

Producing Premium Performance

One of the major issues that arise in managing a small or medium size business is in the area of employee performance. Many business owners are frustrated with the poor performance of their team or some individuals within their team.

No matter how hard they try, they don't seem to be able to create a sustainable improvement in performance. The tendency is to blame the employees for poor performance. However, more often than not, the problem stems from not establishing an effective performance management framework.

There are a number of elements that create a framework for producing premium performance. The most important element is to establish a clear description of the required outcome of the job.

This may be in terms of a position description if the job is broad and covers a number of responsibilities. Or it may simply be providing a sample or a picture of an article that should be produced by the work. When there is a clear understanding of the output required, it is much more likely that result will be produced.

The second element requires establishing a best practice approach to doing the work. Often there are many ways a job can be done, but usually only one way is the most efficient.

A best practice approach involves determining the best way to do the job and then requiring everyone to do the job the same way to maximise efficiency. The third element is to establish a timeframe or deadline for the completion of the work. The employee will know if they are on track if they know how long the job should take.

When you use a best practice approach and establish a timeframe for the work, you can also provide a target for output over time. In other words, if you work so many hours you should produce x amount of product. This allows us to establish a productivity target.

When an employee starts a new job, it is best to teach or train the person in how to do the work. This may involve showing the new employee what is done for the first time or two and then watching while the employee tries it until you are satisfied they can do it without help. This is one of the most frustrating parts of the delegation process. The time it takes to complete this element puts a lot of people off. They need to realise that some short term pain leads to much long term gain, rather than allow the loss of some short term productivity to keep them from ever delegating their difficult tasks.

A very important element in the delegation process is to establish a process to measure and monitor results. One of the greatest dangers in business growth is that of losing control. Losing control leads to poor productivity, quality and escalating costs, all of which will destroy your business if left unchecked.

Control comes from knowing the results of particular actions and being able to provide feedback or make changes if the results are outside the parameters required. The results achieved in a job over an extended period of time can be influenced positively by developing an appraisal process. The appraisal process should provide feedback to the employee about how they are performing in the job relative to expectations, how their performance affects the success of the organisation and how they interact with the components of the organisation around them.

The appraisal approach that gets best results is to adopt a coaching role with your employees, rather than an examiner role. Too often, performance appraisal meetings are set up for failure because the two parties come to the meeting with different objectives. This often occurs when appraisals are held annually or six monthly and conflict is created when the

judgments are subjective. The result usually is disappointment and demotivation on the part of the employee and frustration from the manager. Both people hate the process and no effective outcome is achieved. It is much better to conduct appraisal meetings frequently, to compare actual results with targets, using objective rather than subjective measures. The coaching meetings then can be used as a discussion focused on performance improvement, instead of a confrontation about how the employee felt they had performed.

The final element of the performance management framework is the reward process. Every positive outcome should result in a reward for the employee. This can be tangible or intangible and dependent on the level of maturity and experience of the employee.

For some positions, it is appropriate for rewards to be small, frequent and immediate, where for other positions, more long term and cumulative rewards are appropriate. A good reward process supports and enhances the management process and increases motivation for achieving premium performance.

The important lesson to learn is that results can be influenced through establishing an effective performance management framework where all elements work together effectively. Poor performance often results if any elements are either missing from the process or are poorly designed and become a negative influence on performance. But a well designed and coordinated framework means that all elements work together systematically to produce premium performance.