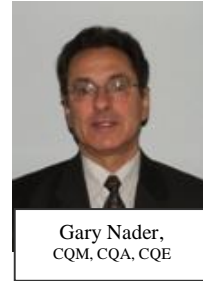


Performance Excellence through People PEP - a Multi-factor Approach

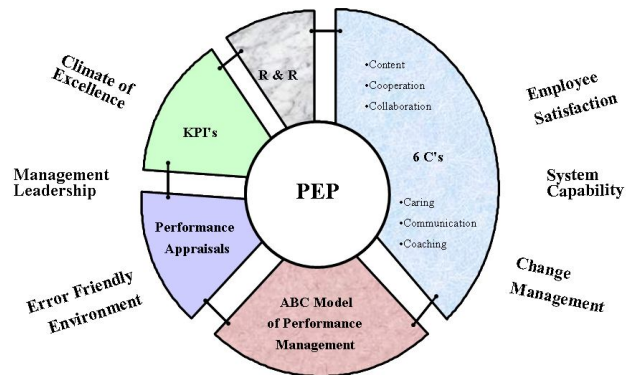
By Gary Nader, Principal Consultant – Total Quality Associates

To achieve Performance Excellence through People, the first and most important action is getting the right people in the right seat on the bus (your organization)^a. Incidentally, the most important selections are those in key leadership positions. The primary reason is that they become the stewards of many company resources, including human resources. Failure to properly utilize, direct and support those resources has long reaching implications



Assuming that the associates within the company are pretty much of a good fit, how does an organization achieve Performance Excellence through People? Well, some try to find the “silver bullet”... This year it is a rewards and recognition program, last year it was a new performance appraisal system, the year before it was management sensitivity training, three years ago it was bringing in a performance management expert, and on and on. The reality is **Performance Excellence through People (PEP)** is a complex issue. There are NO silver bullets.

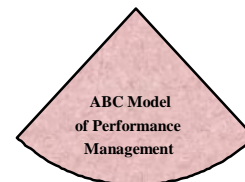
Single component solutions have been proposed but inevitably don't work. This is one reason why performance management and related areas are some of the most difficult issues that managers face.



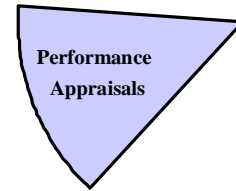
There are multiple methods and tools, which when used in the appropriate combination, can yield good results. These are represented by pieces of the PEP pie. While they are shown as separate pieces, there is considerable *overlap and interconnectedness among these factors*. For example, performance appraisals can be, and have been, used as a stand-alone tool — but they are also a significant component within performance management (PM). Rewards & recognition (R & R) are also connected with PM. Key performance indicators (KPIs) can be integrated with performance appraisals, PM and/or R & R.

A brief summary of each of the main PEP components follows:

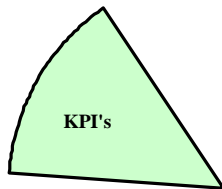
1. The “**ABC Model**” is the foundation for the Performance Management approach as presented by Aubrey Daniels. It refers to **A**ntecedents (Expectations), **B**ehavior and **C**onsequences. The overall goal is to increase the desire to improve performance. It does not emphasize punishment but clarity of expectations, coaching for success and positive reinforcement. Understanding the interactions and utilization of **A, B & C** is quite important for stewards of human resources within the organization.



2. **Performance Appraisals** are a tool to provide feedback and are tightly linked with the ABC Model. Unfortunately, performance appraisals have the potential to be far more harmful than helpful. In fact, Dr. Deming referred to these as a “deadly disease” and a recent business book strongly stated that it is time to get rid of this “corporate sham”, referring to performance appraisals. Further, these are usually relied upon far too heavily in the quest for PEP. However, performance appraisals can be a useful tool, if conducted in a clear, fair and developmental manner. There are *numerous considerations* to make this a useful tool.



3. **Key Performance Indicators (KPIs)** start with top-level performance measures of business success and are deployed down to lower-tier measures. This creates “grass roots” measures that are clearly interlinked to business results whenever possible. It is these measures that should be the basis to set objectives and to help all associates see “why” they are being asked to do certain things. This can be very motivating to associates since it helps them see the big picture. These must be done with diligence; so that they don’t create confusion or false signals.



4. **Rewards & Recognition (R & R)** are intended to motivate or continue to motivate people to perform well. Unfortunately, they are relied on too heavily or misapplied. In general, most organizations find them difficult to manage and often disappointing relative to expected results. R & R has its place but certainly not as a stand-alone tool. Like performance appraisals, these have been challenged as having any real value or even worse ... are detrimental. Therefore, understanding success factors when implementing R & R approaches is very important.



5. The “**6 C’s**” are an elaboration on Author Alfie Kohn’s 3 C’s. Research, personal experience and observations, through 25 years of corporate life and 20 years of extensive consulting have convinced the author that *the 6C’s have been the most effective slice of the pie* in achieving PEP. To the extent that leaders, managers and supervisors understand and utilize the 6C’s; the greater the likelihood that people will be engaged and use their discretionary effort.



Not to be overlooked are **environmental factors**, which are illustrated in the area surrounding the PEP Pie diagram on the preceding page. If not properly addressed that can be significant inhibitors to achieving PEP. Therefore, it is highly recommended to assess the status of these factors within your organization and develop & implement a strategy to remedy major gaps. Otherwise, the PEP model factors considered in this paper will have limited value.

Conclusion:

Years of being managed, managing, leading, coaching, researching and consulting have convinced the author beyond any reasonable doubt that Performance Excellence through People is possible. However, don't look for the "silver bullet"! Your organization can achieve amazing results by applying a combination of the factors cited in this paper along with diligent hiring and developmental practices.

Notes:

- a. Refer to the paper "Right People in the Right Seat on the Bus" for more information on this subject.

Training is available in all or portions of this material for managers and/or supervisors. Training can range from awareness sessions through full workshops; including provisions for assessments and one-on-one or group *in-situ applications* training. Contact information is included in the footer below.

The emphasis is always on RESULTS so the return on investment will be substantial!