

Conducting a Performance Management Review



...a better way to manage

the
happy
manager

Published by Apex Leadership Ltd.

HOW TO BE A BETTER MANAGER

Conducting a Performance Review

What's in this guide:

Page

3	<u>About the "How to be a Better Manager..." Series</u>
4	<u>What is a Performance Review?</u>
7	<u>Why Review Performance Regularly?</u>
8	<u>Aligning Goals Through Performance</u>
13	<u>Managing the Performance Review</u>
17	<u>Giving Good Feedback</u>
19	<u>Dealing With Under-performance</u>
20	<u>Creating the Right Conditions</u>
22	<u>Summary Checklist</u>
23	<u>Tool</u>
23	<u>1: Assessing Your Performance Review Process</u>
24	<u>2: Conducting Regular Mini-reviews</u>
25	<u>3: Setting SMART Goals</u>
26	<u>4: Taking SHARP Action</u>
27	<u>5: Preparing for a Review Using the PERFORM Model</u>
29	<u>6: Checklist for Managing a Performance Review Meeting</u>
30	<u>7: Guidelines for Giving Good Feedback</u>
31	<u>8: Managing Under-performance</u>

How to be a Better Manager ...

Conducting a Performance Review is one of a series of practical, thought-provoking guides, designed to help you deal with a wide range of management ideas, activities and situations. Whether you are a new manager, or one who wants to hone or develop existing skills, we're sure you'll find something valuable in any of these guides.

This series of e-guides is published by Apex Leadership Ltd in collaboration with Learning Intelligence. The guides have been developed by a team of professional managers, consultants and educators. The full range of titles is available from [Apex Leadership Ltd](#), or from [the Happy Manager.com](#). Use these guides to benefit from our wealth of management expertise. Let us help you find: **a better way to manage...**"

Phil Higson & Anthony Sturgess
Directors, Apex Leadership Ltd

Using the guides

Each guide contains information, insight and inspiration on essential management topics. The best way to use the guides is to read through each section in turn, ensuring you pause for reflection wherever you see the "Consider..." points. Be sure to answer any questions posed, wherever they appear - they are there for a reason!

Consider ...

Tools ...

Finally, work through the tools. These have been designed to help you use and develop the advice given in the guide.

Conducting a Performance Review

1 What is a performance review?

What do you think of the following two statements?

'Managing performance is about applying a process. It aligns individual work goals with our business goals.'

'Managing performance is about using "people skills" to get the best out of my team.'

Managing performance is about applying a process but this alone is not enough. The best way to manage performance is to use that process in such a way that teams are *inspired to take ownership of their own performance*. Before you go any further into this guide, use Tool 1 to help you to think critically about how performance is currently reviewed in your team or organization.

[Tool 1](#)

A performance review is a balancing act. It should balance the need to look backwards (the review), with the need to look forwards (the plan). It should also balance the need to address weaknesses, whilst at the same time building on strengths.

Remember though, that it's far easier to motivate people to develop something they *can* do, than to try to teach them things they *can't* do. Development needs should be as much about further improving what someone already does well, as about correcting weaknesses.

Consider...

"It takes far less energy to move from first-rate performance to excellence than it does to move from incompetence to mediocrity."

Peter Drucker

PREVIEW ONLY
These pages are intentionally blank

3 Aligning goals through performance reviews

Before going into the detail of how to conduct a performance review, it's critical to discuss the importance of goals. There are two main reasons *why* goals are fundamental to any performance review:

- To ensure everyone is working towards achieving the *organization's* goals.
- To get the *best* out of your teams to help achieve that.

Working towards achieving the organization's goals.

All organizations need to plan for the long-term. To do this, strategic managers will need to look back at past performance, but much more importantly they will need to look forward at future possibilities. In doing so they will be asking:

- What kind of organization do they want to create?
- What will affect the organization?
- How will it need to adapt and evolve?

Consider...

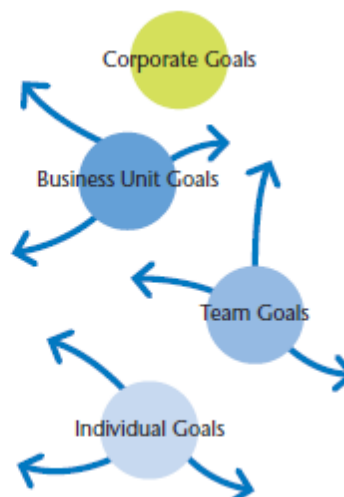
Change is the law of life. And those who look only to the past or present are certain to miss the future. John F. Kennedy

Looking long-term gives you your mission, values and strategic objectives. In other words you know where you want to get to, and the way you want to do things. What's needed is a way to get every single employee 'pulling in the same direction' to make it happen.

You need this:



Rather than this:



PREVIEW ONLY
These pages are intentionally blank

6 Dealing with Under-performance

Dealing with under-performance is crucial if you are to maintain a commitment to performance within your team. Most people *want* to work and to do a good job. Rarely do you hear people saying to each other “I hope you have a mediocre day”. There can be a number of factors causing under-performance, so it’s important not to second-guess or assume reasons.

The best place to start is to ask. If a team member is underperforming then take action, without delay, by following the actions in the performance improvement process outlined below.

Performance improvement process

1. Outline the performance area that needs attention and explain why the existing performance is causing concern.
2. Discuss and explore the reasons for the person’s current performance, and show that you clearly understand the situation.
3. Ask if they have any suggestions on how to overcome any issues, and on ways to improve performance.
4. Ask what *you* can do to help.
5. Agree a mutual action plan for you both to take forward.
6. Establish a definite follow-up date.

What else can you do?

Dealing with under-performance is not an easy thing for many managers. Here are some things to think about:

- Be careful not to hide behind policies, systems and procedures. They should be there to help, not to deflect you from what may be an essentially difficult conversation or series of conversations.
- Remain open-minded as you listen to the employee’s views and explanations.
- Try to stay objective, impartial and consistent in your questions and any follow-up comments.
- Seek facts and views from other reliable sources, to ensure you are fully informed.

Turn to page 31 to use a diagnostic tool based on the PERFORM Model. This will help you to identify and manage any factors which might be specifically contributing to under-performance.

[Tool 8](#)

PREVIEW ONLY
These pages are intentionally blank

Tool 1: Assessing Your Performance Review Process

This tool is designed to help you:

- Assess how performance is currently reviewed in your team or organization
- Think about possible changes or areas where improvement could be made

Use the comments column to note your answers to the following questions.

Question	Comments
How do you formally review performance in your team/organization at present?	
How often are meetings scheduled?	
How well does your current process work? (i.e. does it improve performance? Do you and your colleagues think it is effective?)	
How interactive are they? How do individuals contribute?	
What happens throughout the year? (How is performance monitored and is it regularly reviewed?)	
What elements of the performance review process do you find most difficult? (Why do you find it difficult? What do you need to do to improve this aspect?)	
How do team members see the process? (Is it collaborative and positive, or do they feel threatened)	

[Return to Chapter 1](#)

PREVIEW ONLY
These pages are intentionally blank

Tool 8: Managing Under-performance – Diagnostic Questions

Use this tool, based on the PERFORM Model, to help you to identify and manage any factors which might be specifically contributing to under-performance.

Diagnostic questions	Notes / Answers
<p>Potential</p> <p>How well do their strengths fit the job role? Is the person in the right job? Are they using their strengths?</p>	
<p>Expertise</p> <p>Has the person the skills to do the task? Do they have the ability?</p>	
<p>Resources</p> <p>Do they have the resources and support to do the work?</p>	
<p>Focus</p> <p>Does the person know what they are supposed to do – has the performance standard been communicated properly?</p> <p>Do they understand the significance of the work they do? Do they know why their work matters?</p>	
<p>Opportunity</p> <ul style="list-style-type: none"> • Is there too much to do? • Are people overloaded? • Is the work challenging and meaningful. • Are there constraints that are stopping the person from doing their job? 	
<p>Results</p> <p>Have you got evidence of what the impact of poor performance is?</p>	
<p>Motivation</p> <p>Is the person motivated to do the work? Are they willing?</p>	

[Return to Chapter 6](#)

HOW TO BE A BETTER MANAGER

Updates

For more information on the content of this e-guide, and other related topics, visit: www.the-happy-manager.com

Join the community: subscribe to the Happy Manager Newsletter for regular updates and advice on better ways to manage.

Join the conversation: bookmark the Happy Manager blog.

(www.the-happy-manager/blog) And leave any comments, suggestions or examples of your own experiences for the benefit of other readers.

Titles available:

How to be a Happy Manager
Have a Good Workday
How to Build a Happy Workplace
Workstyle, Lifestyle

Build a Better Team
Team Building Exercises
Team Health Check
The Problems with Teams
Why is Teamwork Important?

Leadership Essentials
Defining Leadership
Leading with Style and Focus
Leading Insights

Transformational Change
Sustaining Change
Making Change Personal

It's All About Performance
15 Performance Management Tips
Managing Performance and Potential
Performance Management Skills
Performance Management Toolkit
Conducting a Performance Review
Manage Your Own Performance
Motivating Performance

Managing for Strength to Strength
Managers Make the Difference
Re-defining Middle Management
Do More with Less
Managing Time and Priority
Extreme Thinking: Unlocking Creativity
SMART Goals, SHARP Goals
Making Better Decisions
What's the Problem?

Copyright Apex Leadership Limited 2012

Efforts have been made to contact the copyright holders of works referred to in this publication. Apex Leadership Ltd hopes that copyright holders will permit references and quotations, where small extracts of their work have been used.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of the publishers. This book may not be lent, re-sold, hired out or otherwise disposed of by way of trade in any form of binding or cover other than that in which it is published, without the prior consent of the publishers.

First published in Great Britain 2012

Copyright Apex Leadership Limited 2012

HOW TO BE A BETTER MANAGER

Notes