

EMPLOYEE PERFORMANCE MANAGEMENT: NAVIGATING THE EMPLOYEE DEVELOPMENT PROCESS SUCCESSFULLY

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I. THE PERFORMANCE MANAGEMENT SYSTEM: A KEY TO INTEGRATED EMPLOYEE DEVELOPMENT AND SATISFACTION

- A. Definition: Performance management is a shared understanding about how individuals contribute to an organization's goals. An effective performance management and appraisals process focuses on aligning your workforce, building competencies, improving employee performance and development, and driving better business results. Performance management is a management style that has grown increasingly popular, and surveys show that more companies are replacing annual performance reviews with comprehensive performance management systems. This approach is not a year-end check in but instead continues over all 365 days. It involves a process in which a company, organization, or institution creates a work environment that empowers employees to work to the best of their abilities. The process that an employer uses to accomplish this often varies from one business to the next. Despite these variations, the performance management process generally involves some form of goal setting, evaluation and reward. In addition, coaching is often offered throughout the process.
- B. Four Stages of the Performance Management Process:
1. Planning: The planning stage of the performance management process is meant to formulate the employee's job description, set achievement goals for the employee and discuss the expected level of performance for the job. The expectations for any given employee will typically depend on the work they are doing or the department they are in. At the end of the planning stage both the employee and management must be in agreement in terms of what is expected. In

addition, the goals that are set are ones that should be achieved within the course of one year.

2. Assessment: The assessment is an annual evaluation of the employees' performance. This often takes feedback from co-workers and clients into consideration, in addition to observations by management. Assessments also include a review of the previous years' evaluation and an assessment of skills. Some employers may have an employee complete an evaluation of their own performance that is then discussed during the evaluation and compared to the official evaluation.
3. Recognition: This portion of the process is about recognizing the employee's accomplishments as well as any areas that need improvement. During this process the manager/employer and the employee should discuss ways to make improvements. Management should also be open to things that they can do differently in efforts to help the employee. In terms of accomplishments, employees may be given recognition verbally and/or in the form of bonuses or promotions.
4. Career Development: This phase of the process is to promote and encourage future improvement and development of the employee. It should meet the needs of the business or organization, enhance the strengths of the employee and work to eliminate areas of weakness. This may involve training on site as well as sending the individual to off-site training. As with other phases or stages of the process, communication between management and the employee is important.

C. GUIDING PRINCIPLES OF PERFORMANCE MANAGEMENT:

1. Goals are the foundation for performance management and must be S.M.A.R.T.:

- a. S: Specific
 - b. M: Measurable
 - c. A: Attainable
 - d. R: Relevant
 - e. T: Timely
2. Setting Goals:
- a. Prepare the goals together with the employee.
 - b. Focus upon employee performance improvement but also professional skill development related to needs of the organization and the employee's unit in the organization.
 - c. Include goals relating to the employee's desired advancement in the organization and overall career.
 - d. Be specific and include details, method of measurement and deadlines.
 - e. Consider the employee's workload, employee's function and fit within the overall work unit, employee strengths and interests.
 - f. Set short term goals for one year or less and then long term goals for up to 5 years.
 - g. Be realistic!
3. The 360° Survey and Feedback
- a. 360° degree feedback is feedback that you collect from an individual's direct reports (if they have any), colleagues or co-

workers, customers, and anybody else that the individual would have a lot of work contact with at work.

- b. Invite your employees to submit names of appropriate respondents to you, as well as select some other respondents, both inside and outside the organizational unit. This enables you to get a well-rounded perspective on the quality of an employee's work and their interpersonal effectiveness.
- c. 360° feedback MUST be confidential; you are compiling summary comments and looking for trends and patterns.
- d. The best use of 360° degree feedback is for development purposes, NOT for performance ratings or compensation decisions.
- e. Coaching should be provided to the individual on how to interpret their feedback and how to use it for development planning.
- f. Survey questions should measure specific behaviors and key competencies associated with job performance and success; they should be asked in behavioral terms and be actionable.
- g. The more feedback gathered, the better the data.
- h. Research shows that performance, morale, and engagement can actually decline if a 360° process is not done well or the feedback is negative and the employee gets upset so manage the process carefully.

D. The Supervisor's Role: Supervisors are responsible for:

- 1. Communicating the goals to employees;

2. Assessing the performance of the organizational unit in which the employee is involved, as well as individual performance;
3. Developing performance expectations with the participation of employees;
4. Communicating (and documenting) throughout the performance management cycle about employees' goals, performance, and development;
5. Recognizing and rewarding successful performance throughout the cycle;
6. Coaching for improved performance and taking corrective action as necessary;
7. Ensuring that employees have the tools, resources, and training and development needed to carry out their duties successfully.

II. COACHING AND MENTORING FOR SUCCESS

A. Coaching vs. Mentoring: What's the Difference?

1. Coaching: Coaching is a form of development in which a person called a coach supports a learner or client in achieving a specific personal or professional goal by providing training and guidance. The learner is sometimes called a coachee. Occasionally, coaching may mean an informal relationship between two people, of whom one has more experience and expertise than the other and offers advice and guidance as the latter learns; but coaching differs from mentoring in focusing on specific tasks or objectives, as opposed to more general goals or overall development.
2. Mentoring: Mentoring is a process for the informal transmission of generalized knowledge, social capital, and the psychosocial support perceived by the recipient as relevant to work, career, or professional

development; mentoring entails informal communication, usually face-to-face and during a sustained period of time, between a person who is perceived to have greater relevant knowledge, wisdom, or experience (the mentor) and a person who is perceived to have less (the protégé).

B. Critical Steps for Successful Coaching of Employees

1. **Build Trust and Rapport:** The foundation of any coaching relationship is based upon a relationship of trust between the supervisor and the employee. Without trust, coaching will not be effective.
2. **Open the Process in a Positive Manner:** The manager must open the meeting with the employee by clarifying in a non-accusatory manner the reason for the coaching process.
3. **Get an Agreement from the Employee:** The most critical step of the process is getting the employee to agree that an issue exists that needs to be addressed or improved.
4. **Explore Alternatives and Creative Solutions:** Start with having the employee brainstorm solutions and try to avoid having the supervisor or manager provide their ideas first. Try to be as specific as possible. Be open to discussing the ideas' benefits, drawbacks and the employee's reasons to believe that such idea may be a solution. The purpose is to maximize the number of ideas and alternatives but not to choose one of those options during this step.
5. **Commitment:** Help the employee choose one of the options as the solution. Do not make the choice for the employee. It is critical that the employee make the choice and own the solution. The supervisor must get verbal commitment from the employee and specific steps and timelines. Be sure to support the employee's choice and offer praise for finding the solution.

6. Handle Excuses: An employee may raise excuses to avoid having to move forward. Recast statements that the employee makes into affirmative statements of encouragement and requests for solutions. Respond empathetically to the employee's perceived situation and reflectively restate the employee's feeling.
7. Give Feedback: Effective coaching requires that the coach give continual feedback to the employee, both positive and requiring re-assessment and solutions. Feedback should:
 - a. Be specific. Vague statements like "you did a good job" or "you need to do better addressing the customer's concerns" do not give enough insight into the specific improvement needed.
 - b. Be timely. Feedback must be given as soon as practicable after the interaction, the completion of the deliverable or the manager's observation.
 - c. Be sincere. Avoid any tone that indicates anger, disappointment, sarcasm or frustration.
 - d. Focus on behavior and not the person. Avoid making feedback seem like a judgment upon the person. The manager should focus on the behavior.
 - e. Be as positive as possible. Positive feedback strengthens performance. Negative feedback delivered in a positive, encouraging manner can improve performance.

III. DOCUMENTING THE PROCESS

- A. The Employee File is available to employees for review so care must be taken as to what documentation (good and bad) is included in the employee file.

- B. The Employee File and the presence or lack of critical documentation can make or break an employee lawsuit.
- C. The rule of escalating action: A successful performance improvement process includes increasing stages of notice, requirements, deadlines and consequences. The process starts with a warning without counseling/coaching, warning and then the imposition of discipline. For some conduct, discipline is necessary from the outset. The circumstances determine the steps in the documentation process.