

## **PST bares the truth about Process and Performance Management (#2 of 3)**

Delivering a [performance management system](#) can deliver tremendous results. We've seen it deliver hundreds of millions of dollars in value in months. Today it has become an important tool in building an organizational culture of choice, and delivering great results.

What we've also witnessed is that it's not very common to have a good "road map" when embarking on setting up or executing a performance management system. This series of three white papers is written as a guide to help you avoid common mistakes and address critical steps in dealing with the people, process and technology side of performance management.

This particular white paper addresses three core processes that will help you be successful in implementing and maintaining a performance management system. Three important core *processes* that you will need to launch and navigate to successfully execute your plan. We've written it in a style that brief and succinct to make it easy to get your arms around each process. Let's get started:

### **Process and Performance Management**

1. Our first process has to do with the questions you ask. It is as important as running to first base... first, after hitting the ball when you play baseball. Performance management (pm) works best when you have answered two very important questions. Those questions are simply, "**Why**" and "**What's in it for me**"? You know we just said it works best if you answer these questions, but that's actually too mild of a statement. It should be a mandatory step in your approach.

You may be asking, "Why are these questions mandatory"? Here's the brief answer – there's no pm solution that can succeed based upon its merit and capability, without the benefit of solving personal problems for users. Like politics, performance management is always local.

By-the-way, most performance management initiators have not taken the time (sometimes faced the discomfort) to identify the problem and figure out how much it costs them before they set out to obtain a performance management solution.

Why not? Partly because it seems so very human to figure out "there's got to be a better way", but not get clear of what isn't working about the current system. To help you avoid this miss-step, let's go over how to address both questions.

- Answering the **Why?** Question. Starting into a performance management program without establishing the "Why" in very clear and personal terms, results in feeling like a solution is being forced on the workforce, a solution without a real necessity. Solutions without a

problem inevitably feel, and are treated, as a burden and shed at the first sign of requirement relaxation. Bottom Line: Establishing “Why” is critical. It needs to be personal; for some it will be uncomfortably honest, it needs to be revealing, exposing. It’s the basis for establishing the reason for the mission. Let’s move to “What’s in it for me.”

- **What’s in it for me?** If establishing “Why” is the push motivator, establishing “What’s in it for me?” is the pull motivator. You’ll want to use both positive, (what’s in it for me) incentives for higher performance (ex. increased compensation, free time, autonomy, job security etc.) and the reduction of negative (why) experiences (ex. less frustration, less time wasted, less worry).

Clearly performance management needs to be defined as something that benefits everyone involved, not just upper management. Raising performance just isn’t sustainable if done only under coercion or pressure to comply, even if the “Barbarians are at the gate.”

2. Performance management needs performance metrics – period. For the majority of organizations, that means you need to track metrics that presently aren’t being tracked and you may not even be sure what or how to track. If failing to establish “Why” and “What’s in it for me” is the first, most obvious mistake, not establishing metrics is the second biggest mistake you must avoid. Be sure to set aside time and resources to establish how you’re going to measure the performance improvement. Track metrics that have what’s called “face validity” (e.g. makes common sense, clearly tied to valued outcomes). Finally, take the time to measure your performance indicators before you start the performance improvement process, otherwise you won’t have a baseline for comparison purposes.

3. The final process issue we want to address works best if you look at culture and current work levels as a set of habits. Performance improvement is essentially the development of new habits. It needs to be built into a daily process, a daily system for operating. It needs to match up to the simple statement; “If we practice the following new operating habits, we expect to reduce the following experiences (as measured by) and increase the following positive outcomes (as measured by).” By identifying the process as habits, you will avoid the mistake of setting up the solution as a “silver bullet” and effectively reinforce the concept that it will take practice before the new (higher performance) behaviors will become the customary way to do business.

This is part two of a three part series addressing the People, Process and Technology aspects of performance management. You can find the two accompanying issues at...

<http://www.managepro.com/resources.white.papers.html>.

The author of this series, Rodney Brim, is CEO of Performance Solutions Technology (PST). PST develops ManagePro software and assists organizations in deploying performance [management software](#) solutions, and presents these guidelines based upon our work with 1,000's of companies to help ensure your success and avoid common myths in the pursuit of performance management. Performance Solutions Technology is found on the web at <http://www.PerformanceSolutionsTech.com>