

# Savvy Performance Management

Turn painful performance management into Savvy Conversations  
Sarah Harvey



Get Results and Maintain Relationships through the power of Savvy Conversations

SARAH HARVEY

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# **SAVVY PERFORMANCE MANAGEMENT**

TURN PAINFUL PERFORMANCE  
MANAGEMENT INTO  
SAVVY CONVERSATIONS

Savvy Performance Management:  
Turn painful performance management into Savvy Conversations  
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The advertisement features a black header with the CMO Inspired Conference logo on the left, which consists of a green speech bubble containing the letters 'CMO'. To the right of the logo, the text 'INSPIRED CONFERENCE' is written in large, white, bold, sans-serif capital letters. Below this, in smaller white capital letters, is the date and location: '25 OCTOBER | DE VERE BEAUMONT ESTATE | OLD WINDSOR UK'. The main body of the advertisement is a collage of three images: the top image shows a large, white, classical-style building with a fountain in the foreground; the bottom-left image shows a woman speaking at a podium on a stage; the bottom-right image shows a man presenting to a large audience in a conference hall. At the bottom of the advertisement, a black banner contains the text 'Join Over 100 Chief Marketing Officers & Digital Innovators' in green.

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## ABOUT THE AUTHOR

Sarah Harvey is an Organisational Development (OD) consultant, training facilitator and executive coach. With over 25 years experience of managing and leading people personally as well as working alongside managers and leaders at all levels, Sarah has experienced the highs and lows of managing people and performance from the perspectives of first line managers through to CEO's and Board members. Her extensive practical experience has been gained through more than 10 years in senior Human Resources (HR) and leadership roles, followed by running her successful HR and OD consultancy, Savvy People Management Ltd (SPM), since 2003.



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Sarah holds a Post Graduate (Level 7) CIPD Diploma in Personnel Management and a Post Graduate (Level 7) ILM Diploma in Leadership Mentoring and Executive Coaching.

Prior to setting up her own business, Sarah held a number of HR leadership roles. She was Business and Systems Manager for a large HR service at a time of transformational change and she has also led various cross functional/operational HR teams, Learning and Development services, shared services and data/analytics teams (HRMS).

Sarah has been actively involved in volunteer roles with the CIPD, the professional body for HR and people development, for over 10 years. She was elected to the Membership and Professional Development Committee of the CIPD Board in 2012 and elected Chair of CIPD Sussex Branch in 2014. She was also Chair for South East Thames Branch, part of CIPD London from 2008–2012. Other voluntary roles include a 5-year term as a Trustee Board Member of a leading mental health and wellbeing charity.

Established in 2003, SPM has an extensive track record of successful *savvy* assignments, helping clients large and small get maximum impact from their human resources and organisational development interventions. Sarah now specializes in working with individuals and teams using her unique *Savvy Conversations* concept and *CREDS* model. This shows clients how to get results and maintain relationships at work, whether the aim is to avoid conflict, plan for important conversations, give more effective feedback, carry out better quality 1-1's, transform appraisal discussions, resolve differences of opinion or simply get the best from individuals and teams.

Contact Sarah directly to find out more about her *savvy* business consultancy, training and coaching expertise and how she may support you in your business.

Company Website – <http://savvyconversations.co.uk>

You can follow Sarah Harvey on Twitter – @SavvySarahSPM

You can link with Sarah Harvey on Linked In – <https://uk.linkedin.com/in/savvysarah>

You can email Sarah Harvey directly on [sarah@spm-ltd.com](mailto:sarah@spm-ltd.com)

# 1 PERFORMANCE MANAGEMENT: THE NEW CONTEXT

Performance Management is changing.

Actually performance management has already changed.

If you are managing performance now in the same way as you have always managed performance you are almost certainly not as effective as you could be right now.

The world of work has changed significantly since the World Wide Web first came into being in 1990 and from the mid 1990s onwards the internet has had a revolutionary impact on the 3 C's:

- Commerce
- Culture
- Communications

The way we communicate and the sheer pace of communication today would have been unthinkable just a few short years ago: emails, smart phones, tablets, instant messages, phone and video conferencing, blogs, social networking, online banking and online shopping, high speed broadband; these technologies and more are all now so embedded in the way we live and work every day that we sometimes feel we can't actually live without them. Many of us even suffer from 'nomophobia' (no-mobile phobia) – the fear of being without, or losing, our mobile phone, with the 18 to 24 age group being the most nomophobic of all!

These huge technological and cultural shifts mean work is changing too. Many of us prefer to work more flexibly now that we are no longer reliant on a telephone landline or desktop computer to stay connected. People can work any time and from anywhere. More of us work in service-based companies than ever before and organisations have the potential for international reach as technological advances have allowed them to 'go global'.

Our expectations as employees have also shifted. Today's workforce is more diverse than ever. We are not only multi-cultural but multi-generational.

**Up to five generations of people from all over the  
world working together in virtual teams!**

Today's employees demand more flexible working arrangements, a greater work-life balance, less commuting during rush hour, more quality time with family and friends, they no longer expect a job for life and are more willing to switch jobs to find organisations that match their personal values.

**The technological and organisational pace of change we have seen, and will continue to see, really is unprecedented.**

In addition to these technological and organisational changes, businesses are also facing significant productivity challenges. 37% of senior HR professionals and 30% of senior business leaders in the private sector surveyed identified productivity as a business priority (CIPD, 2013). The difference between the most productive and least productive firms is probably due to factors such as managerial competence, organisational culture and the firm's approach to innovation (Fox and Smeets, 2011).

**So what's all this got to do with performance management?**

Businesses seeking to improve their performance need to be having regular conversations about how to improve the business, they need to use these conversations to involve and energise the entire workforce and then implement the outcomes of those discussions with pace and vigour. (CIPD, 2015)

Our performance management approaches have simply not kept up with the pace of change or the challenges faced by today's organisations. In many cases the systems, processes and techniques we use to manage staff are based on outdated theories and models. Managers and HR teams alike are often frustrated by processes they feel are forced upon them. Organisations recognize traditional processes don't really work any more, but somehow hold onto them with a few tweaks around the edges here and there, desperately trying to get them to work more effectively to improve and sustain high performance.

**The truth is, most of these systems and processes are no longer suitable for today's organisations.**

The idea of management that evolved in the nineteenth century, and was later developed into theories by FW Taylor and others, was based to a large extent on the military principles of command and control. Managing was, and to some extent still is, about the planning, organisation, co-ordination and implementation of strategies, tactics and policies imposed from the top in an apparently rational manner. Administration is the essence of this view of management.

Some later studies of management, looking at the behaviours of those in managerial roles, distinguished between managing tasks and managing people. From the 1960s onwards, the idea of leadership started to grow as people began to acknowledge that task-oriented and people-oriented behaviours were both important in influencing people to achieve wider organisational objectives.

**But whilst management and leadership thinking has evolved in recent years, the systems and processes we use in our organisations today remain more or less unchanged since the 1950s.**

Many organisations use performance related pay in one form or another. The majority of organisations have an annual appraisal process and rate their staff. Most sales organisations pay bonuses directly linked to achieving specific targets and goals. But how many organisations using these methods of performance management and reward have really evaluated whether the measures they use actually work and help them manage or improve performance?

95% of managers are dissatisfied with their performance management systems and 90% of HR heads believe they do not yield accurate information. And Deloitte calculated that around 2 million hours per year were taken up by their performance management process. (Rock, Davis and Jones 2014)

No wonder then that when faced with this statistic Deloitte decided it was time for a different approach!

Writing in the Harvard Business Review in April 2014, Buckingham and Goodall stated in their article Reinventing Performance Management, that performance management systems which assess skills produce inconsistent data. They said ratings actually *'reveal more about the rater than they do about the ratee'* and using only a single number rating for each person is too narrow. (Buckingham and Goodall 2014)

And you can add to this numerous studies and research which suggests that so called Millennials and Generation Z (in broad terms those born from 1990s onwards) demand more immediate feedback about their performance than their predecessors ever needed (ILM, 2013). They want to know how they are doing, where they are going and how you are going to support them to get there. And they want it now. Today, this week, this month. Once a year Performance Reviews? Forget it. This generation of employees will have given your company a poor review on Glassdoor.com and taken their career aspirations elsewhere by the time you can say, "It's appraisal time again!"

It's time for us to accept that our organisational systems and processes were designed with the 1950s organisation in mind. The way we process things may have moved online, documentation may be kept electronically rather than in dusty old personnel files and we may now have complex databases to hold huge amounts of employee information. But whilst many have embraced the technology available, we haven't really overhauled our systems and processes at all, we have pretty much moved what we did before online. Now is the time to overhaul our performance management approach to suit today's workplace and workforce.

To succeed in this VUCA world (Volatile, Uncertain, Complex, Ambiguous), our performance management approach needs to better equip us to tackle tricky issues with confidence, to manage tensions and conflict more effectively, and to avoid unnecessary conflict in the first place whilst driving up performance and sustaining it for the longer term.

Companies including Accenture, Deloitte, Microsoft, Gap and Expedia all seem to be moving towards less formal but more frequent methods of performance management and review. Newer companies including Google, Facebook and Netflix claim they don't use appraisals at all.

### **But what about performance management outside of appraisal/performance review systems?**

The time taken to resolve performance issues can quickly become a significant drain on precious resources, as well as having a negative impact on morale, motivation and productivity. Keeping good performers motivated and engaged whilst tackling any poor performance and avoiding or resolving workplace conflict and grievances absorbs valuable management and staff time that could be better focused elsewhere.

Having the right conversation, in the right way, at the right time seems to me to be the key to unlocking individual and team performance in today's organisations.

This is the new performance management context.

Are you ready to embrace it?

## Chapter 1 Summary

### My 3 key messages about the new context of performance management:

1. Huge technological and cultural shifts mean work is changing and performance management needs to change too.
2. Feedback on performance must now be quicker, smarter, better quality and more engaging.
3. We must become great at having the right conversations, in the right way, at the right time in order to unlock individual and team performance in today's organisations.

### My 3 key questions for you to consider now are:

1. Do the systems and processes you currently use have a positive impact on the way performance is managed?
2. What actions could you take now to stop using processes that no longer serve you?
3. What business benefits would you see in the short and longer term if your organisation had the courage to ditch traditional systems and processes which are no longer fit for purpose?

## 2 PERFORMANCE MANAGEMENT IN TODAY'S WORKPLACE

According to ACAS (Advisory, Conciliation and Arbitration Service) the definition of performance management is:

*“A continuous process which involves making sure that the performance of employees contributes to the goals of their teams and the business.”*

And on the role of performance management, CIPD Viewpoint: Performance Management: An Overview (2015) states that

*“Performance management has a significant role to play in enhancing organisational success, by ensuring that all individuals understand their expected contribution to business objectives and are motivated and equipped with the skills and support to achieve this. A good process drives engagement through continuous conversations about mutual expectations throughout the organisation.”*

Performance management, as defined by ACAS and CIPD above, can be a powerful tool to focus activity and effort and enhance business performance.

### **So how did performance management get such a negative reputation?**

- Is it down to the fact that when performance management is handled badly it can damage relationships between manager and member of staff, and this is often hard to recover from?
- Or is it because poor performance management disengages staff and fosters unproductive activities that waste time and effort for all involved?
- Or perhaps is it because poor performance management can misdirect rewards, leading to resentment?

The truth is, poor performance management can do all of these things and more.

But what do we actually mean when we use the term ‘performance management’?

A number of years ago an HR Director was describing to me a member of their staff who was not performing to their expectations. They told me about the person's behaviour and the fact that they were not meeting deadlines or delivering important projects on time and to the required standard. The HR Director then said something that I found extraordinary. They said "I don't do performance management. I need to think of another way to deal with this".

**I was speechless. Did they really say 'I don't do performance management?'**

When we explored this statement further what was apparent was that of course they did do performance management but just not in the way that the organisation prescribed.

Did they monitor performance of their staff? Yes.

Did they have regular 1-1 conversations with their staff? Yes.

Did they give feedback about what was going well and what needed to improve? Yes.

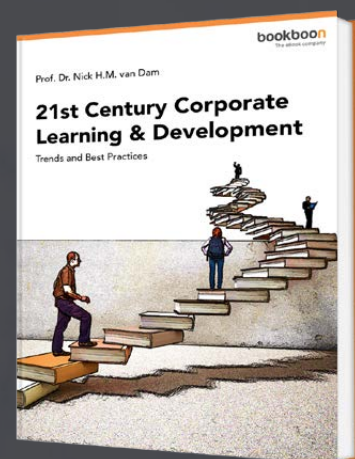
Did they consider how their team performed as a whole and where their skills lay? Yes.

Did they support and train their staff to do their jobs? Yes.

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They did all of these things and more. What I didn't understand was why the HR Director didn't consider this to be performance management.

It turned out that this had been a revealing comment about the performance culture of that organisation and of the value placed on the processes they were using. Performance management had become a term synonymous with failure, under-performance, serious capability issues, huge conflict and long, drawn out and often emotionally painful exits from the organisation. Well no wonder no one wanted to engage with 'performance management' and avoided it at all costs, even the HR Director!

As a manager you will no doubt have seen some or all of the unintended consequences of poor performance management practices, processes and procedures. The reality is that you may have also contributed to the negative reputation of performance management by not giving performance management the attention and balanced focus it really deserves.

Successful performance management requires genuine buy-in from HR teams and from managers at all levels, to ensure effective implementation of any organisational processes needed and to manage any information the process generates in an efficient and effective way.

- Are you bought-in?
- If not, why not?
- What is stopping you being the best performance manager you have known?

Positive role modeling by all managers is certainly essential. If performance management is taken seriously, especially within the leadership/senior team, this will tend to cascade throughout the organisation. Unless senior managers are really committed to modern, effective performance management and demonstrate this in all they do, any performance management process will tend to be an HR-driven, tick-box exercise with limited impact on performance at all.

Getting back to basics, good performance management is about helping individuals understand how they contribute to the strategic goals of the organisation. It is about making sure the right skills and efforts are focused on the things that really matter and what will make a positive impact on organisational performance. And it is widely recognised that managing people performance should be positioned as a key HR activity in shaping management behaviour and in facilitating a positive relationship between manager and employee.

Whilst approaches to performance management will differ to meet the specific needs of each organisation, your aim as a manager should always be to ensure you manage your people in the most effective way and that you do this in line with organisational objectives and goals.

By aligning personal goals or targets with corporate priorities and strategic objectives you can help staff understand the contribution they are making and how their role fits in. Staff should also know how and why objectives need to be achieved as well as what they should be doing and the behaviours that are expected of them.

By getting greater clarity of role and focus through continuous performance management, there is an opportunity for staff to better understand what really good performance looks like and then you can help them understand what actions they need to take to achieve this.

It is worth noting at this point that whilst processes are important (in the way they help or hinder good performance management across the organisation), all the evidence suggests that the process of performance management is far less important than its positioning, its implementation and its stated purpose; in other words, being clear about the strategic intent of performance management for your organisation and the role it plays in driving sustainable organisation performance is what counts. (CIPD, 2012)

**So it is how you as a manager apply the process rather than the process itself that makes the difference.**

The process could remain the same but how and why it is implemented can make a significant difference and determine whether performance management is simply a tick-box data collection exercise or a meaningful management tool that drives high and sustainable performance both individually and organisationally.

**Ultimately performance management is actually really simple!**

It is about:

1. Discussing performance
2. Holding people to account
3. Providing developmental and motivational feedback
4. Giving praise for a job well done.

And let's remember, good performance management is not simply about appraisals.

A 2009 CIPD 'Performance Management in Action' paper included the following as key components of performance management:

- Regular review meetings
- Objective or target setting
- Regular feedback to individual
- Performance appraisal
- Assessment of development needs
- Career development meetings
- 360 degree feedback
- Performance related pay
- Talent spotting

And it is clear that your approach should become part of everything else you do as a manager.

We must see performance management as an integrated framework linking appraisal and performance review with other processes, such as regular 1-1 meetings, talent management, career development and pay decision making, and perhaps most importantly, as a means to build the values and behaviours needed to deliver results.

I am certain that if managers and organisations can reframe their perception of performance management to focus unrelentingly on these four key aspects...

1. Discussing performance
2. Holding people to account
3. Providing developmental and motivational feedback
4. Giving praise for a job well done.

...rather than getting bogged down with complex, bureaucratic processes, we would be able to strip out unpopular and unnecessary procedures, and we would be better placed to support and encourage our people to do the best job they can whilst tackling under-performance in the most constructive of ways.

**Do you get caught up in an unintended performance management trap?**

Here's the trap –

Organisations create a range of processes and procedures with the intention of helping their managers manage performance more effectively. Over time these get more and more complex as new procedures are brought in and need to be aligned.

Managers do their best to follow these procedures and processes, with more and more of their time taken up with data collection, recording, reporting, justifying and planning rather than being engaged in meaningful conversations with their staff that actually manage performance in a helpful and impactful way.

So a competent manager, who often already knows the conversations they need to be having with their staff to get the best performance from them, becomes stifled and demotivated by the demands placed on them by the organisation. Worse still, all these (albeit well meaning) organisation-driven measures get in the way of the very performance conversations they set out to encourage.

Managers can actually find themselves incapable of fulfilling their performance management responsibilities because the environment and performance management culture gets in the way, preventing them from doing it well. When this happens organisations are letting both their staff and managers down and it is time to go back to basics and refocus efforts on the things that actually work.

We will look at some of the things that actually work in the following chapters...

## Chapter 2 Summary

### My 3 key messages about performance management in today's workplace:

1. When done well, performance management is a powerful tool to focus activity and effort and enhance individual and business performance.
2. Good performance management involves discussing performance, holding people to account, providing developmental as well as motivational feedback and giving praise for a job well done.
3. The *process* of performance management is far less important than the intent – focus on why you're doing things and ensure your approach becomes part of everything else you do as a manager.

### My 3 key questions for you to consider now are:

1. What does performance management mean to your organisation?
2. Is performance management embedded into everything you do as a manager?
3. What steps could you take now to make sure performance management is a positive, integral part of what you do?

# 3 ROLES, RESPONSIBILITIES AND EXPECTATIONS

It may seem obvious, but it is worth reflecting at this point on the roles, responsibilities and expectations in relation to performance management within your organisation.

Many organisations don't make responsibilities and expectations around performance management explicit until a problem surfaces. I really believe this is a mistake. Isn't it better to set this out so that everyone is clear about their own role and the role of others in driving high, sustainable performance?

Below are two tables, one showing the typical key responsibilities and expectations of staff and the other the responsibilities and expectations of managers for performance. Regardless of sector, industry or profession, in my experience these should form the basis of any effective performance management approach.

If your organisation isn't yet explicit about performance management responsibilities and expectations the summary below will give you a good solid starting point to work from.

Should your organisation set out something similar, take a moment to compare your list with mine. Mine is not intended to be exhaustive and there may be other things that your organisation expects from you which you could add to the list.

Do remember though that the purpose and focus of performance management as outlined in Chapter 2 remains the over-arching aim. I encourage you to question and constructively challenge any activity that fails to have a meaningful impact on how well people are actually performing.

First, let's look at the responsibilities and expectations of all staff:

Role	Responsibilities	Expectations
All Staff	<ul style="list-style-type: none"> <li>• Achieve a satisfactory level of performance</li> <li>• Strive to continuously improve</li> <li>• Take ownership of own performance and fully participate in any meetings to discuss this</li> <li>• Take agreed actions on board and attend any training or development identified to support</li> <li>• Embrace organisational values and behavioural expectations</li> </ul>	<ul style="list-style-type: none"> <li>• To be treated fairly and respectfully</li> <li>• To be told what standards of work and behaviour are expected</li> <li>• To be given support and encouragement to reach the expected performance standards</li> <li>• To have regular meetings with line manager to set personal goals and give feedback on how things are going.</li> </ul>

**What discussions have you had with your staff recently to make sure they are clear about what is expected of them?**

Now let's look at the typical performance management responsibilities and expectations of managers:

Role	Responsibilities	Expectations
Managers	<ul style="list-style-type: none"> <li>• Regularly discuss performance in 1-1 meetings and formal review meetings (such as appraisals)</li> <li>• Model appropriate behaviours in the application of performance management processes</li> <li>• Set clear expectations and SMART personal goals linked to the organisations business objectives</li> <li>• Encourage meaningful staff involvement with the process</li> <li>• Clearly define what success looks like</li> <li>• Be respectful and encouraging</li> <li>• Apply any processes fairly, consistently and rigorously</li> <li>• Constructively challenge performance issues and manage poor performance effectively</li> <li>• Recognise good or great performance and achievements</li> <li>• Allocate time and a private environment in which to conduct performance discussions</li> <li>• Embrace any formal processes where these support effective performance management and ensure they are completed on time and correctly recorded</li> </ul>	<ul style="list-style-type: none"> <li>• To have reasonable requests actioned by the employee</li> <li>• To be given training/ support in managing performance issues</li> <li>• To be supported by HR where appropriate action has been taken</li> <li>• To be given advice and guidance from HR, a more senior manager or a legal representative, where issues are complex</li> <li>• To be able to raise performance issues and express concern about an employee's performance without fear of victimisation</li> </ul>

In theory, these responsibilities and expectations may seem rather obvious. But in practice it may be a different story. My challenge is this...If they are indeed pretty basic or obvious –

- Why is it that we often struggle to get performance management right?
- Why is it we find it so difficult to implement a consistent performance management approach across an organisation, even when we do have consistent systems and procedures to follow?
- Why is getting performance management right so much easier said than done?!

## Chapter 3 Summary

### My 3 key messages about roles, responsibilities and expectations:

1. Setting out responsibilities and expectations in relation to performance management will ensure everyone is clear about their own role and the role of others in driving high, sustainable performance.
2. We should question and challenge the need for any activity that fails to have a meaningful impact on how well people are actually performing.
3. As a manager it is your responsibility to be clear about your own role in managing performance and ensure you have the skills and confidence to do so effectively.

### My 3 key questions for you to consider now are:

1. Having reviewed the lists above, are you focusing on the right things?
2. Are you clear what is expected of you as a manager?
3. Do you need support to implement any of your responsibilities? If so, where does this support need to come from?

## 4 USING THE POWER OF 1-1'S AS A KEY PERFORMANCE MANAGEMENT TOOL

*'I don't really need to have monthly 1-1's with Bob because I talk to him four or five times a day. We have open communication and he'd come to me if he needed to talk about anything.'*

This is one of those 'excuses' I hear time and time again.

I know. I get it. You're busy. They're busy. We're all busy. We don't have time for more meetings.



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It takes time to schedule in 1-1's on a regular basis and inevitably something else comes along on the day that means you have to squeeze it into a 10 minute chat around the water cooler or it gets postponed altogether until next week. It's no big deal because you work in the same office and you're always talking to each other anyway. There is no real need for extra communication. It's one of those processes that doesn't add any value so we can miss a few meetings when things are busy, right? Wrong!

### **Regular 1-1's are THE most important tool in your performance management toolbox.**

If we are serious about managing performance effectively we would do well to embrace the simple power of the regular 1-1. In my experience, this is the foundation on which all other aspects of performance management build.

### **What is a 1-1 and why is it important?**

A 1-1 is an opportunity for you to meet with your staff at regular intervals to discuss work and provide support and empowerment to staff to make sure they feel equipped and happy to fulfill their job effectively. A 1-1 meeting needs to foster a culture of open discussion where staff have the time to discuss any concerns, worries and constraints within their role and the organisation as a whole.

The key elements of 1-1's should be coaching, training, personal development and a focus on achieving goals. This should be a two-way process that enables both parties to develop a positive and mutually supportive discussion and ongoing development plan.

Remember that although 1-1's are usually scheduled in advance, at say 4-6 week intervals, not all 1-1's need to be planned. Additional 1-1's may be needed in the event of concerns or operational issues arising. An 'open door' culture is usually most helpful in managing performance positively.

### **But 1-1's are time-consuming – are they *really* necessary?**

There are various reasons why I believe 1-1's are so important:

#### **Organisational**

- So that you can find out about staff as individuals and enable them to properly understand the organisation and how they can contribute to its success.
- It's an opportunity for staff to feedback how things are going and ask questions.
- To manage performance and capabilities.
- It can be used to reiterate organisational expectations.
- To make sure the values and behaviours of the organisation are understood and demonstrated.

- To improve communications and share responsibility.
- To assist in staff retention and motivation.

### **Professional**

- It provides an opportunity to look at roles and responsibilities and understand training or development needs
- It's a time to reflect on, analyse and evaluate performance.
- It supports the setting of personal goals and is a chance to review, change or adapt recent or past actions
- It promotes confidence and safe working practices.
- It provides an opportunity to agree actions for both parties.
- It allows disagreements to be noted if necessary, and solutions explored at the earliest opportunity.

### **Supportive**

- It is a time to listen to each other away from operational demands.
- A time to value, motivate and empower staff, their work and ongoing commitment
- It is a time to get staff involved in decision-making and problem solving.
- It can be used to reduce stress and explore feelings and issues.
- It can be used to support staff to manage work effectively.
- Any issues can be discussed including issues related to health and safety, safeguarding and workload.
- It allows implementation of coaching and delegation.

### **Record keeping**

It is important to keep a record of all 1-1 meetings in order to keep track of agreed discussions and actions, give a starting point to the next meeting and an opportunity to review where you have got to with any goals or actions.

These records should also link with any appraisals, management of performance and overall training and development plans. A written record of any concerns, issues or disagreements that have arisen is useful for future reference.

In my experience it works best to set up a simple template with headings to remind yourself what you will cover during your 1-1's. Your organisation may already have a template they'd like you to use. It may be a stand-alone template or perhaps it is integrated with your appraisal/performance review process. If you don't know whether your organisation has a 1-1 template, find out. Use it as one of your key performance management tools.

If your organisation doesn't have a template I'd really encourage you to create your own. Mine looks something like this:

<b>SPM 1-1 Template</b> (can be adapted to suit your circumstances)	
<b>Confidential Notes of 1-1 Meeting</b>	
<b>Staff Member:</b> (name)	<b>Manager:</b> (name)
<b>Today's date:</b>	<b>Date of last 1-1:</b>
<b>Standard Agenda (to include for example):</b> <ul style="list-style-type: none"> <li>• General check in</li> <li>• Review of actions from previous 1-1</li> <li>• Progress against goals</li> <li>• Achievements since last meeting</li> <li>• Managing within agreed budget</li> <li>• Operational or workload issues (this may include performance matters, sickness, other absences, time-keeping, annual leave taken/requested)</li> <li>• Any concerns/team issues/ support needed</li> <li>• Any health and safety matters to discuss</li> <li>• What learning and development has taken place since last 1-1 and how has it helped in role?</li> <li>• Any learning and development needed/ planned?</li> </ul>	<b>Any additional agenda items:</b>
<b>Brief note of key points discussed:</b>	<b>Agreed actions:</b> (when and by whom)
<b>Signed:</b> <b>Date:</b>	<b>Signed:</b> <b>Date:</b>

## Chapter 4 – Summary

### My 3 key messages about using the power of 1-1's as a key performance management tool are:

1. Regular 1-1's are *the* most important tool in your performance management toolbox.
2. 1-1's provide managers and staff with regular time out to discuss work and raise worries or concerns in an open culture that is both supportive and engaging.
3. A brief record of 1-1's should be kept by both parties to keep track of discussions and agreed actions in a clear, open and transparent culture.

### My 3 key questions for you to consider now are:

1. On a scale of 1–10, (1 being not at all and 10 being completely), how committed are you to carrying out regular 1-1's with your staff as a key part of your performance management approach?
2. If you did not score yourself 10 above, what needs to happen for you to achieve a 10/10?
3. What barriers may get in the way of you implementing regular, meaningful 1-1's with your staff with immediate effect?

## 5 MEETING THE CHALLENGES OF MANAGING VIRTUALLY

For those managing virtual employees (which could include those working in a different building, different city or in other countries and time zones), the whole issue of performance management can seem pretty daunting.

*“How can I manage the performance of people I don’t see very often?”*

*“How is it possible to stay on top of what people are doing when they are on different shifts, in different locations, spread across large regions or located internationally?”*

It is certainly true that there are challenges in managing performance from a distance and there are clear advantages to managing a co-located team.

**Some of the challenges of managing remotely include:**

- Risk of isolation
- Alienation of workforce
- Loss of motivation
- More difficult to identify poor performance
- Team communication can suffer
- Collaboration needs more thought
- Creativity can be stifled
- “Silo” working
- Language and culture differences

In a co-located team, you can usually observe behaviour first hand, measure performance by observing it in action and can give face to face feedback immediately.

But managing remotely should not mean managing less well or less often. It just means you need to do things slightly differently.

There are 3 fundamentals of performance management that, when followed, will help ensure the success of virtual teams and ensure that each individual team member feels valued and supported. These are:

1. **Establish clear expectations**
2. **Create a performance management routine**
3. **Regularly evaluate progress against goals**

### **1. Establish clear expectations**

Perhaps no other factor is more critical to a virtual team member's success than having clear expectations. When working from a remote location without the advantages of daily interactions with the team manager or other team members, a clear understanding of what each member of staff is expected to accomplish is critical to motivation and satisfactory performance. It may be useful to put yourself in the persons' shoes and ask yourself:

- What am I supposed to do?
- How am I supposed to do it?
- How will I know when it has been done correctly?
- How do I get the resources (skills, tools, information, etc.) I need?
- How do I prioritize my activities?
- How will I get feedback?

**Imagine for a moment: If you were a virtual employee in your own team, what would you need your manager to do for you so that you could achieve the highest level of performance?**

- What questions could he or she ask you?
- What training would you need?
- What other actions could he or she take to help you succeed?

*Is this the kind of support you currently provide to those who are on the virtual team(s) you lead?*

The value of these kinds of discussions with remote employees cannot be overstated. Not only does it provide the employee with clear direction, it fosters trust in the relationship, which is crucial, yet sometimes difficult to do, when managing remotely.

## 2. Create a performance management routine

Each manager should establish a regular routine for reviewing and discussing performance, both with the team as a whole and with each individual team member. If you can't meet with your team weekly due to geography, you should consider weekly teleconferences or web conferences with the entire team to keep abreast of progress and to answer any questions the team may have regarding their daily work or a particular project.

Secondly, best practice suggests that each team member needs to have the opportunity for a 1-1 with their manager at least every 4–6 weeks in exactly the same way as any other member of staff. These could be done over the phone if necessary but should not be postponed. The format for these 1-1's should be the same as if you were doing them face-to-face and they should be documented in the usual way too.

*Geography should not be a reason to avoid performance management.*

### **Perhaps consider alternating between face-to-face one month and phone 1-1 the next?**

The final element of a strong performance management routine for virtual workers is face-to-face meetings with the team quarterly, or at least once or twice per year. Face-to-face sessions facilitate team-building and foster trust between team members and the manager. Discussing key organisational and performance issues in this setting allows the team to focus and go deeper into subjects than would typically be possible in a teleconference or web conference. So wherever possible invest the time and resources to make this happen; the improved productivity that results will easily repay your investment!

## 3. Regularly evaluate progress against goals

None of us can be successful without knowing how we are doing and without having the opportunity to make adjustments when performance gets off track. Therefore, the importance of regularly reviewing progress towards goals cannot be overstated. The best managers will simply build this into their performance management routine. How often and when these reviews take place is best decided jointly between the manager and the team/individual. However, it is recommended that some kind of evaluation is done at least every 4–6 weeks in order to keep the team focused and coordinated. In a holistic performance management process this can easily become part of the regular 1-1 process and can actually have far greater impact than an annual appraisal meeting.

**Remember:**

When working remotely, both team members and managers require routines that provide direction and focus in the absence of face-to-face contact. By establishing clear expectations, creating a performance management routine and regularly evaluating progress against goals, managers of geographically dispersed teams can be confident that performance is being managed effectively, issues will be picked up early and staff are supported to do a great job.

**My Top 5 practical tips for managing virtually****Tip 1. Let go and trust people**

Distrust breeds distrust. The best way of increasing trust with virtual employees is through planned, frequent but short communications via a variety of means. You should be clear about your expectations and set achievable targets and deadlines for your team, giving prompt and specific feedback on tasks completed.

Do set up appropriate opportunities to interact with colleagues to encourage a feeling of inclusiveness and team belonging. And let staff know how and when they can contact you.

**Tip 2. Positive communications**

Understanding employee motivation and engagement is essential. All too often a virtual/remote working relationship can break down because communication from a manager tends to be based around problems or issues. Regularly making time to share the positives and explore ideas and opportunities are fundamental to building successful relationships. As a manager you must make sure you praise success if motivation is to be increased or is to stay high. Only picking up the phone when there is a problem is a sure-fire way to demotivate your virtual team members!

**Tip 3. Adapt your style**

Once we acknowledge the fact that everyone requires different management approaches we can learn to adapt our style to suit individuals. Regardless of whether people are working remotely or sitting next to you, everyone is motivated by different factors and needs to be managed slightly differently. It is your job as a manager to flex your approach accordingly to get the best out of every individual in your team. Fair and flexible is the key – one size does not fit all!

**Tip 4. Read between the (virtual) lines**

One of the most important qualities that a manager of a remote workforce can have is the ability to ‘read between the lines’ to judge what is really going on. So much communication with remote employees will be over the phone or via email that ‘reading between the lines’ is even more of a challenge than usual and requires excellent interpersonal skills. Building strong relationships with team members is more, not less, important when you don’t see them regularly. If you invest time to get to know your team you are more likely to pick up when something is amiss and deal with it quickly and before things escalate.

**Tip 5. Continuous personal development**

Does the organisation have the skills and behaviours needed for effective remote/virtual management? What are the areas for development? Have you asked what virtual workers would like to see change or what would help them do their jobs more effectively and cause them to be more engaged? It is likely to be the seemingly small things that would make a big difference.

**Chapter 5 Summary****My 3 key messages about meeting the challenges of managing virtually are:**

1. Establish clear expectations – consider what you would need from your manager in order for you to achieve the highest level of performance when working remotely.
2. Create a performance management routine – have a 1-1 with your staff at least every 4–6 weeks. Geography should not be a reason to avoid performance management.
3. Regularly evaluate progress against goals – preferably as part of your regular 1-1 process and in place of annual appraisal meetings.

**My 3 key questions for you to consider now are:**

1. In your own situation, when are you able to use the same performance management techniques to manage your virtual staff as you would for co-located employees and where do you need to adapt your approach?
2. What practical steps can you take right now to overcome the challenges of managing in a virtual environment?
3. Do you or your employees need to shift your mindset to remove any barriers to ensuring remote working is a success for all?

## 6 IDENTIFYING THE PERFORMANCE MANAGEMENT CULTURE GAP

Before you can identify what the performance management culture gap is in your organisation, it is important to be really clear about what we mean by organisational culture.

Organisational culture is about:

- Attitudes
- Traditions
- Habits
- Beliefs
- Values
- Behaviours
- Operating norms
- Unwritten rules
- Implicit expectations
- How it feels to work here

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Culture is the learned assumptions on which people base their daily behaviour, in other words

*“It’s the way we do things around here”*

Culture can be very powerful and it is what drives organisational behaviour, its decisions and its results. It is less about what the published values say or how formal policies and procedures are written and much more about how people think, act and feel.

I was once a Trustee of a fantastic charity that had an organisational culture to be proud of. It was hard to ‘put your finger’ on what made the difference between how it felt to work there compared to other similar organisations but we knew there was something very positive about the DNA of that organisation which we fought hard to protect in how we did business on a day to day basis.

### **So what does a great performance management culture look like?**

Where effective performance management cultures exist, a holistic approach to performance management challenges and addresses unhelpful behaviours whilst supporting, reinforcing and rewarding constructive behaviours. Not because procedures and rules tell us that we must but because “it’s the way we do things around here.”

In such a culture, people are truly engaged in the business of the organisation. Clear boundaries exist, roles and responsibilities are understood and business is carried out in an open, honest environment where trusting relationships are formed.

### **What else is key to a great performance culture?**

- Should conflict occur it is addressed proactively and constructively.
- People are encouraged to participate in key decisions and express their opinions openly and free from fear.
- Individuals and teams are focused on outcomes and outputs but not at the expense of maintaining positive relationships.
- Managers take time to get to know their people and what their strengths and developmental areas might be.
- Operational decisions are linked directly to strategic intent.
- Individual and organisational capabilities are continually assessed.
- Managers define performance expectations consistently and fairly.
- Leaders take an active and visible role in the implementation of any change.

Leaders in great performance management cultures are clear about what they lead: strategy and change, self, their people and teams, their organisation and their results. They are also clear on how they lead: with authenticity and vulnerability, with discipline and tough empathy, with intuitive thinking and decision-making, and by playing to people's strengths and respective differences. (Goffee & Jones, 2000)

### **How do you create a great performance management culture?**

In great performance management cultures, managers clearly communicate the mission, vision and values of the organisation, the strategic goals, and the critical few measurable priorities. They design and take accountability for managing efficient business processes and structures. Leaders engage their people and work hard to learn their strengths and preferences. They manage their talent well and encourage on-going learning. They communicate robustly and often.

To create a great performance management culture, as a manager you should aim to:

1. Be accountable for your own contribution to the organisations success.
2. Build consensus, but be decisive when you need to act.
3. Constantly sense and assess the external and internal environments and in particular levels of internal and external satisfaction.
4. Negotiate clear expectations and goals.
5. Provide ongoing feedback and coaching, and review performance regularly.
6. Invest in talent development, nurture that talent, and plan for succession.
7. Become reflective and self-aware.
8. Ask for help and support from others when needed.
9. Develop a coaching style of leadership that will help to support coherence, encourage communication, foster collaboration, engage people with change and develop a supportive culture.
10. Promote work-life balance and emotional well-being.

These factors are interdependent and it is the combination of all ten elements that will create a great performance management culture.

So now it is time for you to identify the performance management culture gap in your organisation.

- Where are you now?
- Where do you want to be?
- How will you get there?

The questions on the next page should help you further...

## **Chapter 6 Summary**

### **My 3 key messages about the performance management culture gap are:**

1. Organisational culture is not about policies and procedures it's 'the way we do things around here'.
2. A holistic approach to performance management should challenge and address unhelpful behaviours whilst supporting, reinforcing and rewarding constructive behaviours.
3. Many interdependent factors are involved with creating a great performance management culture: Start with identifying the gap so you know where to focus your efforts.

### **My 3 key questions for you to consider now are:**

1. How would you describe the current performance management culture in your organisation?
2. What does your ideal performance management culture look and feel like?
3. What needs to happen for you to address the gap and start creating the great performance management culture you would like to see?

# 7 UNDERSTANDING THE ROLE OF OBJECTIVES AND GOAL SETTING

As we have established, good performance management is about helping individuals understand how they contribute to the strategic goals of the organisation and ensuring that the right skills and effort are focused on the things that really matter and on what will make an impact on organisational performance.

## **So how do you ensure that you are managing people effectively and in line with organisational objectives?**

It is generally accepted that objectives can be set at an individual or team level and that managers should aim to align the strategic, departmental, team and individual objectives so that people understand how they are connected and where they are contributing to the overall aims of the organisation. Most organisations have adopted processes that set out to align objectives and goals at different levels in the business, and some of these have become extremely complex. Whilst recognising that different organisations will need different approaches, it is usually beneficial to keep any processes or systems as simple as possible.

### **Setting objectives (or goals) will help you to:**

- Be clear about what is required – the outcomes, results or changes you are seeking and how you are going to stay on track.
- Prioritise activities and workloads by focusing on the most important or significant goals before others.
- Determine the resources required to complete a task. Once you know the ‘what’ and ‘when’, you can determine the ‘how’, i.e. the people, equipment and materials you’ll need to accomplish the task.
- Assess options and choices that arise as a task or project gets underway. When appraising an option or making a decision always ask yourself ‘will this help me achieve my aim?’
- Measure success. Achieving objectives helps quantify the value added by you, your team or department. Most organisations assess performance by measuring to what extent objectives have been achieved.
- Gain a sense of achievement and fulfillment. Achieving agreed objectives can heighten feelings of self-worth, help highlight the contribution you make to the team as a whole and can make you feel that the hard work has been worth it!

## How to set objectives

Objectives are usually set using a ‘cascade’ based on the objectives of members of the senior leadership or executive team/Board. An individual’s objectives are usually agreed in relation to the objectives of the manager above them. This helps to ensure (but does not guarantee!) that everyone’s objectives are aligned directly to those of the organisation.

Objectives are often qualified (i.e. we include an explanation of their purpose or overall aim). This can help people understand why certain things need to be done. Qualified objectives help us understand the bigger picture.

For example:

- **Departmental Objective:** This year your department is required to reduce customer complaints by 10%.
- **Team Objective:** The customer handling team has been tasked with making improvements to the current system.
- **Personal Objective:** Your specific objective is to review all customer complaints and identify any common themes.
- The aim of your objective is to identify areas for improvement by reviewing customer complaints in order that they can be reduced by at least 10% by the end of the year.

There is not a definitive right or wrong way to set objectives but setting them in this way certainly helps communicate all the necessary information for a goal to be meaningful for the individual.

## SMART Objectives or Goals

One very popular way of setting objectives is to use the SMART model (Doran, Miller, Cunningham, 1981).

The idea behind this approach is that it should help ensure objectives are clearly understood so that they can be successfully achieved.

**SMART stands for:**

- **Specific**  
Objectives should specify exactly what the individual should be able to achieve. There should be no vague or ambiguous language.
- **Measurable**  
It should be possible to measure objectively the extent to which objectives have been met.
- **Achievable**  
People should be able to achieve their objectives. Setting unrealistic targets merely demotivates. However, this does not mean that they should be simple; they should also be challenging and stimulating.
- **Relevant**  
Objectives should have a clear purpose or benefit, and should be relevant to the individual's work role or learning aims.
- **Time-bound**  
People should know how long they have to complete their objectives and any key milestones along the way.

The more SMART your goals are, the easier it will be to review and assess performance against them; this in turn will minimize the chance of disagreements occurring which will avoid unnecessary conflict and keep the process supportive and positive.

**Group Objective Setting**

For some groups of staff, it may be necessary to agree group objectives rather than individual objectives. These may be most appropriate where a team of individuals all carry out the same or similar duties and share the same objectives, often in the same business area – such as a team of domestic staff, porters, etc.

In such situations the manager would bring together members of the team who have the same job function and discuss their shared performance in a single group, along with their objectives and development needs. Typically this would be for groups of about half a dozen or more. However care should be taken to avoid assumptions that just because several team members do the same job that they all feel the same way about their role, or have the same career aspirations, challenges etc. It is always best to allow for a 1-1 follow up discussion should anything confidential or personal need to be discussed.

## **How does objective setting support good performance management?**

The process of setting objectives should involve a discussion between managers and their staff as part of a holistic approach to performance management. As we have already established, good performance management is not a once a year activity. So it is worth stopping to consider, when it comes to setting objectives, how will you:

- Communicate a shared vision of your organisational purpose and values
- Define expectations of what people should deliver and how
- Ensure people understand what high performance is and how they can achieve it
- Improve motivation and engagement by recognising individual efforts and providing timely feedback
- Enable greater ownership and responsibility for performance by engaging and involving individuals in the formulation of their objectives
- Encourage self-monitoring of performance and self-assessment of what can be done to improve
- Identify training and development needs

### **Quality checking of objectives**

By establishing a culture of regular 1-1's, you can utilize this framework to check on the quality of the objectives you have set every 4–6 weeks. This is far more meaningful than waiting until an annual review, when more often than not you find the objectives were not quite right or have changed over time.

Keeping objectives under review throughout the year embeds a great culture of performance management which can be helpful and supportive. Don't be afraid to revise wording or refine the focus of the goals that have been set via these 1-1's if necessary to ensure any discussions about objectives and performance are both meaningful and productive.

If you manage other people who line manage staff, it is also useful for you to play a 'quality assurance' role by ensuring everyone who sets objectives for others fully understands how to set them well.

Through the way you yourself conduct your performance discussions and reviews, you can provide on-going support to make sure personal objectives for the whole team contribute to your wider team and company goals.

This quality assurance process really is important.

If reviewing performance is to be genuinely embedded into the culture (it's how we do things around here), objectives need to be kept 'live' and under review constantly. Without this, objective setting is simply an annual disconnected exercise that means very little and certainly has minimal impact on levels of performance.

**How will you integrate objective setting into your continuous performance management activities?**

Using both formal and informal opportunities throughout the year, do regularly look back over the time from when the objectives were set to assess progress and performance. It will usually be helpful to consider and agree, for example:

- What has been achieved during this review period? (Successes should be acknowledged, reflected upon and celebrated).
- How has progress/success been demonstrated?
- If objectives have not yet been met, what are the reasons for this?
- What actions need to take place to ensure future success?
- What challenges have had to be tackled?
- Were the objectives appropriate for the period in question?
- If not, what has changed?
- What support has been needed/given?
- If training/learning activities have taken place, how have or how do you expect the new learning to be applied in the future?
- Has additional/alternative work been focused on/delivered during this time-frame?
- Was this an appropriate/necessary use of resources?
- How might things have worked better?
- What has been learnt during this time that can be used to inform future actions?

**But beware, SMART is not always wise!**

Setting objectives and in particular SMART objectives has become an 'industry standard' over the years. Virtually every management course looking at performance and people management, appraisal and performance review will have advised the application of SMART goals.

SMART goals are helpful there is no doubt about that but please don't be fooled into thinking that once you've set your SMART objectives your job is done. According to Weick et al (2007):

**SMART goals are the “dull responsiveness to the complex and emergent nature of organisational life”**

Anne McKee's 1991 study showed that only 25% of people are actually motivated by goals. For everyone else, even using SMART goals actually induced stress, reduced motivation, hindered creativity and reduced resilience!

That doesn't mean you shouldn't use objectives and goals of course but it is important to recognize that there is more to performance management than simply setting goals and expecting people to deliver. Organisations need to be sure that people are focused on what they need them to do and that effort is focused in the right areas. Setting SMART goals linked to the strategic objectives of the organisation is a good starting point.

The challenge from a performance management perspective is that we know the act of setting objectives alone doesn't motivate the majority of our workforce.

**It is up to you to make sure you bring personal objectives  
to life in ways that work for your people!**

## **Chapter 7 Summary**

### **My 3 key messages about the role of objectives and goal setting are:**

1. Objectives and goal setting can be a useful activity as part of a holistic performance management framework.
2. SMART objectives tend to work best but 75% of people are not motivated by goals alone.
3. Managers must make sure they bring personal objectives to life in ways that work for every individual in order to get the best possible performance from their teams.

### **My 3 key questions for you to consider now are:**

1. As a starting point, are all your objectives SMART?
2. What steps do you need to take to better integrate your objective setting into your continuous performance management activities?
3. What else can you start to do to bring personal objectives to life in ways that work for your people?

## 8 MOTIVATING PEOPLE TO DO THEIR BEST WORK

What makes the difference between a highly successful team and one that's simply surviving?

- Is it the quality of the individuals in the team?
- Is it having a shared vision?
- Is it how the team is managed?
- Or is it how the team is rewarded for their efforts?

Whose responsibility is it to motivate?

- Is it the individuals' responsibility to be self-motivated?
- Is the line managers' role to motivate themselves and their team?
- Is it the departmental head or director?
- Or is it the organisation as a whole?



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And what does this mean for performance?

- What actually motivates people to do their best?
- To what extent is good performance about the *skills* of the individual or is it about how *motivated* they are to perform well?

Many people still believe that the best way to motivate is with rewards like money. In fact organisations have evolved since the Industrial age with this thinking in mind. If you do well I will reward you with x. If you don't perform I will punish you with y. And this approach worked fairly well for many years. But as we discussed in Chapter 1, there is now a new context for performance management and these simple 'carrot and stick' rewards no longer work in the modern world of work.

According to leading business-thinker Dan Pink (author of *Drive: The Surprising Truth About What Motivates Us*), the secret to high performance and satisfaction – at work, at school, and at home – is the deeply human need to direct our own lives, to learn and create new things, and to do better by ourselves and our world.

In other words, Pink says rather than money being the main motivator, our true motivations are actually about:

- **AUTONOMY**
- **MASTERY**
- **PURPOSE**

I recommend you read Dan Pink's work on this as it will change the way you think about motivation, performance and rewards. As a minimum, take a look at this short video from the RSA in which Dan Pink sets out the key research and messages about motivation and rewards:

[RSA animation Dan Pink The Surprising Truth about What Motivates Us](#)

So what's it all about?

## **Autonomy**

People want **Autonomy** over four aspects of their work:

1. What they do
2. When they do it
3. How they do it
4. Who they do it with

This is what Dan Pink calls the four T's:

- Task
- Time
- Technique
- Team

Pink cites research at Cornell University into 320 small businesses which found that organisations that gave their staff greater autonomy grew at four times the rate of those that didn't and had one-third the turnover.

## **Mastery**

In the high performance workplace **Mastery** is based on three rules:

1. The capacity to see ability not as finite but as infinitely improvable.
2. Secondly, it's not a soft option – it demands effort, grit and practice.
3. Finally, it's impossible to fully achieve making it simultaneously frustrating and alluring.

## **Purpose**

**Purpose** is based on the principle that human beings crave a commitment to a cause that is greater than themselves. When organisations facilitate this through a sense of common purpose it brings Autonomy and Mastery together to achieve even greater results.

*“Autonomous people working towards mastery perform at very high levels. But those who do so in the service of some greater objective can achieve even more.”*

*– Dan Pink (2009)*

So as a manager looking to lead a high performing team, it is helpful to recognise that motivation already exists in everyone and it is your job to find it or at least not get in the way of it! To achieve sustainable high performance you need to tap into this natural energy by understanding what drives each and every member of your team.

We tend to think of motivation as needing to be big, time-consuming gestures but what's actually most important is the seemingly small stuff that wins hearts and minds.

- It's taking an interest, making time, listening, doing what you say you're going to do.
- It's the dull management tasks we often can't seem to find the time for.
- It's the management responsibilities that get in the way when we're trying to get something else done.
- It's that time that usually has to 'give' when we're busy doing something else!

**Perhaps now is the time for us to rethink motivation and our role in motivating staff?**

## **Chapter 8 Summary**

**My 3 key messages about motivating people to do their best work are:**

1. In most cases, money doesn't motivate people to perform better.
2. People are more motivated by the basic human desires for autonomy, mastery and purpose.
3. The world of work has changed and it is time to ditch outdated beliefs, systems and processes and reinvent performance management for today's new context.

**My 3 key questions for you to consider now are:**

1. Are you holding on to outdated beliefs about what motivates people to achieve high performance?
2. What systems and processes are still being used in your organisation that are no longer serving you and your staff well when it comes to motivating high performance?
3. What steps can you take straight away to give your staff more autonomy, mastery and purpose in their roles?

## 9 WHY SAVVY CONVERSATIONS WILL TRANSFORM YOUR PERFORMANCE DISCUSSIONS

If performance management is about discussing performance, holding people to account, providing feedback and giving praise for a job well done, having a *Savvy Conversation* is your ultimate performance management tool! So first of all let me explain what I mean by a *Savvy Conversation*.

### **Definition: Savvy**

- To know or to understand
- To be well informed and perceptive
- To be shrewd, knowledgeable or proficient
- To be “clued up” and have practical understanding

Being savvy is about having the right knowledge and practical understanding to have the conversation you want or need to have, even when that may be a difficult discussion. For instance, you may need to address a performance problem, the quality of someone’s work, or address how someone is behaving towards their co-workers as this is having a negative impact on team performance and morale.

### **Definition: Conversation**

- To Talk
- The spoken exchange of thoughts, opinions and feelings

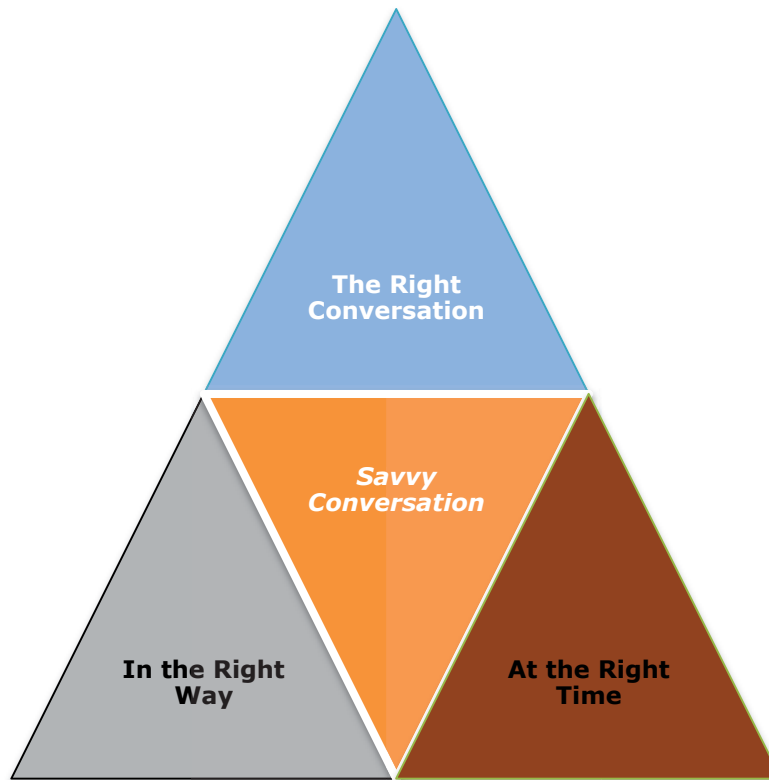
Of course we are all having conversations all of the time so you may consider it is unnecessary to define what a conversation is. But I always find it really helpful when thinking about improving the quality of our communications to stop and consider what we really mean by having a conversation.

If you look at the definition above you can see that a conversation is about talking. Nothing surprising there but that's only part of the definition. It doesn't make for a very effective conversation if everyone talks and no one listens! So it is the *exchange* of information which is important and that implies that a conversation is at least two-way. Well I don't know about you but I have witnessed plenty of performance discussions over the years that have been far from two-way! In fact performance meetings are often some of the least engaging conversations in the workplace and that can't be good for encouraging self reflection, accountability or building good working relationships.

Then we come to the second part of the definition. "The spoken exchange of thoughts, opinions and feelings."

Have you ever felt that you couldn't say what you really thought in a meeting with your boss? Have you found yourself holding back on expressing your opinion because you thought it might create a disagreement? How comfortable do people feel about sharing their feelings with you, whether that's about their work, issues or problems they may be having or how well they are performing?

In the absence of a *Savvy Conversation*, performance discussions can be superficial, tick-box exercises with a pretense of managing performance just to keep the peace and to be seen to be doing what's right. Tricky issues are often avoided and the 'elephant in the room' is never acknowledged. Worst still, managers have been taught to think that they have to be tough to get the best performance out of their staff. Consequently they find themselves pushing for results with very little regard for people's feelings and then wonder how they ended up in conflict, having to deal with a hostile working environment. Performance plummets as people withdraw, disengage and close down all but essential communications.



We've established that performance management is about discussing performance, holding people to account and providing developmental/motivational feedback, as well as giving praise for a job well done. In the best performing companies the most impactful conversations are held *when* they are needed and *in the way* they are needed (in other words, the right conversations, in the right way, at the right time).

If the performance of an individual or team is not what you want it to be, very often it is the lack of a *Savvy Conversation* that is holding you back. When you look at the organisational issues you face on a day-to-day basis, what conversations are being avoided? Start to notice when a good conversation would help progress things more positively or would improve individual or team performance.

People often complain that the performance management process they have to use is not effective or adds no value. But evidence suggests that the process of performance management is far less important than its positioning, implementation and purpose. The positioning usually sets out the strategic intent of performance management for the organisation and its purpose is often to drive sustainable organisation performance. But it is its' implementation that is key – managers communicating the purpose and positioning through good conversations with their staff; in other words having *Savvy Conversations*.

Performance management should be a positive process where good systems and their effective application creates a culture for individual and team success to be recognized and applauded. When poor performance arises from time to time, you should aim to deal with this in a timely, consistent and professional manner, remembering that individuals may under-perform for a variety of reasons.

Improvements in performance can often be achieved through continuing feedback and joint discussion, usually involving identifying what the performance gap is, establishing the reasons for any shortfall and agreeing the action needed. How you handle this type of discussion with staff is key to achieving a successful outcome.

Behaving assertively and having the confidence to give constructive feedback is crucial. If handled well, the result can be improved performance, an increase in motivation and development of more positive working relationships. Handled poorly, the result is more likely to be continued poor performance, a loss of motivation and increased tension or conflict within the team.

By using a *Savvy Conversation* to resolve the issue informally you can often avoid having to follow formal capability or disciplinary processes. In preparing for such discussions make sure you:

- Are properly prepared      Make a note of the key points you wish to discuss
- Create the right atmosphere      A private, informal environment where a full, frank and friendly conversation can take place.
- Follow a clear structure      Covering all the relevant points and allowing enough time for a two-way exchange of views.
- Use positive feedback      Recognising achievements and where things have gone well.
- Do more listening, less talking      Using open-ended questions where appropriate and encouraging ownership.
- Encourage self-reflection      Checking whether their understanding of how they have done or where things may have gone better matches your own assessment. Analyse jointly wherever possible.
- Discuss performance      Being prepared for potentially difficult conversations where necessary.
- Avoid nasty surprises      Reflecting on experiences during the review period not bringing up issues which should have been addressed earlier.

So remember, it is the application rather than any process that makes the difference. Is your experience of performance management simply a mechanistic exercise or is it a meaningful management tool that enables good conversations to happen?

**Have you ever waited for ‘management’ to deal with a problem with a colleague rather than having the conversation with the person yourself?**

Often, waiting for the boss to deal with something in this way leads to a change in policy or procedure that everyone has to comply with rather than simply addressing the problem directly. Tackling issues like this doesn’t engender commitment or engagement. People will either ignore the new rules and carry on as before or they do as they are told but their hearts are not in it as they don’t really believe it is the right way. That’s not very good for team morale or getting the best out of people.

Immediate and direct dialogue will resolve 90% of performance problems before they get out of hand. That’s why I say a *Savvy Conversation* is your ultimate performance management tool. Our success at home, at work and in every relationship relies on us getting critical conversations right. Good communication increases our understanding of the people around us and can improve our happiness and personal satisfaction levels.

On-going feedback conversations should be at the heart of performance management, helping you to increase both engagement and productivity. By making every conversation a *Savvy Conversation* you can make every critical discussion you have really count.

**You will get better results and maintain more positive relationships through the power of *Savvy Conversations*!**

**Identifying the occasions when effective communications would improve performance:**

Regular types of communications	Other types of communications
<ul style="list-style-type: none"> <li>• Managing performance and capability issues</li> <li>• Managing grievances</li> <li>• Delivering bad news such as when someone’s job is at risk</li> <li>• Trying to find a fair compromise</li> <li>• Giving feedback</li> <li>• Sickness absence discussions</li> <li>• Dealing with redeployment and redundancy situations</li> <li>• Conducting a performance review or appraisal</li> <li>• Handling team meetings</li> <li>• 1-1’s/supervision meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Talking to your boss about them micro-managing you</li> <li>• Not getting enough support from your manager</li> <li>• Giving ad-hoc feedback on a piece of work</li> <li>• Speaking to a colleague about their inappropriate jokes</li> <li>• Asking a hyper-sensitive colleague to do something</li> <li>• Challenging a leader who is not ‘walking the walk’</li> <li>• Letting a colleague know they have let you down</li> <li>• Giving an ‘unacceptable’ performance review</li> <li>• Resolving conflict</li> <li>• Communicating in a crisis</li> <li>• Challenging inappropriate behaviour or attitude</li> <li>• Resolving disagreements between team members</li> </ul>

**Chapter 9 Summary**

**My 3 key messages about why Savvy Conversations will transform your performance discussions are:**

1. If the performance of an individual or team is not what you want it to be, very often it is the lack of a *Savvy Conversation* that is holding you back.
2. Having a *Savvy Conversation* is your ultimate performance management tool; focus on having the right conversation, in the right way, at the right time.
3. Use the power of *Savvy Conversations* to get better results and maintain more positive relationships with everyone.

**My 3 key questions for you to consider now are:**

1. What types of difficult conversations take place, or need to take place, in the course of your job?
2. In your own experience, what conversations have you had where the outcome was not as positive as you would have liked it to be?
3. If you have ever avoided talking to someone about something important, what were your reasons for not having that conversation?

# 10 USING MY CREDITS MODEL FOR MORE EFFECTIVE PERFORMANCE CONVERSATIONS

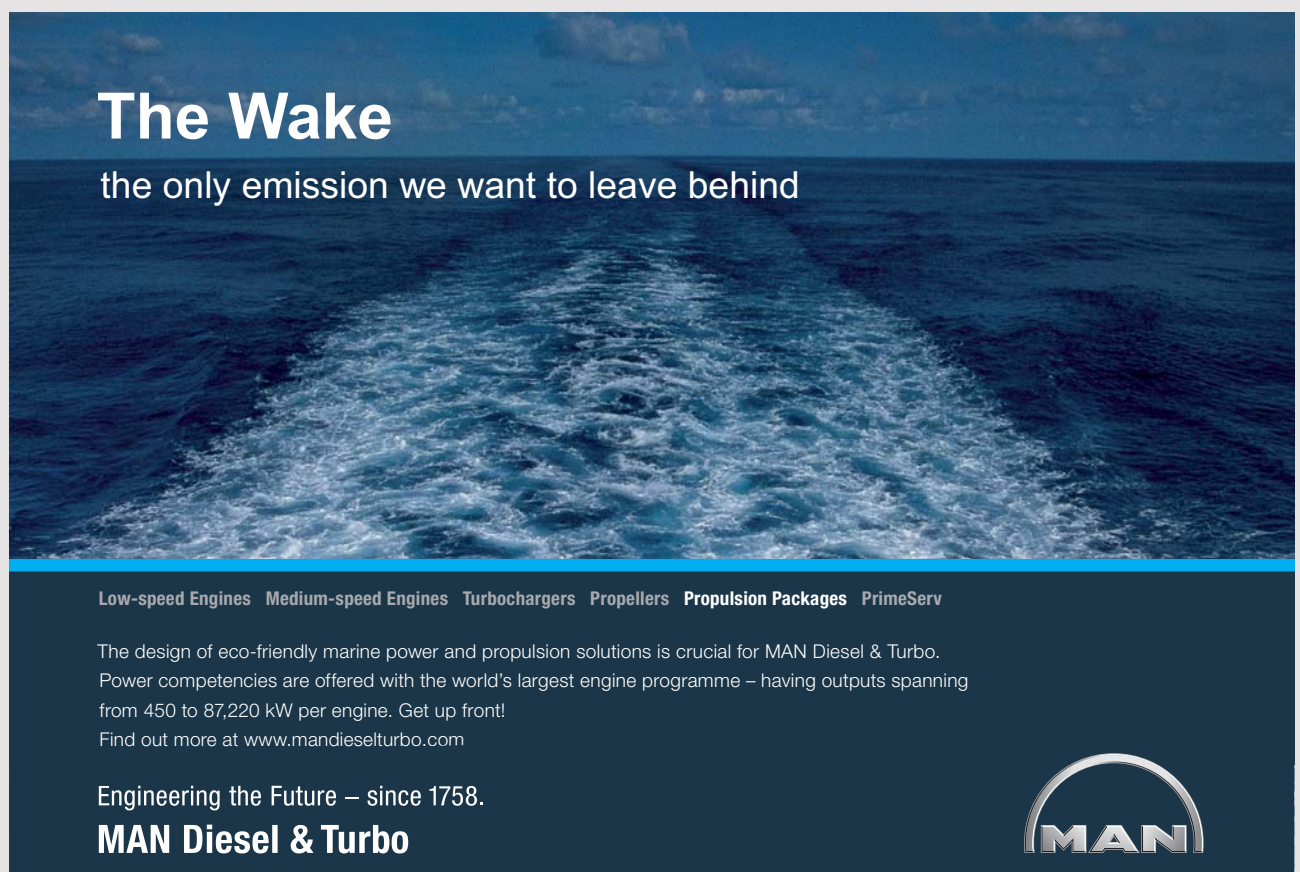
What does having ‘*CREDITS*’ mean? Well, it’s urban slang for having **credibility**. It’s an ability to inspire belief in others and it comes from the Latin ‘credo’ meaning ‘I believe.’

Credibility is about generating a feeling of trust and respect. It is about being capable of being believed. It is about being seen to be trustworthy and reliable.

To be credible you need to consistently demonstrate integrity and plausibility and you are likely to be seen as dependable, honest and sincere.

**CREDIBILITY = CONTENT + APPROACH**

In other words, what you do, together with how you do it.




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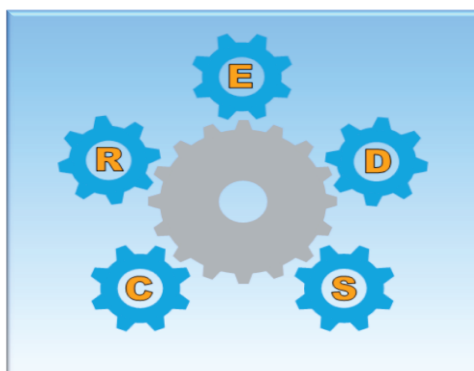
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Having *CREDS* will ensure your performance discussions are always *Savvy Conversations*. So let's look at what *CREDS* means:

<b>CANDID</b>	To be frank and truthful. To be honest and tell the truth especially about something difficult or sensitive.
<b>RESPECTFUL</b>	Showing respect for someone. To be polite, kind and considerate.
<b>ENGAGING</b>	To involve or draw (somebody) inclusively into conversations. To take part, to participate, to be charming.
<b>DIRECTION</b>	To aim, point or cause to move towards a goal. The direction that someone or something is going.
<b>SENSITIVE</b>	To be responsive to, or aware of, feelings, moods, etc. Able to understand what people are feeling and behave appropriately. Responsive to external influences.

For this model to work best for you, think of each of the 5 elements as COGS all moving around a central cog.



Each COG needs to move simultaneously. To have *Savvy Conversations* that get results and maintain relationships all 5 COGS need to be working within the conversation, none can be missing. No two conversations are the same so depending on the circumstances you may need to 'dial up' or 'dial down' the volume of one COG but always all 5 COGS must be present for the conversation to be really effective.

For example, you could have a conversation using the C.R.E.D. of *CREDV* and you may well get the outcome you were wanting and be quite happy with the result. However, without the Sensitivity also being there, you run the risk of damaging the relationship either temporarily or permanently.

To take an alternative example, if you are overly concerned about not upsetting someone, you may be demonstrating too much Sensitivity at the expense of maintaining the Direction of the discussion. This is often how performance discussions become derailed and why matters do not always move on to a conclusion.

**Remember, *Savvy Conversations* = Get Results + Maintain Relationships**

Getting what you want without maintaining the relationship is not being savvy. Maintaining the relationship at the cost of achieving the desired results is not being savvy.

*CREDV* is a simple yet powerful tool that reminds us to take a balanced approach to all our conversations, no matter how difficult they may be. It is situational and contextual so completely adaptable to any given conversation. In relation to performance management, you can use *CREDV* to:

- Plan for important conversations
- Give more effective feedback
- Carry out better quality 1-1's
- Make appraisal discussions more meaningful
- Reflect on your own behaviour and improve your self awareness
- Get the best from you and your staff
- Develop more effective relationships with everyone around you
- Get the results you want and maintain better relationships

I urge you to try this out when you next need to have a performance discussion.

Use the model to guide you.

Notice where you are not being as Candid as you need to be (so turn the volume up). Take time to reflect on where your comfort zone lies. Your comfort zone is good; you are likely to do well in these areas and have some solid strengths. To have successful, balanced conversations that get results and maintain relationships, you may need to push yourself outside your comfort zone. Use the *CREDS* model to identify where you need to turn the volume up or down and consider the different situations where higher or lower volumes would be appropriate.

When it comes to turning painful performance management into *Savvy Conversations*, have you got the levels right?

## Chapter 10 Summary

**My 3 key messages about using the *CREDS* Model for more effective performance conversations are:**

1. It all starts with credibility. Build it, earn it, maintain it. Without credibility performance conversations are always going to be challenging.
2. All 5 *CREDS* COGS should be present in every performance management discussion; just turn the volume up or down as required. If one or more COGS is missing something will be compromised.
3. Use my *CREDS* Model to plan for important performance management conversations, to guide you through them ‘in the moment’ and to reflect afterwards to see where things went well and where they could be even better next time.

**My 3 key questions for you to consider now are:**

1. Using my *CREDS* Model to reflect on your own preferences, which COGS come naturally to you in relation to performance management?
2. To turn your painful performance management into *Savvy Conversations*, where do you need to turn the volume up and where would you benefit from turning the volume down?
3. What performance conversations are you not having, or not having well, that are stopping you from being the best you can be?

**To start having *Savvy Conversations* immediately, use your *CREDS*!**

# KEY LEARNING POINTS FROM THIS BOOK

Do take a few moments to identify what you have learned from reading this book. Plan how you will apply your learning to your role, your career or elsewhere in your life to help you become the best performance manager you can be.

## Action Plan

Things I will do as a result of reading this book.

Action point	Anyone else involved?	Timescale

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**You are no doubt wondering how quickly you can apply what you have learned to achieve some amazing results to feedback and share with me and your colleagues.**

*When you are ready I would love to know how you are getting on.*

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