Managing Performance and Potential

...a better way to manage

the
happy
manager

HOW TO BE A BETTER MANAGER

Managing Performance and Potential

What's in this guide:
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How to be a Better Manager ...

Managing Performance and Potential 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 Ltd. 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 ...**

After you've worked through the guide, read the summary checklist on page 19. This both summarizes the contents of guide, and gives you actions to take to ensure you use it! Finally, work through the tools. These have been designed to help you use and develop the advice given in the guide. Both the tools and the summary checklist are simple to use as handy references at the end of the guide, or as convenient memory aids to carry with you.

Getting the Best Out of People

This "How to..." guide is an overview of how to manage performance and potential in the workplace. It will get you thinking about ways to get the best out of the people you manage, encouraging them to both perform and to reach their potential.

> "The ultimate test of management is performance"
>
> Peter Drucker

As a manager, what you'd ideally want is a team of people who are self-motivated and committed to doing their jobs to the very best of their abilities. This means people who need the minimum of day-to-day supervision and control, who respond positively because they want to and not because they have to, and who "go the extra mile". Managing performance is not about coercion; it's about encouraging people to work to their potential - because they want to.

So, how do you manage performance? The key is in a working environment which allows teams to *use* their abilities to perform, and which encourages their *desire* to do so. Performance management is about creating and sustaining that environment.

In "Managing Performance and Potential", you will be looking at what constitutes good, bad and indifferent performance, how to monitor it, how to create a positive working environment, and how to help your people to achieve excellent performance. There are a number of techniques you can use:

- the PERFORM Model
- influencing performance
- giving feedback
- carrying out effective performance appraisals
- coaching for improved performance.

Focus on Strengths

Before starting on these specific techniques, it's worth considering one fundamental principle:

> It is far easier, and more rewarding, for people to get better at something they're already good at, than to try and improve something that is a weakness.

Most people aren't good at doing *everything* yet how much performance management activity seems to focus on weaknesses?

Even where strengths are addressed, performance appraisals and reviews often conclude with a summary of gaps and deficiencies. The development needs identified are often more focused on activities designed to overcome weakness, rather than those which can build on strengths.

There are two basic flaws with this emphasis on weakness or deficiency.

- Firstly, it's much easier to get the best from people when we focus on what they are good at: their strengths.

- Secondly, if it's *easier* to do this, then an emphasis on strengths makes good management sense!

This is not to say that weaknesses should be ignored. Where individual weaknesses may detract from, or impact on someone's strengths, they must be addressed. Equally, if an individual's weakness is affecting the overall team, action must be taken.

Remember though, it can be much harder for someone to excel at something they find difficult to do.

It's perhaps better to find others in the team who have strengths to compensate for the weaknesses in another. Remember, while managing performance in individuals is important, it should never be viewed in isolation.

Consider ...

"The first task of management is to make effective the strengths of people."

Peter Drucker

Now use Tool 1 to assess what you think of your organization's current performance management system.

Tool 1

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Opportunities

A critical aspect in motivation at work is the provision of opportunities. Two simple ideas have emerged from much of the research on motivation. These suggest that we can best motivate others by:

- giving them interesting and challenging jobs to do

- ensuring their value and achievements are fully, fairly and explicitly recognized.

Provide your people with opportunities to:

- achieve
- take on more challenging and interesting work
- assume greater responsibility
- advance their careers
- grow in expertise and confidence.

Resources

For people to perform, resources need to be allocated and managed in order to support them at work. Clearly there will be costs associated with this aspect, but knowing how to motivate employees is not enough. We must be prepared to commit resources.

Consider:

- Organizational resources – it's all too easy for people to be de-motivated if they do not have the resources to actually *do* their job. Make sure you allocate physical resources to support work. Don't forget that time is also a resource, so ensure workload allocation addresses deadline issues.

- Development resources – resourcing a person's development will involve freeing up time, and providing either in-house or external programmes.

- People resources – any support that is needed from peers, colleagues, managers, mentors, family, friends and reference groups.

- Personal resources - an individual's own resources, their own expertise, values, ability and determination to achieve.

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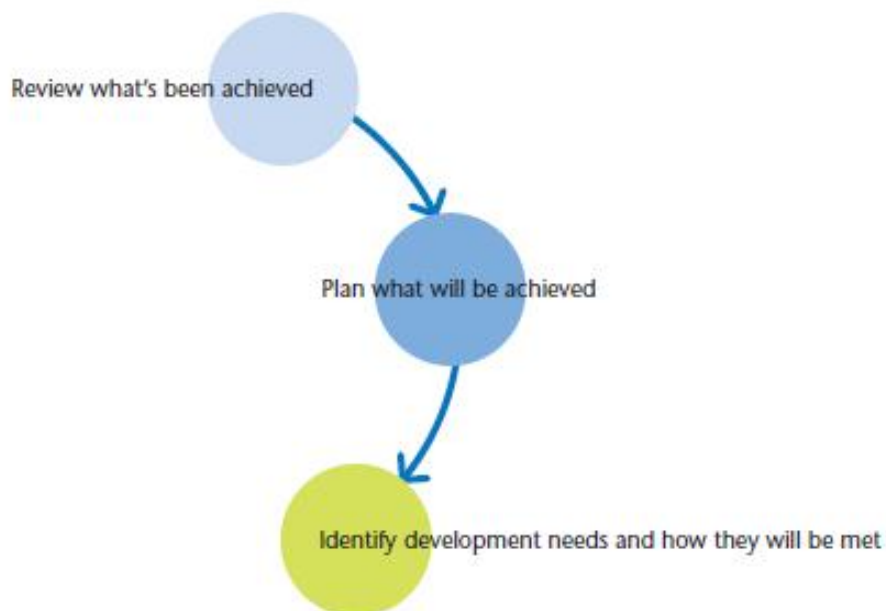These pages are intentionally blank

Carrying Out Effective Performance Appraisals

A performance appraisal is a regular meeting between yourself and someone you manage. The frequency, structure and formality of these appraisals will vary from place to place. Regardless of any variations, when effectively done, appraisals can be an important element in performance management.

If the performance appraisal is the only time a person gets feedback on their performance, this may be a very stressful occasion, possibly for both of you. How many people want to hear that they were less than perfect last year? How many managers want to face the arguments and diminished morale that can result from a performance appraisal process that delivers criticism? This may be especially problematic if the criticism is unexpected.

An appraisal discussion should be just that, a *discussion.* Ideally, one that provides no surprises to either party because of the regular feedback that has taken place. This can greatly reduce any stress related to appraisal, and ensure it is far more effective. Ideally, the discussion should be focused on future development, and should take place between two people who have developed a strong relationship, based on honesty and

> For more detailed guidance on this topic, refer to "Conducting a Performance Review", another guide in the "How to be a Better Manager" series.

trust. The purpose of the performance appraisal is to crystallise the informal reviews that have taken place and to establish a person's current performance level. It should also be used to plan for the future, both in terms of the job itself, and with regard to the individual's personal development.

Review what's been achieved

Plan what will be achieved

Identify development needs and how they will be met

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Tool 1: Rating Your Performance Management System

Use this tool to help you evaluate the performance management process in your organization (it may be called something different, like an appraisal or development review system). Then turn to the next page for some guidance on how to use the results.

How does your organization rate in its approach to performance management? Complete the chart by circling the number closest to what you observe around you.

The skills and abilities of individuals are used flexibly and effectively	5	4	3	2	1	**Individuals stick to fixed way of working**
Performance reviews focus on developing people's strengths	5	4	3	2	1	**Performance reviews focus mostly on peoples weaknesses and gaps**
Individuals would say they use their strengths consistently in their work	5	4	3	2	1	**Individuals say there is little opportunity to use their strengths their work**
Individuals are clear about what is expected of them	5	4	3	2	1	**Individuals are unclear about what is expected of them**
Individuals are very clear about how their objectives fit with their team and the organization	5	4	3	2	1	**Individuals are unclear about how their objectives fit with their team and the organization**
The right kind of skills are developed in the organization	5	4	3	2	1	**There is no real focus on skill development**
Individuals receive regular feedback on their performance	5	4	3	2	1	**Feedback to individuals is rare**
Regular performance reviews are held through the year	5	4	3	2	1	**Performance reviews only happen annually**
The performance management system is effective	5	4	3	2	1	**The performance management system is discredited/ignored**

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Updates

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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) Leave any comments, suggestions or examples of your own experiences for the benefit of other readers.

Titles available:

How to be a Happy Manager	It's All About Performance
Have a Good Workday	15 Performance Management Tips
How to Build a Happy Workplace	Managing Performance and Potential
Workstyle, Lifestyle	Performance Management Skills
	Performance Management Toolkit
Build a Better Team	Conducting a Performance Review
Team Building Exercises	Manage Your Own Performance
Team Health Check	Motivating Performance
The Problems with Teams	
Why is Teamwork Important?	Managing for Strength to Strength
	Managers Make the Difference
Leadership Essentials	Re-defining Middle Management
Defining Leadership	Do More with Less
Leading with Style and Focus	Managing Time and Priority
Leading Insights	Extreme Thinking: Unlocking Creativity
	SMART Goals, SHARP Goals
Transformational Change	Making Better Decisions
Sustaining Change	What's the Problem?
Making Change Personal	

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Notes