

In Practice

Taming the Performance-Management Monster

A three-headed hydra—that's the way many managers and staff perceive their companies' performance-management systems, reports a new study.

"One [head] wants to improve people's performance, another wants to help people grow and develop professionally, and the third wants to be a compensation and promotion mechanism," explains *Performance Management: What's Hot, What's Not*. Rarely does a company succeed in merging all three heads into one smart system.

More than 1,100 people representing 79 U.S. companies responded to the survey conducted jointly by Development Dimensions International and the Society for Human Resource Management. About 57 percent of the respondents identified themselves as managers, or as people who conduct performance reviews.

Participants were asked to rate their satisfaction with their organization's performance-planning, feedback and coaching, and performance-review practices, as well as the overall results of performance management.

The survey findings include the following:

- ▶ Regardless of position, both managers and staff see a lot of room for improvement in performance-management practices.
- ▶ Respondents give the lowest marks to feedback and coaching practices.
- ▶ Respondents don't see a clear link between their performance and their pay.
- ▶ Respondents describe performance management as a fragmented system that lacks continuity.



Based on the survey's findings, DDI and SHRM suggest that to improve performance management, organizations must do the following:

Prepare the organization for changing its performance-management process. Ask top managers to model and support the system. Foster ownership by involving employees in developing the system. Clearly communicate to all employees how the system works and how it reflects the organization's vision and values. Stress that changing the system will take time, but that the effort eventually will replace a once-a-year ritual with an ongoing process for improving performance.

Align the performance-management process with other systems and organizational objectives. Decide how performance-management data will be used to support such organizational systems as business planning, career development, compensation, and training. Link individual, team, and departmental objectives with the organization's overall business

Dealing with performance management can be a monstrous experience.

strategies, values, and objectives. Make upper management accountable for organization values and goals.

Ensure that all participants in the performance-management system receive the training they need to use the system effectively. Teach managers and employees to share responsibility, set objectives, identify key behaviors, and track and measure performance. Train managers in interpersonal and coaching skills.

Determine the system's effectiveness and identify process improvements. Spot-check for the quality and timeliness of performance reviews. Establish a method for continuously monitoring the system's effectiveness. Use the performance-management system itself to hold managers accountable for implementing and supporting the process.

Copies of the report cost \$70 for SHRM members and \$90 for non-members. To order, call DDI's Marketing Information Center at 800/933-4463.

Trends in Performance-Management Practices

Managers and subordinates who responded to a recent survey about performance-management systems identified the practices that they think will distinguish performance management in the future.

Most of the more than 1,100 respondents said even more companies will adopt the already-popular practice of using essays to describe an employee's overall performance. They also think organizations will

- ▶ give managers more training in performance management and appraisal
- ▶ tie performance management more closely to quality-improvement efforts
- ▶ hold managers more accountable for using performance appraisal effectively
- ▶ educate employees about their companies' performance-management and appraisal systems to help them manage their own performance
- ▶ ask internal and external customers to contribute to appraisals.

Executive Influences

The nation's top business leaders consider Madonna a role model and are likely to check their horoscopes before they turn to the stock tables, a new survey indicates.

Eric Yaverbaum, owner of the New York public-relations firm Jericho Promotions, surveyed 3,100 presidents and vice-presidents of *Fortune* 1,000 companies about how media and public figures influence their business decisions.

Madonna, Dallas Cowboys coach Jimmy Johnson, and New York Knicks coach Pat Riley were among the top five people the executives cited as

says Yaverbaum, who drew the following conclusion from his findings: "Most people who have reached powerful positions don't want to be told how to do their jobs, so they have a tendency to tune out business stories and be more interested in stories that reflect the lifestyles trends in the country."

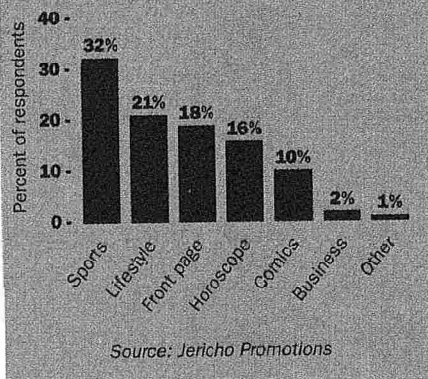
Soundbite

"We can train people to kingdom come, but if there are no jobs, there will be frustration.... Training programs have the potential to add to the employment base if they are very good. We're kidding ourselves if we keep spending money on things that don't create jobs.... The welfare office ought to be the work office and the job-training office."

(From comments made by U.S. president Bill Clinton during a Labor Department conference in February that looked at ways to overhaul the nation's unemployment and job-training systems. The president's 1995 budget calls for eliminating 100 federal job-training programs and creating "one-stop shopping" for unemployment benefits, job training, counseling, and social services.)

Reading Habits

The following table shows how *Fortune* 1,000 presidents and vice-presidents responded to the following question: What section of the newspaper do you read first?



inspiring them to change business decisions, says a *Washington Post* account of the survey.

The 311 executives who responded reported that of all forms of media, newspapers have the most influence on their decisions; 71 percent said stories in the lifestyle section had caused them to alter business decisions. Only 8 percent said the same about business stories.

Asked what section of the paper they read first, 16 percent said they read their horoscopes first, compared with 2 percent who turn first to the business section. Thirty-two percent—the largest proportion—said they read the sports section first.

The admittedly unscientific survey nonetheless offers useful insights,

Trend Watching

The year is half over already. Have you spotted any hot business trends? According to the *Washington Post Magazine*, here's what John Naisbitt's *Trend Letter* predicted for 1994:

- ▶ A record number of U.S. companies will relocate.
- ▶ Millions more hackers will enter the on-line universe.
- ▶ Providers of goods and services will increasingly tailor their offerings to individual customer needs.
- ▶ Ethnic and cultural diversity will gain momentum.
- ▶ "Cautious confidence" will be the economic watchword.
- ▶ Cost controls and prevention will dominate health-care reform.
- ▶ The number of on-line information sources will swell.
- ▶ Businesses will begin to experi-

ment with interactive television.

- ▶ Employers will pick up the pace of hiring.
- ▶ Value, convenience, selection, and service will rule retail.

Statbite

The January edition of *Harper's Index* offers the following perspectives on employment prospects in the United States:

- ▶ chances that a job created in the United States since the end of the recession is at a Wal-Mart: 1 in 14
- ▶ number of the 10 largest U.S. industrial companies that have created new jobs since the end of the recession: 1.

Jovial Security

By Terry Braverman, president, Terry Braverman & Company, 4153 Vantage Avenue, Studio City, CA 91604.

Does the punch line affect the bottom line? That's the question I had in mind when I interviewed training directors, personnel managers, and executives about ways their companies create joy in the workplace.

When resources are stretched thin, some companies cut back on their extracurricular mirthful activities. But others make a point of encouraging and strengthening those activities when times are tough.

According to a training director for a national association, humor in the workplace helps spark creativity, lowers stress levels, and smooths interpersonal relationships. That's why his company starts every meeting with a song to grab participants' attention. It's also why he often plunks on a funny hat when narrating a training video.

HRD specialists observe that humor also can help drive home important messages. Barbara Press, training director for Viking Office Products, says she attaches toys to memos when she wants the recipient to read the message carefully and remember it. She also incorporates cartoons in posters that advertise training seminars.

Trust.

Leaders need it.
We can teach it.

Take us up on the challenge.
Call 800-933-4463 (800-668-7971 in Canada).

DEVELOPMENT DIMENSIONS INTERNATIONAL

Circle No. 133 on Reader Service Card

Libby Pollard.

Loves painting
and fiber arts.

Visits museums
6 times a year.

Deaf.

VITAC

Formerly **CaptionAmerica**

We caption interpretive video
communications for museums,
galleries, science centers and Libby.

1 (800) 27-VITAC
Pittsburgh, PA (412) 261-1458 (V/TT)
Washington, DC (202) 783-7333 (V/TT)



Circle No. 173 on Reader Service Card

Funny Business

Being funny is serious business for Second City Communications, which produces training videos, shows, and other events for corporate clients. SCC was spawned by The Second City, the famed Chicago improvisation group that's nurtured such comic talents as Bill Murray, Gilda Radner, Dan Aykroyd, and Shelley Long.

SCC specializes in teaching with a light touch. And according to SCC producer Joseph Keefe, you, too, can learn the tricks of this trade. Here's his advice for orchestrating successful presentations:

"Most of us highly value brief, concise, short, terse, insightful presentations that move, not in a wordy, verbose, roundabout manner, but directly to the point the presentation intends to make. We don't need or desire important points or key issues to be stated and then restated. And we certainly don't need vital ideas repeated for emphasis.

"That's why 'proactive preparation' is crucial to your presentations and meetings. Thoughtful planning demonstrates your commitment to your associates' valuable time and priorities—or it would if their time was worth something.

"Your time, on the other hand, is extremely valuable, so state your point once and firmly, and if your audience doesn't get it—too bad for them. I'll return to this point later.

"Meanwhile, to mount a successful presentation, do the following:

"Conduct research. Allow enough time before your presentation to find appropriate support materials. Many libraries will have books and periodicals that relate to your topic. If you don't have time to get to a library, ask a friend for some ideas or make something up.

"Fabricated statistics, for in-

stance, will properly support your assertions and give your presentation more credibility. Seventy-nine percent of all managers surveyed who use this technique report that they are extremely successful at work and in life. The remaining 21 percent are ultimately insignificant.

"State your goals clearly. Endeavor not to obfuscate primary and secondary assertions with excessive semantic or grammatical complexities. Accurate comprehension and elevated retention levels may be enhanced by a rededication to remedial information-delivery systems.

"Have all your materials ready. Rehearse your presentation using all props and charts. Have photocopies of written materials available for everyone and have reference

and support materials organized and within easy reach. As Winston Churchill once said...hmmm, now where did I put the cocktail napkin that had that quote scribbled on it?

"Allow time for discussion. People love to talk, so

give them the chance to ramble on, droning endlessly about their petty, immature disagreements with your position. No matter how ridiculous their theories or recommendations, you have to let them feel as if they have something valuable to say. Setting aside a question-and-answer time seems the best way to get through this painful experience. Are there any questions? No? Good.

"Eye contact. Always avoid letting your eyes make contact with each other.

"Stick to the point. Stay focused on the presentation, and don't digress. Digressions are like muddy water in the spring—wet, but unclear.

"Wrap up any loose ends. Thank you and goodbye."

“STATE YOUR
POINT ONCE AND
FIRMLY. IF YOUR
AUDIENCE DOESN'T
GET IT—TOO BAD
FOR THEM”

Consider what talents you can use to foster learning through fun. Could you sing part of your presentation? Could you draw or paint a picture of it? Could you juggle, do a card trick, or perform magic to get a point across? Could you do an impersonation? (Consider the Godfather running a sensitivity training session.) Are you a ventriloquist? (One CEO talks through a dummy to explain new policies.) Could you run part of your training as a game?

You don't have to put on a one-person show to foster mirth in the workplace. Scout out talent among staff members. A training director at a large department store tells of a clerk who devised a unique way to publicize new policy guidelines. The clerk, a professional singer, formed a "compliance choir" to sing the guidelines to all employees over the store's public-address system.

The same store relies on humor to help employees cope during the stressful holiday season. In-store parades help promote sales with clever floats, such as a sailboat that has underwear for its sail and ties for its lines. And all employees receive colorful holiday survival kits with aspirin, plastic bandages, LifeSavers candy, and Hershey's Kisses chocolate candies.

When companies encourage humor and playfulness from the top down, it helps them survive and prosper. Restructuring, downsizing, and job stress don't seem like laughing matters, but a growing number of people realize the importance of a jovial work environment for a healthy corporate culture. As Tom Peters notes in *Thriving on Chaos*, "Urgency and laughter go hand in hand."

Tips for Learning on the Job

Experts estimate that 90 percent of all workplace training takes place informally, from co-worker to co-worker. How can companies capture the benefits of this form of on-the-job learning? The Ziff Institute of Cambridge, Massachusetts, offers the following tips:

- ▶ Set aside anywhere from 30 minutes a week to 30 minutes a day for employees to learn new skills.

- ▶ Make it easy for employees to learn from others. Provide a central notebook or data base for employees to record their ideas and impressions of their experiences and knowledge.
- ▶ Ask high-performing workers to serve as coaches, and pair them with less experienced co-workers.
- ▶ Sponsor informal gatherings over lunch to share new information on learning.
- ▶ Maintain a library with videotapes, audiotapes, books, and other materials for employees to borrow.
- ▶ Create job aids for infrequent or complex tasks, such as a card printed with the 10 steps to follow to change a cash-register tape.
- ▶ Think about the learning needs of all your employees; don't overlook those who work part-time, irregular or evening hours, or from home.
- ▶ Enhance job descriptions to include the task of training other employees.
- ▶ Reinforce to executives, managers, and workers that learning is a continuous process.
- ▶ Build a corporate culture that makes learning as routine as a coffee break and as eagerly awaited as a pay raise.

How To Have an Effective Diversity Effort

By Linda Mack Ross, 2754 Quentin Avenue South, Minneapolis, MN 55416.

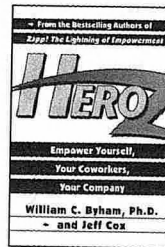
Diversity has evolved into a loaded term, one that arouses many people's suspicions. Launch an initiative called "diversity training," and you can wind up sparking the sort of resistance and resentment that the effort is intended to break down.

But businesses have sound economic, not to mention moral, reasons for addressing the challenges that arise when a patchwork of people has to work together productively. Businesses willing to commit the time and resources to a thoughtful program can reap the benefits of diversity: increased productivity, higher morale, less absenteeism, more creative problem-solving, and business growth.

So toss the term if you must, but

Jolt!

More business inspiration from the authors who brought you *Zapp!*[®]



Take advantage of our introductory price break.
Call 800-933-4463 (800-668-7971 in Canada).

DEVELOPMENT DIMENSIONS INTERNATIONAL

Circle No. 134 on Reader Service Card

QUESTION:

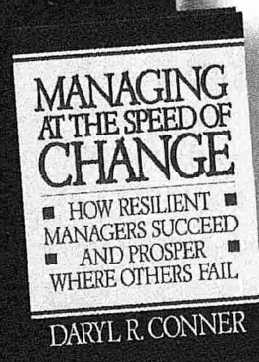
**Reengineering,
New Technology,
TQM...**

**How can I
keep up?**

ANSWER:

**Read
Managing at the
Speed of Change**

**by
Daryl R. Conner**



Call
1-800-CHANGE-U
(1-800-242-6438)

Circle No. 149 on Reader Service Card

In Practice

don't throw in the towel. Call the program something else and keep the following tips in mind when you grapple with the "d" word:

- ▶ Define the organization's values regarding human rights. Consider all differences that people bring to the workplace, such as personality, gender, sexual orientation, cultural heritage, and racial background.
- ▶ Articulate a clear, long-term plan. If your organization claims to value each person and offer equal opportunities for all employees, what does that mean in terms of expected behavior, opportunities for advancement, support for career development, and responses to claims of discrimination?
- ▶ Be honest about what the company is trying to accomplish, and make sure policies and programs reflect the intended result. If your company's goal is to satisfy affirmative-action laws, it probably won't succeed in creating a workplace that values differences.
- ▶ Make sure your organization communicates with its employees respectfully. One corporation, for instance, refers to employees as "burdens," a term it borrowed from its accounting glossary. What message does that send to its workers?
- ▶ Acknowledge that change can hurt. For a long time, society closed doors to people based on their appearance or other irrelevant characteristics. As those doors swing open, some people on the inside will get bumped. They need an appropriate outlet for the pain they might feel when they get jostled.
- ▶ Create a safe environment. We all have been programmed with biases. We need to learn that our thoughts do not define us and that we can become aware of our biases and manage them.
- ▶ Do not promote or hire unqualified people. It sets them up to fail, and it fuels prejudice. Develop employees through training and coaching to prepare them for their roles. Make sure all employees are tied into the company's communication network and that they have opportunities to offer their ideas and opinions.
- ▶ Value and encourage feedback. We all have limitations. People need

Scoop.

Find out how Edy's Grand Ice Cream scooped up the America's Best Plants award.



Discover their Techniques.
Call 800-933-4463 (800-668-7971 in Canada).

DEVELOPMENT DIMENSIONS INTERNATIONAL

Circle No. 135 on Reader Service Card

Excellence in BUSINESS COMMUNICATIONS

...essential skills for the '90s

Let us help your key employees do business more effectively. Take advantage of our in-house workshops in:

Business Writing and Presentation Skills.

- Writing Letters & Reports
- Writing Business Proposals
- Business Presentations
- Scientific/Technical Presentations

Call or fax us for details.
We'll send you an information package.

IWCC

Training in Communications

30 East Beaver Creek Road, Suite 209
Richmond Hill, Ontario, Canada L4B 1J2

Tel: (905) 764-3710

Fax: (905) 764-3712

Toronto • Chicago • New York

Circle No. 140 on Reader Service Card

In Practice

to learn how to give constructive feedback and how to accept it.

- ▶ Commit to education. Everyone comes to work with old baggage, unresolved anger, and biases. People need to become more self-aware and more aware of the history of gender, cultural, and racial differences. People need to learn to communicate well and resolve conflicts successfully.
- ▶ Encourage cultural sharing. Use newsletters, ethnic celebrations, and discussions to foster understanding.
- ▶ Get a fresh perspective on your organization by asking an outsider for an evaluation. Outsiders offer different viewpoints and can see things you might overlook or justify.
- ▶ On a personal level, try to live holistically and act on your values. Understand that we all might find ourselves hurt by someone's perceptions of who we are. Keep the Golden Rule in mind.

Training Talk

A company can choose its words carefully to express a commitment to quality. Consider Minneapolis-based BI Performance Services, a training and performance-improvement agency. At the agency:

- ▶ employees = associates
- ▶ the sales process = the customer-satisfaction process
- ▶ selling = fitting a solution
- ▶ closing a sale = reaching consensus
- ▶ executive committee = business team
- ▶ company president = chief quality officer
- ▶ annual sales meeting = national quality meeting.

"It's more than just rhetoric. These terms were carefully chosen to reflect more accurately our attitude toward each other and our customers," says BI president Guy Schoenecker. "Since our business is helping customers identify strategies that improve performance and strengthen employee involvement and morale, we have to practice what we preach."

"In Practice" is edited and written by **Erica Gordon Sorohan**. Send items of interest to "In Practice," Training & Development, 1640 King Street, Box 1443, Alexandria, VA 22313-2043.

Shine.

Discover how Kiwi is polishing
its team skills.



Hear shining examples of their Techniques.
Call 800-933-4463 (800-668-7971 in Canada).

DEVELOPMENT DIMENSIONS INTERNATIONAL

Circle No. 136 on Reader Service Card

ANNOUNCING

**Diversity
Dilemmas...**
A NEW VIDEO SERIES

Developed by a multicultural team of HR training professionals, managers and educators for use in a variety of awareness & skill-building contexts. Now your organization can create its own low cost diversity training program or enhance an already existing one.

Diversity Dilemmas offers a mosaic of 7 video tapes depicting 36 provocative vignettes dealing with challenges that arise due to differences in:

- gender
- race/ethnicity
- age/experience
- physical ability
- sexual orientation
- interpersonal style

For more information about Diversity Dilemmas call 1-800-322-7219 or write:

API AMBROSE PUBLICATIONS, INC.

A LEADER IN TRAINING RESOURCES
1 N. SHORE CTR., SUITE 210, PITTSBURGH, PA
15212-9812

Circle No. 123 on Reader Service Card

LET'S
**TALK
DIVERSITY!**

"...the best new diversity
video available today!"



ITC's new video workshop program (featuring the best-selling new video "Let's Talk Diversity!") gets employees thinking about — and talking about — how they interact with others who are different. The engaging (and often humorous) video vignettes stimulate active discussion of issues like *cultural bias*, *affirmative action*, *labeling*, *joking*, and *white-male bashing*. Available in stand-alone video format or as a complete workshop with overhead transparencies, detailed leader's guide, and comprehensive participant booklets. Call today to schedule your preview!

INTERNATIONAL
TRAINING CONSULTANTS, INC. 
(800) 998-8764

Circle No. 180 on Reader Service Card