

I M P A C T

Your Performance Improvement Resource from BEI

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PERFORMANCE PERSPECTIVES

The Business Case for Performance Management

Many companies today equate “Performance Management” with the yearly performance review process--an often routine event where an employee and his or her manager look back over the last year and review the employee’s performance.

Effective performance management involves much more than looking at past performance. When executed correctly, performance management can serve as a powerful tool to help your organization achieve its business objectives and strategic vision. A well-designed performance management system will align your people to strategic objectives, increase productivity, and identify employee development opportunities.

When everyone takes responsibility for making performance management work, the benefits to employees, their managers, and the organization as a whole can be quite impressive. Some of the more tangible payoffs from implementing a performance management system include:

- Alignment of employee performance to organizational goals
- The opportunity to build employee strengths and potential
- The opportunity to reinforce organizational expectations
- Awareness of the progress that everyone is making toward established goals
- Identification of performance problems early to allow for the generation of possible solutions and a plan to improve performance

What Does a Performance Management System Include?

An effective performance management system contains the following critical elements:

- Clearly defined strategic goals and objectives
- Properly defined job descriptions, including the skills and competencies required to perform the job
- Open, two-way communication between managers and employees
- Employee expectations and career goals
- Mutual accountability by the manager and employee for the development and execution of the performance plan

THE EMPLOYEE’S ROLE IN PERFORMANCE MANAGEMENT

- Honestly assess own strengths and weaknesses
- Observe and document strengths and weaknesses of the working environment
- Partner with manager or supervisor to develop a performance plan, identify developmental resources, and provide feedback on development
- Openly communicate with manager or supervisor and others in the company about potential performance roadblocks
- Assume responsibility for career and developmental paths

In addition, a performance management system involves the application of these four phases:

Performance/Developmental Planning involves the employee and his or her manager working together to identify the skills and competencies required of the employee in his or her current position as well as the skills and competencies that will be required in the future. Both manager and employee determine where best to focus performance improvement efforts, as well as identify specific actions required to accomplish these efforts.

Managing and Monitoring Performance involves both the manager and employee in implementing and assessing the plan on an ongoing basis. This phase allows the manager to remove barriers to performance improvement.

Coaching and Feedback involves ongoing observation, communication, and documentation of the employee's efforts toward achieving the performance goals set forth in the planning phase. This phase allows the manager and employee to determine why a particular performance problem exists and then brainstorm possible causes for the gap between current and expected performance.

Performance Agreement involves the review, assessment, and formalization of the activities, goals, and results generated in the above phases by both the employee and the manager.

Is Your Company Prepared for a Performance Management System?

Before introducing a performance management initiative, check the “pulse” of your organization. Answering the following questions will help you determine how prepared your company is to successfully implement a performance management system:

1. Does your organization have a clear and concise mission and strategic vision that everyone understands?
2. Do job descriptions exist for each position within your organization?
3. Have the skills (the “what”) and the competencies (the “how”) for each job description been identified?
4. How well do people in your organization communicate with each other? Is communication open, honest, and free flowing?
5. Does your organization’s culture reward coaching?
6. Are your employees actively involved in the creation of their developmental plans?

The Bottom Line

In their book *First, Break All the Rules*, Buckingham and Coffman indicate that when organizations effectively apply performance management practices, employees are happier and more productive, they find more meaning in their work, and they have a greater positive impact on the organization’s bottom line. Any company interested in increasing productivity and advancing their business goals would find a performance management system to be an indispensable business tool.

From Strategy to Action

By sharing client projects and BEI solutions, our goal is to offer you insight and information to increase your success at moving from strategy to action on your performance improvement projects. The elements of this section include a brief description of a client challenge, critical success factors or the expectations for the project, solutions for meeting the critical success factors, and the lessons learned.

Challenge

Assist in moving a state agency from an annual paper-based appraisal process to a web-based performance management system by providing content.



Critical Success Factors

- On-time--the new performance management system needed to link to the implementation of the client's annual strategic plan
- Position specific--behavioral descriptions needed to tie to job descriptions and expectations
- Ease of use--employees needed to be able to easily identify actions for improving performance

Solutions

- Behavioral descriptions were created for existing competencies to serve as the content for the new, web-based performance management system
- Learning maps (a developmental aid that identifies actions employees can take to close gaps between current and expected performance) were developed for the online system to aid in the creation of individual development plans. Each learning map contained activities for:
 - Self directed learning
 - Mentor facilitated learning
 - Training and development programs
 - Books
 - Videos
 - Web sites

Lessons Learned

- Ensure that competencies and related behavioral descriptions are distinct between positions
- Identify differentiating behaviors early on for competencies that apply across numerous salary levels

Marketplace

Adventures in Attitudes

Achievement in personal and professional growth

It is often said, "attitude is everything". It is also common knowledge that employee attitude is a critical link to a company's success. Employee attitude is increasingly cited as one of the top performance-related issues in companies. This comes as no surprise when we consider how employees are affected by today's continuously changing business environment. Change can bring feelings of apprehension and confusion, often causing employee attitudes to decline. To maintain productivity and performance, companies seek ways to help employees maintain a positive attitude amidst change.

One such solution is **Adventures in Attitudes**, a program designed to help employees establish personal responsibility and accountability in the midst of change.

BEI is an authorized distributor of **Adventures in Attitudes**, published by Inscape Publishing. For more information visit <http://www.inscapepublishing.com/products/u171.asp?product=46> or call BEI at 248.625.8100.

Worthy Web Sites

<http://www.learningcircuits.org/glossary.html> Can you define W3C, WAN, WAP, WBT, and WML? For those of you who find e-learning jargon confusing, ASTD (American Society for Training & Development) has developed a glossary of e-learning terms. And for those of you who find the term *e-learning* confusing, here is the definition from their glossary: **E-learning** covers a wide set of applications and processes, such as Web-based learning, computer-based learning, virtual classrooms, and digital collaboration. It includes the delivery of content via Internet, intranet/extranet (LAN/WAN), audio- and videotape, satellite broadcast, interactive TV, and CD-ROM.



<http://www.4women.org/> The National Women's Health Information Center, "*The Resource You Can Trust*". Use this colorful and well-designed site to read, link to, and download a comprehensive selection of health-related material. Find daily updated health news and press releases, FAQ's, online dictionaries and journals, and a multitude of handbooks.

<http://prominence.com/java/poetry/> Why be mesmerized by your screen saver while sitting through the agonizing hierarchy of voice mail or being a hostage on 'hold' when you can have fun practicing your writing skills? Try this entertaining 'click and drag' version of the popular magnetic poetry game found on refrigerators.

<http://www.magneticpoetry.com/magnet/index.html> Better yet, channel your magnetic poetic expression and amusement from the perspective of a kid, manager, college student, New Yorker, romantic or dog/cat lover.

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