

Managing Employee Performance

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Sage Abra Users Conference



Topics Covered

- Motivating
- Coaching
- Appraising

If you raise the bottom, the top also rises.

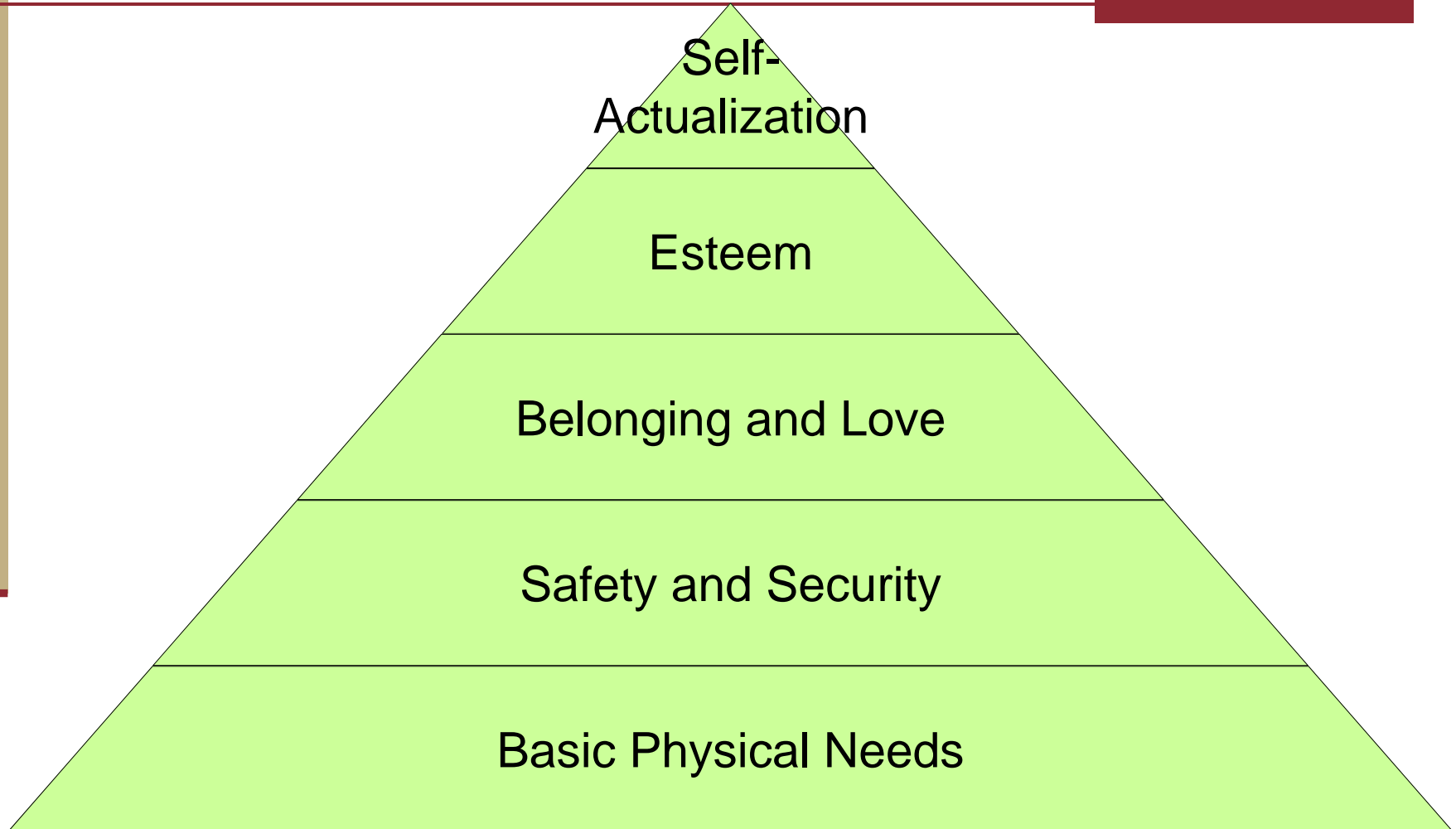
- Jack Stack

MOTIVATION

- Needs
- Values
- Beliefs
- Behavior



Maslow's Hierarchy of Needs



Herzberg's Motivation-Hygiene Theory

Hygiene factors

- Extrinsic factors affecting job dissatisfaction
- Environmental factors
- Job security, pay, working conditions, supervision

Motivation factors

- Intrinsic factors affecting job satisfaction
- Job content factors
- Recognition, achievement, growth, advancement

Values

- Define and prioritize what each of us wants out of life
- Are not influenced by others, particularly the supervisor

Beliefs

- How we think the world works
- May be irrational



Source: Wolfram
Research Inc. Drawn
by cartoonist W. E. Hill
and originally
published in *Puck*,
November 8, 1915.

Behavior

Values + Beliefs = Behavior

Skinner's Behavioral Reinforcement Theory

- Positive reinforcement
 - Reward for good performance
- Negative reinforcement
 - No reward for good performance
- Punishment
 - Punishment for poor performance
- Extinction
 - No reward for poor performance

Employers Should Reward

- Long-term solutions
- Reasonable risk-taking
- Creativity
- Decisive action
- Smart work
- Quietly effective behavior
- Simplification
- Loyalty
- Working cooperatively

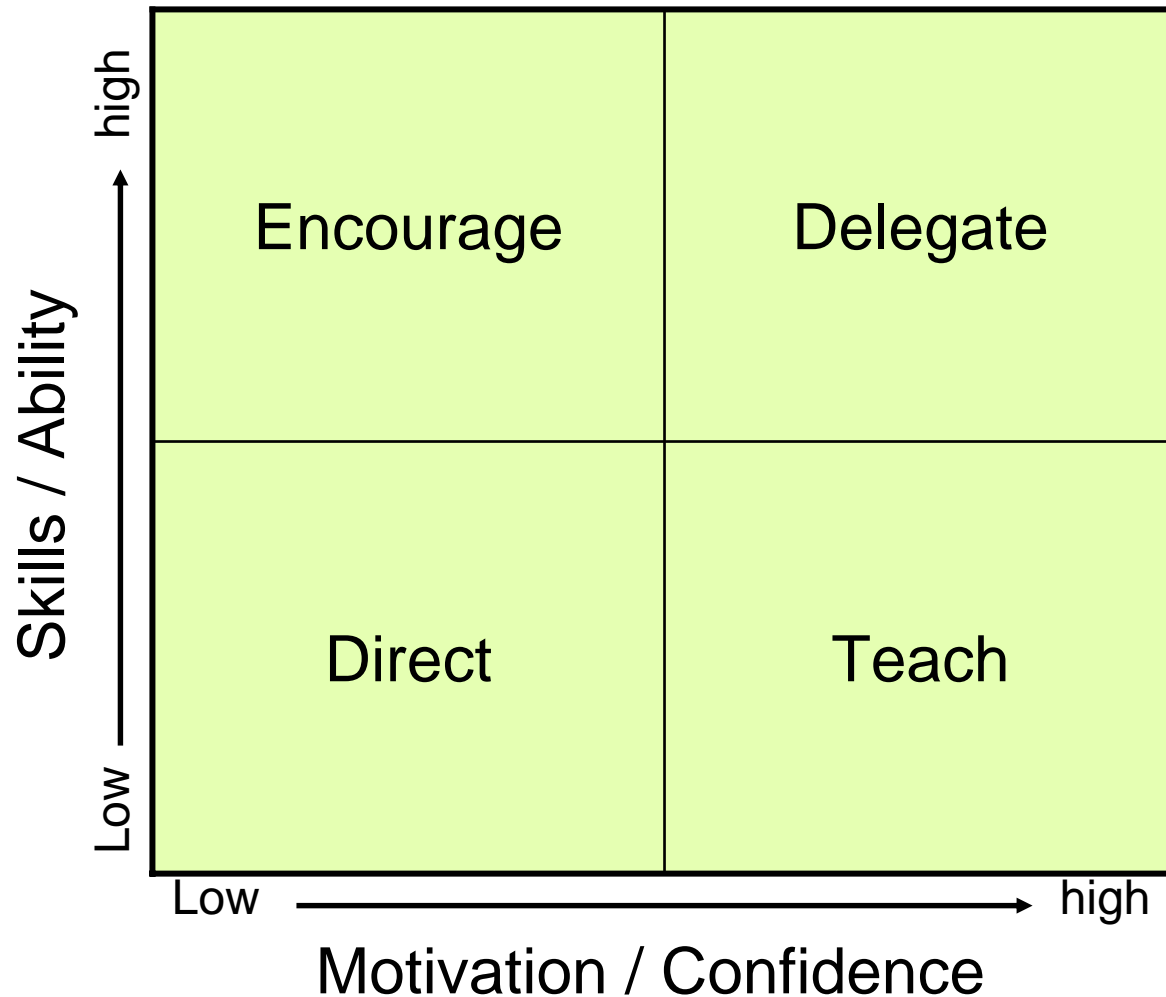
COACHING

- Helping someone expand and apply skills, knowledge, and abilities by:
 - Teaching
 - Motivating
 - Listening
 - Encouraging
 - Setting Goals and Expectations

Those who are lifting the world upward and onward are those who encourage more than criticize.

- Elizabeth Harrison

Coaching Matrix



Set High Standards for Performance

- Establish high expectations
- Communicate thoroughly
- Hold employees accountable
- Reward achievement

High achievement always takes place in the framework of high expectations.

- Jack Kinder

Delegating Tasks

- Assigning tasks effectively to others while maintaining responsibility for results.
- Considers skill level of employee and challenge level of assignment.
- A developmental strategy

Delegating

A 2x2 matrix diagram illustrating delegation strategies based on Trust Motivation and Trust Skills. The vertical axis is labeled 'Trust Motivation?' with 'Yes' at the top and 'No' at the bottom. The horizontal axis is labeled 'Trust Skills?' with 'No' on the left and 'Yes' on the right. The four quadrants are: Top-Left (Yes Motivation, No Skills) is 'Develop'; Top-Right (Yes Motivation, Yes Skills) is 'Fully Delegate'; Bottom-Left (No Motivation, No Skills) is 'Redeploy'; Bottom-Right (No Motivation, Yes Skills) is 'Manage'. The entire matrix is filled with a light green color.

Trust Motivation?	Yes	Develop	Fully Delegate
Trust Motivation?	No	Redeploy	Manage
		No	Yes
		Trust Skills?	

Communicating Instructions

- Showing the employee how to accomplish the task and clarifying when, where, how much, and to what standard it should be done.
- Define your terms
- Critical for unfamiliar tasks.
- A first-time task assignment should be handled like a training session.

Providing Task-Relevant Feedback

- Carefully observing the employee's performance of individual tasks and communicating those observations in a nonthreatening manner.
- Feedback should be one-on-one.
- Observations should be concrete and specific.
- Feedback should include improvement suggestions.

Performance Improvement

It's not enough to merely say you're committed to top performance. To be an effective manager, you need to "walk the talk" by addressing employee performance problems – early and head on.

- Eric Harvey

Guidelines for Giving Feedback

- Describe the performance/behavior
- Include a statement of the impact on the business
- Make your comments positive when there is partial improvement
- Feedback should occur soon after the behavior is observed
- Assume an attitude of helpfulness rather than power and domination

Activity for describing behavior

- Describe the performance/behavior in measurable terms
- Be factual; don't speculate about motives
- Back up your description with specific examples

Recognition

- More powerful than money.
- To be effective, should be
 - Immediate
 - Sincere
 - Specific
 - Positive
 - Express appreciation
 - Individualized



Dealing with Failure

- Working with employees who are not meeting expectations to find out why this is so.

Assessing Failure

- Do they know what they're supposed to do?
- Do they know how to do it?
- Do they know why they should do it?
- Do they think they are doing it?
- Do they have the tools with which to do it?
- Are there obstacles beyond their control?
- Do they think it will work?
- Do they think their way is better?
- Do they think something else is more important?
- Are there positive consequences for doing it?
- Are there negative consequences for doing it?
- Is there a positive consequence for not doing it?
- Is there a negative consequence for not doing it?
- Is there a personal problem interfering with performance?
- Is it possible that no one could do it?

Working with Personal Problems

- Listening empathetically and nonjudgmentally and offering support for nonwork difficulties.
- Make referrals
- Provide support
- Be flexible

Following Through

- Monitoring the outcomes of coaching individuals and providing additional assistance when necessary.
- Stay close to observe, give feedback and encouragement
- “Run interference” for your employees
- Obtain resources to support your employees

Performance Appraisal

- Process that measures the degree to which an employee accomplishes work requirements
- Purposes
 - Provide feedback
 - Allocate rewards and opportunities
 - Communicate expectations
 - Mutual planning of employee development

Performance Appraisal, cont.

■ Positive Outcomes

- Productivity/performance improvements
- Identify training needs
- Foster commitment and mutual understanding

■ Potential Negative Outcomes

- Discourages risk-taking
- Build's fear
- Undermines teamwork
- Creates bitterness
- Demotivates workers

Process for Appraisal Feedback

- Create the Right Context for Discussion.
- Ask employees to rate their performance before the session.
- Gain agreement on the appraisal ratings.
- Reiterate expected performance.
- Agree on specific goals.
- Create an implementation plan.
- Set deadlines for accomplishment.
- Set a date to review progress.

Improving Appraisal Feedback

- Nothing in the supervisor's appraisal should come as a surprise to the employee.
- Encourage the subordinate to participate in the session.
- Recognize effective performance.
- Focus feedback on behavior or results, not on the person.
- Focus on solving problems and minimize criticism.



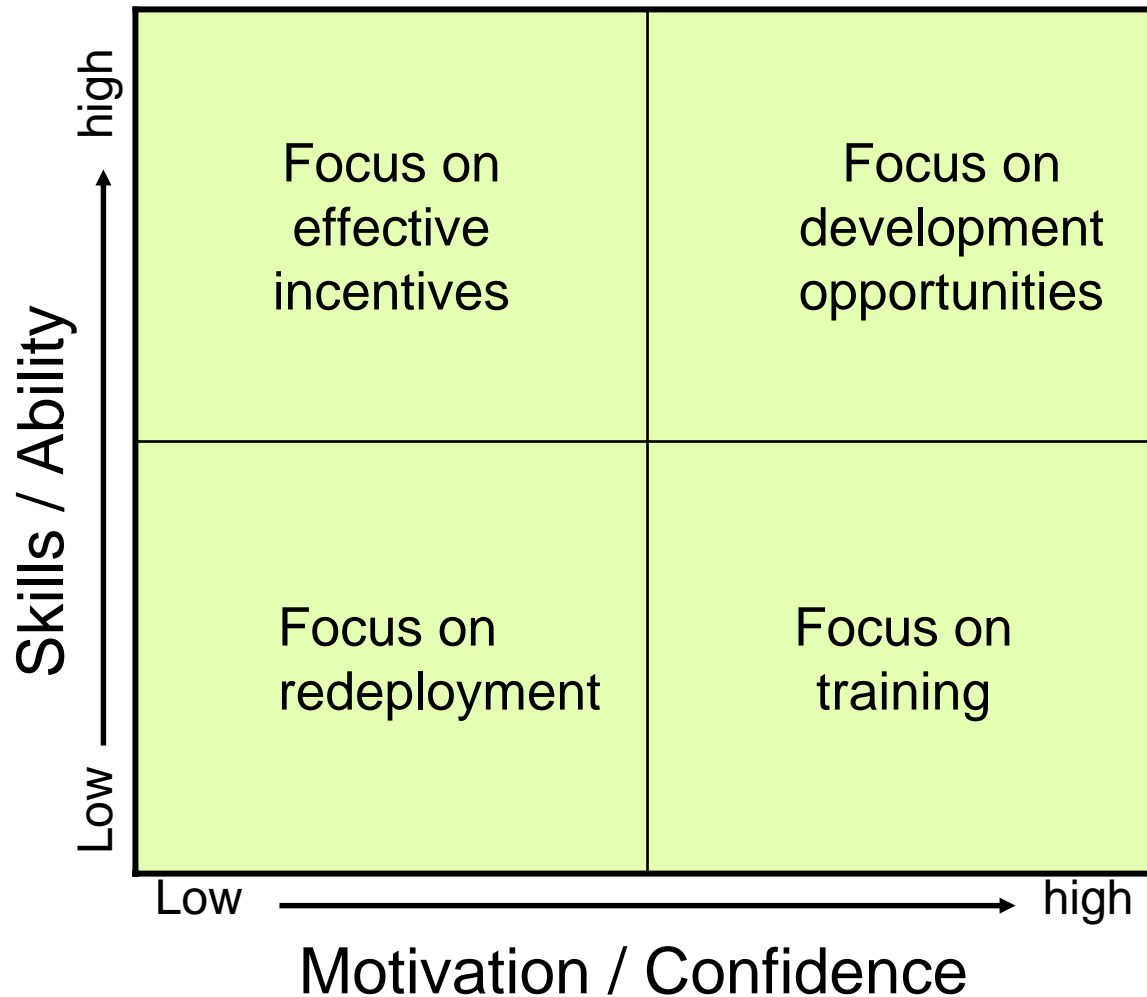
Elements of a Good Performance Appraisal System

- Identifies performance goals
- Aids in selection and promotion
- Provides feedback
- Includes employee development
- Rewards and recognizes achievement
- Formalizes and documents goals
- Documents career aspirations
- Identifies areas where improvement is needed
- Links achievement and compensation

Rater Errors in Performance Measurement

Varying Standards	Similar performance rated differently
Recency/Primacy Effects	Timing of information affects rating
Central Tendency/ Leniency/ Strictness	Everyone is rated the same
Rater Bias	Certain factors overwhelm others
Halo / Horn Effects	Generalization is made from only one trait
Contrast	Comparison is made to other people, not standards
Similar to me/Different than me	Rater compares employees to self
Sampling Error	Available information is insufficient or inaccurate

Supervisory Action Matrix



Thank You!

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