

MANAGING PERFORMANCE IS MORE THAN MANAGING PEOPLE



Efficient and effective performance comes from the systematic management of all five parts of the Performance System.

An increasing number of practical tools are available to help managers address such responsibilities as strategy formulation, problem-solving and decision making, planning, budgeting, and information retrieval/management. However, people management techniques tend to be heavy on theory and light on practicality, heavy on gimmicks and panaceas and light on tools for specific human resource management needs. This gap in the technology of management is understandable. People are more variable, more complex, and less predictable than other dimensions of a manager's responsibility. Given these characteristics, it is easy to dismiss human performance management as purely an art form.

To address the issue of whether managing people is indeed an art that cannot be learned, let us analyze those rare managers who appear to have been born with human resource management savvy. Rather than attempt to determine whether their expertise arises from their values, their schooling, their work experience, or their astrological sign, let us examine both the human performance truths that they tend to use as a guiding philosophy and specific techniques they use to address performance issues.



THE FUNDAMENTAL TRUTHS OF PERFORMANCE

Successful managers tend to be guided by a set of fundamental truths about human performance:

- 1** The actions that managers take to improve productivity should also improve the quality of work life.
- 2** People issues in an organizational setting can be analyzed systematically if managers have a process for this analysis.
- 3** Managing performance is more than managing performers. Employees are one component in a performance system. Factors in the environment around people have as much influence on performance as the inner workings of the people.
- 4** Employees should not be blamed for performance problems unless analysis proves them to be at fault.
- 5** Many valuable productivity improvement actions are available to managers. Training, employee participation, job enrichment, management by objectives, reorganization, and positive reinforcement are all viable solutions to specific needs. The only way to select one of these alternatives or the myriad of other available interventions is to diagnose the situation first.
- 6** The non-problem area often offers as much opportunity for productivity improvement as does the performance problem.
- 7** If the managers create an environment which supports efficient and effective performance, they will tend to get efficient and effective performance.

The Performance “Engine”: An Analogy

The third and fourth truths indicate that performance should be seen as the output system. Let us compare the human performance system to an internal combustion system in an automobile. In both cases, performance occurs only through the interaction of a number of components. Just as the spark plugs are only one component of the internal combustion system, the performers, or people doing the job, are only one component of the performance system. Only a poor engine troubleshooter would assume that any automobile problem was due to a spark plug deficiency. Only a poor performance trouble-shooter would assume that any productivity problem was due to an employee deficiency. If a mechanic replaces, cleans, or adjusts the spark plugs and installs them to an engine that has other components that are deficient, the car’s performance will continue to be substandard. Similarly, if workers are replaced, trained, or “motivated” and placed in an environment in which other components are deficient, performance will continue to be less than optimal.

The Performance System

What are the components in this performance system? To illustrate, let us consider this situation:

A group of software developers is responsible not only for programming, but also for conducting surveys that identify needs within an organization. They have been doing a fine job of programming. However, they rarely conduct user surveys and when they do the survey results are usually superficial, disorganized, and lacking analysis or interpretation.

The ineffective performance manager would very likely leap to a solution such as training the software developers to conduct and analyze user surveys, adding a user survey function independent of the software developers, or training the programming supervisors to motivate the developers. Before taking any action, the effective performance manager would first of all put the concern in the context of the components in the performance system:

- **INPUT**—the software developer’s job setting and the developers’ responsibility to conduct user surveys.
- **PERFORMER**—the software developers.
- **OUTPUT**—the software developers’ behavior in the

situation, which in this case is the failure to conduct effective user surveys and analysis.

- **CONSEQUENCES**—the benefits or adverse effects the performer’s experience as a result of their user survey response.
- **FEEDBACK**—the information the software developers receive from the organization that tells them how they are doing in the area of user surveys.

Every output is the result of the interplay of the input, the performer, the consequences, and the feedback. The effective performance manager views the software developers’ performance through the window of this performance system and analyzes and finet-unes each of the four components that contribute to the output.

Performers are only one component in the Performance System. Efficient and effective performance comes from the systematic management of all five parts of the Performance System.

Analyzing the Performance System

Our experience with public and private sector organizations in the United States, Canada, Latin America, Europe, and Asia has shown that those unusual managers who naturally excel at optimizing both productivity and job satisfaction tend to follow a systematic process. While most are initially unaware of the technique they use, they diagnose the performance system much as effective medical doctors and mechanical troubleshooters diagnose situations prior to implementing a solution. Their diagnostic technique is a simple one.

They ask the right questions. In our software developer example, these questions would include:

INPUT

Have the specific outputs of the software developer’s user survey responsibilities been clearly communicated to them?

Have clear expectations regarding the quality and timeliness of user survey outputs been communicated? Do the software developers have sufficient resources—time, administrative support, forms, etc.—to conduct and analyze user surveys?

Do other tasks, job procedures, or the physical setting impede effective user survey performance?



PERFORMER

Do the software developers know why user surveys are important?

Do they know how to conduct and analyze them?

Do they have the physical, emotional, and mental ability to conduct user surveys?

CONSEQUENCES

Do the software developers receive predominantly positive consequences for conducting an effective user survey?

Do the software developers receive few, if any, negative consequences for not conducting a user survey or conducting one superficially, in a disorganized format, or without analysis?

FEEDBACK

Do the performers receive information from anywhere in the organization on the quality or quantity of their user survey performance? If they do receive this type of information, is it timely, specific, understandable, balanced (positive and negative), and constructively delivered?

If the answer to any of these questions is “no,” a performance system weakness has been unearthed and logical follow-up questions would pinpoint the specific deficiency. For example, the software developers may not have any standards for the quality or timeliness of user surveys. Or, they may lack the administrative support needed for the organization of reports. If so, the input component of the system is deficient. Perhaps they don’t know how to write a report in the correct format. If so, the performer component is deficient (which in no way indicates that the software developers are at fault). If the software developers ignore the surveys or do a superficial job, they may be rewarded by having more

time for their programming work, which is more organizationally visible and which is monitored more closely by management. Conversely, the software developers who do a thorough user survey may be criticized for falling behind in programming. If the environment supports undesired responses in this way, the consequence component is deficient. Or perhaps they never hear what happens to the user survey data that they do analyze and submit to management.

If so, the feedback component is deficient.

It is no coincidence that most of these potential deficiencies are external to the performer. In most organizations with which we have consulted, more than 80% of performance problems/opportunities are environmental in their own origin. This high percentage does not ignore morale, attitude, and motivation as possible performance impediments. It reflects the fact that the performance system approach probes beyond these popular—and unspecific—labels to explore the reasons for these real concerns. In most cases, unclear job definition or standards, job interferences, inappropriate consequences, absence of, or deficient feedback and lack of skill or knowledge are at the root of motivation and morale deficiencies.

Managing the Performance System

To bring about positive change in a performance system in either a problem or non-problem area, the improvement actions must address the deficiencies identified in the diagnosis. To improve user survey performance in our example, the programming managers need to ensure that the software developers' performance system has the following characteristics:

INPUT

- Clear description of the results to be accomplished.
- Clear standards of performance and priorities for these results.
- Adequate resources (including time and information) to do the job.
- A logical workflow.
- A physical job setting that doesn't interfere with getting the job done.

PERFORMER

- Individuals who are capable of doing the job.
- Sufficient training or job aids to do the job.

CONSEQUENCES

- Positive consequences for desired outputs.
- Few, if any, negative consequences for desired outputs.
- Few, if any, positive consequences for undesired outputs.

FEEDBACK

- Timely, specific, balanced, constructively delivered information on the adequacy of each output.

The manager's responsibility for managing people becomes far less mystical when defined as the process of ensuring that performance systems at all levels have these characteristics. Installing the characteristics in an organization and then making them an integral part of day-to-day operations is not an easy challenge, but it is one which is within a manager's control. To ignore them is to gamble with performance and not manage it.

In addition, each of the skills required—clarifying expectations, removing interferences, structuring appropriate consequences, and providing feedback—can be learned by a manager. While many managers have created job settings with many of these characteristics, most lack a structured approach to building an environment that encourages optimum productivity. The performance system management process provides that structured approach.

While the performance system approach is not a panacea, it does bring a rational approach to an area—managing people—that is often dealt with unsystematically. No technique can, or should ignore the fact that individuals are unique, highly complex, and motivated by a variety of different factors. This multi-faceted complexity demands a structured performance management process. The consequences of unsystematic people management can be catastrophic.

Managers continue to need interpersonal, communication, and counseling skills. Performance system management adds another critical tool to the human resource management tool kit. The process provides an approach which simultaneously addresses two management concerns which are really one package—productivity and the quality of work life.

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