



# **Trends in Performance Management**

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Throughout my career, one of the most dreaded processes in any organization is the Annual Performance Review. Once the Performance Reviews are introduced, staff members cower as if hearing nails on a chalkboard. There is fear in the air during the entire review period.

The employees fear the unknown. What is the purpose of the review? Do I have to do a self-assessment? What does my manager expect? Should I rate myself high or low? When am I going to get this completed along with all my other projects?

Supervisors dread the Annual Review as well. It's another project added to their already overflowing schedule. Additionally, they are just as uncomfortable as their employees about the process. What should they expect? Should they rate employees high or low? And the biggest question of all...how do I talk to the employees about their performance?

The underlying problem is that the Annual Review doesn't truly deal with annual activities. In most cases, it only takes into account the employee's performance in the most recent past. Unless you are dealing with a "problem employee," there is little to no documentation made of the employee's performance throughout the year. And in the problem employee's case the documentation is mostly negative. How can that be fair?

While preparing my notes on Performance Management, I attended a conference where the concept of the Ongoing Performance Review was promoted in nearly every session. Things like the regular "Check-In" were discussed and promoted. The Check-In covers things like Expectations, Feedback and review of Growth & Development goals and ends as quickly as it begins.

Ongoing Performance Management is not a fad. The concept was introduced to organizations nearly ten years ago and is still getting push back even after many major corporations have proven it to be a success. As we learn the traits of the workforce of the future we find that real-time feedback is high on the list of desires for Millennials, Gen Z and even with a growing number of Gen X workers. If we intend to keep these key groups of employees engaged we need to provide them with the work experience they desire and that includes timely feedback.

Organizations all over the world are moving to the Continuous Review because the increased communication and interaction results in greater productivity and reduced turnover. Therefore, helping to make the corrections needed to get to the goal. More and more companies have been making the shift and introducing regular one-on-ones with their staff and instigating real-time feedback. When conversations between the manager and employee are frequent they are less intimidating. Employees are more likely to open up and engage in productive communication.

Why is the Ongoing or Continuous Review process preferred over the Annual Review? Imagine, if you will, playing a ball game (basketball, football, whatever) and going into half-time without knowing the score. How does the coach help the team make the corrections required in order to win the game? You have to know your stats in order to know what you are doing well and what needs improvement. That's what the Annual Review does, it handicaps you by taking away your ability to make the small corrections throughout the year. The Continuous Review is a way to use all your time-outs and half-time to make the corrections to win the game. The Continuous Review puts your team in a better position to win.

"Coaching is about human interaction and trying to know your players. Any coach would tell you that."  
Bill Parcells

This quote from Bill Parcells on its own could apply to any corporate environment. The difference is our managers don't see themselves as coaches. Coaches are confident in their knowledge, skills and abilities. They lead and direct their team members with confidence and they inspire their players to try one more time. Managers enforce rules and approve time off requests. They forget that they made it to manager because someone saw that they have a talent they want multiplied in the organization. We need to also Check-In with our managers to help make them more effective.

By regularly touching base with each team member, we learn of the daily wins and losses that could affect the outcome of our year. A known challenge to any review process is that the Managers need to buy-in to the process but they don't. Is it because we haven't trained them to know the process and to be confident in their abilities?

"I think the most important thing about coaching is that you have to have a sense of confidence about what you're doing." - Phil Jackson

To ensure these regular performance reviews are providing value, companies should start training managers on how to conduct meaningful performance reviews. After all, without appropriate training and assistance, managers won't be in the best position to coach and guide their employees, meaning that the company isn't likely to progress or advance as desired.

Training managers will instill a confidence in their abilities which, in turn, will bring a confidence to their direct reports. Teach them the best way to give good feedback and let them know what they can and cannot say to employees. Make the training fun and do it regularly. Bring the managers together over a lunch-n-learn to train in live scenarios. Have them role-play and share their recent experiences during regular check-ins with the other members of the management team. Once they are confident in their abilities, it will be easier for the managers to buy-in to the process as a whole. People will follow a confident leader. If you have questions about how to get started, contact CS3 Advisors and we will help you create a plan that is right for your organization.

General Electric and Microsoft have been leading the charge to strip out complex annual appraisals, ratings, and competency assessments. Instead, they focus on regular, quality performance conversations and feedback. The movement to foster genuine relationships between managers and employees and to rehumanize business is gaining steam.

As continuous performance management becomes more widely incorporated, companies are starting to realize that the nature of the meetings are just as important. The check-ins should be helpful and inspiring. These conversations need to be future-focused, high-quality, and developmental in nature.

According to Jon Birdsong from Wideangle.com the perfect structure of a one-on-one meeting follows his 10:10:10 rule. That is 10 minutes for the employee to speak, 10 minutes for the manager to speak and 10 minutes focused on the future or upcoming week. While Alex Turnbull from Groove would suggest a much less structured approach suggesting the meeting is informal and happens regularly on a schedule that fits your team. Either way the meeting should be something your direct reports can count on. When an employee knows their manager is blocking time for them, they will look forward to getting that face time. The more regular the meetings are, the more beneficial they become.

At CS3 Technology, we can count on a weekly status call for each of our active projects. This is where we take the temperature of the team to ensure everyone is still on the same page. But I also have a daily check-in with my manager. We both work from home (she's in Texas and I'm in Oklahoma) but we touch base each morning and again at some point later in the day. Much of our communication is via instant messenger but, when the topic requires, she or I will pick up the phone and have a voice to voice conversation. Risking redundancy, please note these regular communications help us know when something is off and make it easier to have what used to be awkward discussions.

Here is a list of things you might provide your employees to help them know what they can address in their meeting.

- Ask for help where needed - employees need to know it's okay to ask
  - Need access to a program or file?
  - Need help shifting / prioritizing some of your responsibilities?
  - Need Help to meet a deadline?
- Address issues in the workplace
  - Let the manager know if there are issues with a colleague
  - Maybe a teammate did something that deserves praise
- Ask for feedback
  - Just finished a project and want to "debrief" to find what went right and could be done differently next time

Managers might consider using the same or a similar list in these meetings too.

- What can I do to help you?
- What struggles do you face?
- What can I do differently that would make your job easier?

I once worked for a CHRO who regularly asked me for 3 wins and 3 challenges. Initially, these were hard to name. But once I realized this was going to be expected of me, I began to keep record of my wins and challenges. Not everyone experiences the euphoria of crossing an item off a list like I do but there is something VERY rewarding about moving an item from the challenge column to the win column.

In today's world, everything is "agile." Project managers are studying to make their processes more agile. Agile is something that is constantly evolving through collaboration. Agile is a tree that doesn't break when the wind of adversity comes against it. Agile leaps hurdles and adapts and grows with you. It is alive. Everything about business is changing very rapidly. Your performance reviews need to also be agile so your business can get a better look at the future and be prepared for what is coming on the horizon.

My desire is that you are able to inspire your organization move from the old ways of the stagnant Annual Review to the ever-evolving process of the Continuous Review. We've all heard something similar to the Kenichi Ohmae quote, "Rowing harder doesn't help if the boat is headed in the wrong direction."

A boat can be far off course if you wait too long to refer to your compass.