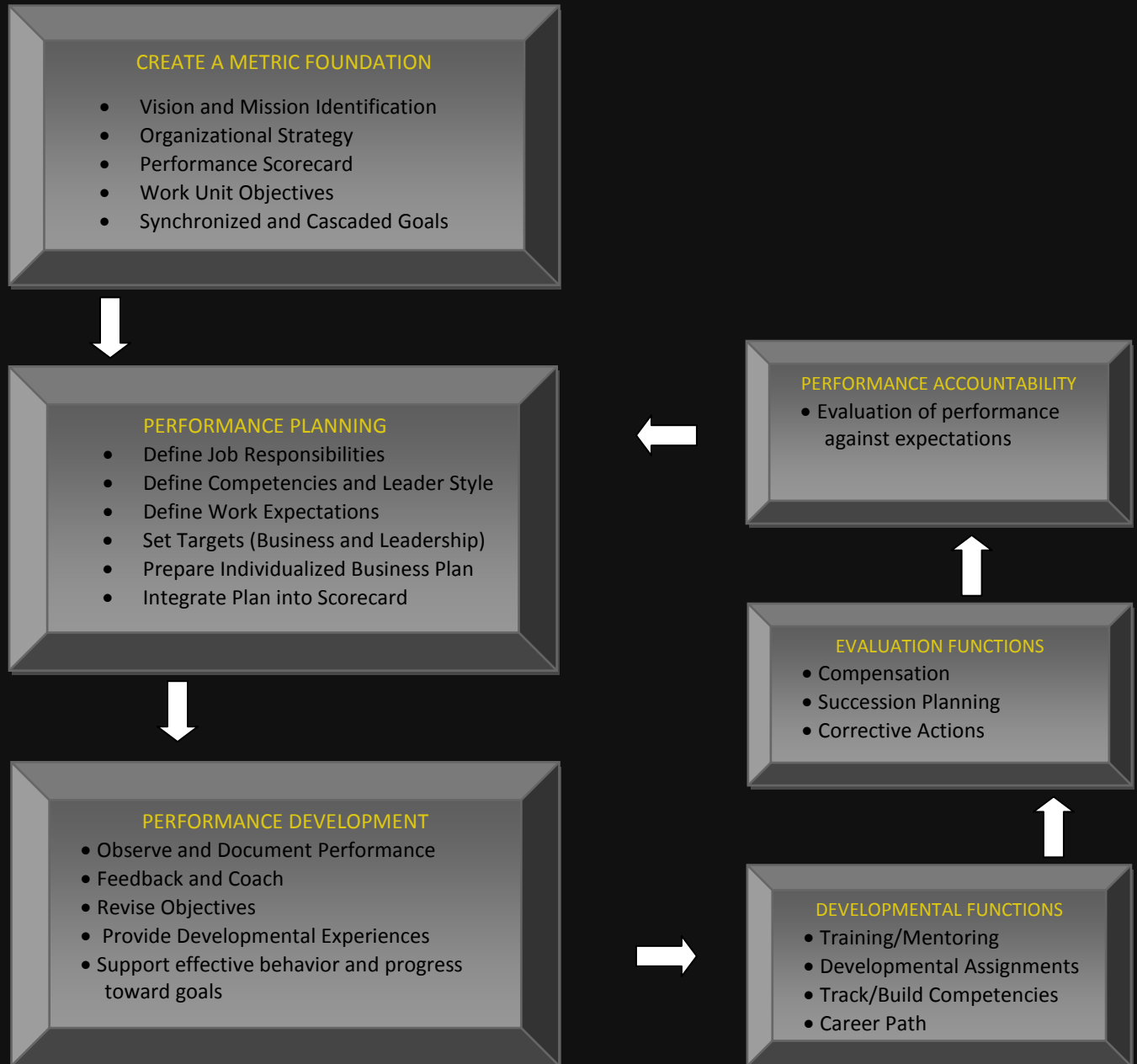


# STRATEGIC PERFORMANCE DEVELOPMENT SYSTEM



## Creating a High-Impact Performance Development Process

Creating and institutionalizing a genuinely impactful performance management system has been an ever-elusive holy grail for the vast majority of organizations. Yet, it's quickly evident to most everyone who spends anytime at all concerned with performance and performance enhancement challenges that, if a robust performance management process could be installed culture-wide, tremendous leverage would accrue to that organizational culture—not only as it would relate to performance but also to developing a more engaged and empowered workforce.

So, how does a Strategic Performance Development System generate this kind of a “twofer” (two for the price of one, as it were)? Well, it's been long established that an individual manager's finesse in the areas of advising, mentoring, coaching, and generally nurturing team members is the prime factor in effectively developing and retaining employees. And, perhaps the greatest advising, mentoring, coaching, nurturing lever available to a manager is the performance management process—with a huge emphasis on the word “process”. (More about this point below.)

Or, from another vantage point, consider the results of myriad worker satisfaction studies, which remain stubbornly stable, decade- to-decade. What's genuinely important to employees?

- ✓ Appreciation and recognition of their performance
- ✓ Important, meaningful, and stimulating work
- ✓ An opportunity to achieve, grow, and excel
- ✓ Caring, communicative, fair, and inclusive management
- ✓ Work/life balance (this concern started to show up in the 90's)
- ✓ Substantive career development opportunities
- ✓ A collegial work culture
- ✓ Wages, benefits, and job security

Imagine the impact that a well-conceived and deeply engrained STRATEGIC PERFORMANCE DEVELOPMENT SYSTEM (SPDS) will have on the first seven of these critical employee issues. Effective performance management is the heavy lifting that's required of a work culture that wants to create an engaged, empowered, and high-performing workforce.

## Core Principles of a Best-of-Class SPDS

Designing a best-of-class performance management system is a non-trivial task. However, it's by far the easiest facet of the overall process to tackle. (See, for example, our SPDS schematic in the addendum to this Technical Memo. There are, indeed, lots of moving (and critical) parts. However, there it all is in one, straightforward flow chart above

But, don't be fooled. There's lots of "white space" in the chart, and that's where the big challenges lay. The flow chart can seduce one into thinking of the performance management process as a mechanical one. Beware! It's anything but mechanical.

What really characterizes the white spaces is a specific set of high-impact manager behavior (for better or worse). A given manager can either be instrumental in delivering seven of the eight satisfiers described above or that manager can, on a daily basis, cause a given employee to feel increasingly disenfranchised.

Consequently, the only way an SPDS will be successful is if its underlying design takes into account the fact that a manager's daily behavior (and even attitudes) are going to have to be refined and changed in significant ways and in a way that must be sustainable for the duration.

"So, that means that we can't simply craft a smart and compelling SPDS design and then just roll it out?"

Precisely. The SPDS design, if it's going to be uniformly and success-fully executed across the entire organization, must be all about BEHAVIOR CHANGE. And, while changing an adult's behavior may not be rocket science, it's pretty darn close. Consequently, managers need to be taken through a potent development process (it can't just be a training process)—behavior must change; attitudes will have to be shifted; the earth's going to need to move a bit.

However, if the performance management initiative is done correctly from beginning to end, then the benefits to the organization are almost incalculable:

- Synchrony of individual performance with the firm's market strategy and performance targets
- Optimization of people performance
- Enhancement of stakeholder satisfaction, commitment, engagement, retention, and empowerment
- Creation of a performance- and results-based culture
- Building bench strength faster/broader/deeper

- Increased productivity
- Enhanced competitive advantage

### **What's the "Potent Development Process" About?**

As was noted above, a high-impact performance management process occurs *only* if each and every manager changes his or her way of doing business, virtually on a day-to-day basis. So, the critical focus of a "potent development process" (i.e., of an effective performance management initiative launch) must be behavior change, one person at a time and in concert.

Recognize, too, that there are arrays of development designs that cannot deliver sustainable *behavior change*, among them being:

- Inspirational or charismatic instructors
- Exposure to even the best educational/training content;  
(because knowledge per se *cannot* produce behavior change)
- Training. Why? Because you can't push a rope—we can't teach, train, or role model a person to change. The decision to use new behaviors is a very personal one and occurs only if some very specific internal attitudes and motivators are in place within the manager being asked to adopt and use new behavioral techniques.

Consequently, the truly effective ramp-up, which must precede the launch of a new or refined strategic performance development system, has to include a specially-conceived series of development workshops for the participating managers. With this kind of facilitated exercise the internalizing of attitudes and motivators can occur - the manager will not only try to change- they will succeed in their efforts.