



Performance Management

GLOBAL COURSEWARE

Getting Started

Performance Management is not a company's way of employing "micro-managing" techniques that stunt the professional growth of its employees.

Workshop Objectives



- Define performance management
- Learn the three phases of performance management and how to assess it
- Discuss effective goal-setting
- Identify Kolb's Learning Cycle
- Recognize the importance of motivation

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Management is doing things right; leadership is doing the right things.

Peter F. Drucker



MODULE TWO

The Basics (I)

The effectiveness of an organization, in terms of whether or not it is meeting its mission or goals, can be determined by engaging in performance management.



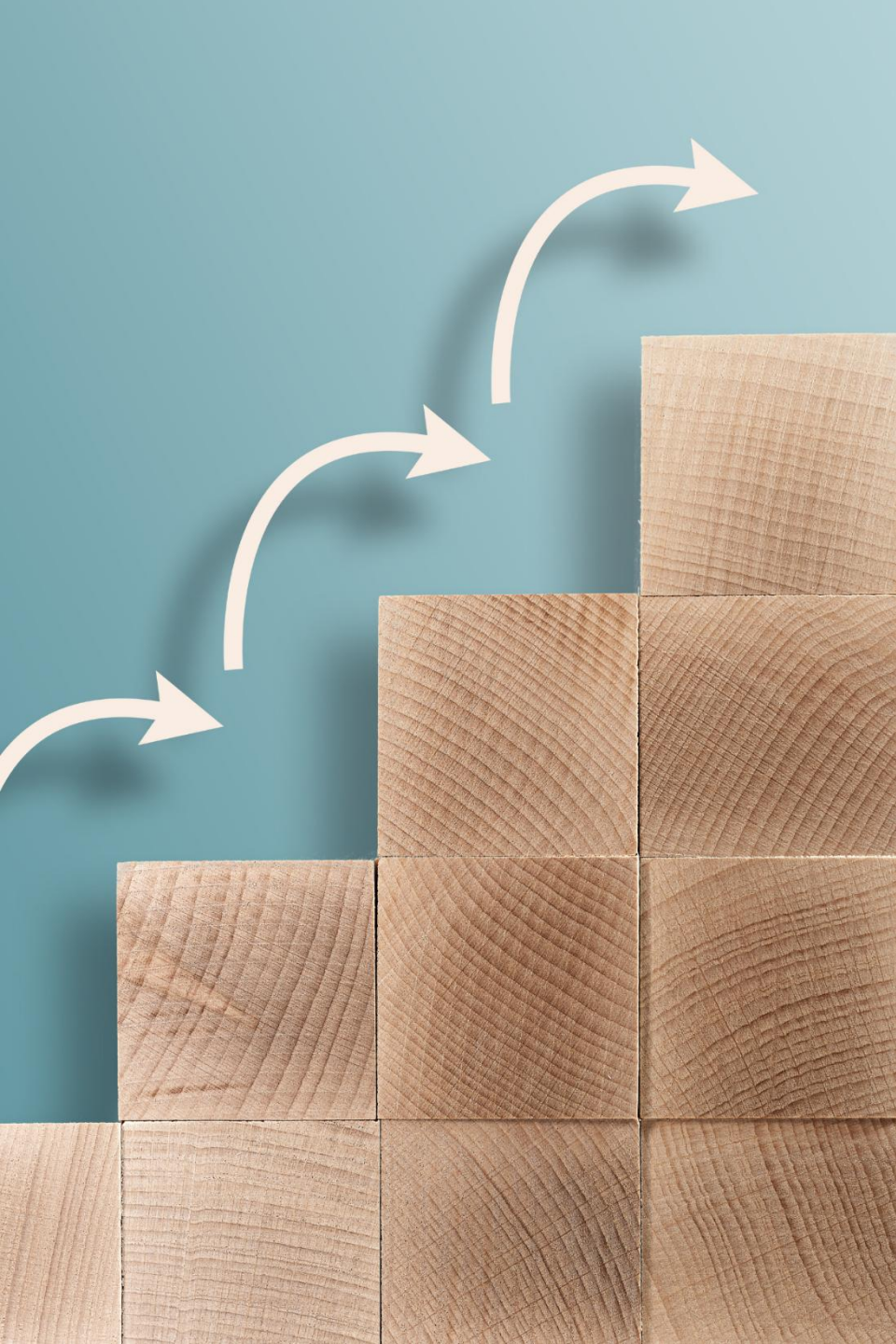
What is Performance Management?

Always begin with the task that is the hardest and most significant, and you will be less tempted to procrastinate on other activities.

How Does Performance Management Work?

- Determine goals and how to measure outcomes.
- Rank job priority.





Tools

Model of standards

Annual Employee
Appraisal Document

Coaching

Case Study

The Accenture analysis affirmed the strength of many of SKM's human capital processes.



Practical Illustration



- What is Performance Management?
- How Does Performance Management Work?
- Tools
- Case Study

Module Two: Review Questions

1. When the phrase “Performance Management” was coined by Dr. Aubrey Daniels, what did it initially refer to?

A. Medicine

B. Technology

C. Education

D. Law

Module Two: Review Questions

2. According to Dr. Daniels, performance management analyzes what?

A. Behavior only

B. The result of behavior only

C. Behavior and the result of behavior

D. Attitude

Module Two: Review Questions

3. If an employee meets all of their performance goals,

A. It is not necessary to create an improvement plan to enhance the employee's skills

B. It is still necessary to create an improvement plan to enhance the employee's skills

C. They should be reprimanded for not exceeding the expectations

D. The employee should automatically be promoted

Module Two: Review Questions

4. At a minimum, feedback should be provided to employees on a _____ basis.

A. Weekly

B. Monthly

C. Annually

D. Quarterly

Module Two: Review Questions

5. Performance standards can be beneficial to:

A. The organization only

B. The organization and department only

C. The organization, department and individual employees

D. No one

Module Two: Review Questions

6. Coaching is most effective:

A. Before the employee understands the performance standards

B. Never

C. Once the employee leaves the company

D. Once the employee understands the performance standards

Module Two: Review Questions

7. What is the name of the company that was being assessed?

A. Sinclair Knight Merz

B. Accenture

C. Knight Sinclair Merz

D. Merz Sinclair Knight

Module Two: Review Questions

8. After the assessment, it was discovered that what area(s) required improvement?

A. Financial results

B. Workforce planning and recruitment

C. Financial results and recruitment

D. Workforce planning and financial results

Module Two: Review Questions

9. The _____ of an organization can be determined by engaging in performance management.

A. Effectiveness

B. Profitability

C. Stability

D. All of the above

Module Two: Review Questions

10. With the proper training, management can _____ the conditions of the workplace.

A. Maintain

B. Maneuver

C. Manipulate

D. All of the above

A silhouette of an archer in the process of drawing a bow. The archer is positioned on the left side of the frame, with their back to the viewer. The bow is held high and to the right, with the string taut. The background is a bright, clear sky, likely during sunrise or sunset, with a few wispy clouds near the horizon. The overall mood is one of focus and determination.

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The greater danger for most of us lies not in setting our aim too high and falling short; but in setting our aim too low and achieving our mark.

Michelangelo

MODULE THREE

The Basics (II)

It is not enough to implement an effective program that covers all the basics, but you must be able to measure its success via assessments and performance reviews.

Three Phase Process

Phase One:
Unfreezing



Phase Two:
Change



Phase Three:
Freezing



Assessments

- Pre-Screening
- 360-Degree Review
- Knowledge





Performance Reviews

Prioritize the meeting

Encourage positivity

Employee feedback

Case Study

XYZ Paper Company commenced operation with 10 employees in January 2009.



Practical Illustration



- Three Phase Process
- Assessments
- Performance Reviews
- Case Study

Module Three: Review Questions

1. What is the order of the three-phase change management model?

A. Unfreezing, change, freezing

B. Change, freezing, unfreezing

C. Unfreezing, freezing, change

D. Freezing, change, unfreezing

Module Three: Review Questions

2. The three-phase model taught in this lesson was developed by whom?

A. John P. Kotter

B. Kurt Lewin

C. Tom Peters

D. Robert Waterman

Module Three: Review Questions

3. What type of employee performance assessment engages the opinions of a variety of people who interact with the employee in question?

A. Knowledge

B. 360-Degree

C. Pre-Screening

D. Program Evaluation

Module Three: Review Questions

4. When do Pre-Screening Assessments generally take place?

A. On the employee's first day of work

B. Before the prospective employee is hired

C. After the employee is fired / resigns but before they begin a position with a new company

D. Each day an employee comes to work

Module Three: Review Questions

5. Which of the following is true about a performance review?

A. It is only necessary to discuss the performance standards that the employee did not meet

B. It is only necessary to discuss the performance standards that the employee exceeded

C. It is only necessary to discuss the performance standards that the employee barely met

D. It is necessary to discuss the performance standards that were not met, met and exceeded

Module Three: Review Questions

6. What method of follow-up should be used after a performance review?

A. Email

B. One-on-one, face-to-face meeting

C. The employee's preferred method

D. Phone call

Module Three: Review Questions

7. What did XYZ Paper Company decide to implement to help increase sales?

A. Incentive program

B. Mass lay-off

C. Additional training

D. One-on-one coaching

Module Three: Review Questions

8. On top of making up the 20% that the company was behind, by what percentage did it increase sales?

A. 5%

B. 10%

C. 15%

D. 20%

Module Three: Review Questions

9. A Performance Management system is only as good as its _____ process.

A. Hiring

B. Firing

C. Evaluation

D. None of the above

Module Three: Review Questions

10. In order for someone to decide whether or not they are willing to change, they must weigh the _____.

A. Pros and cons

B. Advantages and disadvantages

C. A and B

D. None of the above



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If you don't know where you are going, how can you expect to get there?

Basil S. Walsh

MODULE FOUR

Goal Setting

Implementing regularly evaluated goals allows leaders to understand where performance is and what needs to be improved.



SMART Goal Setting

Specific

Measurable

Attainable

Realistic

Timely

Specific Goals

Employees need to understand exactly what they are expected to do. It is not enough to simply ask for improvement.





Measurable Goals

Measurable goals allow employees to identify when they have accomplished their goals.

Attainable Goals

When goals are seen as unattainable, employees will give up on them without even trying.





Realistic Goals

The goals need to relate directly to employee abilities, and it is important to make sure that they have the tools necessary to meet them.

Timely Goals

Having specific dates will also determine when goals are reevaluated.





Monitoring Results

- Were the goals and objectives achieved?
- Were they achieved in the established time frame?
- What is the feedback from employees and leadership?

Case Study

The management team created a set of goals to motivate employees.



Practical Illustration



- SMART Goal Setting
- Specific Goals
- Measurable Goals
- Attainable Goals
- Realistic Goals
- Timely Goals
- Monitoring Results
- Case Study

Module Four: Review Questions

1. What does S stand for in SMART goals?

A. Special

B. Specific

C. Safe

D. Scientific

Module Four: Review Questions

2. What does T stand for in SMART goals?

A. Trackable

B. Tangible

C. Timely

D. Tasks

Module Four: Review Questions

3. What does a Specific goal not establish?

A. Evaluation

B. Location

C. Requirements

D. Who is responsible

Module Four: Review Questions

4. Sell more is a _____.

A. Specific goal

B. Measurable goal

C. Timely goal

D. General goal

Module Four: Review Questions

5. Which type of goal answers how much?

A. Attainable

B. Measurable

C. General

D. Realistic

Module Four: Review Questions

6. What is a measurable goal?

A. Decrease turnover

B. Decrease turnover in a month

C. Decrease turnover by 10 percent

D. Decrease turnover in production

Module Four: Review Questions

7. What type of goal will cause employees to give up?

A. Unattainable

B. Realistic

C. Attainable

D. General

Module Four: Review Questions

8. What is an attainable goal?

A. Reduce turnover by 80 percent

B. Reduce turnover by 60 percent

C. Reduce turnover by 40 percent

D. Reduce turnover 10 percent

Module Four: Review Questions

9. What do realistic goals relate to?

A. Turnover

B. Measurability

C. Employee abilities

D. General

Module Four: Review Questions

10. What will make a goal more realistic?

A. Make them challenging

B. Break large goals into smaller ones

C. Compile small goals into a large one

D. Make them easy



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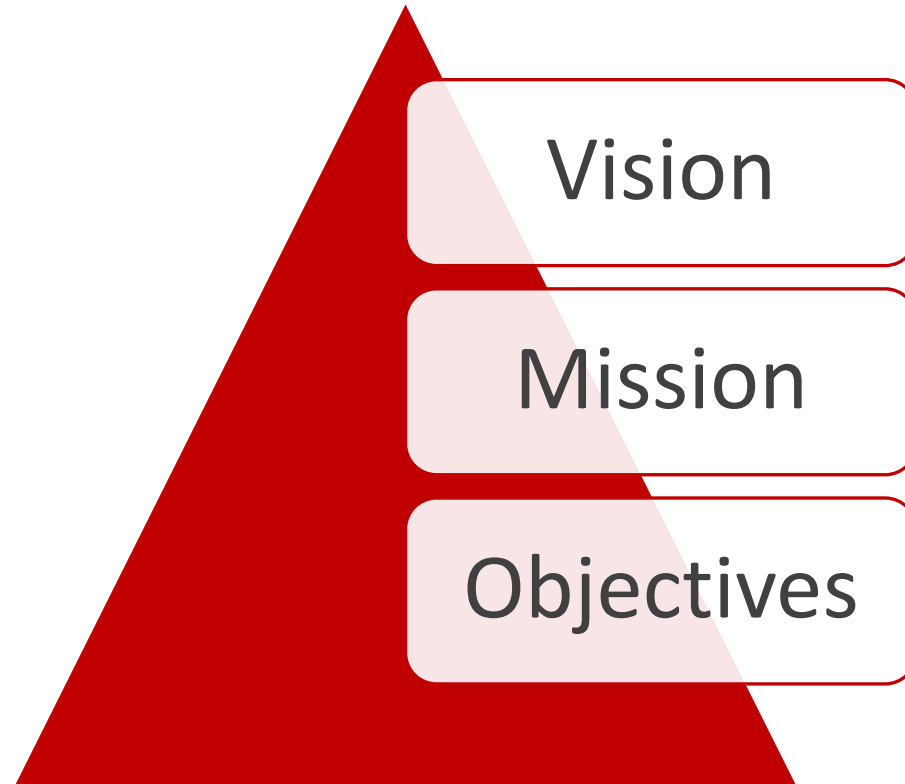
Performance is your reality. Forget everything else.

Harold S. Green

Establishing Performance Goals

To be effective, It is important to include employees in the goal setting process and encourage them to meet their individual performance goals.

Strategic Planning

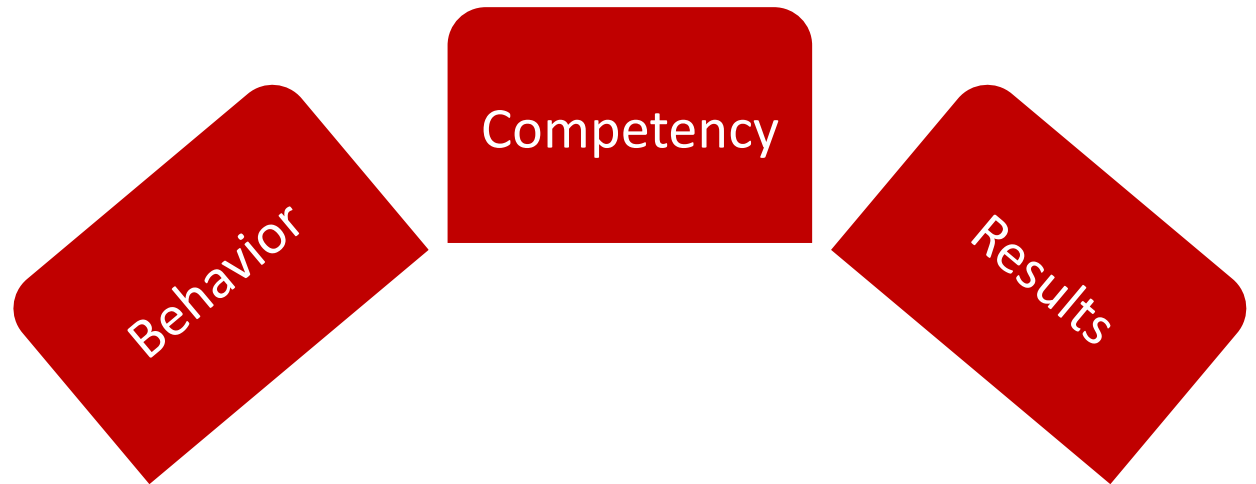


Job Analysis

- Responsibilities
- Tools or systems used
- Reporting requirements



Setting Goals



Motivation

- Lead by example
- Meet with individuals
- Reward employees





Case Study

The company trained employees, and shared new sales techniques every month.

Practical Illustration



- Strategic Planning
- Job Analysis
- Setting Goals
- Motivation
- Case Study

Module Five: Review Questions

1. Individual strategic plans reflect _____.

A. Values of the company

B. The market

C. Individual motivation

D. Peer reviews

Module Five: Review Questions

2. What is not an example of a strategic action?

A. Meet with supervisor once a week

B. Attend training classes

C. Improve sales 10 percent

D. Practice speaking skills

Module Five: Review Questions

3. What is a job requirement?

A. Training

B. Responsibilities

C. Skills

D. Certification

Module Five: Review Questions

4. What is an employee requirement?

A. Tools

B. Reporting

C. Responsibilities

D. Educated

Module Five: Review Questions

5. Performance goals need to be _____.

A. General

B. Specific

C. Timely

D. SMART

Module Five: Review Questions

6. What do performance goals not need to address?

A. Behavior

B. Competency

C. Time

D. Results

Module Five: Review Questions

7. How should managers not motivate employees?

A. Threats

B. Example

C. Rewards

D. Meeting with individuals

Module Five: Review Questions

8. Who do managers need to motivate?

A. Customers

B. Teams

C. Clients

D. Themselves

Module Five: Review Questions

9. What did the company unsuccessfully implement?

A. Turnover goals

B. Production goals

C. Individual sales goals

D. New policies

Module Five: Review Questions

10. How much did profitability improve after strategies were implemented?

A. 5 percent

B. 8 percent

C. 10 percent

D. 12 percent



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Feedback is the breakfast of champions.

Ken Blanchard

360-degree Feedback

Identifying strengths and weaknesses will allow employees to continually improve how they perform.

What is 360-degree Feedback?



Identifying and enhancing strengths

Helping Employees set goals

Creating action plans

Vs. Traditional Performance Reviews

360-degree feedback provides a better picture of performance than traditional reviews.





The Components

The scores from supervisors, peers, employees, and direct reports are averaged and compared with average company scores.

Case Study

A department manager of a large production company had a problem with productivity and morale.



Practical Illustration



- What is 360-degree Feedback?
- Vs. Traditional Performance Reviews
- The Components
- Case Study

Module Six: Review Questions

1. 360-degree feedback is normally _____.

A. General

B. Signed

C. Anonymous

D. Personal

Module Six: Review Questions

2. What does a manager's feedback include that other's might not?

A. Direct reports

B. Peer reviews

C. Customer reviews

D. Supervisor review

Module Six: Review Questions

3. Who typically performs a traditional review?

A. Employees

B. Supervisors

C. Peers

D. Customers

Module Six: Review Questions

4. What provides a better sense of supervisor and executive performance?

A. SMART goals

B. General reviews

C. Traditional reviews

D. 360-degree performance

Module Six: Review Questions

5. How are the scores from different sources graded?

A. Added

B. Averaged

C. Multiplied

D. Individually

Module Six: Review Questions

6. How does feedback remain confidential?

A. Supervisors handle it

B. Employees sign it

C. HR handles it

D. Customers handle it

Module Six: Review Questions

7. How did the manager communicate with employees about performance?

A. Calmly

B. Motivation

C. Threats

D. Directly

Module Six: Review Questions

8. How much did productivity increase?

A. 5 percent

B. 8 percent

C. 10 percent

D. 12 percent

Module Six: Review Questions

9. Traditional performance reviews do not always give an accurate description of _____.

A. Employer/employee relationships

B. The company's profit margin

C. Employer's expectations

D. Employee's expectations

Module Six: Review Questions

10. Traditional performance reviews may have a negative impact if employees feel they are not_____.

A. True

B. Task-oriented

C. Fair

D. None of the above



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Competence, like truth, beauty, and contact lenses, is in the eye of the beholder.

Dr. Laurence J. Peter

Competency Assessments

Competency assessments are essential to performance management. These assessments make it easier to hire and promote the right people.



Competency Assessment Defined

Excellent

Meets expectations

Needs improvement

Have opportunities to advance

Implementation

- Identify Competencies
- Develop Assessments
- Practice Assessments





Final Destination

The final destination will provide a pool of trained professionals with strong performance.

Case Study

The overall goal is to double the number of high performing employees who exceed expectations.



Practical Illustration



- Competency Assessment Defined
- Implementation
- Final Destination
- Case Study

Module Seven: Review Questions

1. Who assesses competencies besides supervisors?

A. HR

B. Coworkers

C. Peers

D. CEO

Module Seven: Review Questions

2. Which is generally not an assessment rating?

A. Excellent

B. Meets expectations

C. Minutes to hours

D. Needs improvement

Module Seven: Review Questions

3. What part of the competency assessment helps employees improve?

A. Action plan

B. Direction

C. Peer reviews

D. Goals

Module Seven: Review Questions

4. Managers need to _____ using competency assessments?

A. Explain

B. Practice

C. Reward employees

D. Promote

Module Seven: Review Questions

5. What will determine the final destination for each company?

A. Goals and needs

B. Productivity

C. Profitability

D. Feedback and competencies

Module Seven: Review Questions

6. Goals and _____ must be identified for the final destination.

A. Expectations

B. Talent

C. Competencies

D. Motivation

Module Seven: Review Questions

7. What was the goal of the CEO?

A. Increase high performance

B. Double high performance

C. Triple high performance

D. Reduce high performance

Module Seven: Review Questions

8. How did the competency scores improve on average?

A. One level on average

B. Two levels every quarter

C. Three levels every quarter

D. Four levels annually

Module Seven: Review Questions

9. Competency assessments are essential to _____.

A. Employees

B. Performance management

C. Employers

D. Career advancement

Module Seven: Review Questions

10. When identifying an employee's competencies, you need to _____.

A. Decide if the employee is capable of the task

B. Decide which skills are necessary for that job

C. Ask other employees for their advice on the matter

D. None of the above



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Nothing is a waste of time if you use experience wisely.

Auguste Rodin

Kolb's Learning Cycle

It is important to be familiar with the learning cycle to effectively manage performance, and guide employees to greater achievements.



Experience

Experience and conceptualization are the two ways that employees take in knowledge.

Observation

Watching is the way that knowledge is transformed into meaning for an individual.





Conceptualization

Abstract conceptualization is a way to gather knowledge on a subject without direct experience.

Experimentation

It is important that employees be allowed to take risks when learning.





Case Study

He was shown his workspace, and a trainer walked him through the programs he would use in the job.

Practical Illustration



- Experience
- Observation
- Conceptualization
- Experimentation
- Case Study

Module Eight: Review Questions

1. What is a method for gaining knowledge?

A. Learning

B. Observation

C. Experience

D. Experimentation

Module Eight: Review Questions

2. Concrete experience involves _____.

A. Observation

B. Books

C. Feelings

D. Senses

Module Eight: Review Questions

3. What is a method for transforming knowledge?

A. Reflective observation

B. Senses

C. Books

D. Concrete experience

Module Eight: Review Questions

4. Knowledge is transferred to _____.

A. Feelings

B. Meaning

C. Senses

D. Experience

Module Eight: Review Questions

5. What is a way to gain knowledge without direct experience?

A. Reflective observation

B. Concrete conceptualization

C. Abstract conceptualization

D. Abstract observation

Module Eight: Review Questions

6. How does abstract conceptualization work?

A. Feelings interpret

B. Watching interprets

C. Experience interprets

D. Logic interprets

Module Eight: Review Questions

7. What is acting on knowledge gathered?

A. Reflective observation

B. Active experimentation

C. Active conceptualization

D. Direct experience

Module Eight: Review Questions

8. Which of the following includes taking risks?

A. Active experimentation

B. Abstract conceptualization

C. Concrete experience

D. Reflective observation

Module Eight: Review Questions

9. What stage of learning did the new hire in the Case Study, not experience?

A. Reflective observation

B. Concrete experience

C. Abstract conceptualization

D. Active experimentation

Module Eight: Review Questions

10. What was the result of the training?

A. Poor attitude

B. Too many mistakes

C. Poor productivity

D. The results were positive



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*Build upon strengths and weaknesses will gradually take care
of themselves.*

Joyce C. Locke

MODULE NINE

Motivation

Every employee needs to be motivated in order for performance management to be successful.



Key Factors

Responsibility

Nature of the work

Recognition

Achievement

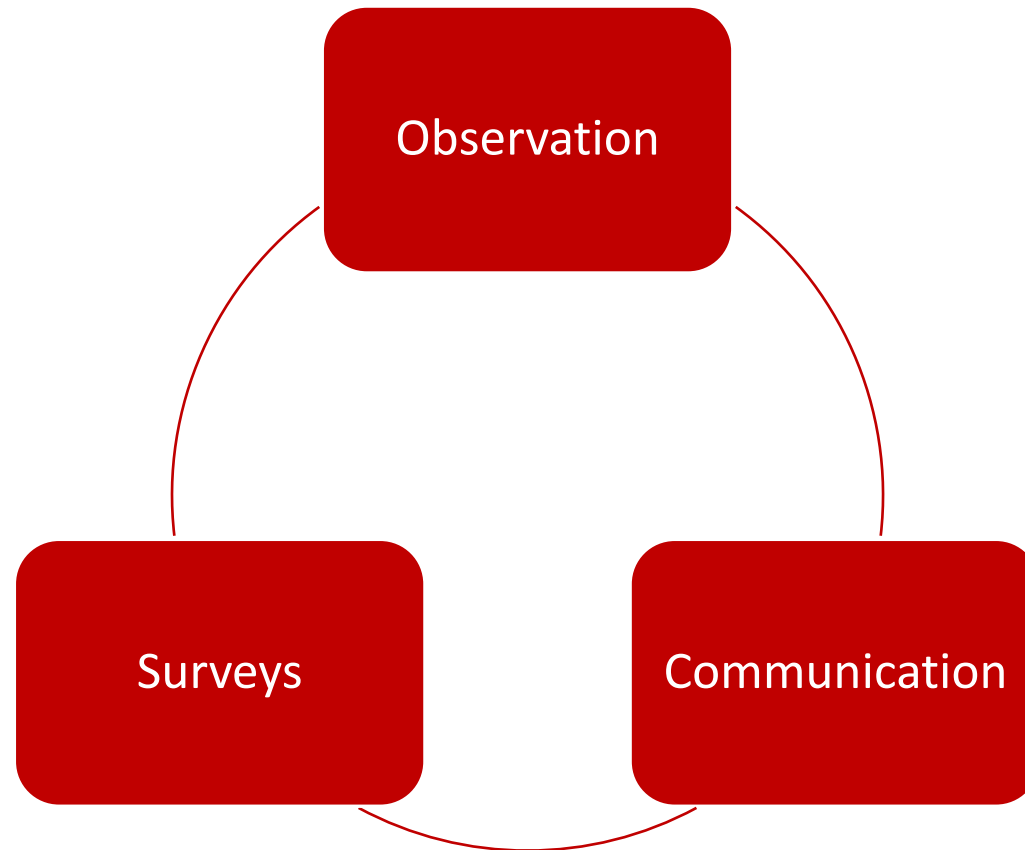
The Motivation Organization

- Family
- Environment
- Success
- Community





Identifying Personal Motivators



Evaluating and Adapting

- Surveys
- Review mission
- Development
- Goals





Case Study

The salaries are competitive and the offices were recently redecorated to create a pleasant atmosphere.

Practical Illustration



- Key Factors
- The Motivation Organization
- Identifying Personal Motivators
- Evaluating and Adapting
- Case Study

Module Nine: Review Questions

1. Pay Influences _____.

A. Satisfaction

B. Motivation

C. Management

D. Achievement

Module Nine: Review Questions

2. What is a not a key motivator?

A. Responsibility

B. Work conditions

C. Recognition

D. Achievement

Module Nine: Review Questions

3. People perform better when they _____ their company.

A. Are educated by

B. Are vested in

C. Believe in

D. Understand

Module Nine: Review Questions

4. What is not an internal motivation?

A. Personal time

B. Success

C. Family

D. Pay

Module Nine: Review Questions

5. What will not identify personal motivators?

A. Age

B. Surveys

C. Observation

D. Communication

Module Nine: Review Questions

6. Large organizations rely on _____ to understand what motivates individuals.

A. Peers

B. Customers

C. Managers

D. Policies

Module Nine: Review Questions

7. What should be done if a survey indicates employees are not motivated?

A. Hire new employees

B. Adapt motivation techniques

C. Provide more training

D. Ignore the results

Module Nine: Review Questions

8. What is not an indication of motivation?

A. Age

B. Meeting goals

C. Surveys

D. Development

Module Nine: Review Questions

9. In the Case Study, the problem was with turnover and _____.

A. Productivity

B. Profits

C. Sales

D. Customer service

Module Nine: Review Questions

10. In the Case Study, how much did turnover decrease?

A. 8 percent

B. 10 percent

C. 12 percent

D. 15 percent



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The best way to predict the future is to create it.

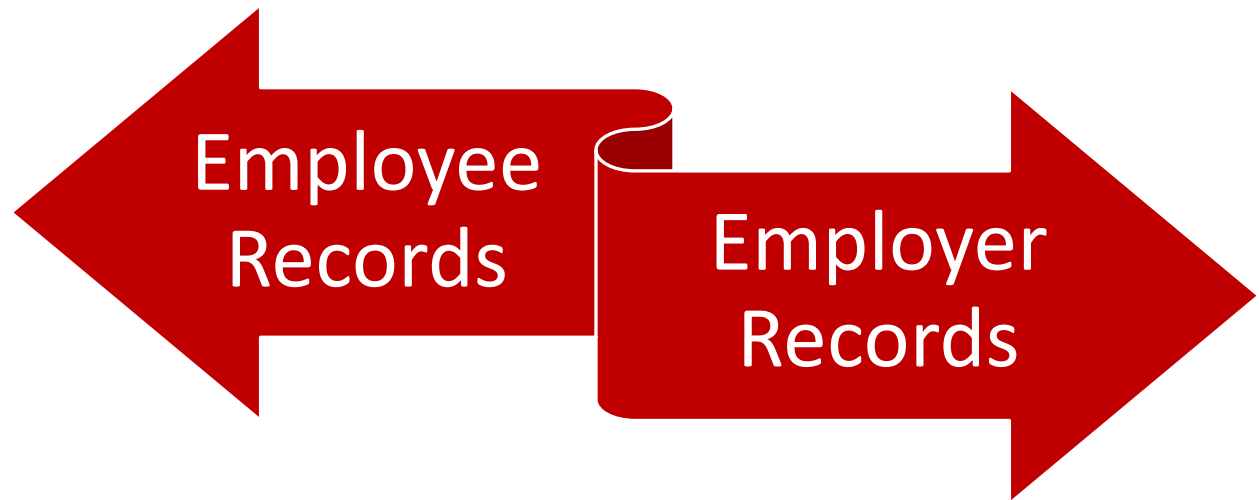
Peter Drucker

The Performance Journal

Performance journals create evaluations that are more accurate by allowing employees and managers to keep track of performance throughout the year.



Record Goals and Accomplishments



Linking With Your Employees or Managers

It is important that employees and managers connect for performance management to be effective.





Implementing a Performance Coach

Assess skills and knowledge

Assess the tools

Assess motivation

Keeping Track

- Traditional Evaluations
- 360 Feedback
- Journals
- Performance log





Case Study

He was also shocked to see that others only performed well the month before the review.

Practical Illustration



- Record Goals and Accomplishments
- Linking With Your Employees or Managers
- Implementing a Performance Coach
- Keeping Track
- Case Study

Module Ten: Review Questions

1. What accomplishments should employees record?

A. Encouragement and praise

B. Praise and rewards

C. Awards and recognition

D. Recognition and encouragement

Module Ten: Review Questions

2. What details do employers need to record?

A. Praise and complaints

B. Encouragement and notes

C. Documentation and notes

D. Recognition and documentation

Module Ten: Review Questions

3. What will damage performance?

A. Trusting managers

B. Distrust of managers

C. Trusting employees

D. Journal entries

Module Ten: Review Questions

4. _____ may see employee journal entries if the employee so chooses.

A. Investors

B. Customers

C. Peers

D. Managers

Module Ten: Review Questions

5. Which of the following is not a way for coaches to coach employees?

A. Threats

B. Praise

C. Correction

D. Encouragement

Module Ten: Review Questions

6. Who typically serves as a performance coach?

A. CEOs

B. Customers

C. Managers

D. Peers

Module Ten: Review Questions

7. Where do managers consistently record their observations?

A. Performance log

B. Evaluations

C. 360 Feedback

D. Journal entries

Module Ten: Review Questions

8. Which is not a way to keep track of performance?

A. Performance log

B. Evaluations

C. 360 Feedback

D. Surveys

Module Ten: Review Questions

9. In the Case Study, what always suffered after reviews?

A. Profitability

B. Sales

C. Productivity

D. Labor

Module Ten: Review Questions

10. In the Case Study, how much did sales improve with the journals?

A. 8 percent

B. 20 percent

C. 5 percent

D. 10 percent



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He who fails to plan, plans to fail.

Proverb

Creating a Performance Plan

Managers must create a plan with every employee they work with. There is always room for improvement.



Goals

- Determine what employees need to accomplish.
- Make SMART goals.
- Allow employees to develop the goals with you.

Desired Results

An individual who cannot meet desired results will need coaching in that area.





Prioritization

- Train to use the new software within two months.
- Call clients every week to increase customer satisfaction.
- Meet monthly sales goals with social networking, cold calling, and scheduled meetings.

Measure

- The total number of customer complaints
- Percentage of wasted product
- Met personal goals





Evaluation

Formal reviews are typically done every year, but frequent informal reviews are more effective.

Case Study

- The total number of customer complaints
- Percentage of wasted product
- Met personal goals



Practical Illustration



- Goals
- Desired Results
- Prioritization
- Measure
- Evaluation
- Case Study

Module Eleven: Review Questions

1. Who should help develop goals?

A. HR

B. Management

C. Employees

D. Employees and management

Module Eleven: Review Questions

2. Employees must have the _____ to reach their goals?

A. Feedback

B. Communication

C. Tools

D. Management

Module Eleven: Review Questions

3. Who is responsible for achieving desired results?

A. Managers

B. Employees

C. Peers

D. CEOs

Module Eleven: Review Questions

4. Who needs coaching?

A. Someone who does not meet desired results

B. Someone who meet desired results

C. Someone who exceeds desired results

D. Someone without desired results

Module Eleven: Review Questions

5. How many goals should be made priorities?

A. 3

B. 5

C. 7

D. 10

Module Eleven: Review Questions

6. Goals must not _____.

A. Be specific

B. Align with company values

C. Conflict with each other

D. Be prioritized

Module Eleven: Review Questions

7. What will need to be established before measurements?

A. Evaluations

B. Competencies

C. Assessments

D. Priorities

Module Eleven: Review Questions

8. When possible, measurements should be _____.

A. New

B. General

C. Numbered

D. Cost specific

Module Eleven: Review Questions

9. Compare performance with _____.

A. Priorities

B. Measurements

C. Assessments

D. Plans

Module Eleven: Review Questions

10. Which evaluations are more effective?

A. Monthly

B. Formal

C. Annual

D. Informal

Wrapping Up

Although this workshop is coming to a close, we hope that your journey to improve your Performance Management skills is just beginning.



Words From the Wise

It is much more difficult to measure nonperformance than performance.

- Harold S. Geneen

However beautiful the strategy, you should occasionally look at the results.

- Winston Churchill

The man who starts out going nowhere, generally gets there.

- Dale Carnegie