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A Critical Look At Performance

Management Systems

Why Don't They Work?

# Bacal & Associates & McGraw-Hill Announce The Release of Performance Management

By Robert Bacal

We are proud to announce the release of ***Performance Management*** - a book designed to help managers, supervisors, executives, employees and human resource professionals navigate the performance management journey.

Most companies play at performance management and appraisal, use up valuable time and other resources in the process, and create only a fraction of the value they could receive if they did it properly.

Performance Management is the comprehensive source on how to get top performance and value from each employee, in a workplace climate designed to stimulate greater productivity from both managers and employees.

Much more than just a guidebook on post-performance evaluation, ***Performance Management*** will show you how to:
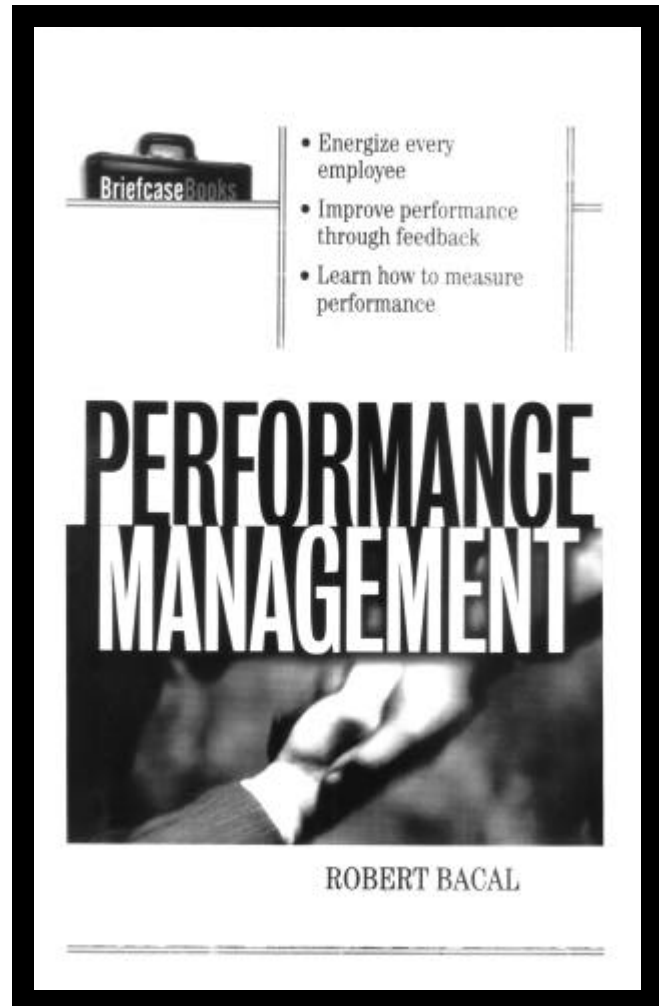
- Conduct goals-focused performance planning meetings, then follow them up with performance appraisals based on unambiguous data.
- Foster a true commitment to success within each employee —instead of just compliance with little understood rules that create distrust.
- Establish programs for managers and employees to work together and build upon existing positive performance.

You can achieve performance levels once thought unattainable — but only when managers and workers set up clear lines of communication and understand how their jobs contribute to both their own goals and the goals of the organization.

From The Author - Why Another Book On Performance Management?

When I was asked to write this book, I asked myself whether the world needed yet another book on performance management and performance appraisal. There has to be hundreds if not thousands. After some thought I realized that despite all the books already out there, somehow we (in companies and organizations) weren't "getting it". I get to talk with many people in my consulting, public speaking and training work. And the story I keep hearing is consistent.

- Managers don't like doing performance management and appraisal and avoid it like the plague.
- Employees hate performance management and appraisal with what approaches a passion.
- Human resoures personnel spend a lot of their time "bugging" managers to get the paperwork done.
- Huge (I mean huge) amounts of time, money and energy are spent either doing performance management badly, filling out forms, or avoiding it.
- It's expensive. The costs are certainly in the millions.

Most of the time the investment of money and time is WASTED. What happens is a paperchase is created, where there may be lots of activity and few good outcomes. In fact, sometimes the results of many performance management activities are DESTRUCTIVE and damage productivity and workplace harmony.

Above all, my conversations and work indicated we have missed the point. We think of performance management and appraisal in the WRONG way. If truth be told we've lost our way and forgotten that performance and productivity are determined by PEOPLE, and that managing performance and performance appraisals is a human process. It's about people, pure and simple. NOT forms, NOT rankings, NOT rewards, but about people and clear respectful communication that takes place within a partnership between each manager and employee.

So, I thought that, yes, the world does need yet another book on performance management and appraisal. Not because it hasn't been said before, but because we've forgotten it has been said. So I wrote this book!

Our intent (and I include my editors and the folks at McGraw-Hill and CWL Publishing) was to create a readable, yet meaty book for managers, supervisors, human resource professionals, academics and students.

Written informally, it's an enjoyable read, but is specific enough to guide people through the process without watering down the ideas. It's meaty enough to be used in university settings.

I think we have succeeded in creating a book which is practical but not dumbed down, and a book that will be valuable to everyone in any kind of organization. Whether you have a performance management system now, whether it works or not, you will benefit from this book. It will help you refocus your energies on performance activities that will count!

Robert Bacal, M.A.

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Forward

<u>*Introduction To This White Paper*</u>

This is the second in a series of *Public Sector Manager White Papers,* and is designed to help managers develop their knowledge and understanding of topics important to public sector management success. If you work in another sector besides government, you will find the ideas in this book useful, since the principles of performance management are the same whether we talk about manufacturing, service or other sectors.

Our topic this time is performance management. We must tell you up front that this is not a step-by-step guide to making performance management work in your workplace. Our experience has been that a step-by-step, lock-stepped approach fails more often than not.

What you are going to find in this White Paper is a challenge to conventional thinking about performance management. While it would have been far simpler to have written a conventional guide about performance management, this would only have amounted to supporting a process that has failed organizations, managers, and employees. More important, my own experience and those of managers and employees would have been ignored.

Background

Since we are going to discuss issues that may contradict traditional ideas on the topic, it is important that you understand what amounts to a seven year journey that has shaped my thoughts on the matter.

When I joined the Civil Service Commission of Manitoba as a design consultant, my first task was to re-write a course called *Setting Standards of Performance.* This course was part of a series of courses designed to help managers implement performance management. I laboured at this task for some time, researching, and talking to people to become acquainted with the principles of performance management. In the end I managed to re-write the course to address some training concerns and to make it more "friendly". Then, I went out to teach it.

When I sat in my office, doing the re-design, everything made sense to me, since above all, performance management is a logical, rational process. However, when I had to teach it to others I found that there were often times when I could not deal with specific questions posed by attendees. I was grateful when another trainer took over responsibility for the training. He, at least, seemed to be much better at phrasing those thorny standards of performance. I assumed that my inexperience was the source of my difficulty. I was never sure.

The provincial government had developed a performance management policy, and an ill-fated manual that eventually found its way into the dungeons of the Department of Finance. The Civil Service Commission had trained hundreds, probably thousands of managers and supervisors in performance management.

But everywhere I turned, I heard the sounds of failure. In one of my courses, I asked participants how many had had a performance review within the past year. Three people raised their hands. Sixteen sat immobile and one said "What's that?". In my organization consulting role, I would, on occasion have to ask a manager about their performance management system. More often than not, the manager would respond that such a system was in place. When asked about the details it was apparent that the system wasn't used. Sometimes a manager would admit there wasn't one at all and "we need to get one sometime".

That matched my own experience as an employee. Working for three different directors, across six years, I had two performance reviews, and one was conducted by the Assistant Deputy Minsiter (like a senior Vice-President).

It was obvious that something was wrong. But what? I knew that I was seeing almost no indication that performance management was alive and well, despite investment of training and the development of a government wide policy REQUIRING it.

I worked on a consulting project to design a department wide performance management system, and while this helped bring some issues to the fore, it provided no answers, only more questions.

It has been only recently that some of the pieces have fallen into place. I don't claim to have all the answers, but I think I know some of them. I only was able to uncover some of the issues through contact with ideas that helped me put performance management into a wider organization context. Work by Crosby, Deming, Rosabeth Moss Kantor, Tom Peters and Bob Waterman helped to supply the raw material for what you are about to read.

A Preview

From my experience and those of other managers and employees, I noticed the following:

Generally, managers and employees don't really like performance management.

Managers don't do it regularly.

Paradoxically, many who didn't like it or didn't do it thought that it was a great idea in principle (but they still didn't do it).

I could find no relation between the use of performance management and organizational success. Use of traditional performance management did not guarantee success, and some organizations that didn't have much of it at all seemed just fine.

I concluded that:

There must be something wrong with the concepts underlying performance management.

Traditional performance management no longer fits what we might call the new vision of the effective organization. People see it as irrelevant, or rarely helpful.

It is impossible to find a formula for performance management that will work each and every time. When performance management works, it is a result of highly developed management and inter-personal skills, not the system.

In many settings traditional performance management is a waste of time.

There must be a better way.

This White Paper is a result of seven years of personal confusion about the issues. I think you will find some of it startling. I hope that you take on the challenge of confronting your own "traditional" ways of thinking about performance management, and that you can use this as an opportunity to design alternate management tools to do what traditional performance management is supposed to do.

Chapter 1

Traditional Performance Management - The Theory

There are countless variations on the details of what we can call traditional performance management. We are going to construct a composite that reflects the literature on the subject so that we can look beyond the superficial logic of the traditional approach.

What we are going to find is that while performance management can be described as absolutely logical, the assumptions underlying it that relate to organization effectiveness are somewhat flawed. We will also see that traditional performance management contains many excellent notions, but that the positive things about it are lost in a morass of conflicting purposes that usually guarantee that it will not work.

Overview

Performance management approaches are generally described within the context of a Managing By Objectives framework (MBO). While some writers discuss performance appraisal independent of such a framework, there is an awareness that appraisal must be anchored to functions like strategic planning, goal-setting etc.

Generally, an MBO system includes the following components.

1. Development of role & mission statement.

2. Establishing strategic goals/strategic plan.

3. Defining key results areas.

4. Establishing indicators of effectiveness, goals, or organizational objectives.

5. Establishing, or negotiating individual employee objectives.

6. Establishing performance standards for each objective.

7. Action planning for each employee.

8. Periodic measurement and assessment of status of each objective/standard.

9. Coaching/training to remediate deficits.

10. Some form of evaluation or assessment done formally and included in an employee's record.

Different writers use different terms, or add, subtract or modify the sequence of steps. Some systems, for example, include the writing and maintenance of job descriptions, some do not do so explicitly.

Within an MBO system the performance management process pertains to the management of individuals, beginning with the assignment of individual objectives through to the final, formal assessment process.

What Is Performance Management Supposed To Accomplish?

The literature regarding MBO and performance management suggests a plethora of benefits and purposes that are designed to make organizations more effective. We can summarize them as follows:

1. Increases management control over work and results.

2. Increases management ability to identify or "red-flag" problems early.

3. Links employee objectives and functions to overall organization objectives, thereby creating a sense of contribution for the employee.

4. Motivates employees by allowing them input into and ownership of their objectives and standards of performance.

5. Enhances communication by ensuring there is clear understanding of management expectations about results.

6. Supports remedial action or disciplinary action because a breach of standards can be defined objectively and in a measurable way.

7. Provides a system where feedback can be given to employees on a more objective basis, and not on management's subjective criterion.

8. Provides objective criteria that management can use to make decisions regarding pay scale, and promotion.

9. Provides a centralized record of performance for each employee, usually kept in the personnel office.

Doubtless you can add more to the list, but these are the common ones in the literature.

A Critique

In the next chapter we will examine issues related to how performance management systems are implemented, and some of the problems associated with the logistical, and practical sides. For now we will confine ourselves to examining the claims for performance management, the assumptions underlying the approach, and assessing whether this system is as logical and sensible as it seems.

There is no question there is a compelling surface logic for the steps in an MBO or performance management system. And, the benefits and purposes cited for such a system are intuitively compelling. There are very few managers (or employees) who would disagree with any of the functions or results supposedly associated with performance management. Keep in mind that while most agree with the concepts, few actually implement them.

We are going to suggest that performance management systems are based on a number of assumptions or premises about what effective organizations do, and what is required to make organizations work effectively.

What Does Performance Management Assume About Organizations & Performance?

1. An Additive Model For Organization Performance

Performance management systems are based on the assumption that an organization's success is a result of adding together all the individual outputs. In an American Management Association film, a leading authority of the time suggests "if person A and person B and person C do their jobs, the organization's results are A+B+C. Manage each individual's results, and you succeed."

While it may have once been the case that this was true, current research indicates that an organization succeeds as a result of the interaction of people, not the simple adding together of results. The whole is not simply a sum of its parts, but in a well managed workplace the parts interact to create the successful organization. Whether you read the accounts of *Tom Peters, Rosabeth Moss Kantor, Edward Deming, Philip Crosby, Bob Waterman* or others others, the conclusions are clear. Organization success is based on synthesis, not adding results.

2. Focus on Results And There Will Be No Problems

Performance management assumes that if you focus on results, that you are much more likely to succeed. It makes sense... set goals, reach goals, and you get what is desired. The problem is that a sole focus on results neglects organizational and system issues that need to be in place for the results to happen. Again, the assumption is that somehow if you are clear about results, effective systems will emerge magically to bring those results to reality, or that leadership will be effective.

We know this is not true. While results ARE important, an examination of the process required to achieve these results may be even more important. Total Quality initiatives have brought this to the forefront. North American companies, focusing on results, quotas and output have gotten skunked

in the market place and one reason is that they have been less able to provide the necessary conditions for quality output. There is an increased understanding that problems related to an organization's output are more often related to poor management of the systems, or the WAY work gets done, rather than problems with the people. In short, organizations set up barriers for the people to do their work. They do that by exclusive focus on short-term, immediate results.

3.   Involving People In Goal Setting Is Motivating

Intuitively true. People do appear to want to have more control over their job tasks. Unfortunately, research suggests that this conclusion may be unwarranted. In Managing Organizational Behaviour (Tosi, Rizzo and Carroll, 1986) some interesting results were reported. In a study by Carroll & Tosi (1973) results indicated that *"subordinate participation in setting goals did not result in higher levels of perceived goal success nor in more favorable attitudes towards a superior or toward management by objectives"*. It may be that in some situations, employee involvement is seen as positive, and in others not.

Research aside, the simple act of involving employees in the setting of their OWN objectives is not sufficient. This is because employees are still uninvolved in the setting of organization goals and objectives that, by and large, DETERMINE their personal objectives.

For example, executives generally set overall goals for an organization, and then individual employees are given some control of what they will do, personally to achieve these goals. If the overall goals make no sense to the employee, management is only offering a choice of doing one stupid thing or another stupid thing (at least that can be the perception).

Let's make it concrete. Departmental executives determine that a particular branch "needs" to move to another building. The manager of that branch, using a performance management approach, allows employees to choose activities and set standards and schedules related to the tasks. Employees can pack files, communicate the change to clients, or choose from a number of tasks. So, while employees have control over the smaller tasks, they are NOT in control of the overall direction or decision. If the decision seems arbitrary, no amount of choice about tasks will convince an employee that they are in control, or contributing to a worthwhile task.

4.   You Can Measure Results Objectively AND Meaningfully

If you have ever tried to set meaningful standards of performance that are "measurable and observable" you will know how difficult it can be. If you have ever been involved in a performance dispute that goes to grievance, you will also realize how absolutely difficult it is to measure work, or document the findings.

What people find is that the more precise the standard, and the more objective the standard, the more likely it is to seem silly, or not capture the essence of the task or objective. Let's look at an example.

Consider the case of a person that processes driving license renewals, and deals directly with the public. This is a good example because at first glance, it appears that one can set quantitative objective standards.

Discussion between supervisor and employee results in the following initial standard.

Process license renewal applications at an average rate of 20 per hour with no errors.

Upon reflection the supervisor realizes that this standard does not account for customer satisfaction. Further discussion results in adding a "no complaints" clause, but it is somewhat complicated. Often irate customers will complain despite the best efforts of the employee. The employee is not willing to have his or her formal evaluation reflect things that are uncontrollable. A compromise is struck and it looks like this.

Process license renewal applications at an average rate of 20 per hour, with no errors and generate no legitimate customer complaints regarding rudeness, uncooperativeness or poor service.

Now we have a problem. By adding the clause regarding legitimate customer complaints, a new element has been added. Now, subjective judgement must be exercised. Now there is room for interpretation, and the manager is required to judge whether a complaint is "legitimate" or not. The standard is no longer objective.

We could carry this example to the point where the standard resembles *War & Peace,* but the point here is that the more quantifiable and measurable a standard is, the less relevant it becomes. It is easy to measure the trivial, but it is very hard to measure what is important in an objective way.

Even well written standards have an appearance of objectivity but require subjective judgments. This is problematic for performance review, and disciplinary action. Many public sector managers have found that even when standards are in place, it is impossible for disciplinary action to occur, because the standards "violated" were far more subjective than they initially appeared.

5.   Coaching & Evaluation Can Co-exist

Another important assumption is that a manager can evaluate performance, thereby affecting things like classification, salary, and promotion, while at the same time functioning as a coach to improve performance.

It is possible, but highly unlikely that a manager can fulfil both of these functions. Possible if there is a high degree of trust between manager and employee, but that trust is hard to create.

The reason is that it is rare for an employee to be completely open about his or her incompetence in a particular area, particularly when there is a possibility that the manager will a) record that incompetence for posterity; and b) use that information to make decisions about the future of the employee. Without the information from an employee, it is difficult for a manager to coach for improvement.

Book learning suggests that an employee will self-evaluate, and in fact this is anticipated in some performance management schemes. There have also been suggestions that an employee will be

tougher in evaluating him or herself than the manager might be. Do we honestly believe that each and every employee will work with a manager to improve performance, thereby exposing failures and inadequacies? It happens, but you can't count on it.

A research study conducted by Meyer (1975) asked employees to rate themselves relative to their peers. Thirty-seven percent (37%) of accountants rated themselves in the top 10%. Forty-six percent of a blue collar group rated themselves in the top 10%. At no time did any significant number of people rate themselves as below average. Obviously you can't have 100% of people above average. Other studies corroborate this tendency for people to see themselves in a favourable light compared to others.

We don't want to place too much emphasis on this research, but it makes the point that self-evaluation can be problematic. In addition, it is difficult to establish the degree of trust necessary for a manager to wear the evaluator's and coach's hats.

To quote Odiorne:

"Take the common appraisal questions which ask the subordinate to list for the boss his principal weaknesses. Who but a fool would hand his boss any of his real weaknesses on a silver platter? The question practically demands that anyone with his wits about him lie like Judas."

Conclusion

We need to reiterate that on the surface performance management appears to be a logical, rational approach to organization success. The problem is that it is based on assumptions that do not bear up under scrutiny. We have describe a number of these assumptions, and we would like to add the comments of Odiorne, from his book *Managing By Objectives* (1968). He describes the following limitations:

1) It can't appraise and completely identify potential. The system deals only with performance on the present job.

2) The system presumes that the man and his boss will together establish suitable standards that will serve the company well.

3) It implies that the boss understands the strict limitations on what he is supposed to do, and will refrain from playing God.

4) In action, it often aggravates a problem that appraisal should help to solve. It stresses results alone and doesn't provide for methods of achieving them.

OK. Maybe performance management isn't perfect, but nothing is. That's fair. And, as you read the discussion above, you may have mustered some points of your own in support of performance management. Good. We've made some progress.

Based on the above discussion, it would still be foolish to throw out the whole concept. There is

more. The next question we are going to examine is whether performance management has a downside. Does it send the WRONG messages?

Is There A Downside to Performance Management?

Ist it possible that traditional performance management programs cause problems for organizations? The answer is a resounding yes. The performance management system conveys to people in an organization how work is to be performed, and communicates, often unintentionally, values and organizational culture. More specifically, traditional performance management systems can foster a lack of collective responsibility for the achievement of organizational goals, encourage competition rather than cooperation, and can impede the development of effective teamwork.

Just as important is that traditional performance management purports to empower employees, allow self-control and self-evaluation, allow participation and involvement, and increase the meaningfulness of work. More often than not these results do NOT occur, resulting in a reduction of the credibility of the manager, and subversion of the manager's ability to lead.

The Message: You Are Responsible For Your Work

Since we live in a very individualistic society, it is not surprising that we eagerly embrace the idea that each person should be responsible and accountable for his or her work. I'm sure you agree.

Performance management is designed to enhance this personal responsibility. BUT, at the same time, it implies that you are not responsible for the work of others, OR, by extension, the work that is done by others that may be important to the organization as a whole. Performance management, by focusing on individual responsibility, reduces an employee's responsibility to the organization, and to activities that are not "his or her job".

This is no trivial or philisophical issue. Again, if we look at the research about successful innovative organizations, we find that a distinguishing characteristic is that employees feel a strong responsibility for almost everything that goes on. They want to be involved, they contribute ideas, they function in a team context because they see the achievement of overall organizational objectives as more important than the achievement of their own objectives. They see the forest AND the trees.

Let's illustrate. A receptionist is responsible for answering the phone within some specific standard. Other employees do not have this responsibility. Unfortunately there are occasions when the phone rings and the receptionist is otherwise engaged with another client, phone or other important task. It is no uncommon for other employees who happen to be in the area to ignore the ringing phone, because it isn't part of their jobs. This response is common and often occurs unconsciously.

The result is that the phone goes unanswered, or the receptionist must do some juggling which may result in someone getting upset.

The point is that while performance management systems don't tell others NOT to answer the phone, the performance management system doesn't encourage them to do so. Because that function "belongs" to someone else.

The Message: Compete For Resources

In a performance management system employees are evaluated based on the achievement of their objectives (and standards). The payoff for employees is to get their things done, at times, competing for resources to the detriment of the achievement of other people's objectives.

In the government organization where I worked it was common for a person working on a project to hoard books and materials needed to complete their objectives, often without telling anyone they had done so. Things just disappeared, sometimes for months at a time. The hoarder benefited by making sure that his or her objective could be achieved, while others suffered because of this very short-sighted approach.

It happens more often than you think, and it results from the emphasis on individual achievement rather than corporate results. Performance management systems tend to send the message implicitly. Nobody intends it.

The Message: Work As A Team But You Get Hung

Modern managers are realizing that teams are important to the achievement of organization objectives because many tasks are too large or complicated for one person to handle. So they encourage people to work in teams. Usually, though, a manager committed to performance management will want to designate one person to be both responsible and accountable for the project, a team leader if you like. As one manager put it, "I want to know who to blame if this goes screwy".

Now this sends some messages. It says to the team leader that he or she is to harness the energy and skills of the team, but if the team fails, the team leader hangs. This encourages the team leader to revert to individual mode when the team is not succeeding. It is not uncommon for a team leader to end up doing a great deal of the work, thereby negating the purpose of the team in the first place.

A second message is sent to team members who are not uniquely responsible for team outcomes. A team member is less likely to commit to the team if it is clear that there is only praise or blame for the team leader. In the situation where a team member must choose between working to achieve a team goal, or working to achieve a personal objective that he or she is responsible for, the choice is clear. The team will suffer.

Traditional performance management does not encourage a focus on cooperation, teamwork and the "big picture". It has a tendency to fragment an organization, or to use Rosabeth Moss Kantor's terminology, it causes segmentation.

Message: Let's Pretend

The truth of most workplaces is that the manager has the ultimate power to make work-related decisions. This is simply the way we set up organizations. The best performance management

systems encourage employees to be involved in decisions that involve their objectives and standards, and many managers make a special effort to make use of this input. They solicit, they encourage, they do all manner of neat things to tell employees that their ideas are important, and that employees can and should control their own work.

That's nice, but it doesn't wash. Employees know that if push comes to shove, it is the opinion of the manager that will win out. Despite the fact that the manager encourages the employee to self-evaluate, the employee knows that the manager will make the final assessment.

What performance management systems involve is getting everyone to pretend that this is not so. The message is:

> **Let's pretend that we are equal in power and control, and pretend**
> **that our inputs carry equal weight.**

If we sell performance management as a participative process, sooner or later employees will realize that it isn't quite so participative as it seems. This engenders a great deal of cynicism and accounts for the fact that in many organizations, performance management is seen by employees as unpleasant and negative. No amount of dressing up changes the reality of the power imbalance.

Now, employees recognize the legitimacy of the manager's position. The power imbalance is not the problem. The problem is pretending that decisions and evaluations are made on the basis of equal power. This pretending causes an erosion of trust and manager credibility, as the employee, who may have initially bought into the performance management system, finds that it is the manager's opinions that will prevail.

Some Conclusions

Even without looking at the logistics and practicality of traditional performance management, it is clear there are problems. Each of these problems could be remedied with some creative modifications of the system, but not without sacrificing something. Make standards measurable, and you waste time on the trivial. Make standards more subjective and you can't use them for disciplinary purposes. the more you stress individual responsibility, the more you reduce collective responsibility. If one person owns an objective, by definition, nobody else does.

We close with a comment on what must be going on in your head. You either have a system that appears to work or know of one. If performance management is so bad, how can this be? It must succeed and does succeed sometimes!

First it is rare that performance management systems are evaluated properly. We assume they work. Second, where it is clear that a performance management system works well, you will invariably find a manager with superior interpersonal and leadership skills. Good managers can make almost anything work. Where it succeeds, it succeeds because of this, not because of anything intrinsically wonderful about a traditional system. One hazards a guess that managers who can make performance work so well would bring success to the organization even if there was NO performance management of any consequences. An excellent manager can use a performance management system as a tool. No performance management system will make a poor manager into a good one.

Chapter 2

Performance Management - The Practice

Discussion of theory, concepts and logic are interesting, and I hope you found the last chapter a source of challenge to your thinking about performance management. But how do real managers and employees use and perceive the traditional performance management systems?

In my travels as a consultant and trainer, I have had the chance, usually not at my request, to receive information about the way performance management is used in organizations. I am going to take the liberty of recreating some quotes from people, and share some observations. I have organized them by topic.

Frequency Of Planning and Review

My manager stopped doing annual reviews as soon as I reached the top increment level in my pay range. That was 6 years ago.

I don't have the time to spend with my staff planning and reviewing. I am far to busy these days, and l know I should do them, but something always pops up.

I've been here 9 years and haven't had a formal performance review.

As a personnel administrator, I have to bug managers to send in the paperwork...they never do it when they are supposed to and it drives me crazy.

I don't have the time to spend with my staff planning and reviewing. I am far to busy these days, and l know I should do them, but something always pops up.

Comment

These and other comments suggest that many managers do not see the benefits or importance of planning and review, and avoid it like the plague. It is not uncommon for managers to look at the appraisal or annual review process as an exercise in paper shuffling, done to satisfy the personnel office, or an executive. Employees know this, since it is communicated in many subtle, and sometimes unsubtle ways.

On Executive and Management Performance Management

I want a system that my managers can use with their employees. I don't expect to have to use the system with my managers... we don't have the time.

*I can't set standards for **my** management job. It's easy for a clerk, or a secretary, but my job is far too complex.*

Comment

Executives and managers don't usually buy in to having their own performance managed, even though they expect employees at the bottom of the ladder to be involved. There is a realization, on a personal level, that it is too time consuming, too complex and too difficult to make performance management work with their positions. On the other hand, they feel there "should" be a way of applying them to others.

This lack of commitment to performance management across the board destroys any credibility for the system. If the big cheeses don't want to use it, why should we?

Managers on Appraisal

I hate it. No matter what I do, employees feel attacked. I try but it is never pleasant.

I don't like judging people, so I let the employee write up the formal evaluation, and unless it is horribly off base, l just sign it and send it on. Besides, they need to be able to self-evaluate.

Comment

Most managers look upon evaluation and appraisal as unpleasant or uncomfortable. Some hang in there, some abdicate totally.

Employees On Appraisal

I once failed to complete what I thought was an important project. It was a "priority one". I thought that the manager would chastise me, since I really had screwed up. When we got to the objective, all she said was "Never mind, it wasn important... maybe do it next year.

I hate appraisal meetings.

Comment

Some managers don't want to make a big deal about missed objectives. Of course, this makes it hard to take any of the process seriously.

On Training and Career Development

Part of what we do is work with the employee to determine where they want to go in their career, and what training they need. Unfortunately, eveyone is plateaued and there isn't any money for training.

Every year I sit down withh my manager and we write down training and career goals that fit for me. The manager is very good about it. I never get the training, and I can't get promoted...but it isn't the manager's fault.

Sometimes I don't know why we go through the exercise.

Comment

Despite the fact that performance management rhetoric stresses training and development, and that people do take time to identify training needs, the reality is that the resources needed aren't available. Employees accept this, but develop a cynicism about the whole enterprise.

On Participation & Goal Setting

I wish my manager would just tell me what to do. He's going to anyway, sooner or later.

I like setting my own objectives, but it seems that emergencies and crises keep happening, so often I can't get to do what I had planned.

Sometimes I get frustrated with including employees in the process. You would be amazed at the number of people who think they can do something they can't. Sometimes I have to put my foot down, and say no.

Comment

Some people don't want to be involved, for one reason or another. There seems to be a sense that objectives and standards are often influenced by day-to-day events. Does this render them obsolete before the ink dries?

To these quotes and comments, I should add that employees also voice support for knowing what is expected of them. One thing of interest is that managers who actually do performance management seem to have a more positive perception about it than their employees. Usually employees will

voice their real opinions out of ear shot of their manager, to "set the record straight".

Assessment of Performance Management In Practice

Based on my experience, I come to the following observations about performance management as it is practiced.

1. Many people support its principles but few do it properly.

2. Executives and managers tend to see its relevance for others, but not themselves.

3. The process often becomes a ritual of paper-pushing rather than something of real relevance.

4. There is a high degree of cynicism about the process, particularly on the part of employees.

5. Performance management seems so logical until real people have to make it work. When the reality sets in people find a way to bail out.

6. Organizations look to performance management as something that will help fix almost any problem you can imagine. The reality is that it fixes almost no problems you can imagine. In general, it doesn't:

    *   make disciplinary action easier
    *   automatically result in better communication
    *   protect manager or employee

There are exceptions. A top manager can make it work. A lousy manager can't.

7. Managers don't really see it as important. If they saw it as important they would invest the time.

Why Does Performance Management Fail?

You would think that policies, rules, complex procedures and so on would result in more and better use of performance management techniques. Managers all know it is important (but not that important) and employees generally like to know what is expected and to know how they are doing. Still, it doesn't look good.

The points raised in the previous chapter suggest that there may be some things fundamentally wrong with the assumptions underlying traditional performance management. There are other reasons why performance management has not fulfilled its promise, and these reasons relate to the way it is practiced. We are going to look at performance management "in use" to examine the source of problems.

Confusion of Purpose

The design of almost anything is related to its function or purpose. Whether the "thing" being designed or used is a hammer, a vehicle, or a performance management system, the greater the functions we want to build in, the more likely that the tool will involve compromises that reduce its efficiency in any specific area. Not only that, but when we want a tool to achieve many purposes, some of those purposes may contradict each other.

For example, if you set about to develop a vehicle that getd *65* miles per gallon of gas, AND is able to haul huge oak trees across the country, you are going to be in big trouble. If you attempt to build such a beast, you will end up with a vehicle that doesn't do either job very well—perhaps a four cylinder semi-trailer, that can only go three miles an hour.

That's probably a good description of performance management—a four cylinder semi.

We expect traditional performance management to do far too much, particularly when you consider the contradictions inherent in what we expect. With a small bit of reflection we can see that it is unlikely we will succeed using the same tool to both plan a career path (a cooperative venture), and document poor performance for the purpose of disciplinary action (an adversarial situation). Employees don't buy it. Managers don't buy it. Contradictory functions result in a loss of credibility of the system, not to mention reduced credibility for the manager.

Lack of Executive Commitment

Commitment is a funny thing. It's easy to talk like you are committed to something, but it is quite another thing to use your time to demonstrate your commitment. What we tend to find is that executives and top level management look at performance management as desirable but not applicable to their jobs, or their immediate subordinates. They simply don't want to do it with those that report to them.

This causes two problems. First, it sends a message throughout the organization that performance management is not taken seriously. Second, it guarantees that subordinate managers will not be held accountable for performance management for their employees, since it isn't built into their own objectives and standards.

Just to add to this, the construction and management of performance management systems is often delegated to the personnel department. Personnel staff are expected to nag managers into the process by asking for the paperwork.

In short, a lack of executive involvement in the process results in a perception that performance management is not take seriously, and a lack of accountability for performance management on the part of subordinate managers.

Desire For Uniformity

When performance management is introduced on a large scale—for an entire department or division, there is a tendency to expect that it will be applied uniformly across all job classifications and job functions. Generally, what happens is that a "system" is developed, which may consist of a small set of instructions, and an "official" form or forms that must be completed according to some internal regulations. Each manager is expected to follow the same process.

Now, we can understand that a bureaucratic organization thrives on standardization, and that no personnel department wants to file appraisals written on toilet paper. But, the questions is, does one size fit all?

The answer is no. Performance management should be seen as a tool that is used to the benefit of the employee, and the organization, where the organization is represented by the manager. Its success stems from the ability of the employee and manager to generate common understanding of expectations. It is above all an inter-personal process.

By standardizing performance management across people, job tasks, and classifications, the manager and employee are restricted in terms of finding the best way to undertake performance management for them as individuals. An excellent manager will tend to develop an informal performance management approach that works for him or her and the employees, and only comply superficially with the departmental requirements.

Bureaucratization of the Process

When we talk about bureaucratization of the process we are referring to the situation where performance management becomes an empty paper creating exercise to satisfy the requirements of the personnel department. When managers and employees do not understand the purpose of performance management, and are given rules and forms to complete (see above), they tend to treat the process as one that meets the needs of someone else, not their own. They carry out the minimum requirements (maybe), and no more. And minimal paper requirements are not sufficient to improve performance.

Without the commitment of executive to use performance management with their subordinate managers, and with the delegation of the responsibility of performance management control to personnel, you virtually guarantee this result. An empty paper chase that everyone perceives as a waste of time.

Lack of Incentives/Resources

In practice, performance appraisal rarely results in meaningful rewards for employees. Managers have little to offer employees in a period of economic restraint, where there is a lack of development resources, promotion options and a viable pay for performance system.

While organizations may differ in how they use merit increases, it is not uncommon to find that increments up the pay scale are virtually automatic. Employees expect them, and usually receive them unless they physically attack their manager. As such, normal increments have no incentive value because they are seen as the normal state of affairs—almost an employee right. Special merit increments (eg. a double raise) are about as rare as dinosaurs. While special merit increments are, in theory, useful as incentives, they are not used. In a recent year, the Manitoba Civil Service Commission approved 2 special merit increases. With approximately 17,000 employees, it is clear that this mechanism is not operating to reward superior performance in the jurisdiction.

Coupled with the lack of resources for training and development, and the lack of career opportunities in the public service (or other sectors), the manager is left with little to offer to reward positive performance. This sends a message. It says:

> *We want you to perform well, even spectacularly, but sorry, we can't*
> *actually give you anything even if you are very good. But, if you*
> *screw up, then we might have to punish you.*

This situation results in employees looking at performance appraisals as holding a great deal of risk, with very little prospects for reward. This colours the process, and casts a negative, protective tone for performance appraisal.

Standard Setting Problems

Very few people set performance standards with any level of expertise. Either job requirements are forced into "objective" descriptions that lose the purpose of the requirement, or they are written so loosely that they are worse than useless.

This isn't a criticism of managers or employees. Standards setting, as we mentioned in a previous chapter, is impossible to "get right". You can get close to "right" if you spend an inordinate amount of time learning how to do it, but in practice this is uncommon.

Appraisal Method Problems

Perhaps the most serious reason why performance management fails is the misuse of appraisal reporting methods. Managers tend to want a way of summarizing performance that is quick and easy to do, so that it can be completed and sent somewhere else. The result is that you see appraisal assessment instruments that are far more likely to create employee hostility than employee improvement. We are going to look at several methodologies that we have seen used.

The Kindergarten Report Card

One way managers report on employee performance, both to the personnel office, and to employees, is to use some sort of rating process. Generally, the manager uses a form that has a number of items. For each item the manager rates the employee on some scale, often numeric, from poor to excellent. Once the form is complete, the manager can add up the ratings and create an average performance rating that is supposed to mean something (numbers always look more objective).

The items used for assessment range from the silly to the ridiculous and often resemble things you would find on a kindergarten or grade school report card. For example:

1) Works well in teams.

2) Is courteous and polite.

3) Shows good work habits.

Now, just in case you don't see the problem here, we will explain. Ratings of this sort are not useful in improving performance because the items used are too generic, lack behavioural referents, and involve such subjective judgments that they create more argument than consensus. You can't link them to performance standards, even if you have them, and you can't use them to support disciplinary action. If it goes to grievance, you lose. Actually everyone loses.

This rating approach also violates a critical "rule" of evaluation or appraisal. Rating scales of this sort tend to assess the person rather than his or her work behaviour We know that when appraisal crosses the line and evaluates personality and style, or other loosely defined characteristics of the person, the person being rated is bound to be upset. This destroys the climate of trust needed to improve performance. We might add, at this point, that almost everyone sees themselves as above average. Tell them they are below average, and you create problems (even if you are right).

In case you are thinking that these things are important, we want to state that we agree. However, the assessment of these "qualities" has no place in a formal assessment process. Informal discussion, yes, but not part of a written record. These assessments are far too subjective, open to interpretation and damaging, to include in a formal system.

The Comparison Method

Some organizations report on performance by comparing an employee to his or her peers. Typically, the manager will evaluate an employee by designating them as average, below average or above average. Or, the manager will apply some numeric scale (eg. top 10%, top 50%*).*

Now, this method carries no useful information to the employee to help him or her improve. As with the kindergarten method, the approach is so subjective as to be worse than useless, creates hostility, anger and resentment, and cannot be used in documenting performance problems. It also assumes that you can compare people in some meaningful way. Unfortunately, each person works in a slightly different context with different constraints.

The desire to find quick and dirty methods for capturing and reporting on performance has resulted in systems that are destructive. It is possible for a manager to augment these kinds of evaluation methods with meaningful discussion, but this can be done without using ranking methods at all.

It is no wonder, given these kinds of approaches, that managers and employees alike see performance management as a waste of time.

Lack of Training Support

Performance management involves the application of highly developed interpersonal and communication skills, and the ability to generate meaningful standards of performance. Where performance management systems are used, it is typical for managers and supervisors to receive minimal training, with employees receiving NONE. Both managers and employees need extensive training to make it work, and quite honestly, there is almost never sufficient executive commitment to performance management to result in sufficient resources being allocated. This is particularly true for employees, who are rarely equipped to cooperate with managers because they simply don't understand what performance management is for, or even how to go about doing it.

Summary

In the past two chapters we have attempted to outline some of the theoretical and practical issues that contribute to the inability of most performance management systems to achieve the purposes for which they are intended. We contend that most systems do not work well because of some conceptual problems, and some very practical problems regarding how performance management is implemented.

Perhaps the most important point in all this is that performance management systems, as they are used now, do not meet the organization's needs for improved performance in a difficult world. The world has changed, the work place has changed, and we know that an organization, to be successful, must have better system in place to improve performance.

We have spent time discussing the problems with performance management, but we acknowledge that organizations need something to ensure that work gets done. In the next chapters we are going to begin the process of defining what that "something" might look like. First, we are going to discuss some of the research on what makes organizations successful. Second, we are going to establish criteria or "standards" for what we call an effectiveness enhancement system. Third, we will suggest some alternative methods to meet these standards, and thereby enhance performance.

Chapter 3

The New High Performance Organization

Introduction

In the last two chapters we discussed the possibility that traditional performance management systems are not generally effective in achieving the purposes they are designed to fulfil.

We think that performance management should be considered as a service to internal customers, and that the only way this service can succeed is to take into account the needs of the customers that are affected by the process. We can define these customers, in no particular order, as:

- the employee

- the supervisor

- the manager

- executive

- the organization

We suggest that if a performance management system is to work, it must be developed and implemented so it meets the needs of these customers. We also suggest that one reason performance management fails is that the system, itself, is often taken from a book or other prescriptive source, and doesn't take into account the needs of the customers in the particular workplace.

In a later chapter we will discuss the employee, supervisor, manager and executive as internal customers to the process. Right now, though, we need to look at the organization as a whole to determine its needs. The question we need to answer is:

What does the organization need in order to improve collective and individual performance?

The New High Performance Organization

There is now sufficient research and evidence to suggest that the organization of the present and the future, is different from the traditional organization of the last decades. Successful organiza-

tions look different than those from the past, and they look different from organizations that are not successful. From the works of Tom Peters, Rosabeth Moss Kantor, Bob Waterman, Philip Crosby, W. E. Deming, and others we can suggest that organizations need to develop an organizational culture with a number of characteristics. We are going to look at these qualities, for the purpose of designing a set or requirements for what we are going to call a effectiveness enhancement system.

Integration

In her book called *"The Change Masters",* Rosabeth Moss Kantor identifies a characteristic of successful innovative organization. She found that the most innovative organizations are characterized by integration, while those that are less innovative tend to be segmented. She explains:

...innovation is associated with a particular way of approaching problems that I call 'integrative': the willingness to move beyond received wisdom, to combine ideas from unconnected sources, to embrace change as an opportunity to test limits. To see problems integratively is to see them as wholes, and thus challenging established practices—rather than walling off a piece of experience and preventing it from being touched or affected by any new experience. " (p 27)

More specifically, Kantor suggests that integrative organizations:

- consider the wider implication of actions (eg. the effects of an action on other parts of the organization)

- reduce rancorous conflict and isolation between organizational units

- create mechanisms for exchange of information and new ideas across organizational boundaries

- ensure that multiple perspectives will be taken into account in decisions

- provide coherence and direction to the whole organizations

A Team Orientation

From a number of sources, there is a recognition that many functions simply cannot be undertaken properly by a single "star performer", and that the high performance organization is characterized by an orientation towards teamwork. Consistent with Kantor's suggestions, this team orientation suggests that organizations need:

- contribution to the organization as a whole (or specific teams) to be valued above individual success.

- an environment that supports internal cooperation rather than internal competitiveness

Absence of Fear

Deming, in his writings on Total Quality Management, stresses the importance of "driving out fear". His suggestion is that organizations with employees who are fearful of making mistakes will be unable to identify the source of mistakes since they will be hidden, or information will be withheld.

Focus On Process & Results

Again, from the Total Quality Management literature, high performance companies are not only driven by results, but are able to examine their processes and systems to improve them. This is based on evidence that indicates that the majority of problems with results are caused, not by individual performance deficits, but by systems and procedures that are designed to cause those errors.

This links up well with the notion of integrative problem solving. A process or system, to be improved, requires the input and involvement of many players, scattered throughout an organization. One person can't do it alone.

Communication

In any study of successful companies you find that communication is the linch-pin for success. Briefly, effective communication results in:

- clear understanding of how each employee's functions contribute to the achievement of the goals of the organization.

- clear understanding of what supervisors and managers expect.

- a climate that supports open discussion of mistakes without blame or fear.

- communication, from employee to manager, that helps the manager help the employee contribute to the organization. in other words, managers must know how to help employees and the only way they can do so is to solicit information from the employee.

Emphasis On Learning

Work by Tom Peters indicates that successful organizations stress the importance of employee development. Peters suggests that an organization can only succeed to the extent that its employees can continue to learn new skills. While there are instances where development per se is encouraged, we suggest that development relevant to both the organization and the employee is desireable.

Conclusion

These are some of the characteristics of high performance organizations of the present and the future. We present them because a performance management system must foster these qualities, if the system is to make the organization, and its individuals more effective. In the next chapter, we will begin the process of using this information to develop a set of "specifications" for our new performance management system, so that it is linked to the goal of improving organizations. We are also going to redefine the function of what we are going to call the Effectiveness Enhancement System.

Chapter 4

The Effectiveness Enhancement System

Introduction

We are going to set out the requirements for a system that is designed to:

meet the needs of the organization for increased effectiveness,

and

meet the needs of the customers of the system — employees, supervisors,

managers, and executives.

But before we do this, we need to consider the issue of terminology. It is unfortunate that the term performance management carries a great deal of surplus meaning. To many, the words, and the process are looked upon in a negative way. We need terminology that highlights that the new way of doing things is not the old way.

That is why we suggest that we do away with the term performance management, and replace it with something that reflects the functions of the new system. We have chosen the term *Effectiveness Enhancement System (EES),* because it reflects what the system is for: to continually improve the effectiveness of organizations and people.

Establishing Requirements

If we want to develop an Effectiveness Enhancement System, we need to define its overall purpose, and the things it must accomplish so that it can succeed in increasing effectiveness for both the organization and the individual. We also need to be clear about what a system will NOT do, so that we don't repeat a problem with traditional performance management — trying to accomplish too many conflicting purposes.

A Definition

We are going to begin with a simple, and rather vague definition of the Effectiveness Enhancement System.

An Effectiveness Enhancement System is a set of processes whose sole purpose is to in-

crease the organization's ability to deliver service to its clients.

By itself this definition isn't that helpful in trying to determine what this "system" would look like. As we establish the requirements of the system, we hope that it will become clearer.

The Requirements

We are going to use information from the last chapter to establish the requirements for the new system. We want our Effectiveness Enhancement System to help create the conditions for organizational success.

> *1.   An Effectiveness Enhancement System must provide coherence and direction to the whole organization.*

What this means is that the EES system must make clear how an individual's work fits in with the goals and objectives of the entire organization. It is NOT sufficient to specify job tasks and functions. It is more important that the employee understand that his or her job is to "contribute to the organization's success", and be clear about how that success is defined.

> *2.   An Effectiveness Enhancement System must reduce internal competition for resources, and stress the cooperative nature of effectiveness.*

Traditional performance management focuses on the individual, and his or her ability to complete tasks and functions that are assigned. This contributes to competition for resources, and, in some cases, to the notion that success for one person means that another person must be less successful. We want to move away from the Win-Lose scenario that can be found with employee ranking systems. The Effectiveness Enhancement System must highlight that "effectiveness" means contributing to the success of other organizational members.

> *3.   An Effectiveness Enhancement System must result in driving out fear.*

This requirement is a complex one and needs some elaboration. As we have mentioned earlier, traditional performance management systems in government tends to be seen as unpleasant, and, well, nerve-wracking. Why is this the case?

First, traditional performance management tends to focus on the individual, isolated from the system in which he or she works. When a standard of performance is not achieved, what happens in practice is that the manager focuses on the employee. Even managers with highly developed inter-personal skills have difficulty in conveying that the purpose of the evaluation is to improve performance rather than to assign blame for the breach of standard.

Second, in traditional performance management, one of two things happens. If the employee is deemed to have performed well, the person is generally not rewarded in any meaningful way. The

employee may receive the standard yearly increment (if not yet at the top of the scale), but this is expected. However, if an employee's performance is deemed as below standard, disciplinary action may ensue. Denial of an increment has a greater impact in terms of creating fear, than does granting an increment impact upon reducing fear.

In short, if an employee performs well, nothing much happens, but if an employee is deemed to be performing badly, all kinds of bad things can happen. This colours the perceptions of the process, and creates fear.

We are going to suggest, then, that we must look at an Effectiveness Enhancement System differently, so as to reduce the fears associated with appraisal, evaluation, and the threat of denying an expected benefit.

We are going to suggest a radical solution to this issue of fear. It is necessary to de-couple the effectiveness enhancement function from the evaluation and disciplinary function. That is, the effectiveness enhancement process is NOT used to document areas of poor performance for the purpose of disciplinary action, and neither is it used to determine increments or salary levels.

While this seems extreme, it recognizes that a manager cannot fill the role of coach and helper, while at the same time wielding the stick of discipline.

It has another benefit. When appraisal is coupled with effectiveness improvement, it "pushes" the employee into being less than honest. There is a fear that bringing inadequacies to the fore will result in negative consequences for the employee. If you eliminate the link between openness and punishment, you increase the possibility that the employee will work with you to enhance effectiveness.

There is more to driving out fear, so let's look at the next "requirement" since it relates to this issue.

4. Effectiveness Enhancement must focus on the improvement of process.

Some experts in the field of Total Quality Management suggest that errors or problems are largely caused by processes, procedures and methodologies rather than individuals not doing their jobs. Often systems make it impossible for employees to carry out their responsibilities to standard.

Therefore, effectiveness enhancement processes should allow a forum for examining the systems that prevent employees from succeeding, rather than focusing on the adequacies or inadequacies of the individual.

Not only does this approach have greater potential to improve the organization's performance and success, but it also has the benefit of reducing the fear that an employee experiences related to performance appraisal. In short, we want employees to realize that the focus is not on how they have screwed up, but how the system can be changed to help them not screw up.

*5.	Effectiveness Enhancement Systems must provide a mechanism for improving a manager's ability to help each individual employee.*

One critical function for a manager is to be able to remove barriers to success for the employee. This requires that the manager work with the employee to identify the nature of those barriers. Sometimes, these barriers are related to systems, sometimes related to other people (eg. co-workers), and sometimes, they are related to the manager him or herself.

In traditional performance management, what tends to happen is that the manager and employee work together to evaluate progress. It is less common to find that the information flow goes from employee to manager. More specifically, the effectiveness enhancement system must allow for the employee to give feedback to the manager on the degree to which he or she is helping or hindering the employee's success, and how the manager can change to be more effective in this area.

Without this information the manager is unable to improve. And since effectiveness is a function of the employee, the system and the manager all linked together, enhancement is unlikely without this critical feedback mechanism.

*6.	The Effectiveness Enhancement System must ensure that the employee understands the expectations of the manager, and the organization.*

One positive concept drawn from traditional performance management is that it is important that employees understand exactly what is expected from them. In practice, the idea that you can spell out results in detail without constraining the employee is problematic.

In an Effectiveness Enhancement System, specification of quantitative measurable standards may go by the boards.. .or it may not. If we are correct in our conclusion that the more one specifies the details of performance, the less relevant the standards become, then we must look for alternatives to generate common understanding between manager and employee. In the next chapter we will deal with this issue in more detail, but for now, let's consider that the means for ensuring this understanding must be individually negotiated between employee and manager or supervison One size does not fit all!

*7.	The Effectiveness Enhancement System must also ensure that each employee understands the expectations and needs of co-workers.*

Because organizational effectiveness is based on the ability of its members to cooperate so the sum is greater than the whole, it is important that each employee understand what their co-workers expect and need from them. Add to that the notion that most tasks in a modern workplace affect others, or require others, we can not overstate the importance of providing a mechanism or forum for this type of communication to occur.

Traditional performance management treats co-workers as irrelevant to the establishment of expectations.

*8.	The Effectiveness Enhancement System must be oriented towards the future, and not towards the past*

W. Edward Deming, acknowledged expert in Total Quality Management, has characterized traditional methods of managing performance as akin to "driving while looking only in the rear view mirror".

While traditional performance management systems tend to look backwards as part of the appraisal, Effectiveness Enhancement Systems must look forward, to anticipate barriers and problems related to effectiveness, identify system problems that might impede progress, and problem-solve. However, what has occurred in the past serves as data to input into the forward looking process.

*9.	The Effectiveness Enhancement System must highlight and recognize the contribution of the individual to the success of others.*

Again, the issue of teamwork and cooperation. Employees will take their cues about the value an organization places on teamwork and cooperation from the performance management or Effectiveness Enhancement System. Performance management, by virtue of its focus on individual results, does not usually encourage teamwork.

The Effectiveness Enhancement System must do so. When an employee contributes to the success of a project someone else is working on, the system must be able to identify that contribution, and reward or celebrate it.

*10.	The Effectiveness Enhancement System must stress the idea of collective responsibility for organization success, rather than individual responsibility for specific objectives.*

Once again, we see the emphasis on the achievement of team goals and creating desired results for the organization rather than exclusive focus on the achievement of individual objectives.

*11.	The Effectiveness Enhancement System must stress the importance of problem-solving as opposed to appraisal or blame.*

This relates to the notion of driving out fear, but also is critical in determining the ability of the organization as a whole to improve. Blaming, or holding someone responsible for a breach is not likely to engender finding a solution to prevent a problem from happening again.

*12.	The Effectiveness Enhancement System must provide a method of communication that is frequent enough to allow for continuous improvement.*

Traditional performance management has been crippled because it usually specifies a minimum standard for communication, and that minimum standard usually consists of a once-a-year appraisal and performance planning meeting. This is totally inadequate.

An Effectiveness Enhancement System must provide for regular communication, formal, and informal, so that problems can be identified as they occur, and remedial action taken. Regular communication is also important because the manager is expected to be aware o{ and knowledge-able about the activities of staff.

> *13.	The Effectiveness Enhancement System must provide a forum for the discussion of factors that impede success regardless of whether these factors are measurable or easily measured.*

Traditional performance management stresses the use of standards of performance that are measurable, or quantifiable. This is a restriction on the ability of the manager to bring to the table issues that must be addressed to enhance effectiveness, but are not easily measured.

Managers need the ability to address bona fide factors that affect performance without these restrictions. Since Effectiveness Enhancement is de-coupled from the disciplinary process, this should cause no problem, provided the manager recognizes the importance of differentiating arbitrary managerial preferences from bona fide effectiveness factors.

Additional Requirements

The requirements listed above relate to how the Effectiveness Enhancement system must function in order to increase an organization's ability to provide service to its customers. They "come from" our more modern understanding of what makes organizations work.

There are, however, some other requirements that are needed, that relate directly to the implementation and practice of Effectiveness Enhancement. These stem from our understanding of change, empowerment, and how bureaucracies work.

> *1.	The Effectiveness Enhancement System must be defined and implemented on a work unit basis.*

The actual details and characteristics of the system must be defined by what the manager, supervisors and employees need to enhance performance in a particular workplace. This can vary considerably from branch to branch or work unit to work unit.

In very practical terms, it is futile to expect that a universal system implemented across an entire department with many people, will meet the needs of those people and sub-units. What happens is a compromise that can end up serving only those that move the paper around.

> *2.	The specifics of an Effectiveness Enhancement System must be defined by those that use it — managers, employees, and supervisors.*

When a system is developed based on a "model" of performance management, it tends to lack the ability to meet real needs in the real workplace. It also generates no ownership of the process, and above all, an Effectiveness Enhancement System will succeed or fail based on the perceptions of the people that use it.

3. The Effectiveness Enhancement System must be sufficiently flexible to accommodate the preferences of individuals in the organization so that they receive what they need from the process.

Each person is somewhat different in terms of what he or she needs to help them contribute. A system that demands conformity to a set format or approach will, inevitably, result in some employees/customers finding it useless.

What Effectiveness Enhancement Is NOT!

We need to be clear about what the system must avoid so that it can succeed. As we have pointed out before, one problem with traditional performance management systems is that they try to be all things to all people. Often contradictions in these purposes result in none of the results being produced.

Most of the following have been hinted at before, so we will present a short list.

1. *Effectiveness Enhancement is not a disciplinary process, neither is it a means of determining salary level. Use something else for those purposes.*

2. *Effectiveness Enhancement is not a lock-stepped process where everyone in an organization is expected to follow the exact same procedures and use the same forms.*

3. *Effectiveness Enhancement is not, and cannot become a paper-driven exercise. The emphasis is on developing common understanding, not filling out forms.*

4. *The personnel department cannot determine the system, the forms, or the procedures, although they may be considered as "customers" of the system (see next chapter).*

Summary

In this chapter we have attempted to use the information we have about effective organizations to develop some requirements for a new way of enhancing both organization and individual effectiveness. On the next pages, we present a summary of these requirements.

While we may have a better idea of what we need (and don't need), we haven't yet addressed what such a system would look like, or how you as a manager can create a new process. Given the requirements that we have described, we believe that it is futile to tell you what you should do, since that suggests that there is a best format, a best set of procedures, and a best set of techniques or tools.

We can, however, suggest a means of getting the answers that you need to make Effectiveness Enhancement Systems work. That information is not available from consultants, or from books. It's right outside your door. The only way an Effectiveness Enhancement System will work over the long term is if it meets the needs of its "customers". In the next chapter we are going to discuss this process.

Effectiveness Enhancement System Requirements

An Effectiveness Enhancement System will:

1. *Provide coherence and direction to thc whole organization.*

2. *Reduce internal competition for resources, and stress the cooperative nature of effectiveness.*

3. *Help "Drive Out Fear".*

4. *Focus on the improvement of process.*

5. *Provide a mechanism for improving a manager's ability to help each individual employee.*

6. *Ensure that the employee understands the expectations of the manager and the organization.*

7. *Ensure that each employee understands the expectations and needs of co-workers.*

8. *Be oriented towards the future, and not the past.*

9. *Highlight and recognize the contribution of the individual to the success of others.*

10. *Stress the idea of collective responsibility for organization success, rather than individual responsibility for specific objectives.*

11. *Stress the importance of problem-solving as opposed to appraisal or blame.*

12. *Provide a method of communication that is frequent enough to allow for continuous improvement.*

13. *Provide a forum for the discussion of factors that impede success, regardless of whether these factors are measurable or quantifiable.*

In addition, the Effectiveness Enhancement System:

14. *Must be defined and implemented on a work unit basis.*

15. *Will have its specifics defined by those that use it — managers, employees, and supervisors.*

16. *Must be sufficiently flexible to accommodate the preferences of individuals in the organization so that they receive what they need from the process.*

And, Effectiveness Enhancement is NOT:

17. *A disciplinary process, neither is it a means of determining salary levels.*

18. *A lock-stepped process where everyone in an organization is expected to follow the exact same procedures and use the same forms.*

19. *A paper-driven exercise.*

20. *Controlled by the personnel department.*

Chapter 5

Enter The Customer — Designing Your System

Introduction

Simply put, the only way that your Effectiveness Enhancement System is going to work is if its format, procedures, and even its functions be designed to meet the needs of the "customers" that the system must serve.

That is why we have stayed away from giving you a set of procedures and forms to use, since any attempt we might make is bound to miss the mark. The question is how do you hit the mark, and the answer is simple. Allow the users of the system to define its purpose and function within the context of organizational and individual effectiveness enhancement.

The last sentence is important. We want to use the information from the "customers" to define a relevant and useful system, but we don't want to introduce elements into the system that create contradictory functions or procedures that result in the system failing.

There is another reason to focus on organizational and individual improvement as we seek out the information we need to design an Effectiveness Enhancement System. By establishing this as an ultimate purpose, we make it easier for users of the system to answer our questions. It provides a beginning and a context and helps people understand what you are getting at.

Step 1 - Defining Your Customers

In a previous chapter we suggested that the "customers" of the system include:

> the manager
> supervisors
> employees (no supervisory responsibility)
> executive (or your boss)
> personnel department staff

We suggest that you place these in some priority order, based on simple criteria:

Who are the people most likely to cause the system to fail (or succeed)?

Or

Whose needs must be met to make the system work?

If you apply these questions, it will probably be pretty clear that the manager, supervisors, and employees are the key players. Ignore their needs and the game is over.

Since we have suggested that an Effectiveness Enhancement System should be implemented on a work-unit level, as opposed to a departmental level, we will assume that you stand at the top of your work-unit. As such you need to consider whether the approach you take with respect to performance management or effectiveness enhancement will impact on your boss. This will depend on your organization — sometimes your boss will have some definite ideas as to what he or she wants you to do with respect to performance, and sometimes not. We would hope that you would have enough leeway to do it in a way that is meaningful provided it creates no "effectiveness problems" for your boss. In any event, you have to make the call as to how much input you need to get from the person above you in the hierarchy.

We have included the personnel department as a potential customer, because some, or even many personnel departments expect that you will follow a standardized process that results in a written report of some kind. You should be aware, though, that personnel departments tend to have a different agenda regarding performance management. While personnel departments may be well meaning, THEY are not responsible, or accountable for the effectiveness of your branch or work-unit. They are responsible for fulfilling their responsibilities, however they see them. Sometimes this results in a central system that is more of the nature of a "paper chase", than a system that helps you and your staff do your jobs better.

If you are part of an organization that expects you to submit particular forms to the personnel department for the purposes of performance management, you are going to need to figure out how their expectations, and demands will co-exist with your need for a proper means of improving effectiveness. It would be wise to discuss these issues with personnel, but be aware that they may be resistant to any "non-standard" procedures. We will discuss this further in a later section.

In any event, we suggest that you define your primary customers as:

- **manager (probably you)**

- **supervisors reporting to you**

- **employees**

These primary customers must be consulted in the design process, and their needs incorporated in the system.

We suggest that you consider your boss, and the personnel department as secondary customers. The main purposes of communicating with these customers is to:

- **define your degrees of freedom**

- **manage their expectations**

- **market your system, and the process for designing it**

Consider incorporating their expectations so long as they do not result in reducing the ability of the system to enhance the performance of the organization and individuals.

Step 2- *Defining Your Own Needs As A Customer*

We will assume that you accept the idea that the purpose of the Effectiveness Enhancement System is to assist the organization and individuals to improve, and that a major part of your job is to figure out how to help your employees.

If you start from that point, you can identify your needs. Consider spending some time generating endings to the following statement.

In order for me to help my employees and my organization enhance effectiveness I need the following:

To help you complete this sentence you may want to consider some or all of the following questions. You may also want to add your own.

What information do I need to fulfil my responsibilities (eg. responding to my boss, or other clients)?

What kind of information do I need from my employees? How often do I need this information from employees?

How often do l want to provide feedback and coaching to employees? (What am I comfortable with)?

What "requirements" are imposed upon me regarding paperwork associated with performance management?

Do l want feedback FROM my employees regarding my own performance and ability to enhance effectiveness in the organization?

What kind of feedback do I want from employees?

How often do I want/need that feedback?

Do I require a standardized system, or am I comfortable with altering the system to suit individual

employees?

Keep in mind that your purpose here is to determine what YOU need to accomplish this goal, NOT what your employees, or supervisors need. Do not project your ideas about what staff require to do their jobs more effectively. After all, they are the critical customers of the Effectiveness Enhancement System, and there is no substitute for asking them directly.

Step 3-Identifying What Your Supervisors Need

If you have supervisors reporting to you, you need to recognize that a new effectiveness enhancement system is going to have to fit their needs. In your local organization, supervisors are customers of the enhancement system in two ways. First, as employees, they need the system to help them become more effective. Second, as supervisors they need the system to help them help their employees.

Perhaps the best way to identify the needs of supervisors is to meet with each one privately. You may also want to discuss performance management with a group of supervisors, but we suggest that you first have individual meetings. After you have met with each supervisor individually, then have a group meeting where you present the information you have collected back to the entire group. You can then use the group context to darify issues and needs, develop consensus regarding what an effectiveness enhancement system must accomplish.

In the individual meetings ask the supervisor the following questions:

In terms of the way you and I work together to enhance your effectiveness, what do you need from me?

If we were to change the way we do perfomance management around here, what would you want to

alter?

What would make it easier for you to help YOUR staff become more effective?

Step 3-Identifying What Your Employees Need

Remember that we have said that the only way an effectiveness enhancement system will succed is if the needs of the customers of that system are met. While your expectations and needs are important, as are those of supervisors, employees, must also "buy into the system". In a sense, they need to be the focal point of any new system.

There are a number of ways to identify employee needs. The approach you take will depend on the size of your organization and its structure. Consider which of the following information gathering strategies would be most appropriate for you and your organization. Of course, you many want to use several

approaches.

Each supervisor meets individually with his or her employees to gather the information

Each supervisor meets with employees in a group to gather information.

You meet with supervisor and employee (meeting of three people) to gather the information.

You meet with each employee to gather information (probably not a good idea since it leaves the supervisor out of the process).

You meet with all employees and supervisors in a group context.

You design and use a survey instrument to a) evaluate your present system and b) solicit input about what the enhancement systems should look like.

Regardless of the means you use to assess employee needs, consider using some or all of the following questions:

How is the present performance management system working for you?

Does the present performance management system increase your ability to do your job?

If we were to change the present performance management system so it would be more useful, how do you think we should do it?

What do you need from supervisors and managers so that you can continue to get better at your job?

How can we use performance management to increase communication around here?

Step 5- Bringing It All Together

After gathering information from yourself, supervisors and employees, you are going to have to use this information to decide what your new system is going to look like. This is probably the most difficult part.

We suggest that the specifics of the new effectiveness enhancement system be discussed and established in a group context. This is because one person may not see the range of possibilities available. The strength of group discussion is that more creative brainstorming can occur. In addition a group process helps develop consensus and buy-in if it is well facilitated.

In smaller organizations, it is possible to have the players in one place to problem-solve. In larger organizations it may be more practical to set up a work group.

Whatever the format, begin the process by feeding back the information you have already gathered.

Below is a sample "script' that can be used to kick off such a session.

As you know, I (we) have been asking you what you need to do your job more effectively. We have been wondering if the way we manage performance really makes sense, so we asked you to tell us what you need, and what you expect in terms of perfonnance management. Our purpose today is to see if we can come up with a better way of communicating about performance so that we all benefit.

I want to summarize what you have said, and also what I need from the new effectiveness enhancement system. Then we are going to see if we can do some problem solving to determine what our NEW way of doing things will look like.

First, this is what you said you wanted from a performance management system. You said it had to provide:

> *regular feedback to you*
> *a chance to tell your supervisors what you need to do your job better*
> *an opportunity to hear how your co-workers see you*

(etc)

I also need a few things from a new system. I need to know enough about what is going on so that I can sound intelligent to my boss. I also need [fill in other things as necessary]. Now, we have an idea of what we need, but we need to figure out how we can get there. I would like to hear your ideas about what an effectiveness enhancement system might look like, so that we all get what we need.

[facilitate problem -solving discussion]

It is very important that this group process be based on the needs established in previous steps. The facilitator of the process should be able to take each idea or suggestion, and encourage participants to consider it in light of the needs or "system specifications" already established.

Step 6- Consider Other Players

At this point you should have a pretty good idea of what the internal members of your organization need and want, and what your new effectiveness enhancement system might look like.

You will need to consider other players, particularly your boss, and the personnel department/branch. Strictly speaking, both of these players should be included in the process and aware of what you are trying to accomplish. Their needs should be considered.

While we have inserted this step towards the end of the process, you need to consider whether they should be included earlier. Your decision will depend on the nature of your organization, your relationship with these players, and a number of other factors.

In any event, you will likely want to run your new system by these other players.

Step 7 - Do IT

Implementing anything new requires an understanding of the dynamics of change, and the dynamics of resistance. Since you have basically allowed the customers of the system to define it, you will have done a great deal of resistance reduction.

We do suggest that you implement the new system with those that report directly to you. It is particularly important for supervisors to experience the new system/way of doing things, and for you to model the kinds of effectiveness enhancement techniques for them.

Summary

We have provided what we consider to be a very general game plan for developing a new way of managing performance, or enhancing effectiveness. We need to stress that it is a very very general game plan. It is possible to map out a more detailed approach for you, but we believe that most managers will be able to use what we offer here as a stimulus for developing a process that suits the unique characteristics of their work environments. Each organization is different. Each process will be different.

Ultimately you need to harness your own wisdom and the wisdom of your supervisors and employees to invent a new way of doing things. People outside your organization (such as the author), may be helpful in stimulating the process, but after all, *"you guys know best"*.

In the next chapter we will discuss some innovative ideas for communicating and improving effectiveness. We present these not because they are cure-ails but because they may help break out of the traditional performance management tradition.

Chapter 6

Innovative Ideas

Introduction

You shouldn't be surprised if your information gathering from the consumers of your new effectiveness enhancement system results in a system that looks very similar to the one you already have. Don't panic!

Even if you create no innovation and don't change a single thing related to your current performance management system, you will have accomplished something important. You will have demonstrated that whatever system you use exists for the benefit of its customers — employees, supervisor and manager. This cannot help but increase the commitment to the system you have, and increase understanding of what it is for. Often people forget what traditional performance management systems are for.

You should be aware that we are all so indoctrinated about performance management that we have difficulty seeing or creating innovative ways of accomplishing effectiveness enhancement goals. It may be that you and your employees are having trouble conceiving of radically different ways of doing things.

For this reason, we are going to play with a few ideas about how effectiveness can be improved through the use of some innovative approaches. We have taken the liberty of fictionalizing the accounts, but they are based on ideas from the performance management literature. Again, these are presented to stimulate your thinking, rather than to be implemented "out of the book".

We are going to start with an effectiveness enhancement system characterized by a lack of formality.

"Using Your Head" System

The story is told of a CEO of a major manufacturing plant who decided to hit the floor. As he was walking around, he came across an employee who was apparently doing nothing. The CEO approached the employee, asking him what was going on.

The employee explained that he was waiting for a technician to come and recalibrate the equipment. The technician had not yet arrived, and so the employee was waiting impatiently.

The CEO asked the machine operator whether he knew how to re-calibrate the machine. The reply was

"Of course, I know this machine like the back of my hand .. been working on it for 18 years ". When the CEO asked why the employee was waiting when he could fix the problem himself, the employee explained: *"Well, it's not really my job. My job description says that I am supposed to use the machine, and report problems to the technician, but not to fix the machine*

Hiding his frustration, the CEO invited the machine operator into the office, asking the operator to bring a copy of the job description. *"Tell you what",* the CEO said, *"we are going to write a completely new job description for you that makes a bit more sense".* Without another word the CEO tore up the existing job description, and quickly wrote something down on a new sheet, and handed it to the employee.

On the new job description was one sentence. It said *"Use your head".*

Comment

This true story shows how a job description or performance management system can impede work effectiveness by restraining, an employee's initiative, and restricting, the application of the employee's knowledge and skills. The CEO wanted to remove this barrier. He set up a new job requirement, a new standard of performance if you like, that said "*Do what you have to do to get your job done .... use you head".*

Now this is hardly what we would call a clear, objective standard of performance. Then again, objective standards of performance are just as likely to restrict effectiveness as to enhance effectiveness.

Many managers would consider this approach to effectiveness enhancement dangerous, and chaotic. In some environments it would be, and simply wouldn't fit. But consider this. In an environment where employees understand the goals of the organization, its purpose, and the importance of its internal and external customers, does it not make sense to allow employees to exercise their own good sense?

In the "old" style of organization, employees would not be expected to use their heads. The new organizations, however, are finding that it makes a great deal of sense to pay people for their judgment, and that it is important to remove barriers to the exercise of that judgment. The new organizations also realize that an employee who has no understanding of anything besides his or her job will be unable to understand the implications of his or her decisions for other parts of the organization.

To use a "use your head" approach to job specifications, employees must learn a good deal about the goals, purposes, and functions of various parts of the organization.

Bi-Directional Enhancement

Rebecca Smith is a public sector manager in a branch of about 15 people. Her approach to effectiveness enhancement is more structured than the "use your head" approach described above. Neither she nor her employees is comfortable with the idea that people can figure out what to do as they go along, so she meets with employees on a regular basis to set and discuss project objectives or communicate expectations about effectiveness.

What Rebecca has found, though, is that an employee's ability to do his or her job is a function of the employee, Rebecca, and the system in which they both function. So Rebecca added an additional dimension to both formal and informal discussions aimed at improving performance.

In the individual meetings set for effectiveness enhancement, Rebecca does many of the things most people associate with performance appraisal. She talks about what she expects from the employee, involves the employee in self-appraisal and problem-identification, and works with the employee to set new goals and objectives. Beyond that, a substantial portion of the discussion is focused on the employee giving Rebecca feedback on how she is helping or hindering the employee's effectiveness.

Rebecca takes this very seriously, since she realizes that some barriers to effectiveness can only be removed by someone with managerial authority. As part of the employee's preparation for the bi-directional feedback process, Rebecca asks the employee to complete an appraisal form for Rebecca's performance. During the discussion, Rebecca "contracts" with the employee. Both parties agree to bi-directional expectations. At review time, both sets of expectations are examined.

Comment

This approach clearly establishes the principle that effectiveness can come about only as a result of effective bi-directional communication, and cooperation between manager and employee. By eliciting reviews of her own ability to help the employee, Rebecca is trying to remove the "I'm judge, you listen" climate that is often established in traditional performance management systems.

The approach also recognizes that the manager NEEDS feedback from employees, and that this information can be used to make life better for everyone.

Quality Service Guidelines Model

Andy Bradon is a senior executive with a number of managers reporting to him. Each manager has a number of supervisors and employees. Andy's concern was that service quality principles from their Total Quality Management initiative be brought to life, and that the slogans of quality be imbedded in the way employees thought, and did their jobs.

His concern was less with specific standards, and more with the notion that decisions and actions should be taken in light of the needs of both internal and external clients, and that waste be driven out of the organization.

His notion was that if each employee understood that their job was to conform to the general guide-

lines of quality service, management would need to spend less time supervising or reviewing performance.

In a sense, Andy's effectiveness enhancement system involved changing the organizational culture. To that end, he worked with managers and employees to establish a few quality service guidelines. These, however, weren't slogans placed on the wall, but were used as a basis for performance examination.

The system used in Andy's division involved regular review meetings, much like a traditional performance management system. While general goals were set, and reviewed, the core of the system involved a few simple questions asked of each employee. The questions were:

How has what you have done contributed to the application of our quality principles (eg. customer service, and waste reduction)?

Are there any areas where you wish to improve your ability to provide customer service and waste reduction?

For the upcoming period, how will you continue to improve?

Discussion then ensued based on the responses of the employee.

Comment

Andy believed that if people understood a few principles regarding work, they would be able to do their jobs effectively. He wanted to make sure that everyone in the organization saw effectiveness enhancement within a continuous improvement context, where punishment and fear were driven out. Most importantly, he held his managers and employees accountable for conforming to these principles.

As with any system that is "loose" or does not rely on what we would call objective standards, much effort has to be made to make sure that each employee understands the meaning of the general principles. For this reason, a great deal of discussion and training was initiated so that the specific meaning of the principles was understood. To succeed, the implications of the principles must be clear.

The Group Appraisal Model

Catherine Rutherford takes a slightly different approach to enhancement effectiveness. While she doesn't dispute the fact that individuals must be accountable for their own effectiveness, she recognizes that the organization of the 2000's (and indeed the late 1900's) must have people who work together to create quality, and to create success. She used more traditional individually based performance management techniques but found that these techniques didn't contribute to team development and team accomplishment. In fact, she found that an exclusive emphasis on individual objectives and performance resulted in creating a climate of competition, and occasional back-stabbing, and reduced

cooperation.

Catherine also believes that responsibility for her organization's performance should be shared among organization members, and that there should be a forum where members can provide feedback and ideas about the organization and how its members are contributing. She established just such a forum, where both individual effectiveness and branch effectiveness are discussed in an open way.

On a regular basis (every two weeks) staff meet for about twenty minutes to discuss progress on objectives, to identify problems and barriers, and to communicate and provide feedback to each other. It is all done in the spirit of team improvement. Meetings are short and to the point, and conducted according to a set of mutually agreed upon rules of conduct. One of those rules is that "flaming" (making personal attacks on others) was forbidden and immediately interrupted by the chair. Comments and concerns are phrased in terms of improvement, not blaming.

In addition to these regular progress/feedback meetings, Catherine organized a one day group appraisal day. The purpose of these meetings was for members to provide structured feedback to other members, and Catherine used a specialized group evaluation form that members filled out about each other. In addition, a good amount of the meeting time was spent talking about the group as a whole, how well it worked as a team, and setting new process goals for the upcoming year. Each person was asked to indicate how they could improve their contribution to achieving these process goals, and the operational goals of the branch. These statements are formalized at individual meetings between Catherine and each employee.

Comment

This approach concentrates on the team. It fosters the idea that no individual success occurs unless the organization as a whole succeeds. Team approaches to effectiveness enhancement require that the team leader spend considerable time working out ground rules and establishing trust between group members. As such, very advanced interpersonal skills are required of the leader, and these inter-personal skills must eventually be adopted by the group members.

Summary

In this chapter, we have tried to tweak your creativity a bit. Again we must warn that you can't take anything out of a book verbatim and expect to impose it on any specific situation.. it must be thought out and tailored. This applies to both traditional performance management techniques and more progressive effectiveness enhancement techniques.

The bottom line is that your effectiveness management system must reflect how you see the organization functioning. If you see the organization as a sum of individual efforts, then an individually based system makes sense. If you see success as determined by focusing team energy, then team based reviews are more appropriate.

It is possible to look for alternate means of increasing productivity, but it is important that everyone is clear about what the system is to accomplish.

Epilogue

Some Reflective Comments

I have to admit that when I began writing this particular white paper, I experienced some doubts about where it was going. Like most of us, I have been "socialized" to think of performance management as a way of directing, monitoring and controlling performance on an individual level. And like many, I have been taught that effective performance cannot occur unless objectives are clear and unambiguous, and that accountability be built-in to performance management systems. These ideas are so sensible.

Of course, they don't necessarily apply to the world in which we now live. Upon reflection I see traditional performance management systems as being applicable to the workplace of several decades ago. This era of industrialization was based on the idea that if each person did their job and exactly their job, then the company or organization would succeed. Innovation, judgment and team-work were less important and not expected, since employees were paid for their production or their time, not their brains.

Our world is far more complex. We live in workplaces where it is difficult to define precisely what any one person's job is. And we know that successful modern organizations manage to succeed by creating innovation, and stressing internal cooperation and flexibility. Choose any book by a management "guru" such as Tom Peters, Rosabeth Moss Kantor, or Phil Crosby, and you will find examples of the new successful organization.

Unfortunately, we are in a period of transition in the workplace. Traditional management methods based on different past notions of what brings success, are still with us, even though the world has changed. They are so ingrained in all of us that we have difficulty formulating alternate ways of seeing work and the workplace.

If you feel that your performance management system is working, we suggest that you verify that conclusion by soliciting information from the customers of the system. If you confirm that it is achieving its goals, more power to you. You may have found some information in this book that can help to to make it better.

If you are not happy with your current methods for managing performance, look to the ideas presented here as a springboard for developing a system that may be more in line with your views on how organizations succeed.

Regardless, we invite comments and ideas on the topic. We would particularly like to hear success stories, and we are willing to publish yours in our monthly newsletter, _The Public Sector Manager._

You can contact us at using the information on the next page.

Bacal & Associates Contact Information

Bacal & Associates provides a number of services to help you get started revamping your performance management and appraisal systems. In addition to our web sites (see below), books and articles, we are available to speak or work with your staff in helping to define where you should go next with respect to performance management.

Contact:

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(204) 888-9290
Internet: rbacal@escape.ca

Internet Web Sites:

We make available a number of free resources on the Internet. Be sure to visit the following resources (if you have difficulty contact us via email at rbacal@escape.ca).

Performance Appraisal & Performance Management CAN Work
http://performance-appraisal.8m.com/index.htm

Workplace Conflict Resource Center
http://members.xoom.com/workconflict/index.htm

Free Newsletter and Book Distribution Center
http://members.xoom.com/worknews/index.htm

Personal and Workplace Learning Resource Center (our main site)
http://members.xoom.com/cooperate/index.htm

Open Discussion Lists:

Performance Appraisal & Management Discussion List

For the discussion and sharing of ideas via email about performance management and appraisal. Discuss, swap ideas, participate.
To subscribe send an email to:
perfmgt-subscribe@egroups.com

Conflict At Work Discussion List

For the discussion of issues related to conflict and disagreement in the workplace including workplace violence.
To subscribe send an email to:
workcon-subscribe@egroups.com

Communication In The Workplace Discussion List

For discussion of corporate and interpersonal communication issues at work.
To subscribe send an email to:
workcomm-subscribe@egroups.com

Government House Discussion List

For discussion of issues faced by government employees
To subscribe send an email to:
govern-subscribe@egroups.com

Most Importantly

Our web sites are updated regularly. New material is added and on occasion we publish free electronic versions of our books. To receive updates so you won't miss new material join our update list (generally you will receive a message about every three weeks).

Keep current by sending an email to:
updateme-subscribe@egroups.com

Bacal & Associates Products For Government &The Public Sector

Help Cards

Influencing Your Boss — Getting Heard Help Card

The way you present your ideas to decision-makers determines whether they will be adopted. Help card presents valuable tips to make sure you get heard. Great to give your staff to help them help you.

Presenting To Resistant/Difficult Groups Help Card

Dozens of tips and principles to prepare you to deal with hostile, resistant groups, either within your organization, or with members of the public. Review this before every presentation!

An Integrated Strategic Planning Model Help Card

One of a two card set, card presents the purposes of planning, understanding the process, and the steps. We recommend you purchase both strategic planning cards.

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Tips on how to make the strategic planning process a living, dynamic process that adds value to your organization. Also includes a diagram of the process. Keep that plan out of the back of the desk drawer. We recommend you purchase both strategic planning cards.

Defusing Hostility Help Card

Laminated help card with valuable tips on how to defuse hostile people and volatile situations. An ideal job aid or reminder for people who have taken our Defusing Hostility seminars. Describes the major defusing techniques, complete with examples.

Communicating Co-Operatively In The Workplace Help Card

Laminated help card with guidelines and specific tips on communicating co-operatively to prevent and solve conflict situations in the workplace. An ideal resource for each member of your team, to encourage harmony in the workplace.

How To Contribute To Your Own Team's Health Help Card

More workplaces are going to a team-based approach. This laminated help card provides a number of tips on how each person can contribute optimally to the productivity and effectiveness of the team. Balances both individual rights and obligations.

Books

Conflict Prevention In The Workplace - Using Cooperative Communication

A MUST read for government staff who work in team environments or whose work involves working with others. Teaches essential techniques to reduce unnecessary conflict coming from the WAY that people communicate. A practical read...people can take these specific conflict prevention techniques and use them IMMEDIATELY! 100 pages packed with tips

In The Public Eye - Managing In The Public Sector

One of our best sellers. Contains over 30 articles and survey instruments to help you manage more effectively in government. Topics include: managing change, performance management, managing teams/meetings, strategic planning & more. 133 pages.

Total Quality Management In The Public Eye - Making TQM Work In The Public Sector

Applying principles of TQM in government isn't easy. This 137 page book is a collection of articles organized in the following categories: An Overview of Quality; Focusing On The Customer; Leading To Quality, and Processes & Techniques. Includes 35 articles. All material in this collection is reproducible. Make copies to distribute to staff!

Defusing Hostile Customers Workbook (Public Sector)

Created for people who cannot take our seminars, this "seminar in a book" is over 230 pages, and contains crucial techniques and skills applicable to defusing hostile members of the public. Not only does the book contain descriptions of verbal and non-verbal techniques, but it includes self-learning exercises and assignments so people can practice their skills in a guided way. With the increase in public hostility and cynicism, and the changes in government this is an essential addition to anybody's library. (**Sale price applies until Dec. 15, 1998**)

Feature! Sale Price $33.95

Short White Papers

Human Resource Development Planning For Public Sector Managers

This "quick read" white paper outlines a process for HRD planning that works in the public sector. Contains descriptions of development activity alternatives, and how to go about linking employee development to the goals of the organisation. Includes sample summary forms.

A Critical Look At Performance Management Systems - Why Don't They Work?

This 55 page "quick read" white paper is our most controversial product. It approaches the issue of why most performance management systems fail for both managers and staff, and suggests a shift to Effectiveness Enhancement Systems, which includes designing evaluation procedures based on what staff needs to allow them to increase their abilities and productivity.

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