

AUSTIN **ANNUAL**
2018 **CONFERENCE**
& SHOWPLACE



HFAs AT THE
CENTER

No More
Performance
Reviews!

Let's have Continuous Conversations Instead!



The Headlines



Forbes

Performance Reviews Are Pointless And Insulting -- So Why Do They Still Exist?

Forbes

It's Time To Put Performance Reviews On Notice

Inc.

INNOVATE

Performance Reviews Are Dead. Here's What You Should Do Instead

Only 8% of companies believe their performance management process is highly effective in driving business value and most say it's not an effective use of time

How did it all start?



It all began with Frederick Winslow Taylor, a management consultant who observed steel factory workers in the early 1900's. He measured every part of an employee's job, then ranked each worker's output individually and rewarded them accordingly. Taylor was worried that if employees hid their behavior from managers, they would end up controlling the production process rather than supervisors.



Industrial revolution
thinking no longer
applies in 2018!
It's the Knowledge Age,
not the Industrial Age.

What's Wrong With the Traditional Process?

- It's unfair. How can you judge a year's worth of work in one meeting? - Horns and Halos and other biases and rater errors
- It's expensive! Performance appraisals take a lot of time for no apparent gain.
- It's ineffective. Performance reviews do not improve performance. They have never shown their value as leadership tools -- but they make excellent power-and-control mechanisms, and that is one reason some companies have trouble giving up on them.
- No one likes it! - Employees dislike performance appraisals and in some cases view them as unfair, demoralizing, a burden, and even a threat.
- Employees want regular feedback, not just once a year

**"There's no way to get better
at something you only hear
about once a year."**

**Dan Pink, author and
researcher**

There's a huge gap between what business does and what neuroscience now knows!

Daniel Pink - *Drive*

- Traditional performance management drives productivity but squelches creativity and innovation
- Focus on autonomy, purpose, mastery

Samuel Culbert – *Get Rid of the Performance Review*

- Reviews, ratings and forced distribution curves are demotivating
- Frequent informal performance conversations are key to driving performance

Dr. David Rock – *Coaching with the Brain in Mind*

- Neuroscience points to the need to rethink how we give feedback to minimize threat and unlock creativity

Dr. Carol Dweck – *Mindset*

- A Growth Mindset drives performance – intelligence can be developed
- Embrace challenges, persist in the face of setbacks, see effort as the path to mastery, learn from feedback, find inspiration in others' success

Neuroscience and Performance Reviews

Two explanations for why Performance Reviews don't work:

- Just the mere action of being ranked, rated or reviewed provokes a “fight or flight” response, which gets in the way of “thoughtful, reflective conversations” (but is great for when you're being chased by wild animals).
- A ranking or rating assumes that people are fixed — either good at something or not — and incapable of change, though we know that's not true. We should start with the opposite assumption: that we all can grow and change.

Only one person typically feels neurologically rewarded by this performance review exercise. It's not the high performer, but the senior executive who oversees the rating system!

What should we do instead?

- Develop a “feedback-rich” culture / tools
 - Frequent check-ins, touch-points, one-on-ones
 - Talk about performance regularly – check-ins
 - Set and reset near-term and short term goals frequently
 - Managers become coaches and mentors
-
- Become AGILE

What is Agile?

- Agile development is defined as an approach to “*help teams respond to unpredictability through incremental, iterative work cadences and empirical feedback. Agile methodologies are an alternative to waterfall, or traditional sequential development.*”

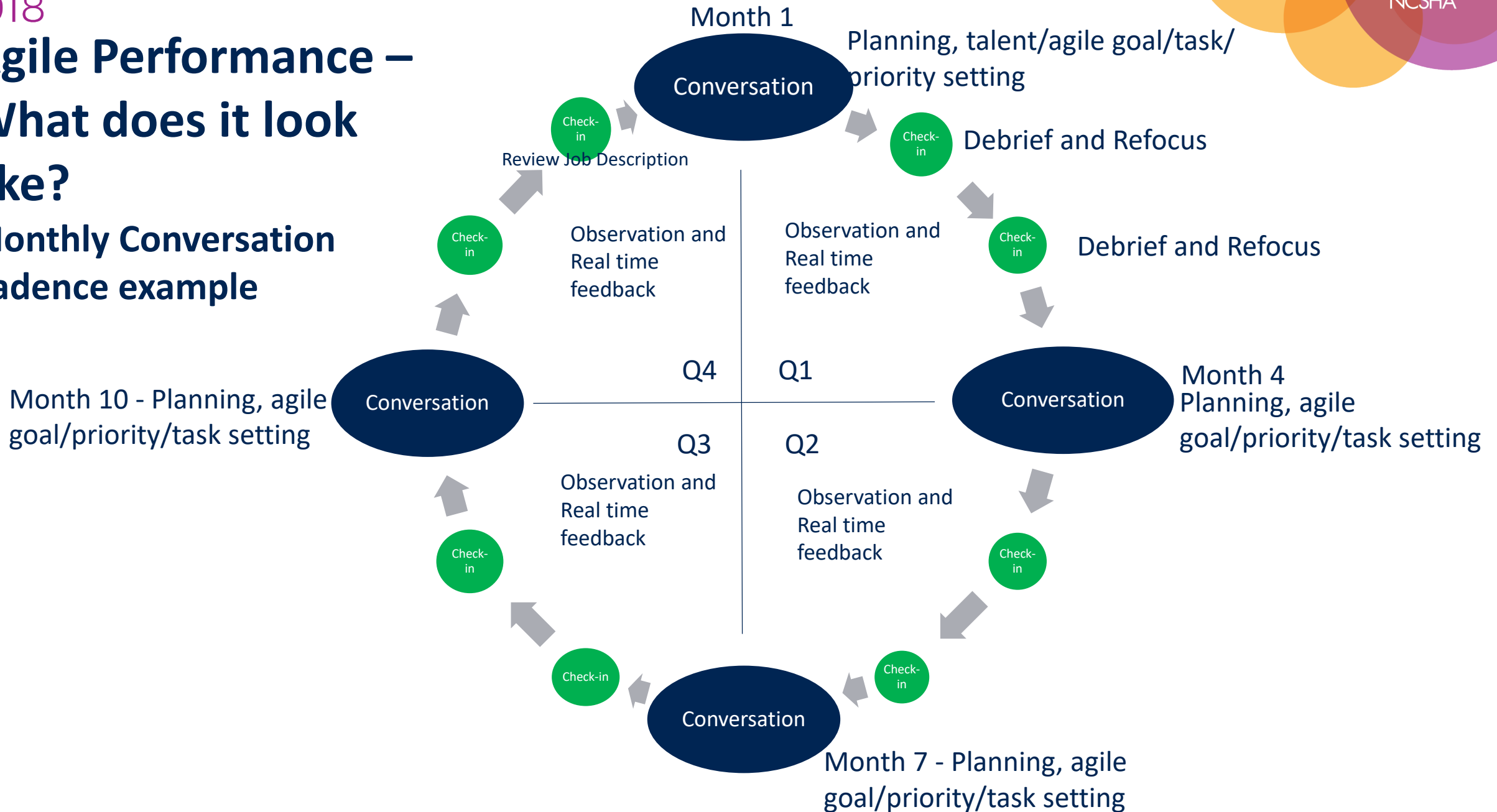
Agile Performance Management

Agile Performance Management is a real-time approach:

- Setting short-term and near-term goals
- Helping managers coach individuals
- Providing more continuous feedback, support, and growth or change (shifting the focus from annual evaluation and rankings to continuous feedback and development)
- A culture of direct and continuous conversation
- Being more collaborative, social, and faster-moving
- Simplicity is fundamental

Agile Performance – What does it look like?

Monthly Conversation Cadence example



Continuous Conversation Journal for Agile Performance

Position Year

Frequent conversations and check-ins about the work and progress toward goals are important. During the year, discussions should also include these and other questions. Capture relevant answers in the Comments section in Part One.

- What are your personal and professional goals? What's one key strength you think I should leverage more in my role to support your goals?
- What's one thing I can do to help us be more effective in reaching our goals? What's one thing I can do to better support you in your role?
- What are your strongest motivators to come to the Agency to work every day? What's the one thing you like most about your job? What's the one thing you like least?
- What's one thing I can do to be more effective? What can the Agency do better?

Part One: The Conversations

Instructions: To the Supervisor: Document your on-going Conversations and Check-Ins with each employee. Add any relevant comments at any time. Select the type of comment from the drop-down menu – Conversation, Check-in, Recognition or Other Thoughts and Ideas. Add rows as needed. Please review the job description at least every 12 months. Submit any changes to HR using the “track changes” mode in Word.

Instructions: To the Employee: Your thoughts are important. Please document your thoughts, ideas and feedback for your supervisor at any time.

[illegible]

Part Two: The Goals

Instructions: Employee should add goals and major projects and tasks and professional development goals as they develop and as agreed up on with the supervisor. Employee and Supervisor should highlight successes and areas for development and growth. Add rows as needed.

Agile Goal Setting					
Date	Goals/Projects/Tasks -What needs to be accomplished?	Date	(Employee) Comments Successes / Issues	Date	(Supervisor) Comments Successes / Issues

Part Three – Year End Summary Comments

Date	Year-End Comments (optional)	(Supervisor)
Date	Year-End Comments (optional)	(Employee)

This form should be printed and signed and submitted to HR at the end of the 12-month conversation period.

These topics have been discussed by:

Employee Signature _____ Date _____

Supervisor Signature _____ Date _____

Our Old vs New Approach

The Old Way:

- Emphasis on appraisal
- Shaped by the industrial revolution
- Ratings
- Annual, once-a-year event
- Annual goal setting
- Assessment - looking back

The New Way

- Emphasis on development
- Shaped by applied research and neuroscience
- No ratings!
- Regular conversations
- Agile goal setting, responsive
- Assessment –looking now and forward

WIIFM?

“Leaders have switched to using performance conversations instead of performance reviews. These conversations are much more relaxed than performance evaluations and establish an open line of communication between the employee and the manager. The lines of communication happen more frequently and are often employee-initiated, which is a very good thing.”

Survey comment from a happy employee

