T + D ONLINE

Community

At a time of economic slowdowns and uncertainty, across-the-board raises just aren't feasible for many organizations. Compensation concepts such as pay for performance are increasingly popular. My question is, does pay for performance really work, and how can it be designed for whole company success?

D.L. Smith

My professional experience with various organizations has shown that emphasizing pay for performance goes only so far in motivating employees and retaining their services. It's true that some workers are more influenced by their rate of compensation than by any other single factor.

However, many are inspired and motivated more by nonmonetary factors, such as participation in tasks that energize them physically, emotionally, or intellectually. To accomplish that end, managers need to be knowledgeable about what energizes workers. Explore their past experience and find out what has revved their engines, what stimulates them personally, and what they look forward to doing.

I've found that efforts to motivate employees miss the boat for a variety of reasons. One is that organizations often don't take into account the significant number of employees who work primarily to avoid negative consequences rather than gain positive outcomes. For them, pay for performance may be irrelevant.

Mark L. Berman

I agree that pay for performance isn't a magic bullet to improve organizational performance. That's because most organizations don't invest the time to ensure that individual performance is managed and measured. However, done correctly, performance management can be a powerful process to change an organization's culture.

Performance management and performance reward systems, to date, have centered on retro-spective performance reviews, which typically focus on what wasn't done well in the past as a way to identify needed improvements. Dialogue between the boss and the employee becomes an autopsy of past performance failures. No wonder most employees and managers abhor performance reviews. I propose a complete shift in performance management thinking, from trying to improve what was to focusing on what needs to be done to succeed. It's only by focusing on the future that we have a fighting chance of identifying the individual performance strategies needed to manage fast-paced change in organizations.

Paul Zdrodowski

Learning Circuits

Here are *Learning Circuits'*s top stories for July.

The Model E-Learning Customer
THINQ Learning Solutions uses its experience as an e-learning developer to survey the customer-supplier relationship, warts and all, and attempts to define the model e-learning customer.

E-Learner Competencies
A principal consultant with the learning and professional development group of PricewaterhouseCoopers Consulting identifies key behaviors of successful e-learners. The goal: Awareness of e-learner competencies will help people get more out of learning and offer food for thought for e-learning designers.

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