

Getting great performance from “Performance Management”

There are serious concerns with the relevance and return on the (average) 160 manager hours per year spent driving performance management systems. What are effective ways to catalyse great performance?



Danielle McDonald and Abbie Smith demonstrated (in 1995) how these four essentials (“c-far” – clarity, feedback, alignment and rewards) contributed to improved bottom line results. Employees should be able to answer positively to these four questions:

1. I am clear about what I am expected to achieve
2. I get just in time feedback to motivate my performance, guide any correction, and support my ongoing effectiveness
3. I have the opportunity to review and reflect how my performance, my values and my goals align with those of my employer to ensure we share a common view of where we are going
4. I can see the connection between my performance and consequences such as rewards and promotion

“Rewards” are not exclusively financial. Gerald Graham and Jeanne Unruh (1990) identified five powerful and non-financial ways that managers can reward their people – in the US anyway:

1. Personally congratulating
2. Writing a personal note about good performance
3. Publicly recognizing
4. Holding morale-building sessions to celebrate success
5. Clearly using performance as the basis for promotion

What is broken about performance management? Elaine Pulakos (2011) considers it is the disconnect between the prescribed steps in formal administration systems and the ‘four essentials’.

Clearly managers are the connection point. Modern performance management systems put the manager at the centre. Deloitte has weekly “check-ins” (to fuel performance), as do team leaders in Google.

Google’s Project Oxygen found that managers were the critical ingredient in team performance. Highly effective managers’ teams were notable for better performance, retention and work attitudes. The most impactful manager behaviours:

- Coaching
- Empowerment
- Focus on staff success and well-being
- Results orientation

However, NZ research indicates managers vary considerably in their performance management capabilities. How do you performance manage your managers’ performance? Are you applying the “c-far” four essentials to this crucial aspect of getting great performance?

