

Why most of your employees don't need performance management targets



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Traditional performance management generally consists of periodical meetings between an employee and their line-manager to discuss the employee's performance and then set targets which will be reviewed at the next meeting.

Sound familiar?

THE MAJORITY OF YOUR EMPLOYEES DON'T NEED PERFORMANCE MANAGEMENT TARGETS

Now, before I get into the nitty gritty of why I don't think the majority of your team need to go through the target-setting process, let me make it clear that I do strongly believe that every organisation needs to have a defined process to monitor, manage and support the performance of their team members; however, I just don't think that setting everyone targets to achieve over the year is the best way to do this for the organisation or the individuals.



Here are the problems or negative elements of traditional (target-setting) performance management processes.

They are really expensive; they take lots of time to prepare by the line manager and employee.



ACCORDING TO CEB ESTIMATES, A COMPANY WITH 10,000 EMPLOYEES SPENDS AROUND \$35 MILLION PER YEAR TO CONDUCT REVIEWS (SOURCE: CEB)



It is evident from all the research that the majority of people, both line managers and employees, dread the appraisal time of year, dislike the process, and do not feel that it actually impacts performance positively.

ONLY 8% OF ORGANISATIONS SAY ANNUAL APPRAISALS ADD VALUE. (SOURCE: DELOITTE)



It seems crazy to me that organisations will spend lots of money on a process that really doesn't deliver any return on investment (ROI) or positive impact and is a process that is universally disliked - it makes no sense.

The positive news is that there are a large majority of HR managers who are looking for a better way of doing things.

81% OF HR LEADERS ARE MAKING CHANGES TO PERFORMANCE MANAGEMENT (SOURCE:GARTNER)

Pretty much everyone dreads the looming feeling of 'appraisal' time. Surely it can't be good if something, that should actually be a supportive, nurturing, and positive process is seen in the same light as the filing of your annual tax return or a trip to the dentist? How can that be beneficial?

The process itself can also be detrimental to morale, self-esteem, working relationships, happiness and performance and this must be opposite of what is intended.





Organisations need to ditch the annual/bi-annual traditional target-setting-based performance management process.

I understand there needs to be a 'paper trail' to document how an organisation has supported its employees; however, I think that the terms **performance management** and **performance development** have become interchangeable when they are actually quite different things.

Performance development is about supporting, guiding, enabling, and nurturing the performance of your employees. Yes, there needs to be a record of any meetings, discussions, support offered, and actions taken; however, this does not need to be as formal, specific, or detailed as the record keeping and documentation needed in performance management.

Performance management is much more targeted, with specific aims and targets that need to be achieved. It's much more formal and time-consuming and requires more detailed record-keeping, but this more official process is really only going to be required for a small percentage of employees.





I also get that organisations must treat, and be seen to treat, all employees equally and fairly. They must show that they are offering the same opportunities to all. This can all be achieved by giving all staff access to a good performance development process. If however, something more targeted is needed, remember for the minority of employees, then they can move on to the more formal performance management process.

Automatically putting everyone on performance management-type processes makes no sense to me. It is costly, time consuming, often demotivating, and rarely drives progress.

Organisations are potentially fearful of being accused of treating employees differently (in an employment tribunal maybe), which is why I think many, at some point in time, moved to having everyone go through the same target-setting process, and unfortunately things have just stuck, but this is unnecessary and counterproductive.



SOME OF THE DISADVANTAGES OF THE TRADITIONAL APPRAISAL SYSTEM ARE, LACK OF EFFICIENCY, DEMOTIVATIONAL, DISCOURAGES TEAMWORK, THE INFLEXIBILITY OF THE PROCESS, IT IS ALSO VERY COSTLY (SOURCE: IMPRAISE)



Organisations must show that they respect and have trust in their employees - they must trust that employees will maintain good levels of performance and continue to grow and develop where necessary.

Here is the thing - learning, development, and progress is not linear, not timetabled, and not as simple as superficially meeting a target. Learning, (or consolidated, secure and transferrable learning), is about building up understanding, developing lots of different skills, knowledge, and abilities that enable a person to perform different things consistently, again and again.

Learning needs to occur and be a focus daily, adding little steps and progress that build up to bigger gains. We need to make the focus about adding these little steps, gains, and development actions frequently, rather than a periodic push to 'meet my target'.



For those people who have been through a target-setting-based performance review, answer these questions:

- Were you looking forward to it?
- Was it easy to produce some agreed targets in the review?
- Did you think the process was beneficial or did you feel it was just something that both you and your line manager had to do?
- How often do you refer to your performance management documents after the meeting - daily, monthly, or a few days before the reminder comes through that you have your next appraisal meeting?
- How long did it take you to find your performance management documentation once you realised the review meeting was looming?
- Have you shared the weary look or resigned conversations between your line manager/employee during the meeting that just says, ***'Look, we both know that neither of us want to be here, we both feel like it's a waste of time, but lets just get it done, get through it, file it, move on and forget about it until the next time we meet'?***
- In the meeting, how easy was it to remember all the different things that you have done in the last 12 months to improve, develop, and consolidate your performance? Did you remember that course you attended 10 months ago or the time you spent learning from another colleague last year?
- Did you sometimes get the feeling that some initiatives at work (surveys, events, changes) were implemented purely because they were part of someone else's performance targets?
- How many times have you ended up leaving the appraisal meeting thinking, ***'That was a waste of time and was a couple of hours of my life that I will never get back!'***?



Of course, there are always exceptions: some people might love the process, some organisations might run this type of process very well; however, the overwhelming evidence is that they are very, very much the exception.

Right, back to the lack of need for targets for everyone.

If you are doing your job well, the only target/focus that you need is to ***'continue to do your job well.'***

This is not to be mis-interpreted as promoting any lack of ambition or drive.

Organisations, undoubtedly, should be offering regular and varied support and development opportunities for their employees, but they do not need to force them.





The reality is that some people are just happy in their job. They are happy doing their current job well; they have no desire or aspirations at all to climb the ladder or to take on additional/leadership responsibilities. In fact, they would actually hate it. So, why don't we just leave them be, offer them and make available opportunities that they can take, should they choose to do so, support them to maintain their good level of performance, and also reward them for consistently and reliably performing well? They don't need performance targets; they just need to be made aware that you know that they are doing a good job and then recognised for that.

Whilst I do not think that every employee should be going through the traditional performance management process, I am not actually advocating for the elimination of targets altogether as there are 2 situations where I think that more specific and formal targets are needed.

1. An employee is performing well and is ambitious and interested in moving to a higher level. In this situation, it might be relevant to set clear, defined targets around what needs to be achieved to enable that employee to get themselves ready to take the next steps in their career.

2. An employee is underperforming in their role and at risk of potentially losing their job unless there is an improvement in their performance. In this situation it is likely that clearly defined targets, actions, and support opportunities are developed to give that employee the best opportunity to address their underperformance before the next steps have to be taken which might lead to that employee being terminated from their position.

These are the only 2 situations where clearly defined, structured, and monitored targets are needed. For the vast majority of your employees, if they don't fall into either of the above situations, all they need is support to be able to authentically reflect on how they are doing in their role, be encouraged to take actions to develop, be supported to access development opportunities, be able to reflect with their line manager about how they are doing and share any development actions that they may take or have taken. If they are a reliable, effectively-performing employee, that is all that's needed. If they haven't managed to take any development actions yet, then that is absolutely fine - encourage it, support it, but don't demand it. If they have been taking some development actions to keep themselves performing well or to take their performance even higher, then fantastic, but don't forget to celebrate it and reward it.

Most of your employees do not need to be dragged kicking, screaming, sulking, and resenting the target-setting process.

What you really need is:

- to develop a culture that values and encourages people using their own initiative and undertaking their own development actions, even if these actions seem small, such as reading a relevant article or book or observing a more experienced colleague. Develop a culture that promotes, rewards, and celebrates employees taking ownership of, maintaining, and developing their own performance.
- to have a process where employees and line managers can authentically reflect on performance using the areas that are directly related to the skills, knowledge, and abilities needed for each specific job role.
- a process where employees can record and access any of the development actions that they planned or have already taken and be able update their performance profile easily, quickly, and from wherever they are.
- a system that celebrates positive actions, engagement, proactiveness and initiative, rather than compliance.

It is much better if employees take ownership of their own development, with support from their line managers, rather than forcing them to do something that, let's be honest, is a process that no one values or enjoys.

HR managers, save your company time and money, empower your employees to drive their own development, free up time for your leadership, and reduce workload pressure by taking away the need for most of the current performance management reviews. Make a positive change by adopting a system that gives a better ROI and, importantly, actually drives progress.



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Synergistic Products is a business tech company developing simple, useable and cost-effective tools that enable all the key activities you need to undertake on a daily basis to actually happen easily, effectively and efficiently.

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