

Developmental View of Performance Management

by Carol Sanford

When a manager speaks about performance management, it is really about how to help employees exercise *Will* and motivation toward their jobs and to be aligned with the business direction. If all persons were able to be self-determining in regard to their own motivation and how it was exercised, and they exercised it to carry out what was best for the business and its stakeholders in all interactions, then performance management would not need to exist as a management function. This paper is about how to put in place what it takes to have people be self-determining in regard to their motivation and to self-aligning with where the organization is planning to take itself in the present and future. Then performance management comes from within the person, not from the manager. It leads to a very different nature of performance review and level of commitment to learning and change.

Philosophy

A starting place is to understand a philosophy of doing business that is necessary to have people be self-determining of their motivation and aimed at business direction that is understood and valued. Most organizations have,

for practical reasons, given up the command and control method of managing business. If every directive has to come from a superior, it is too slow to move the organization. Organizations need people looking for problems, opportunities, and possibilities as they are working each day. And further they need for people to immediately initiate actions that pursue these options, while staying consistent with the overall direction of the company. It is a true source of competitive advantage.

The model based on self-determination might be called a “Developmental” approach or a Systemic approach to performance management. These designations comes from the idea that the development of people, in the context of a systems view of how the world works, leads to self-determination in people. In a developmental view, people are believed to be open-ended in terms of their ability to grow and develop. Each day they can be more able “to do” than they were they day before. They ae also more able “to be” something more than they were the day before, in terms of attitude and management of state of being. Basic to the developmental approach is connecting people to a systems way of thinking and interpreting the world around them. A systems view sees the connections and links among people and efforts. Seeing work in a systems context tends to lead people to make different choices and to experience different motives toward which they want

to act. If I can “pre-see” the effect of my actions on others, it tends to calibrate my choices of actions.

To take on this approach may require a switch in tenets about the source of motivation and of development and exercise of will. Studies over the last several decades of students, adult workers, and children have corroborated an intuitive understanding of how motivation is sourced. It seems that people who have a sense that their own actions lead to the results that are produced (internal locus of control) tend to be more likely to complete goals, overcome restraints to success, and tackle increasingly difficult challenges, more than people who attribute success and failure to external factors which are out of their control (external locus of control). The studies also validated that those with an internal locus of control had a much higher level of self-motivation toward assigned as well as chosen tasks and objectives and a significantly high degree of personal accountability. So locus of control has a profound impact on motivation, accountability, completion, and pursuit of excellence— all critical to the management of performance.

The challenge here is that, in our Western culture, there has been a tendency to foster external locus of control, and to promote a belief that others and external factors are the source of our ability to succeed or not succeed. We do this through a series of initiatives. We will come back to the mechanisms for

establishing and reinforcing “external locus of control” in the next section and how it is possible to change the course of these habits.

Contrasting Philosophies:

There are two other schools of thought that tend to permeate the world of organizations and tend to contribute to the external locus of control models. The intention in including them here, is to increase awareness of the mechanisms imbedded in them and the tendency for them to “bleed” over into work practices thus extending the external locus of control behaviors. This does not necessarily mean that their intentions are to do so, nor that there is no value in what they offer. It does suggest that they may in many cases have the opposite effect of what is intended.

Socio-technical models of organization: These models are based on the idea that multiple minds are better than one when thinking about a task and that having several people who can do they same task thereby increasing flexibility. Socio-technical models are very popular in manufacturing organizations for obvious reasons—teams are formed here for the above reasons. Manufacturing tends to design work starting with the tasks and then figuring out how to connect people to these tasks. They have found it helpful to many people be accountability for the same tasks on a rotating basis. Some of these models incorporate a cybernetic systems view of systems— the

learning that was uncovered about systems in the creation of artificial intelligence and programming computers to function as close as possible to the mentation of humans. Of course we have learned a great deal more about human mentation since the development of these models, very little of which has been incorporated into the designs of socio-technical models. Most importantly, we have learned that humans and machines have some significant difference, particularly as relates to motivation and management of change. Unfortunately, none of this work is incorporated and has led to many elements coming from these models that foster external locus of control, particularly the ideas of “feedback” and “progressive disciplinary procedures”.

Behavioral Modification Model of organization: These models see people are a sum of their observable behavior and as being able to be modified or changed based on external stimulus. The theory base comes from the student of rats in cages extrapolated to human behavior. The concept of “reward and recognition”, particularly as programs in companies, have come from this model. Management is assumed to be responsible for setting clear objectives, rewarding and recognizing exemplary performance to foster more of the same, and for timely feedback on achievements and shortfalls. All of these efforts come from outside the person from external sources.

Developmental and Systemic Model of Performance Management

Best Performance and motivation to improve performance result when people are working from an internal locus of control view of the world. To foster such a view, over time, it calls for having the following elements in place. We will then look at an implementation strategy to create a transition in this direction from an organization that has tended to operate with an external locus of control view of the world, thereby having to manage performance from an external set of factors.

The outcome that is pursued here is as follows:

Each individual will pursue staying current and aligned with the strategic direction of the business, and be able to see the order in that direction as it related to their work and to the environment of the business and its stakeholders (investors, customers, communities, etc). They can determine that “effect and effectiveness” that needs to result from their actions and their role in achieving it. From this they set a direction and pursue it

Organizational elements for Excellence in Performance

- ◆ Strategy that is meaningful and calls for creativity and stretch on the part of the organization is developed
- ◆ Leadership has translated the strategy into meaningful pursuits for each whole unit of work in the business and the business as a whole
- ◆ Each individual understands and feels a personal connection to the strategy and pursuits and how they can contribute
- ◆ People are working on something that fits them as a person and has meaning for them as a person
- ◆ The organization has a work structure that enables people to design and implement a specific contribution that will result in a significant achievement in regard to the strategy and pursuits
- ◆ Each person has a self-determined personal development plan that fits into the way work is structured and is aligned with the collaborative partners in their arena.

- ◆ There is a method to determine a progressive of contributions that can be made over time rather than a repetition of work at the same level
- ◆ There is a method for people to collaborate on efforts
- ◆ People can engage in reflection on their own achievements and seek ways to improve performance against targets they have set to serve the business— asking for assistance in arenas they feel they need help
- ◆ People are able to conduct their own celebrations, inviting others to join in rather than be a part of reward and recognition programs.

It takes having the structures (how people are organized to do work— E.g. teams, SBUs, functional groups), systems (what is set up to manage effectively and improve repeated tasks, e.g. payroll, purchasing), and the processes (how people and tasks are engaged, e.g. in hiring, in promotion in each event) in place to ensure.

Transition process: Stage One

For organizations that have been carrying out traditional performance reviews, with external feedback, this a process that may be used to begin to move toward more

Think of a specific performance review you are planning to conduct or a place you need to have a conversation about performance. Think through the right hand side of the framework to discover the business imperatives for the needed improvement in performance. E.g. The particular performance is having an impact on the unit performance in what particular way; and, this effects the unit performance in what particular way and therefore the company. What are the implications of this for the ability of Company.com to maintain or improve its performance in its chosen markets.

Understanding the business implications is a far more meaningful way to engage a person. However to really work in the most effective way using this framework, it is best to work through it in a deductive way.

Exercise to do with person in a performance review.

1. Discuss the current market imperatives that have been developed by company leadership. e. g. what are the critical success factors for a company doing business, the way we do, in our markets. Dialogue, until these are understood by both or all parties.
2. What does this set of Market Imperatives say about what Company must do better and how it must improve to succeed and lead the market with its current and potential customers?
3. What does this imply for our unit? (e.g. customer service) How must we change and improve?
4. What does this imply for the individual roles in our unit? How must each individual perform and improve to carry out their role for the unit?

Section Three: Performance Improvement Planning, Coaching and counseling, and developing discipline.

When each of these are discussed and shared IN A CONCRETE WAY, not a generally way, you are ready for the developmental process. Remember we are using a mindset of potential and uniqueness, based on the belief that all people want to contribute and do that best when they can bring their own

uniqueness to the task and be supported in overcoming shortfalls to achieving and contributing. As a reminder, it is important to employ active, empathetic, and development listening skills to slow and escalation and provide mental space for moving to a different level in the interaction. Draw out most of thinking from the person and use questions to help them discover more. Be patient and know that overtime they will see themselves more clearly and where they can improve overcome shortfalls.

Caution: The more we offer our own thoughts and opinions from a position of authority, the more we foster “external locus of control”.

5. Where do you see a gap in your own performance at this point to succeed at your individual role? What new or upgraded skill and ability do we both feel you could take on that would close that gap? What is our plan to achieve the new and improved set of skills and abilities and therefore the improved performance for yourself, the unit, the company and its performance in the market.