

# Advantage Note 32

## Performance Management Capability

### Making Performance Management Work

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Performance Management is important to Individuals', Teams' and Organisations'. Often even with Best Practices in place the stakeholders still do not get the expected outcomes as they relate to Performance and Performance Improvement. By focusing on the Task, Procedure & Relationship (TPR) aspects of "Performance Management System" and implementing some TLC (Training, Leadership & Collaboration) Individuals and Teams can make the system work.



I learned many years ago, there are only three things that are important when considering any individual, team or organisation activity:

- **Task:** The focus of the activity and the deliverable/outcome “What is it we/I have to do?”
- **Procedure:** The process is it clear, relevant and understood “How will I/We do it?”
- **Relationships:** Individual and group behaviours and their impact “How we will behave towards each other and others?”

I use this as a check list for activities I am involved with whether as a leader or a participant.

When we look at individual **Performance Management** in the context of teams and organisations the same is true: -

- **Task:** Is there a clear and consistent understanding of what the performance management system is about? What outcomes are expected? Usually a statement of intent or definition can be helpful here.

*“To enable all staff/members maximise their individual contribution towards achieving the aims of the team/organisation in line with their position/role”*

- **Procedure:** Do the participants understand how it works? And what their role is in the process? If we fail to engage individuals in the process and to have ownership for their role in the process, then we get sub-optimal outcomes. In the “Digital Era” we need to leverage the [relevant technology](#) to achieve the aims and tasks of the system.
- **Relationships:** There are many stakeholders who can be part of the individuals/team’s performance management eco-system, these normally include those whose input can impact the performance (Direct), those who use or have a vested interest in the output (Direct & Indirect), those who provide support and guidance (Direct). How do we ensure they are appropriately engaged in the process and how do our values inform the behaviours and practices of the members of the eco-system?

### **Best Practice Models (Such as [Collaborative Performance Management](#) )**

When we plan the *Task, Procedure & Relationships* for a best practice performance management system, we often fail to consider how the plan will get executed. There are many pitfalls that can be prevented or avoided, in the execution/implementation of a performance management system ( See [Pitfalls & Prevention](#) ). Let us take a look at some of the **critical success factors**:

- **Ownership of Performance:** Performance within any performance system only occurs when each individual performs their role to the expected performance standard, and continually strives to improve their performance. So, each individual stand-alone, as part of a team and/or as part of an organisation must own their own performance. The most obvious example of this is in professional team sports. Does the system allow individuals take ownership for their own performance and performance improvement? There is much

written on this topic but what it all comes down to is, have they the required knowledge and skills? And are they motivated to set and achieve ambitious Goals in line with the overall system aims.

- **Quality of Goals/Objectives/KPIs'**: So often do we set ourselves up for disappointment by setting a poor goal. Perhaps it's unrealistic, undefined, unrelated or incomplete, whatever the issue a good approach to getting it right is to test it against the **SMART<sup>2</sup>** standard:
  - **Specific & Short** "*Unambiguous Focus on Purpose*"
  - **Measurable & Meaningful** "*Relevant Indicator of Progress*"
  - **Attainable & Assigned** "*Owner Confidence in Outcomes*"
  - **Relevant & Results** "*Visible Impact where Intended*"
  - **Timelined & Traceable** "*Contributes to Higher Goal in the required timeframe*"
- **Leader/Coach/Mentor Role**: As an individual interpreting, what is expected of you or what you expect from yourself can be a challenge. What is an acceptable performance standard? And to Whom? and are their expectations consistent? Where the individual owns and sets **SMART<sup>2</sup> Goals** & KPIs', their leader, coach or mentor acts as their supporting guide, helping determine the priorities, alignment within the eco-system, and facilitating resources for the individual to be successful and continually improve.
- **Stakeholder Engagement**: Setting and achieving ambitious goals' and KPIs' with the ultimate aim of personal and eco-system satisfaction with performance outcomes, requires effective and efficient engagement between the individual and the stakeholders, in particular the leader/coach/mentor and direct stakeholders. Awareness of progress, regular feedback, review and records are essential more ownership commitment and motivation to perform.

#### **A little TLC is all it takes to make performance management work**

- **Training**: Performance Management is about *Task, Procedure & Relationships*. For an Individual or Team to perform they need to be trained in each of these domains as they relate to Performance Management. An organisation should aim for a consistent understanding and implementation of the practices, use of related **technology** and behaviours that demonstrate each individual understands: What is it We/I have to do?, How will We/I do it?, and How will We/I behave towards other stakeholders.
- **Leadership**: Most individuals will be inspired by having some form of benchmark performance standard relating to their role and goals, the Leader/Coach/Mentors role is to guide Individuals and teams find and set their performance benchmark in line with the organisations overall aims.
- **Collaboration**: There are multiple different types of stakeholders in an individual's and, or team's performance eco-system, they must be engaged at the appropriate level and with the appropriate frequency. Collaboration is about creating and maintaining productive relationships that enable continuous performance improvement and modern digital and social technology can have a significant impact as part of the overall Performance Management System.