensions of Performance Planning, Development Planning, Coaching and Feedback, and Performance and Development Review – can be given out to the direct reports of a manager/supervisor. The tool can be administered by a neutral third party and/or completed anonymously by subordinate team members. This feedback tool for managers/supervisors can serve an organization with an evaluative summary that may serve multiple purposes: assess PMP effectiveness for a specific manager/supervisor; provide a Coaching and Feedback developmental opportunity(s) for a manager/supervisor; and improve organizational effectiveness and/or morale within specific managerial or supervisory areas of responsibility and accountability (Appendix CF-1).

Annual Performance and Developmental Reviews: For Managers and Team Members

Annual objectives can be set for managers and supervisors as part of their annual Performance Planning and Performance Agreements – in support of Performance Management initiatives and managerial and supervisory developmental improvement. It is important to review, monitor, and assess achievement in these areas and do so on an ongoing basis. The challenge is to follow-up and follow-through on these aspects and hold managers and supervisors accountable for Performance Management effectiveness and improvement. Quantitative and qualitative metrics will help these efforts. The same can be said for reviewing and assessing the effectiveness of managers and supervisors conducting annual Performance and Development Reviews – within their own units of responsibility – for all of their respective subordinate team members.

Human Resource Department: Spot-Check Audits

An effective way to spot-check the effectiveness and consistency of a Performance Management Process (PMP) can easily be done, on a periodic basis, by members of a Human Resource Department within an organization. Professionals can review Performance and Development Review documentation to examine consistency and alignment – on a case-by-case basis – for promotions, reassignments, and/or pay increases. The key of course is to validate actual, documented PMP support for promotions and/or pay increase amounts. Positive relationships (or correlation) of staffing and compensation actions – with PMP implementation results and documentation – should ideally be high in relationship. Conversely, terminations, demotions, and/or lack of pay increases should also be supported consistently with appropriate PMP documentation. Spot checks of findings, along with consistency of PMP implementation, will be very revealing. A periodic summary of audit findings can lead to PMP process improvements over time.

Exit Interviews

A valuable source of potential information readily exists within all organizations – relative to Performance Management Process (PMP) effectiveness. All organizations, regardless of size and industry, experience turnover – voluntary or involuntary. Regardless of the reason, what does matter is that turnover is often attributable to Performance Management Process success and effectiveness or lack of. Exit interviews can serve as a most valued means to keep an active pulse point on PMP effectiveness. Again, quantitative and qualitative data can be captured, summarized, assessed, and communicated to senior leaders – in the spirit of an ongoing audit to recognize and improve an organization's Performance Management Process and

performance culture. Managerial and supervisory accountability and responsibility will also be reinforced through a meaningfully conducted exit interview process.

In summary, any number of means for evaluation of an organization's Performance Management Process exists. The evaluation options are readily available. What is important is that organizations have a strategy and a plan to evaluate one of the most important processes that exists within their respective organizations, namely, their Performance Management Process. Without the benefit of measurement data and an evaluation and audit process firmly in place, improvement will not occur. The organizational options and choices are yours. So are the benefits.

Performance Management Process: Diagnosis

11

Overview

Performance Management diagnosis is a comprehensive examination activity initiated to assess Performance Management Process (PMP) needs and opportunities for improvement within an organization. In essence this activity represents a much higher order of evaluation that can extend and build on the multiple evaluation methods cited earlier (i.e., organizational surveys, pulse point surveys, manager and supervisor Performance Management feedback summary, spot-check audits, exit interviews, etc.) – which are typically only one-sided in approach and often non-interactive.

The diagnosis approach offers the potential for more breadth and depth of discovery, in that it is typically two-way and highly interactive and driven by a facilitated exchange with interviewer probing. The diagnostic evaluation approach functions much like an exchange between a medical doctor and a patient – nothing is assumed, historical data can be used, and probing with information exchange occurs. The results of the diagnostic activity sets the stage by identifying information and insights to further analyze, summarize, prioritize, and plan for appropriate Performance Management Process changes thereafter. This more thorough diagnostic approach can be used for the purpose of launching a new Performance Management Process (perhaps where a process formerly did not exist) or to address existing Performance Management Process problem areas, as well as identify opportunities for improvement.

Performance Management Diagnosis: Why Do? Benefits?

The benefits of conducting a Performance Management Process diagnosis within an organization are many and include:

Gain additional context, understanding, and insights relative to existing or potential Performance Management Process improvement issues.

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Diagnosis provides an essential foundation as a meaningful starting point for prioritization of need/opportunity, planning, and implementation.
Provides a much more complete and comprehensive picture of a Performance Management Process as a result of the breadth and depth of the diagnosis deployed.
Senior management ownership is gained through engagement and involvement of information exchange, analysis, consensus, and implementation planning.
Investment of resources in conducting a diagnosis reinforces the importance of a Performance Management Process within an organization. Credibility is gained.
What gets planned for, measured, and implemented tends to gain commitment to help ensure subsequent success and follow-up.

Diagnosis can be potentially linked to other methods (and findings) for evaluation of a Performance Management Process – which can be extremely rich and reinforcing. Multiple evaluation methods can work independently of each other; however, the more they are utilized together, the better is the potential gain for an organization.

How Is Diagnosis Best Done?

Essentially two (2) approaches can be undertaken for diagnostic study purposes.

One-on-One Interviews Whereby key stakeholders are interviewed individually by a facilitator (i.e., a human resource manager, training and development consultant, another line manager). The facilitator uses a structured interview form, to record and capture notes for summary analysis and recommendation purposes.

Group facilitated sessions Whereby a senior leadership team, as a group, meets with an internal and/or external consultant(s), or a Human Resource Management team, as a group, meets with similar consultant(s).

One-on-One Interview Approach Key Steps

Step 1: Develop a comprehensive set of interview questions to be asked related to key elements of the Performance Management Process. Sample questions could include:

Re: Organization strategy: How do you ensure alignment and consistency of your unit's annual goals and objectives with the overall enterprise's goals and objectives? Problems? Opportunities? Enablers? Barriers?

Re: Performance Planning: How are annual goals and objectives set for your overall unit (i.e., business unit, staff functions)? For departments/teams and individual team members within your unit of responsibility? Problems? Opportunities? Enablers? Barriers?

Re: Development Planning: How is Development Planning linked to Performance Planning and on-the-job work activities? Problems? Opportunities? Enablers? Barriers?

Re: Performance Reviews: How frequently are reviews of performance conducted within your unit of responsibility for your departments/teams? For individual team members? Problems? Opportunities? Enablers? Barriers?

Step 2: Identify a list of key stakeholders within a given organizational unit (i.e., business unit and/or an organization-wide staff functional unit) to be interviewed.

Step 3: Conduct interviews.

Step 4: Analyze interview data findings.

Step 5: Summarize interview data, along with priorities and recommendations for Performance Management Process improvement.

Step 6: Debrief and present summary report to appropriate senior-level management.

Group-Facilitated Session Approach Key Steps

Step 1: Identify an appropriate group audience to meet with (i.e., senior leadership team/top management group of an organization, senior HR leadership team, or a cross-level team of HR members) to conduct a facilitated Performance Management Process diagnosis session.

Step 2: In advance of group meeting, strategize whether to use the client's current/existing organization-wide Performance Management model or the Performance Management Process framework in *Performance Management Success* that includes all of the following essential framework elements:

1. Organization Strategy
2. Performance Planning
3. Development Planning
4. Coaching and Feedback
5. Performance and Development Reviews (midyear/annual)
6. Recognition and Reward (midyear/annual)
7. People-focused – Respect and Trust

Step 3: Post a large picture of the Performance Management Process framework selected (i.e., client's own existing version or *Performance Management Success* framework version) on a flip chart in front of the room for full group to view.

Step 4: The facilitator or senior Human Resource Management leader conducts a very brief *educational* session to overview each of the key Performance Management Process elements in full view of the group in attendance. Provide basic overview education on the overall framework and each key individual element.

Step 5: Provide each group member with four (4) green dots (representing PMP strengths) and four (4) red dots (representing PMP weaknesses), and ask each member present, in turn, to come up to place their dots on the poster based on their own organizational experience and judgment. Note: Turn flip chart away from the total audience, and invite individual members, in turn, to place and "vote" their dots privately – and most appropriately based on their own judgment.

Step 6: After each member present has placed all eight (8) of their green (4) and red (4) dots, turn the flip chart back in front of the full audience to view a total picture of current-state strengths and weaknesses relative to their Performance

Management Process. The facilitator(s) summarize what has been revealed via the placement of dots – relative to consensus? Potential priorities? Key strengths? Key weaknesses?

Step 7: The facilitator(s) engage the entire group in a discussion, recording and noting all group comments relative to each of the PMP elements beginning with organization strategy and ending with respect and trust. Key questions to be asked and responded to include, relative to each PMP element taken in turn:

What is working well? Why? (Probe for comments.)
Not working well? Why? (Probe for comments.)
Improvement needed? Why? (Probe for comments.)

Step 8: At the end of group session, senior organization leader(s) who may be present and/or facilitator(s) summarize what has been heard, what has occurred, and likely next steps in moving and improving the Performance Management Process forward (i.e., meeting summary report? sub-teams to take actions? next steps and next follow-up meeting? etc.).

The benefits of conducting a group diagnosis session are significant:
Real-time consensus can be gained relatively quickly.
Priorities for improvement can be identified relatively quickly.
Actions for appropriate next steps can be identified relatively quickly.
Commitment from top leadership groups/teams can be gained quickly – *people support best that which they help create*.

Similar facilitated group sessions can be conducted, for other key groups/audiences, for potential validation purposes – to provide a strong basis for data collection and appropriate action. The more data and validation, the better.

Barriers

Barrier #1 Resource commitment to do Performance Management diagnosis is lacking – time, people, and money.

To perform a thorough and complete diagnosis of a Performance Management Process does require a commitment of resources – including an investment in time, people, and financial resources as needed. Resources may be perceived to be consuming and costly in advance of conducting the diagnosis work that will follow. A potential conflict with other existing needs and initiatives may also be in play that may present a barrier. Time – as an essential resource to fully conduct a complete diagnostic analysis and the information and recommendations that follows the analysis – may not be understood and hence not allocated as a resource.

Barrier #2 Top management ownership and role modeling are lacking, along with a lack of commitment to ensure an effective and successful Performance Management diagnosis.

The senior leadership and top management of an organization may not be actively involved, if involved at all, in the functioning of a Performance Management Process, including conducting a potential diagnostic review to improve the process. Top management may have the perception that they do not fully own the existing Performance Management Process and that the implementation success of that process is the responsibility of other organizational members, such as Human Resources. If such a case exists, that frequently translates to a loss of essential role modeling and a lack of commitment that will be clearly viewed by the entire organization membership.

Overcoming the Barriers

A number of essential resource tools are available to help leaders and managers to address the barriers, including:

- Performance Management Process status summary and communication plan for process improvement purposes
- Prior Performance Management Process evaluation data or findings
- Internal champions and interviewers or facilitators to conduct or lead a diagnosis study
- External resources – interviewers or facilitators – to assist in a diagnosis study

Diagnosis Resource Tools

Performance Management Process: Business Case Summary

Develop and present a clear, concise "business case" summary on the benefits of a well-functioning Performance Management Process to senior decision leaders within the organization. Use all available resources on the subject of Performance Management in support of organizational needs and achieving and sustaining competitive advantage. Use available external industry and Best Practices information related to Performance Management – to support the "business case."

Supplement external findings with an internal "white paper" that identifies potential and relevant benefits attributable to Performance Management and a high performance organizational culture. Include a clearly outlined schedule of associated steps required to conduct a thorough diagnostic study, along with a communication plan for senior-level management.

Prior, Recent Performance Management Process Evaluation Data or Findings

Identify, summarize, and present in a concise summary document all available findings associated with recent Performance Management Evaluation methods deployed within the organization. The communication of this PMP-related information can

serve senior management and the organization with many advantages, including a greater understanding of current needs, problems, and opportunities for a well-functioning PMP, creation of a basis or starting point to focus diagnostic questions to follow, and creation of a realistic momentum to move forward on a meaningful diagnostic study.

Internal Champions and Internal Interviewers/Facilitators

Identify, recruit, and deploy internal "champions" within the organization – who are performing Performance Management at a relatively high level of success. The more senior level of manager, the better, especially including high-potential rated managers who may be deemed as "champions" of Performance Management. These types of leaders and managers can serve as early role models for the broader organization. The identification of these individuals can also serve the broader organization as a starting point for a potential diagnostic study that would focus on their success, with subsequent diagnostic findings to serve organizational units as "early adopters" of Performance Management Process improvement implementation. In essence, leverage the learning and political power of successful internal champions – who may also serve as internal facilitators of a broader diagnostic study to follow within the entire organization.

External Interviewers/Facilitators

Identify potential external resources with experience and credibility related to Performance Management. Deploying such professionals can increase organizational knowledge in support of recommending diagnosis for Performance Management Process improvements, as well as assisting internal staff as eventual interviewers and/or facilitators in conducting diagnostic study(s) to follow. The ideal staffing team for Performance Management diagnosis is a combination of both internal consultants/leaders and external consultants/leaders. Each set of parties can bring unique skill and knowledge sets to support the diagnostic initiative and subsequent implementation change(s).

Best Practices

Practitioner Diagnostic Best Practices:

- Identify all key, essential stakeholders, with high organizational credibility, to be interviewed. The more the better as part of your early diagnostic initiative and rollout. Credibility and reputation are absolutely essential.
- Use your best internal (or external) resources – especially high-potential rated individuals within the organization. They can help serve as "champions," not to mention the benefit of additional exposure and development for them within the entire organization.

- Select a pilot unit(s) to be studied early on for diagnostic study purposes. Such units can serve you as "early adopters" for Performance Management Process improvements throughout the rest of the organization.
- Analyze, summarize, and communicate diagnostic findings quickly to senior-level management within the organization – keep the momentum, interest, and support levels high and visible. Keep your findings simple and concise.
- Avoid any diagnostic "jargon" along the way. Keep information relevant, straightforward, and understandable. The more basic the better – beginning with the focus on the business case in support of Performance Management Process improvement(s).

Conclusion

In summary, Performance Management *diagnosis* and Performance Management *evaluation* methodologies have similarities and differences. Both offer assessment approaches focused on improving Performance Management within an organization. Both methodologies potentially focus on examining the breadth of functionality of a Performance Management Process – particularly when evaluation methodologies are deployed in a multiple or collective sense. What makes diagnosis particularly unique is that it has the potential to assess Performance Management within an organization in both a breadth and depth sense and requires a two-way interaction, exploration, and analysis between an interviewer (facilitator or consultant) and a key stakeholder(s) or a group of individuals. In reality, Performance Management diagnosis is best positioned to incorporate and/or build on prior findings associated with various Performance Management evaluation methodologies to ensure validation of findings and subsequent improvement recommendations.

12 Performance Management Process: Considerations and Options

On-Line Performance Management Process

Many organizations today are utilizing various forms of on-line performance management systems that require various computerized screens or data input fields to be completed, opposed to a paper-pencil type of implementation. The advantages of an on-line system include speed of completion, speed of review and approval, consistency of inputting fields, data compilation, and data analysis. The disadvantages include limitations on fields or screens that may force comments into template fields that do not accurately capture or represent the entire performance that occurred; limitations on creativity to record performance inputs; as well as the perception that an on-line system often minimizes dialogue and meaningful face-to-face exchange between a manager and a subordinate team member.

My purpose here is not to advocate for any one type of on-line system, whether it is a homegrown, internally developed system or an externally purchased software system. If an organization makes the decision to deploy an on-line system for the purpose of facilitating performance management, this approach should never eliminate or take the place of meaningful and continuous dialogue between a leader and a subordinate. I am much more in favor of ongoing performance dialogue that is relevant and meaningful, throughout the entire year, between a leader and a subordinate. At a minimum, quality of comment exchange and continuous dialogue provides the foundational basis for any inputs being made into an on-line system. The format of any on-line template system should be secondary to quality time spent on planning, reviewing, discussing, and assessing performance and development over the course of the full performance year – ideally face-to-face. An on-line system simply provides a vehicle for capturing meaningful performance and development dialogue exchange that preceded the on-line inputs.

I would also make the case that continuous dialogue focused on performance and development – over the course of a full-cycle year period – is far more impactful and meaningful than any semantics associated with specific performance rating

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definitions. Far too many organizations, and team members, get *hung-up* unduly regarding rating definitions and miss the true value of the actual dialogue underlying performance and development exchange between a manager and a team member.

Forced Ranking and Forced Distribution: Performance Management Systems

Some organizations elect to deploy a *forced ranking* type of performance management system, whereby a manager or a supervisor of a department or a team is literally required to rate and rank all of their team members from best to poorest in performance. No exceptions, no ties. The advantages include one summary view of a unit or a department and a quick identification of top performers versus lower performers – which allows focus at both extremes. Disadvantages include appraiser bias, inconsistent performance standards, and subjective comparative ranking assessments of people and their contributions, which may not really be comparable or fair. Forced rankings are also extremely difficult to deploy in smaller departments with fewer associates. Fairness and morale issues may also be raised within the workforce. Legal issues may result as well, without a well-administered and implemented system that only creates a relatively clumsy *ranking* or *targeting* process. Some organizations elect to use this approach for the purpose of culture change, or culture shock, to *stir up* an organization and identify poorer performers as part of an ongoing *weeding-out* process.

Forced distribution, whereby team members are rated and placed at different points along a bell-shaped curve, represents another approach taken by various organizations. Dimensions – or sections – along a bell-shaped curve that team members are *forced* into typically include poor (10% of workforce), below standard (20%), standard (40%), above standard (20%), and excellent (10%). The disadvantages of this approach are very similar to the disadvantages of a forced ranking system. A key limitation of a forced distribution approach is that some team members must be placed in the lowest dimension and some must be placed in the highest dimension – regardless of their performance abilities and contributions.

A consistent and well-implemented and monitored Performance Management Process is usually more effective, reliable, and defendable than a forced ranking or forced distribution approach as a means to legitimately and consistently differentiate levels of performance and contribution among team members within organizations.

Second-Level Manager Review and Approval

More and more organizations are incorporating the requirement of a formal higher, second-level review and approval step as part of their Performance Management Process – regarding documented reviews of team members. Even if this is not an

organizational requirement, Best Practitioners of Performance Management voluntarily initiate or exercise doing this on their own. The advantages of a second-level manager review are many: encourages a broader, aligning assessment for Performance and Development Review inputs from more than just one manager – especially useful in larger organizations; elevates the level of motivation and quality for managers knowing that a higher level of management will be reviewing their work; establishes greater credibility in the entire process from the view of team members being assessed; reinforces an overall Performance Management culture and commitment to the entire process; fosters an appeal process if needed; and facilitates greater potential for two-way communication with team members within an organization. The only real disadvantage of incorporating an extra level of management review is one of a time commitment – which is significantly outweighed in light of the many advantages identified above.

Unit Leadership Development Committees (ULDCs)

ULDCs represent a relatively newer consideration for many organizations. As a unit, ULDCs typically function as a standing committee, meet on a fixed schedule basis, and are comprised of the more senior-level leaders of a business unit or a corporate staff function. The primary purpose of a ULDC is to focus on all levels of leadership talent and staffing opportunities within their respective organization. ULDC activity usually focuses on talent identification, succession planning, career planning, and high potential and early-talent identification and development.

A more recent consideration for ULDCs has been Performance Management within their respective organizational units. The importance of assessment of results on-the-job, as a key criterion to identify performance contributions as a foundation for assessing promotability potential, should not be understated. Hence, a well-functioning Performance Management Process (PMP) within a given unit is essential to the performance and development of leadership talent – at multiple levels in an organizational unit. Performance Management as an essential, contributing foundation for ULDC work is growing in importance. An effective and consistent Performance Management Process helps to ensure objectivity and completeness for ongoing ULDC review activities. Performance Management-related actions of ULDC members may include sponsorship and monitoring of PMP surveys and audits, ongoing coaching and mentoring of unit members, and trainer roles in support of PMP education and orientation within the unit.

Talent Management Reviews

Organizations, especially larger enterprises, tend to conduct annual Talent Management Reviews or annual *People* Reviews, to ensure appropriate talent pools exist to meet current and future organizational staffing needs. Such reviews typically include focus on key positions of staffing importance, succession planning,

high-potential leadership identification, leadership competency summary assessment, career planning and training and development opportunities, early identification of talent (lower level organizational high-potential assessment), and demographic analysis and summary profiles of leadership talent, including a summary of profile data of educational and experience records, with some analysis of Equal Employment Opportunity (EEO) (USA) and Expatriate, Repatriate, Third Country National (International) leadership profile summary data.

Many Talent Management decisions, unfortunately, resort to assessments of talent based more on promotability potential than a record of actual performance results achieved on-the-job. Performance Management Processes are often overlooked, discounted, and/or not deployed strategically or operationally enough in support of Talent Management Reviews. Assessments of individuals often lack *reality grounding*, which can really only come through validation of performance (management) contributions and documented *value-added* history relative to individuals. A missing key resource: Performance Management.

The opportunity exists to use ULDCs, as noted earlier, and Talent Management Reviews, more consistently and appropriately to fully assess individual leadership/management talent – by rigorously deploying Performance Management. The result will be more objectivity based on on-the-job performance, opposed to subjective assessments of leadership talent driven more by perceptions and perhaps assumptions regarding advanced educational profiles. Resulting biases and/or *halo effects* can exist that are unfair, unwarranted, and/or inaccurate. Therefore, the key opportunistic questions facing organizations include: how can a Performance Management Process be deployed to better validate leadership/management talent? How often should Talent Management Reviews be conducted during a Performance Management cycle? And does the Talent Management Review process reflect and support the organizational performance culture being shaped and reinforced? Is there consistency and congruence?

One other key aside: Training and development systems also need to be more fully anchored within a Performance Management Process, related to on-the-job performance – in order to accurately identify and validate individual training and development planning needs relative to specific knowledge, skill, and ability gaps. Effective Performance Management design and implementation will help to address these issues and help provide a basis for essential support in multiple areas.

Early Adopters

As applicable to Performance Management, *Early Adopters* within organizations are typically smaller-sized units or departments that introduce Performance Management Process changes on a studied, measured, or *pilot* basis. This smaller-scale approach is usually preferred, particularly by relatively larger organizations or institutions that are considering significant change of a Performance Management Process. Such an approach can also help to overcome potential resistance to a larger-scale change. This strategy is very consistent with a Total Quality Leadership

philosophy of *Plan-Do-Study-Act*. The goal is to monitor and learn on a smaller-scale basis first – prior to committing to a larger-scale change throughout an organization.

There are many advantages of an Early Adopter approach, including: learning and improvement from a controlled, pilot-type undertaking; dedicating focused and essential resources to help ensure success and change; and leveraging, promoting, and acknowledging the success of units or departments – along with their respective leaders – for greater impact and influence thereafter throughout an entire organization.

13 Conclusion

Performance Management Success is designed and developed with the purpose of sharing Performance Management Process (PMP) elements that contribute to organizational success – as shared by a vast range of leaders and managers in diverse industries who were identified as Performance Management *Best Practitioner*s, of which I am proud to say I am one. Our purpose is to not only identify and share Performance Management *Best Practices* but to also capture *Best Practices* in the context of a Performance Management Process framework that has been successfully applied – in part or whole – over time, within all sizes of organizations and across industries. The sequential flow of the framework, and the implementation steps identified, is also intended to serve as a much-needed educational resource tool for leaders and managers.

Performance Management is truly a process that includes several common elements that contribute to the success of an effective Performance Management Process supporting organizational performance. The common elements include understanding *organizational culture* to ensure consistency and alignment with an effective PMP that will drive and sustain performance results along with preferred behaviors; *organizational strategy* that serves as a starting point each cycle year for alignment of purpose and direction for all units and team members; *Performance Planning* that provides a clear, early foundation of performance and behavioral expectations; *Development Planning* that leverages strengths and addresses performance gaps – all aimed at continually improving team member knowledge, skill, and ability; *Coaching and Feedback* as a continual means to help reinforce and/or correct desired performance and behavior; *Performance and Development Reviews*, both formal and informal, that ensures ongoing engagement and discussion of performance contributions at the unit and individual team member level; *Recognition and Reward*, both formal and informal, in sync with performance contributions; and the elements of *Respect and Trust* which serves and supports the entire PMP and strengthens the potential for creating, building, and sustaining effective relationships within organizations. After all, people execute processes.

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8_13

Although we expect organizations to seek to deploy the common elements of a PMP as noted above – for all of the benefit reasons cited earlier in this guide – it does not mean that we expect all organizations to deal with the common PMP elements in the same way. On the contrary, some variation in application of our framework is to be expected. Just as individuals learn and grow in different ways – and at different speeds – organizations will also mirror that reality as well. Environmental pressures and factors, as well as internal priorities and resource issues, will influence organizational culture, strategy, and operational decision-making relative to implementing a Performance Management Process. Organizational learning, and speed of application and change, also does vary. That's reality and it needs to be recognized. Although common elements exist, there will always be a need and benefit from some variation of application. Differences certainly exist among organizations, which will encourage the emergence of new institutionalized patterns that will build on what is known today. That is totally understandable and absolutely essential.

The depiction of our framework, as well as the Best Practice *Propositions* identified supporting Performance Management success, and the Best Practitioner comments and behaviors captured within this guide all simply reflect empirical evidence to date of actual success spanning many organizations, many industries, and many leaders and managers identified as the best at what they do.

Performance Management, as addressed within our guide, may not be the only way for ensuring long-term organizational success. However, until a better support process is identified in concert with achieving organizational success, it is difficult to make another case for its substitution. What works, works. That's hard to argue.

Continuous learning, adaptation, and the application and sharing of Performance Management Best Practices will only help to ensure organizational learning and success over time. In that regard, we hope *Performance Management Success* has helped to evolve your own thinking, planning, and application of learning within your own respective team, department, unit, or organization.

All we ask is that you continually apply and share your good work with your fellow team members and us – for the benefit of all – just as we have intended here to do so for you, our valued reader.

As you have learned from us, we too can learn and benefit from your applied insights and knowledge gained from your own experience. Please do not hesitate to reach out to us with your own stories of success from within the organization you serve. Or for that matter, if you have any questions relative to the application of reference material presented within *Performance Management* Success, please feel free to contact us at:

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We will be honored to hear from you.

Success ahead to you as a *Best Practitioner* of Performance Management.

Glossary

Balanced scorecard Documented approach that attempts to organize and structure an organization-wide agreement of performance, typically using four to five overarching areas of importance to focus on and monitor performance progress; holistic approach to ensure balance, breadth of seeking desired and planned outcomes or results of importance.

Barriers Roadblocks, impediments, restraints associated with Performance Management Process implementation – as faced by individual managers and organizations.

BP *Best Practitioners* – individual leaders/managers recognized as skillful in practicing and implementing a Performance Management Process; *Best Practices* – Performance Management actions recognized as exemplary or best-in-class within an organization and/or industry.

CF Coaching and Feedback: *coaching*, ongoing process that helps individuals perform and develop to the best of their abilities; *feedback*, vital source of information about how we actually perform our work and about our relationships with others.

Competencies See KSA below. A specific cluster set of knowledge, skill, and demonstrated abilities – representing preferred behaviors, or dimensions, of strategic importance to an organization; essential capabilities.

Culture Organizational culture – a set of shared beliefs, assumptions, values, and norms that give rise to shared patterns of behavior within an organization; the context that surrounds the overall formal and informal work environment, which influences and impacts people, processes, systems, and structure; a way-of-life influencing action(s) and behavior(s) within an organization.

DP Development Planning: a Performance Management Process step that focuses on an annual documented plan to leverage team member strengths and address individual gaps/opportunities/weaknesses.

Early Adopters Typically smaller-sized units or departments within organizations are identified (voluntary or preselection basis) to introduce Performance Management Process change(s) on a studied, measured, or *pilot* basis.

Forced Distribution A process whereby team members are rated and placed at fixed distribution points along a bell-shaped curve, as defined by specific rating

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dimensions (i.e., poor to excellent) along with a predetermined percentage (%) allowed for each rating dimension.

Forced Ranking A process whereby a manager or supervisor of a department/unit is required to rate and rank all team members from best to poorest in performance.

IDP Individual Development Plan – documented action plan that identifies both strengths to further leverage and grow, as well as prioritization of any key gaps or performance needs requiring focus and attention.

KPI Key Performance Indicators – identification of key performance results that will be tracked, monitored, and achieved; KPI metrics dashboard (tracking mechanism) ensures focus and access to critical data for measurement of progress.

KRA *Key responsibility areas* refer to the essential duties individuals are responsible for and expected to perform (major duties/tasks are clustered); *key results areas* refer to the essential outcome result areas individuals are accountable for and expected to perform and deliver results planned.

KSA Knowledge, skill, ability refers to the sum of capabilities associated with an individual; competencies or capabilities – at an individual or group level.

Line-of-Sight (LOS) Identification of the performance impact that individual team members directly (or indirectly) have on larger-scale goals, objectives, and initiatives; gained through leader/manager clarity and education working closely with team members within their respective unit, department, and team.

Mission Organizational mission: the essential or core purpose or reason why an organization exists; mission precedes vision and strategy; mission charts the direction of the organization and provides a basis for strategic decision-making; mission conveys cultural values important to an organization; organization's overall objectives flow from its mission; and guides the formulation of enterprise-wide organization strategy.

Multi-rater Feedback 180/360 degree feedback can be collected from a range of sources, including immediate manager, peers, subordinates, customers, etc., hence the name "multi-raters." 360 feedback refers to total organizational sources; 180 feedback refers to a partial, or half, of potential rater sources.

OS Organizational strategy – reflects the formulation and identification of an overall direction for organization success; meaningful context to identify key goals and initiatives focused on both short and long-term results expected; strategic planning work focusing on both internal and external factors or variables often associated with a SWOT analysis – organizational strengths, weaknesses, opportunities, and threats.

PA *Performance Agreement* – document used to monitor overall performance of key performance areas expected to be achieved; *Performance Agreement Scorecard* is typically created to guide and monitor performance at the overall organization-wide level, as well as for units, departments, and teams within organizations; at individual team member level, typically either a one-page Performance Agreement is identified or a set of key goals and objectives can be collectively thought of as an Agreement of Performance expectations.

PAS Performance Agreement Scorecard – document or operational plan that helps organizations, units, departments/teams, individuals with a holistic view of key performance goals, objectives, and metrics (for 1–3-year time period) to be performed; scorecard or document that guides the measurement and achievement

of ongoing progress for key areas of performance; tracking and communication resource tool.

PDR Performance and Development Review – periodic reviews planned (midyear/annual) to allow for an ongoing mutual discussion – between a manager and team member – with focus on progress achieved relative to both performance and development; a summary of progress achieved.

PF People-focused – a strong proactive belief in people, from an individual leader/manager perspective or from a collective organization-wide perspective; with particular emphasis on the interpersonal and organizational elements of *respect* and *trust*.

PMP Performance Management Process – consisting of core elements that typically are associated with a Performance Management Process: Organization Strategy, Performance Planning, Development Planning, Coaching and Feedback, Performance and Development Review, and Recognition and Reward Review; a process applicable to four levels within an organization: org-wide, unit/staff function-wide, department/team, and individual team member level.

PP Performance Planning – a Performance Management Process step that focuses on the identification of key responsibility areas, key goals and objectives to be performed, and key behaviors (competencies) to be demonstrated, all linked to and in support of higher-order organization goals and objectives; advanced planning and mutual discussion to ensure alignment and role clarity at the start of each performance cycle period; communication resource step to identify role responsibilities and role accountabilities.

Respect The act or state of showing honor, esteem, consideration, or regard for someone or something.

RR Recognition and Reward Review – the formal or informal means by which a manager or organization can respond to – or validate – the presence and contribution(s) of team members and the teams that individuals belong to; the planning and acknowledgment of performance contributions along with appropriate reward(s) for the contribution(s).

SMART An acronym often associated with the key elements for individual team member action planning (specific, measureable, achievable, relevant, and time-bound dimensions); essential criteria for setting of goals and objectives particularly at the individual team member level.

Trust Having a firm belief in the honesty or reliability of someone or something; a consistency of actions and words, especially demonstrated over time, often defines trust.

ULDC Unit Level Development Committee – typically a standing committee comprised of senior-level leaders within an organization, business unit or function, and/or department that meets periodically to focus on leader talent identification and development on an ongoing basis; may also focus on Performance Management Process improvements within their respective organizational unit(s); ULDCs may exist at multiple organizational levels within an enterprise or institution.

Vision Organizational vision: an ideal or desired future-state of what an organization aspires to be or become. Vision follows mission and precedes strategy.

Appendix 1

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8

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PMO-1 Best Practitioner - Leader and Manager Summary of Essential Capabilities - Performance Management Process Elements

Organization Strategy
- Big picture perspective and vision
- Strategic focus
- Organizational stewardship
- Integrating and collaborative

Performance Planning
- Holistic thinking
- Planning, goal setting, and results mind-set
- Listening and questioning

Development Planning
- Proactive and success oriented
- Diagnostic and flexible
- Improvement and development mind-set

Coaching and Feedback
- Coaching and Feedback oriented
- Constructive, proactive, and objective mind-set
- Engaging and improvement oriented

Performance and Development Review
- Planning oriented – forward/backward
- Results oriented and both people and process focused (balanced)
- Written and oral communication skills

Recognition and Reward Review
- Results (*what*) and people (*how*) oriented
- Analytical and diagnostic
- Recognition and Reward oriented

Respect and Trust
- Honesty and integrity
- Accountability and responsibility focused
- Relationship building
- Consistency and role modeling actions

Note: Majority of the above leader and manager skills and competencies are applicable to more than only one PMP-related element, are interrelated, and realistically overlap and occur often simultaneously in a dynamic environment. Not intended to be an all-inclusive list – rather a potential resource checklist for planning and development purposes.

PMO-2 Performance Management

Organizational Culture Change Assessment and Diagnostic Opportunity Assessment

Performance Management execution, and delivery of required results, requires a total mind-set and perspective assessment that can best be summarized in a comparison of what Performance Management IS and what Performance Management is NOT. The following will help to provide you with a broad comparative view to help expand and guide your thinking about possibilities for greater Performance Management Success within your own organization. It is your choice.

Performance Management Overview

What it IS	What it is NOT
Exists simultaneously at multiple levels (Org.-wide, Unit-wide, Dept./Team, Individual)	Exists only at the Individual Team Member level
Dynamic Process	Static Program
Done continually, ongoing	Done only annually
Executive Management-owned and driven	Human Resources-owned and driven
Alignment, unity, single-mindedness (of purpose, planning, people, work)	Isolation of people, performance, and events
Mind-set, work culture, and way-of-life	Afterthought
People and Results focus (both)	Results focus only
Continuous performance improvement (*means* to an end)	Compliance requirement (an *end*)
External and Internal customer focused	Internal focused only
Both forward and backward looking	Focus on backward looking
Two-way, interaction, and dialogue driven	One-way, form, and event driven
PM Responsibility and Accountability all levels	Only manager/supervisor responsible to do PM
Manager/supervisor as *coach* and *enabler*	Manager/supervisor as *judge* and *jury*
Multiple assessment inputs (self, manager, clients, team members)	Manager/supervisor assessment only
Periodic reviews (quarterly, midyear, annual)	Annual year-end review only
No surprises	Surprises, frustration, uncertainty

PMO-3 High Performance Culture

Best Practices or Performance Management Behavioral Standards

Performance Planning

- Performance objectives cascade throughout the organization – to units, to teams, and to individuals
- Managers at all levels, with their teams, jointly plan, set goals, develop measures and targets, identify priorities, assess improvements needed, and assign resources
- Documented objectives linked to unit and team objectives exist for every team member. Objectives are negotiated and are evergreen – updated as needed throughout the year
- Cultural practices and key competencies required to achieve objectives are evaluated and addressed

Development Planning

- Team members actively pursue their own growth and development. Development is not optional, and members have primary responsibility
- For individuals, development is viewed as a continuum of learning opportunities, ranging from improving performance in the current role to preparing for future roles
- Managers take an active role in defining development opportunities and supporting the development of their direct reports
- A documented Development Plan linked to performance objectives exists for every team member

Coaching and Feedback

- All team members convey a sense of *trust, respect*, partnership, and support for their peers, managers, and direct reports
- Managers respect and support their direct reports – they see their role as a *coach* rather than *judge*
- Effective Coaching and Feedback is ongoing, is timely, uses specific examples, and is balanced in terms of being both positive and improvement oriented
- Communication is open and honest – differences are appreciated and sought

Performance and Development Review

- Managers provide lead time for team member preparation and self-assessment in advance of the Performance Review meeting
- Managers solicit and collect performance feedback on team members from multiple sources, including peers, subordinates, and customers prior to the review meeting
- Managers plan and schedule sufficient, uninterrupted time for review meeting discussions with team members
- Managers ensure the Performance Review message is clear, documented, and signed by each team member – with each team member receiving a copy

PMO-4 Performance Management Process (PMP)

Barriers

Barriers at Overall Organization/Group Level
- Culture within organizations not well understood or leveraged
- Core PMP process elements not well understood and linked
- Benefits of a PMP process not clearly identified
- Top management ownership and role modeling lacking
- Managers not sufficiently trained and skilled to deliver
- Implementation effectiveness difficult to measure and improve

Barriers at the Individual Team Member/Team/Department Level
Performance Planning: Barriers
- Linkage lacking with an understanding of organizational strategy
- Management commitment lacking to appropriately launch PMP process
- Clarity lacking in expectation setting: role, objectives, key behaviors

Development Planning: Barriers
- No connection with Performance Planning
- Managers and members lack accountability to plan, monitor, and assess
- Development resource alternatives not understood or fully utilized

Coaching and Feedback: Barriers
- Untimely and/or unbalanced (+/−)
- Focus is only on "what" (results) and not on "how" (process, people)
- Intent suspect: limited and/or untrained and unskilled sources providing

Performance and Development Review (Midyear and Annual): Barriers
- Insufficient planning, time, and resources allocated
- Incompleteness and subjectivity due to lack of multiple assessment inputs
- Managers and members lack accountability to prepare, participate, and own
- Focus is only "backward looking" and not also "forward looking"

Recognition and Reward Review (Midyear and Annual): Barriers
- Inability to objectively recognize actual performance, hence reward inaccuracies
- Understanding, assumptions, limitations in use of recognition and reward
- Untimely and/or inappropriate recognition and reward

Respect and Trust: Barriers
- Accountability, credibility, consistency lacking in desired behaviors, actions
- Untrained or unskilled role models demonstrating respect and trust
- Culture: no differentiation of PMP rewards for positive vs. negative models

PMO-5 Why Performance Management?

The Benefits of a Total Performance Management Process

What's in It for…

Individual Team Members
- Individual's goals aligned with organization's strategic intent
- Better understanding of organizational opportunities and developmental requirements for growth
- Clearer identification of individual goals, options, needs, and plans
- Ability to plan for and manage change better
- Improved visibility within organization and profession
- Enhanced marketable and re-employable skills
- Improved self-knowledge of capabilities and improvement areas
- Higher probability of personal satisfaction and success
- Broader developmental opportunities

Managers
- More effective communication between manager and team member
- Team/unit goals aligned with organization's goals
- Improved team member planning and enhanced Performance Reviews
- Improved leadership bench-strength for talent deployment planning
- Clarified analysis of associate Development Planning and implementation
- A capable workforce that can meet organizational strategy and goals
- Clarified organization direction and strategic intent
- Better team, department, and/or unit performance
- Ability to anticipate and plan for team or unit needs
- Reduced team member turnover and staffing replacement costs

Organizations
- Better alignment of overall goals throughout the entire organization
- Increases probability of achieving strategic goals
- Ability to respond to strategic staffing concerns and needs
- A best-in-class, self-sufficient team and workforce
- A team and workforce that is adaptable to change
- A prepared skill-based team that can be mobilized during times of change
- A motivational climate that helps to retain top performers
- Improved ability to identify and develop talent for greater opportunities
- An adequate supply of qualified and prepared talent

PMO-6 Performance Management Process

Role Accountabilities - Manager and Individual Team Member Roles

Performance Planning

Manager Role

- Translates higher-level organizational objectives into meaningful unit objectives and communicates his/her unit objectives to team member
- Initiates a goal alignment discussion of expected outcomes, targets/metrics, priorities, and essential competencies to help team member align their individual goals and activities with organization/unit goals
- Reviews a documented Performance Agreement from (and with) each team member that includes goals, targets/metrics, competencies, and milestones

Team Member Role

- Understands their role and how it adds value to unit/organization
- Understands key expected outcomes and essential competencies of their role
- Identifies opportunities to speak with fellow team members in developing and aligning their respective Performance Agreement documents
- Develops written Performance Agreement that includes goals, targets/metrics, essential competencies, and key milestones
- Develops written action plans, as needed, that support their key goals

Development Planning

Manager Role

- Creates and maintains a supportive work environment for team member personal growth
- Provides ongoing Coaching and Feedback of team member's skills, strengths, and development needs in context of team member's current role, essential competencies, and Performance Agreement document
- Identifies with team member specific opportunities for development linked to unit/organizational goals and team member interests
- Conducts ongoing Development Planning discussions to monitor progress

Team Member Role

- Responsible for own development, continuous improvement efforts in current role, builds competencies and capabilities in current role, and prepares for appropriate future opportunities
- Develops a specific annual Development Plan after discussion with immediate manager, focusing on specific areas to address
- Initiates ongoing discussion, including progress updates, on their individual Development Plan with manager

Coaching and Feedback

Manager Role

- Reviews team member's current goals and priorities on a regular basis during the year to assess progress
- Initiates appropriate Coaching and Feedback discussions – formal and/or informal – with team member to assess progress

Team Member Role

- Provides ongoing progress updates for fellow team members on goals set during Performance Planning and Development Planning
- Provides ongoing help, support, and coaching for fellow team members (in all lateral and upward directions)
- Initiates ongoing requests to receive Coaching and Feedback from others, particularly after major projects, events, and customer engagements

Performance and Development Review

Manager Role

- Solicits feedback (on behalf of team member) from customers, peers, other managers, or supervisors
- Completes a preliminary Performance and Development Review of team member
- Conducts review discussion, including sharing of assessments and feedback
- Completes Performance and Development Review document after discussion with team member and presents document for team member signature

Team Member Role

- Recommends specific individuals to be contacted by manager regarding impact of performance contributions during past year
- Reviews current Performance Agreement and Development Plan for past year
- Completes self-assessment, including summary of results (*what*) achieved and essential competencies (*how*) demonstrated

OS-1 Corporate Performance Agreement: Sample Template

(Balanced Scorecard Summary)

VOICES	RESULTS			GOAL	
MEASURE	2014	3rd Qtr '15	2016	2017	2018
CUSTOMER – Become supplier of choice to fuel growth and gain leading mkt share					
% Quartile vs. Peers					
• Sales growth					
• Margin					
% GP from R&D					
EMPLOYEE – Ensure safe workplace/ensure high performance people and culture					
OII					
- Company overall	##	##	0	0	0
- Safety journey			Implement renewal process yearly		
Performance Management			All employees receive yearly review		
Talent Diversity					
- % US minorities, Lv 12+	xx%	xx%	NA		
- % Global – female Lv 12+	xx%	xx%	xx%		
- % Global – non US Lv 12+	NA	NA	xx%		
COMMUNITY – Ensure ethical, legal, responsible business conduct					
Code of business conduct	Compliance memos		Year-end compliance memo to bd		
security					
- Initial vulnerability	NA	Tier 1 complete	xx% complete		ongoing
- Implementation security	NA	NA	Tier 1	xx%	ongoing
Sustainable development					
- Energy conservation					
- Water conservation					
OWNER – Ensure high rates of shareholder return by driving profitable growth					
Financial					
- Sales $MM (% growth)	xx$ xx%	xx$ xx%	$ %	$ %	$ %
OPAT $MM	xx$ xx%	xx$ xx%	$ %	$ %	$ %
Inventory days					
Economic profit $MM	xx$	xx$			
PROCESS – Ensure rapid cycle time and create sustainable competitive advantage					
Operational asset utilize	xx#	xx#	xx#		
ERP benefits capture $MM					
- Fixed costs	NA	Not scheduled'15	xx#	xx#	xx#
- Working capital	NA	Not scheduled'15	xx#	xx#	xx

OS-2 Organization Strategy and Alignment

Cascading of Goals and Objectives: Performance Agreements

Organization-Wide Level (All Line Business and Staff Function-Wide Units Present)

- Executive management identifies Performance Agreement (PA) of key goals and objectives for total *organization*, which includes inputs from all top management unit (line/staff) directors.
- Organization-wide PA reviewed with top management – as one total group – for alignment, communication, understanding, commitment, and accountability.
- Each unit director next responsible for cascading organization-wide PA in their respective *unit*.

Unit-Wide Level (Line Business Unit or Staff Function-Wide Unit)

- Unit director uses organization-wide PA and identifies key goals and objectives for their *unit*, which includes inputs from their own unit senior managers.
- Unit-wide PA identifies key goals and objectives in support of organization-wide PA, plus identifies additional goals and objectives appropriate for each unit within organization.
- Unit-wide PA reviewed with all senior managers in unit – as one total group – for alignment, communication, understanding, commitment, and accountability.
- Senior managers next responsible for cascading unit-wide PA in their respective *departments* in support of their unit.

Department-Wide Level (Within Each Line Unit or Staff Unit)

- Department director uses unit-wide PA and identifies key goals and objectives for their *department*, which includes inputs from their own senior managers.
- Department-wide PA identifies key goals and objectives in support of unit-wide PA plus identifies additional goals and objectives appropriate for each department within unit.
- Department-wide PA reviewed with all senior managers in department – as one total group – for alignment, understanding, commitment, and accountability.
- Senior managers next responsible for cascading department-wide PA in their respective *teams* in support of their department.

Team-Wide Level (Within Each Line Unit or Staff Unit)

- Senior team leader uses department-wide PA and identifies key goals and objectives for their *team*, which includes inputs from own team leaders.
- Team-wide PA identifies key goals and objectives in support of department-wide PA plus identifies additional goals and objectives appropriate for each team within department.
- Team-wide PA reviewed with all key leaders in team(s) – as one total group – for alignment, communication, understanding, commitment, and accountability.
- Team leaders next responsible for cascading team-wide PA with their respective team members – to identify PA of key goals and objectives for each *individual team member* in support of their team(s).

OS-3 Business or Regional Unit: Performance Agreement Scorecard: Sample Template

(Balanced Scorecard Approach)

Leader Responsible for Results: _____ Metric Time Period:_____ – _____

Financial	**Goal**	**Actual**	**Variance**
Total sales dollars	$xxxx	$xxxx	($xxxx)
Comp sales %	Targets set in	-xxxx%	
Business unit			
Controllable operating profit $'s	$xxxx	$xxxx	($xxxx)
Gross profit margin rate	xxxx%	xxxx%	- xxxx%
Effective wage	$xxxx	$xxxx	$xxxx
Average wage	$xxxx	$xxxx	$xxxx

Customer	**Goal**	**Actual**	**Variance**
Overall satisfaction: % 9s and 10s	xxxx%	xxxx%	-xxxx%
Likelihood to recommend	xxxx	xxxx	-xxxx
Availability of associates	xxxx	xxxx	-xxxx
Wait to check out	xxxx	xxxx	-xxxx
Find and buy: % of yes responses	xxxx%	xxxx%	-xxxx
Engaging customers	xxxx	xxxx	-xxxx

Operational/process	**Goal**	**Actual**	**Variance**
Operational			
# of transactions	xxxx	xxxx	-xxxx
Average ticket amount	$xxxx	$xxxx	$xxxx
Inventory turnover	xxxx	xxxx	(xxxx)
Shrink %	xxxx%	N/A	N/A
General liability	xxxx	xxxx	xxxx%
Process			
Compliance with…			

People	**Goal**	**Actual**	**Variance**
Employer of choice	Targets set in	xxxx%	
Initiatives to Enhance Inclusion (targets set/measured)			
Training curriculum index	xxxx%	xxxx%	-xxxx%
Staffing			
Voluntary attrition % (Goal=LY)	xxxx%	xxxx%	-xxxx%
AAPs/EEO	Targets set in	Targets measured	
Performance Management Review documentation measured			
OSHA safety recordable rate	xxxx	xxxx	-xxxx%

PP-1 Position Description: Individual Team Member: Sample Template

Sample –*Position-on-a-Page*

Position

Job title: cashier
Job code/grade:
Reports to:
Exemption status: non-exempt

Job Description

Position Summary

The cashier is responsible for efficiently completing sales and service transactions in (insert department name). The cashier is responsible for enhancing the customer experience through courteous, respectful, efficient, and helpful interaction.

Key Responsibilities

- Accurately and efficiently completes customer transactions at the point-of-sale
- Delivers superior customer service
- Consistently executes operational and selling processes and ensures sales performance standards are met
- Assists in handling and resolving customer issues and understands and educates customers on return policy protocol
- Follows all applicable laws, regulations, and company policies
- Performs miscellaneous duties, as assigned

Competencies

Essential Skill/Experience Requirements

- Strong skills in customer service
- Strong executional skills
- General knowledge of (unit) products and services
- Excellent communication skills
- Attention to detail
- Sales or customer service experience is preferred
- Must be willing to work in a collaborative, team environment

Leadership competencies: customer focus, teamwork, drive for results, change management, inclusiveness/diversity

Metrics

Department/unit metrics: department sales performance to plan (TBD)
Job-specific metrics: credit account care, Customer Care Plan performance (TBD)

_____	_____	_____
(incumbent name)	(immediate manager name)	(date)

PP-2 Writing SMART Objectives

Specific: What are you trying to produce or accomplish, and how?

_____

_____

Measurable: How will you know you have accomplished the objective or that you are moving in the right direction?

_____

_____

Achievable: What resources and authority do you need?

_____

_____

Relevant: How will this objective, or goal, affect organization or department activities?

_____

_____

Time-bound: When or how often does this objective, or goal, need to be accomplished?

_____

_____

PP-3 Individual Team Member: Performance Agreement
Sample Template

Name: John Smith Position: Plant Engineer Date: January 2016

MEASURE	Targets: 2016	2017	2018

Results (Five Voices)

Customer – Ensure leading market share at strategic accounts and 10% annual growth overall.

Customer satisfaction	Regular meetings with customers		

Employee – Ensure injury- and illness-free workplace/high performance people, organization, and culture.

Safety journey			
# of OII's:	0	0	0
Quarterly safety meetings: attend	100%	100%	100%
Safety sampling:	2 visits/day	2 visits/day	3 visits/day
Quarterly Performance Reviews:	100%	100%	100%

Community – Ensure ethical, legal, and responsible business conduct

Code of business conduct	-full compliance with confirming memo-		

Owner – Ensure RONA >= cost of capital/ensure future success of organization

Reduce operating costs:	100%	100%	100%

Process – Ensure RONA >= cost of capital

Redesign plant floor for efficiency	Complete No. and Ea. Wings	Complete West Wing	Complete South Wing

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Other Performance Outcomes

Vision – Understand business unit vision and strategy.
- Ensure personal goals and behaviors support the vision.

Innovation – Reinforce an organization which supports creativity/innovation.
- Initiate new ideas to improve effectiveness.

Customer satisfaction – Maintain high standards and expectations in understanding and meeting customer needs.
- Ensure we have satisfied customers.

Trust – Maintain credibility and competence with peers and/or subordinates; treat people fairly and with respect.
- Demonstrate and maintain trust.

Organizational stewardship – Forge relationships across unit/organizational lines.
- Display stewardship.

PP-4 Individual Team Member: Performance Action Plan Template

Individual Name: Business/Functional Unit:
Objective No.: For Year Ending:

What is objective: (Describe the results to be achieved.)

Standards of performance: (How will you and your immediate manager know that the objective that you planned on accomplishing during the year has been reached?)

Key action steps and schedule: (What are the major action steps to be taken – no more than five or six steps – and when is each step to be completed?)

DP-1 Development Planning: Resource Alternatives

Option(s) Based on Specific Training and Development Need(s)

- Acting role/temporary fill-in
- Action learning modules
- Association/society membership
- Books/audio tapes/video tapes
- Committee involvement
- Computer-based training (CBT)
- Conferences
- Customer visits
- Debriefs after training (for benefit of others)
- Developmental coaching – provider or recipient of coaching
- Developmental job assignments
- External seminars/workshops
- Feedback – provider or recipient of feedback
- Formal education/advanced study
- Field visits
- Forums
- Interim assignments
- Internal seminars/workshops/training events
- Job aids
- Job enrichment – increased job depth
- Job enlargement – increased job breadth
- Job rotation/reassignments
- Mentoring
- Newsletter articles (developing, reading)
- On-the-job training experience
- Presentations
- Professional discussion groups
- Self-paced learning programs
- Shadowing/observing role models
- Special projects
- Structured on-the-job training/learning assignments
- Task forces
- Trade organizations/memberships
- Training/trainer assignments (teaching others)
- Work group learning clubs

Note: The above list is not intended to be all-inclusive. Many of these developmental alternatives are relatively inexpensive, are readily available on the job or within the workplace, and/or do not require a prolonged time investment.

DP-2 Individual Team Member - Development Plan - Template

Name: Date:

Summary of key strengths and key developmental improvement opportunities

Strengths: Developmental Opportunities:

Strength to leverage: (be specific)	Action Plan: (key steps)	Timeline: (target dates)	Results: (outcomes)

Developmental Opportunity (1) (be specific)	Action Plan: (key steps)	Timeline: (target dates)	Results: (outcomes)

Developmental Opportunity (2) (be specific)	Action Plan: (key steps)	Timeline: (target dates)	Results: (outcomes)

Future Positions, assignments, projects, and committees of interest:

CF-1 Performance Management Feedback Tool for Manager/ Supervisor

To be completed by the direct reports of manager/supervisor _____

Performance Planning	Strongly Disagree(1)	Disagree(2)	Agree(3)	Strongly Agree(4)
1. I understand how my role adds value	1	2	3	4
2. I understand essential outcomes expected of me	1	2	3	4
3. I understand essential competencies expected of me	1	2	3	4
4. I have a documented Performance Agreement	1	2	3	4
5. My goals and progress have been reviewed at least quarterly by my manager	1	2	3	4
Development Planning				
1. I have a current documented Development Plan	1	2	3	4
2. I view my development as primarily my responsibility	1	2	3	4
3. My manager devotes time and guidance to my career development needs	1	2	3	4
4. I see how my Development Plan is linked to organization goals and Performance Planning	1	2	3	4
5. My long-term career goals are understood by my manager	1	2	3	4
6. I have a reasonable idea of my career path/progression	1	2	3	4
Coaching and Feedback				
1. I have coaching and feedback discussions regularly with my manager	1	2	3	4
2. Communication with my manager is direct and supportive	1	2	3	4
3. I feel the feedback I receive helps me achieve my work objectives	1	2	3	4

4. I receive constructive feedback in my coaching discussions	1	2	3	4
5. Coaching is clearly linked to my Performance Agreement and Development Plan	1	2	3	4

Performance and Development Review

1. I have an annual documented Performance and Development Review	1	2	3	4
2. Feedback from appropriate customers, peers, and subordinates is included in my review	1	2	3	4
3. My review is based on results linked to my Performance Agreement	1	2	3	4
4. My review is based on essential competencies for my role	1	2	3	4
5. The review process helps me to understand my strengths and weaknesses	1	2	3	4
6. The review process helps me to understand my job performance	1	2	3	4

General

What would increase the impact and effectiveness of the Performance Management Process? For myself? For my team/department? Please provide specific explanation or example(s):

CF-2 Developmental Feedback: STOP START CONTINUE Behaviors

Feedback for: _____.

Thinking about your interaction with _____ during the past year, please take the time to identify specific behaviors or actions that you have observed that if shared with the above individual, would help him/her to improve his/her effectiveness:

Behaviors to **STOP**, with explanation or example(s):

Behaviors to **START**, with explanation or example(s):

Behaviors to **CONTINUE**, with explanation or example(s):

Return in a **PRIVATE** envelope to _____ by _____.
From: _____(your signature is optional for anonymity purposes)

CF-3 Developmental Feedback: Strengths and Opportunities

Feedback for**:** _____

Thinking about your interaction with _____ during the past year, please take the time to think about his/her strengths and weaknesses/opportunities relative to knowledge, skills, and abilities (KSA) demonstrated in his/her current position that if shared with the above individual, would help him/her to improve their effectiveness:

Strengths, with explanation or example(s):

Weaknesses or **opportunities**, with explanation or example(s):

Return in a **PRIVATE** envelope to _____ by _____.
From: _____ (your signature is optional for anonymity purposes)

PDR-1 Performance and Development Review - Template

Midyear Review/Annual Review Summary

Name: Department/Unit: Date:

Leader's Summary Assessment: performance highlights and key areas requiring additional attention

Strengths: 2–3 key areas

Developmental Needs: 2–3 key areas

Development Plans:
Priority action plan/results
(for Strengths/Needs)

Other Position(s)/Role(s) of interest:
Timing: Ready Now, Short/Long Term

Team Member Comments (optional)

Overall Performance Rating:
Exemplary____ Satisfactory_____ Unsatisfactory _____

Overall Potential Rating:
High Potential____ Promotable____Grow In Position____Placement Issue_____
Approval/Sign Off: Leader/Date: Team Member/Date:

RR-1 Recognition and Reward Checklist Criteria for Leaders and Managers

As a leader and manager, regardless of the type of informal or formal recognition and reward option(s) you elect to use, you will need to make sure the recognition and reward you provide is:

__ **Timely**: Provide recognition as soon as possible after the desired performance achievement occurs or the completed event takes place. Praise and encouragement will lose its effectiveness and impact with the passing of time.

__ **Specific**: Share with your team member(s) exactly what they did that was pleasing to you. Do not just say "nice job." By being specific and precise, you will help clarify and reinforce with the team member(s) what behavior(s) or action(s) to repeat in the future.

__ **Sincere:** Do not use insincere praise. By being real, genuine, and authentic, you will be able to more impactfully communicate with your team member(s) what their performance contribution really means to you personally.

__ **Individual:** Try to relate with, and focus more, on individuals – rather than groups – where possible. Reason being is that not all team members contribute equally. By doing this, you can also be more personal and specific with your words and feelings. Carefully select your opportunity(s) with individuals and groups.

__ **Personal**: Match the recognition and reward to the individual team member. Adjust your style and selection of your recognition to each receiver. Some team members will appreciate public praise, while some will prefer private conversations. If you are not certain what each team member prefers, simply ask the team member(s). Do not assume or guess – ask and confirm.

__ **Proportional**: Match your recognition and reward most appropriately to the level and impact of achievement that occurred. Effective reinforcement should be customized to take into account the significance of the achievement.

Note: The checklist guideline criteria noted above also mirrors the skills and effectiveness of leaders and managers when delivering Coaching and Feedback as part of the overall Performance Management Process. Relevance of criteria is essential for the most appropriate Recognition and Reward action(s) to be undertaken.

RR-2 Recognition and Reward

Formal and Informal Examples

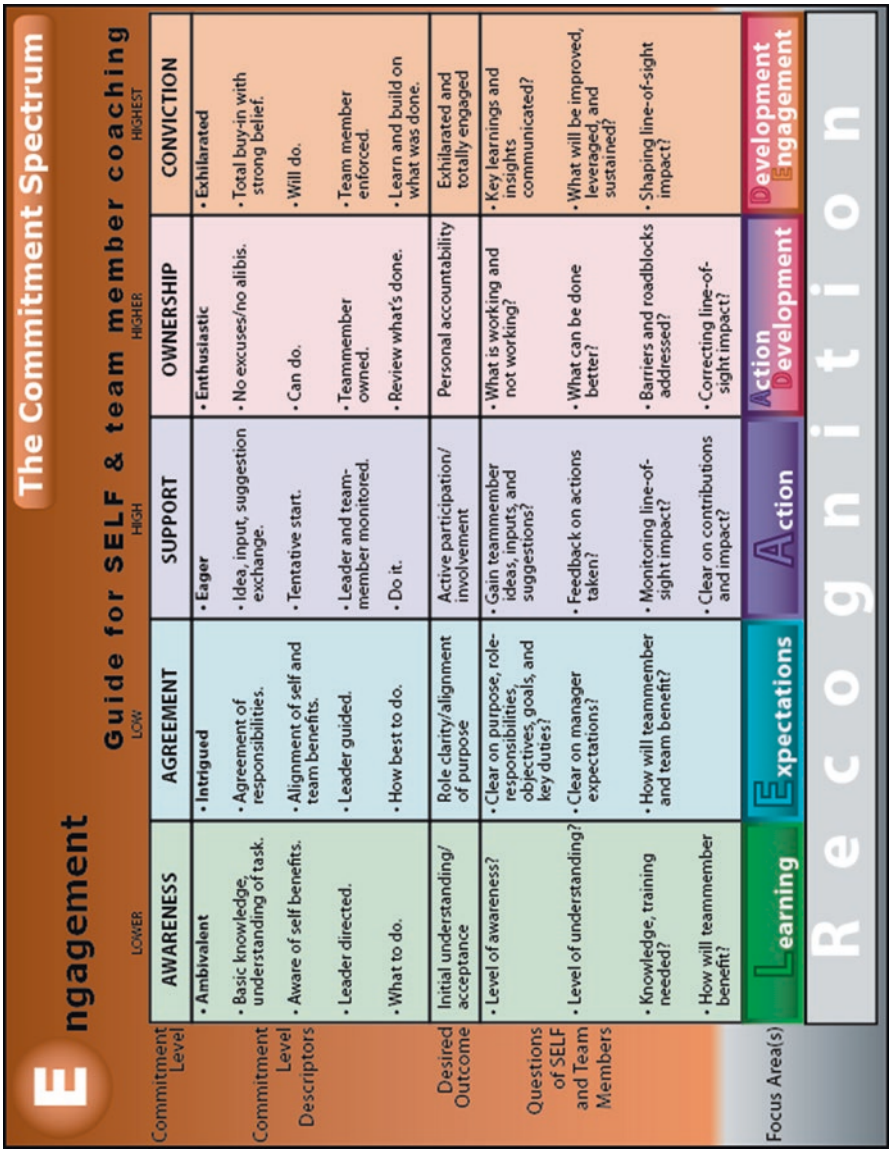
Recognition and Reward (R&R) can be formal and informal and monetary and nonmonetary-oriented. The following is a list of R&R examples – in non-priority order – that is intended to be not all-inclusive but rather is intended to stimulate creativity and provide leaders and managers with R&R options to deploy, based on appropriate strategy, needs, and timing. Purpose: provide leaders and managers with potential resource reference ideas.

Formal Recognition and Rewards may be:

- Merit pay/wage increase – for performance, criteria based, etc.
- Individual promotion – title, pay, job responsibilities, etc.
- Midyear/Annual Performance and Development Review meeting
- Bonus programs – company-wide, profit-sharing, gain-sharing, etc.
- Sales goal awards
- Special incentives/commissions
- Company milestones
- Unit/department/team awards
- Outstanding associate/team member awards
- Company contests
- Productivity or quality awards
- Customer service awards
- Safety awards
- Attendance awards
- Individual service awards/company anniversaries – dinners, etc.
- Stock ownership
- Benefits/health/fitness – total compensation and benefit plans, etc.
- Manager/supervisor Coaching and Feedback – formal, planned, etc.
- Peer acknowledgment – formal, planned, solicited, etc.
- Newsletters

Informal Recognition and Rewards may be:

- Communication – written, oral, face-to-face, etc.
- No-cost R&R – thank you, praise, job-well done, pat-on-back, etc.
- Individual/team/department/unit activities
- Public/group recognition/social awards
- Manager/supervisor Coaching and Feedback/periodic check-in meetings
- Spot awards
- Cash awards/gift certificates/cash substitutes – badges, etc.
- Merchandise/clothing apparel/food and refreshments
- Recognition items – trophies, plaques, etc.
- Fun celebrations – recognition events, achievements, milestones, etc.
- Peer coaching/peer recognition



PF-1 The Commitment Spectrum

Engagement

FLL: Assessment of SELF

Name: _____ Date: _____

1. Rate how well you energize and excite your team members about their respective role in your team.

Poor | Fair | Good | Excellent

2. Rate how well you link all team member roles and performance contributions to the overall purpose and goals of your team.

Never | Rarely | Frequently | Consistently

3. Rate how often you request inputs from all team members.

Never | Rarely | Frequently | Consistently

4. Rate how consistently you provide meaningful and challenging work for your team members.

Never | Rarely | Frequently | Consistently

5. Rate how effectively you encourage your team members to perform their best work.

Poor | Fair | Good | Excellent

6. Rate how consistently you maintain a positive welcoming environment for team members and customers.

Never | Rarely | Frequently | Consistently

7. Rate your current overall level of individual ***passion*** as a leader.

Poor 1 2 3 4 5 6 7 8 9 10 Excellent

8. Rate your current overall level of individual ***awareness of self-motivation*** as a leader.

Poor 1 2 3 4 5 6 7 8 9 10 Excellent

9. Rate your current overall level of individual ***commitment*** as a leader.

Poor 1 2 3 4 5 6 7 8 9 10 Excellent

10. Rate your leader ability to promote ***fun*** within the team.

Poor 1 2 3 4 5 6 7 8 9 10 Excellent

PF-2 Leader Assessment of Self

Appendix 2

Recommended Resource Readings Supporting Performance Management

A significant range of published literature exists relative to Performance Management – but often only in tangential and/or limited ways. Surprisingly, specific resource titles with *Performance*, let alone *Performance Management* explicitly in the title – along with a specific process implementation focus – are in relatively short supply. The noted resource list below will confirm this fact.

No one individual listed publication below offers all of the following, as does *Performance Management Success – A Best Practices and Implementation Guide for Leaders and Managers of All Organizations*:

- Features the critical interrelationship of organizational culture and Performance Management Success.
- Practical guide that offers an integrated Performance Management Process framework for achieving competitive advantage by managing organizations, processes, and people more effectively. Common framework elements include: Organization Strategy; Performance Planning; Development Planning; Coaching and Feedback; Performance and Development Reviews; Recognition and Reward; and People-Focused – Respect and Trust.
- Hands-on developmental and implementation guide that maps out critical steps for Performance Management Process success to meet organizational needs - including the identification of likely barriers to be encountered, along with solutions to help address barriers.
- Action-oriented guidelines and proven, applied principles of success based on empirical evidence opposed to emphasis on more conceptual, theoretical content.
- Comprehensive set of resource tools, techniques, lists, and appendices included in simplified format.
- Case studies to illustrate and educationally reinforce successful application of Performance Management Process framework elements.

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8

Nevertheless, publications listed below have been selected for their relevant content with linkage to various elements as represented in our Performance Management Process framework. Our intent is to equip our readers – leaders, managers, supervisors, and senior-level professionals – with a recognized and expanded set of additional resources in support of *Performance Management Success.* Please enjoy and apply selected resources based on your needs.

Barth, Tony, and de Beer, Wiaan. *Sleeping Giants – A Wake-up Guide for First Line Leaders of All Organizations.* South Florida: North American Business Press, and Amazon.com, 2012. Focus: Strategic Advantage; Culture Change; Learning; Development; Engagement; Recognition & Reward.

Bolton, Robert. *People Skills*. New York: Simon & Schuster, 1986. Focus: Communication; Interpersonal Relations.

Bradford, David L., and Cohen, Allan R. *Managing for Excellence: The Guide to Developing High Performance in Contemporary Organizations*. New York: John Wiley & Sons, 1987. Focus: Motivation; Development.

Buchholz, Steve, and Roth, Thomas. *Creating the High-Performance Team*. New York: John Wiley & Sons, 1987. Focus: Teamwork.

Connors, Roger, and Smith, Tom. *Change the Culture*. New York: The Penguin Group, 2011. Focus: Culture; Change; Strategy: Results.

Cook, Marshall J. *Effective Coaching*. New York: McGraw-Hill, 1998. Focus: Coaching; Development.

DelPo, Amy. *The Performance Appraisal Handbook*. Berkeley, CA: Nolo, 2007. Focus: Legality & Fair Evaluations (Performance Reviews).

Doshi, Neel, and McGregor, Lindsay. *Primed to Perform*. New York: HarperCollins Publishers, 2015. Focus: Culture; Motivation.

Falcone, Paul, with Sachs, Randi. *Productive Performance Appr*aisals. New York: AMACOM – American Management Association, 2007. Focus: Performance Appraisals (Performance Reviews).

Falcone, Paul, and Tan, Winston. *The Performance Appraisal Toolkit*. New York: AMACOM – American Management Association, 2013. Focus: Strategy; Culture Change; Results; Performance Appraisal (Performance Review) Template.

Hathaway, Patti. *Giving and Receiving Feedback*. Los Altos, CA: Crisp Publications, 1998. Focus: Coaching and Feedback; Development.

Hersey, Paul. *The Situational Leader*. New York: Warner Books, 1985. Focus: Coaching & Development.

Hofstede, Geert H. *Cultures and Organizations: Software of the Mind*. New York: McGraw-Hill, 1992. Focus: Organizational Culture.

Horton, Thomas R., and Reid, Peter C. *Beyond the Trust Gap*. Homestead, IL: Business One-Irwin, 1991. Focus: Integrity; Credibility.

HRB Contributors. *HRB Guide to Delivering Effective Feedback*. Boston: Harvard Business Review Press, 2016. Focus: Feedback; Performance Appraisals (Performance Reviews).

Kaplan, Robert S., and Norton, David P. *Balanced Scorecard: Translating Strategy into Action*. Boston: Harvard Business School Press, 1996. Focus: Strategic Advantage.

Katzenbach, Jon R., and Smith, Douglas K. *The Wisdom of Teams: Creating the High-Performance Organization*. New York: Harper Business, 1994. Focus: Teamwork.

Kerr, Steven, Editor. *Ultimate Rewards: What Really Motivates People to Achieve*. Boston: Harvard Business School Press, 1997. Focus: Engagement; Motivation; Recognition & Rewards.

Kotter, John P. *Leading Change*. Boston: Harvard Business School Press, 1996. Focus: Change; Strategic Advantage.

Kouzes, James M., and Posner, Barry A. *The Leadership Challenge: How to Get Extraordinary Things Done in Organizations*. San Francisco: Jossey-Bass, 1996. Focus: Drive for Results; Communication.

Kouzes, James M., and Posner, Barry A. *Encouraging the Heart: A Leader's Guide to Rewarding & Recognizing Others*. San Francisco: Jossey-Bass, 1999. Focus: Trust; Interpersonal Relations; Recognition & Rewards.

Lawler, Edward E. III. *High Involvement Management*. San Francisco: Jossey-Bass, 1987. Focus: Communication; Teamwork; Engagement.

Morrisey, George L. *Management by Objectives and Results for Business and Industry*. Reading, MA: Addison-Wesley, 1985. Focus: Management Execution; Motivation.

Peters, Tom, and Austin, Nancy. *A Passion for Excellence*. New York: Warner Books, 1989. Focus: Change Leadership.

Peterson, David B., and Hicks, Mary Dee. *Leader as Coach: Strategies for Coaching and Developing Others*. Minneapolis: Personnel Decisions International, 1996. Focus: Coaching; Development.

Rummler, Geary A., and Brache, Alan P. *Improving Performance: How to Manage the White Space on the Organization Chart*. San Francisco: Jossey-Bass, 1995. Focus: Manage Execution; Process Improvement.

Schienle, Kathleen. *Achieving Goals*. Irvington, New York: Hylas Publishing, 2007. Focus: High Performance Goals; Goal Setting.

Schein, Edgar H. *Organizational Culture and Leadership: A Dynamic View*. San Francisco: Joseey-Bass, 1987. Focus: Organizational Culture.

Shelton, Ken. *Integrity at Work*. Provo, UT: Executive Excellence Publishing, 1999. Focus: Trust; Integrity.

Stanier, Michael Bungay. *The Coaching Habit – Say Less, Ask More & Change the Way You Lead Forever*. Toronto: Box of Crayons Press, 2016. Focus: Coaching; Communication.

Ulrich, Dave; Zenger, Jack; and Smallwood, Norm. *Results Based Leadership*. Boston: Harvard Business School Press, 1999. Focus: Drive for Results.

Want, Jerome. Corporate Culture. New York: St. Martin's Press, 2006. Focus: Culture; Strategy.

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He is also the author of two works of fiction, both of which are available on Amazon.com:

Pinelands Predator © 2016.

Hidden Plunder © 2016.

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A.L. Barth, W. de Beer, *Performance Management Success*, Management for Professionals, DOI 10.1007/978-3-319-64936-8

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