

Best Practices White Paper



Insights to help move
the performance needle

Assess Needs

Grow Revenue

Satisfy Customers

Create Leaders

Manage People

Optimize Projects

Measure Results



The Exact Expertise to
Ignite and Sustain Performance™

Performance Management: Five Factors for Success

By Russ Silva, EVP Enterprise Solutions, LSA Global

If you want better performance from your employees, the following four statements may surprise you:

- **Forget about making your managers' lives easier.**
- **Dump your performance appraisal and “coach” moniker.**
- **Shift accountability away from employees.**
- **Stop paying them off.**

While these statements may seem to contradict what you have heard about successful performance management practices, we have found that the following five practices break away from conventional thinking to help solve the age old problem of the cumbersome, ineffective, and often ridiculed performance management process.

1. Train Managers to Manage and Employees to Participate—Don't Skip Basic Management Practices

Research Performance Management best practices and you will find an abundance of practices described as:

- “setting effective goals and aligning goals with corporate strategy”
- “holding periodic performance conversations”
- “giving objective feedback”

Though these may be called “Performance Management Practices,” they are just basic, good management, communication, and interpersonal skills. While these management practices are certainly a prerequisite for effective performance management and coaching, organizations can realize a significant increase in performance simply by applying sound management practices independent of any performance management system.

See [Managing Individuals and Teams](#) for examples of key management practices.

In addition to basic, good management practices, specialized management frameworks and tools should be used to expand a manager's options for addressing more complex individual and systemic performance issues. When management training, frameworks, and performance tools are institutionalized, employees can more clearly identify and communicate what they need to succeed.

GET MORE
SOLUTION
DETAILS

HAVE AN
LSA EXPERT
CONTACT ME

GO TO
LSA GLOBAL
WEBSITE

Call Us Toll-Free 800.889.6452

Copyright ©2007 LSA Global. All Rights Reserved. All copyrights, trademarks, service marks and product names are copyrights, trademarks, service marks, or registered trademarks of LSA Global or its Partners.



The Exact Expertise to
Ignite and Sustain Performance™

2. Eliminate Performance Appraisals, Reviews, and the “Coach” Moniker—Focus on Performance Conversations

The irony of formal Performance Appraisals is that they consume significant resources, produce little value, and impede the kind of collaborative working relationship managers and employees need to improve performance. By design, the traditional process tends to place managers and employees in

a confrontational setting. In that setting, trust—one of the most significant factors influencing employee engagement and performance—is undermined.

Even when companies try to create more effective performance management roles for managers as coaches, the legacy of the old, judgmental, and confrontational dynamics often pollutes the process. A recent study found that despite significant investments in training managers to coach, less than 1 in 4 respondents said that coaching had significantly affected their job performance; and ten percent said coaching had made them *less* satisfied with their job. There was, however, a strong correlation between performance improvement, job satisfaction, and a positive employee / manager relationship. This points to the single most critical element of a coaching or facilitative relationship—**trust**.

Trust must be built for managers to have influence with their people.

1. The first step is to eliminate performance appraisals and reviews. This type of bold move is needed to send a message to employees that real change is happening within the organization, not just a “re-labeling” of what managers are currently doing.
2. The second step is to fundamentally shift how managers see their role. A disabling factor in coaching programs cited above was that, despite receiving training on coaching, managers did not fundamentally change how they behaved.

A powerful focus of our development programs for managers is that they learn to “help (their) people succeed within the organization.” This is the essence of talent management, succession planning, and building management bench strength. When managers help their people succeed, managers also succeed. They don’t need to be a “coach” to do this, but they do need to be capable of providing real value to their direct reports.

3. Create the Performance Management Systems for Performers, not Managers.

If you want employees to buy into Performance Management, provide them with systems, approaches, and tools that are of value to them in improving performance. If an employee has clear expectations and standards for their work and access to a real-time performance metrics and qualitative 360 feedback, Performance Appraisals would only be needed on an exception basis. That should be the goal of a Performance Management system. The goal of the Manager is to have their people value the time they have with their manager because it is truly useful. The Manager’s role should be to facilitate and support individual and group performance improvement, individual development, and pursue cross-organizational performance opportunities.

4. Expect Performance Congruency between Managers and Reports

GET MORE
SOLUTION
DETAILS



HAVE AN
LSA EXPERT
CONTACT ME

GO TO
LSA GLOBAL
WEBSITE



The Exact Expertise to Ignite and Sustain Performance™

If a manager's primary role is to help their people succeed in the organization, they should be held accountable if their reports are not being successful. The problem with holding employees themselves solely responsible for their performance is that there are many factors over which employees have little control. Managers' and their direct reports' goals should correlate. If managers are hitting their performance objectives but they have direct reports who are not, or if the manager's direct reports are hitting their goals but the manager is not, the performance system is not functioning properly.

5. Emphasize Intrinsic Motivation and Deemphasize Compensation and Reward

An extensive body of research on Motivation theory shows that people who are intrinsically motivated consistently perform at higher and more sustained levels than when they are externally motivated. Yet, most managers' perspectives on motivation can be characterized by the "carrot and stick." While most performance management systems are fueled by reward and punishment, few managers understand what really motivates people or the long-term consequences of external incentives and rewards. Managers who are skilled in effective motivation practices will generate what more and more organizations and executives recognize as the Holy Grail of performance--employee engagement, discretionary effort and "passion--because their employees perform at significantly higher levels.

Conclusion

Two final thoughts to keep in mind as you implement a performance management system

- **If it's a best practice, measure it.**
Many best practices are adopted wholesale and put into practice. But, as we saw in the coaching results survey, the visible practice is not the only factor contributing to a successful result. In addition, when people learn new skills they are often uncomfortable and their ability to perform a new skill is low. By measuring the application of the skill you'll be able to know whether the practice is producing the desired result. If it is not, you need to understand why, make adjustments, and support employees through the difficult period of new skill application.

Keep it simple.

A CEO's greatest concern about Performance Management is that it will be too complex. The performance management system must be intuitive to understand, require little training to use, and provide useful results for employees and managers. With Performance Management there is often the urge to implement a software solution as a starting point. While an automated system can create leverage once sound practices are in place, it can be detrimental in the initial phases of implementing Performance Management and will not produce the quick, early wins needed to engage business managers.

GET MORE
SOLUTION
DETAILS



GO TO
LSA GLOBAL
WEBSITE



The Exact Expertise to
Ignite and Sustain Performance™

We help make companies more competitive through people.

Founded in 1995 on the principle that training "by itself" will not drive tangible change or business results, we work with a select group of clients to get the most out of their people. Every training and consulting solution we provide increases revenue, decreases costs, or raises productivity.

Who we work with

Our clients are typically mid-market business leaders who believe that investing in people is vital to their success. The majority come from the high-tech, life-sciences, and service industries and often lack the internal resources or expertise to get the job done. They want more than what traditional training and consulting approaches can deliver.

What we do

We get results. Our one-stop-shop offerings range from creating a high performance culture, to outsourcing the training function, to designing and delivering targeted learning solutions. We excel in seven key practice areas: assessment, sales, loyalty, leadership, management, project management, and measurement.

How we do it

We partner with our clients in a way that makes sense for their unique situation. First we identify the key metrics they want to improve. Then we assemble a dedicated team of experts who have successfully solved similar problems with similar clients. Our expertise and flexibility allow us to move the performance needle faster and farther than anyone else in our industry.

Our Guarantee

We are fiercely devoted to the success of our clients and guarantee results.



The Exact Expertise to
Ignite and Sustain Performance™

Our clients tells us that we are different.

Our clients tell us that we save them both time and money. Our clients tell us that they appreciate access to certified best-in-class experts who help them to move the needle.

Our sales clients

confirm that they have grown sales by 40%, increased units sold by 42%, increased average pricing by 12%, and closed over 50% of their pipeline.

Our customer loyalty clients

confirm that their customer revenue per household increased by 18%, repeat calls decreased by 48.4%, single contact resolution increased by 6.1% and their overall customer satisfaction increased by 10%.

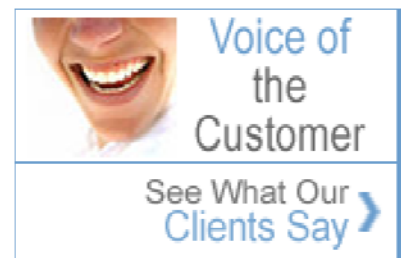
Our leadership and management clients

decrease their costs by up to 50%, increase speed-to-productivity by 60%, accelerate promotions by 20%, decrease unwanted attrition by up to 40%, and report an additional \$13m to their bottom-line.

Our project management clients

inform us that, by regularly completing projects that meet or exceed expectations, they have become an anomaly in the world where most projects disappoint or fail.

Request an LSA Expert
Contact Me >





The Exact Expertise to Ignite and Sustain Performance™

Representative Clients

We are fiercely devoted to the success of our clients and proud that over 85% of our business comes from repeat business with satisfied clients.



97.5% client satisfaction

98.2% recommend LSA

98% solution satisfaction

129% knowledge gain

800+ Assessment and Measurement Projects

45+ Client Case Studies

100+ Client Testimonials

Top 10% Certified Experts