



PERFORMANCE MANAGEMENT IDEAS

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Performance Management. Ask ten different managers what it means to them, and it's likely you'll get ten different answers. Some see it as a substitute for an annual review, some view it as a way to keep tabs on employees and their progress, while others view it in a more broad sense as a system that helps employees and companies reach their potential.

Whatever your "take" on performance management is, there is no question it's a hot topic for managers in the chemical industry. The reason? With most chemical manufacturers experiencing recent growth, the number of employees is on the rise. In order for these organizations to maximize the potential of the workforce, there needs to be an organized process in place. Think of implementing a performance management system as a tune up for your department. It helps keep everything in check and ensures that all components are running as smoothly and efficiently as possible.



If you're interested in raising the caliber of performance in your organization, consider these 10 tips to get people to start delivering exceptional results:

1. No Excuse is an 'Acceptable' Excuse

Most managers are too tolerant of excuses. Don't be. An excuse means the job didn't get done. And if you are truly committed to results, then you cannot be willing to accept excuses. Acceptance allows failure to persist. While it may sound cold and unfair, when you stop tolerating excuses, you force people to deliver solutions.

2. Think in Terms of Priorities

Get people in your organization to think in terms of priorities instead of excuses. The next time you hear, "I didn't have enough time," try substituting this excuse with, "I'm sorry, it was not a high enough priority." This simple change of perspective will help you better manage your time and responsibilities, and eliminate the number one excuse in business.

3. Make Mistakes Acceptable

As a rule, employees don't like to report bad news because they fear the repercussions. If employees fear repercussions, they are less likely to be honest and more apt to make excuses. People have to feel free to say, "I made a mistake." So to get excuse-free behavior, make mistakes acceptable and treat them as opportunities for learning. Don't look to place blame, instead, focus problem discussions on "what" and "why" issues, not "who". And be willing to praise and recognize risk-takers, even when the outcome fails to achieve desired results.

4. Create Clear Expectations

Establish mutually defined expectations for job performance. Explore what success and failure look like for each position in your company. Ensure that every job and project has specific, measurable goals (more on this topic later in the article).

5. Connect the Dots

People are much more motivated to succeed when they feel connected to the big picture and understand why they need to do something. As a leader, it is your responsibility to show them how their actions have a direct impact on the company's success.

6. Acknowledge Responsibility

Hold people's feet to the fire. Require them to commit to their responsibilities in writing. And even more importantly, follow up to ensure commitments are met and to establish accountability.

7. Plan Contingencies

Never ignore Murphy's Law. Things can and will go wrong. Take time to anticipate potential problems and set contingency plans. A proactive approach to problem solving virtually eliminates opportunities for future excuses and maximizes the probability of success.

8. Pay for Performance

While it's fine to recognize people for hard work, reward them for results. Structure reward systems to only provide tangible incentive compensation based on achieving measurable results. Ideally, offer rewards on an "all or nothing" basis. Simply put, if the goal is not FULLY met, no reward is earned.

9. Create Support Systems

Let the employee know where to get help when problems arise. Failure most often occurs when employees don't know how or where to get assistance. Even superstars need coaching (in fact, you're often better served by investing more time and resources in improving superstars than fixing problem employees). Provide your employees with the resources they need to get things done. These resources may include in-house or off-site training, formal mentoring programs, and internal "help desks" and "expert directories" listing people who can be called for assistance about specific issues.

10. Conduct Project Post-Mortems

At the end of every project, debrief your employees. If they succeeded, praise them and discuss why the project was a success. If the employees didn't succeed, turn the failure into a positive learning experience.

PERFORMANCE COACHING

Every successful team is led by a great coach. To become a championship caliber coach, take the following steps:

- Meet with your managers regularly—at least once a week.
- Limit meetings to 20 minutes.
- Stick to a fixed agenda, in which you:
 - Exchange weekly goals, review the previous week's successes and failures, and identify needs for the coming week.
 - Ask direct reports about the best and worst things that happened last week to reinforce the positives and discuss ways to eliminate the negatives.
 - Plan for challenges in the coming week and offer support where it will be needed. Specifically ask your direct reports what they will need from you to be successful this week.

MANAGEMENT BY OBJECTIVES

So far, the principles of performance management sound pretty straightforward, right? Well, if you're interested in taking things to the next level in order to ensure that your department runs like a well-oiled machine, it is wise to invest time—a little more of your time—in the goal-setting component of the performance management system. This, by far, will give you the biggest payoff.

One means of setting goals and managing the outcomes of those goals is referred to as Management by Objectives, or MBO. The term was first popularized in 1954 by Peter Drucker in his book, *The Practice of Management*. Drucker summarized that it is all too easy for managers to fall into the trap of carrying out everyday tasks, and fail to focus on the real task of outlining the big picture of what it is that everyone is trying to achieve. MBO is a process that requires specific written descriptions of objectives and timelines for achieving those objectives. The process involves a great deal of input from each individual employee as to what they will attempt to achieve during a specific time frame, and provides an open forum of discussion in which the manager can gain buy-in, or commitment, from the employee.

According to Drucker, objectives should have the following characteristics:

- Focused on a result, not an activity
- Consistent
- Specific
- Measurable
- Related to time
- Attainable

SUPERIOR RESULTS FOR YOU AND YOUR TEAM

If you're serious about driving performance in your organization, start by developing an appropriate performance management system for your organization. The next step is to focus on specific and measurable goal setting, a process structured around the practices of MBO. With a little organizational fortitude, you will find that you can help further the individual development of each member of your team, improve your own management potential, and more easily attain company wide objectives. This, by far, will give you the biggest payoff.



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