Strengths Based Performance Management Systems

Contributed by Amy Jackson, The Strengths Group

Many organizations today are questioning the value of the traditional, formal performance management system. Over the decades, the conventional annual, or quarterly, review has become too often an unwelcome event that merely consumes time while generating minimal benefit. Because the purpose of the customary employee review remains the same as it was generations ago - measure and fix - its efficacy has dwindled.

Just as business models and management methods have evolved over the years, so, too, must the way that business leaders approach the supervision and guidance of their company’s greatest asset: its employees. To engender a culture of engagement and high performance from all employees, today’s organizations must shift to an approach that drives employee performance rather than merely monitoring and correcting it.

*Strengths based performance management provides real-time, relevant, growth-oriented feedback to team members who are partners in the process.*

In a strengths based organization, performance management is seen as talent management and it represents a shift in responsibility. Employees are empowered to identify and acknowledge the ways in which they are being most successful in their role and supervisors are charged with understanding what each direct report does best and determining how they, as managers, can be a catalyst to help that team member do what they do best *most of the time.*

Getting Started

A strengths based performance management system drives performance rather than just monitoring and measuring it. Fundamentally it must be comprised of several key elements. Outcome based in nature, an effective performance management system must **clearly define what success looks like** for each team member. Additionally, for the performance management process to be authentic, it must be **employee driven** and therefore shift the responsibility of performing at a high level to each team member rather than to his or her manager. Finally, a dynamic and valuable performance management system must involve **real-time, ongoing feedback** from multiple sources to truly impact the potential of individual team members.

- **Why Are We Doing This?**
  The first step in building an effective and useful performance management system, is
for the leadership of an organization to ask, Why are we measuring our employees’ performance? What outcome do we want? Is it to ensure accountability? As a basis for rewards and promotions? As a function of legal liability? Or is it to know if we have the right people in the right roles who are engaged in meaningful work most of the time?

The answer is critical, and time spent zeroing in on the real “Why?” of performance evaluation is invaluable. When the purpose of performance evaluation shifts from the measurement of weaknesses to the enhancement of talent, then a truly effective system can be built.

- **What Should We Measure?**
  There are many traditional metrics that comprise the standard employee evaluation, and many of these are, in fact, helpful in seeing the big picture. It is critical that any evaluation process include the assessment of a team member’s performance in key areas of measurement, their level of participation as a team member, and their progress toward their goals. However, some potentially powerful factors are often left unexplored when evaluating an employee’s work over a period of time. What is often ignored, but what should be monitored by both the supervisor and the direct report herself are those moments, activities, and projects in which the employee is particularly strong.

  When an employee is encouraged to make note of and communicate those activities to which they bring their greatest talents, the job of the supervisor - to find more opportunities for those situations to occur - becomes much easier. So, when we ask the question of the direct report, “How much of your time are you able to spend doing what you do best?” we are measuring the most valuable metric of all: strong engagement. A relevant performance measurement system integrates traditional metrics with personalized assessment of the employee’s level of engagement and use of strengths in their role.

- **How Do We Measure That?**
  The process of managing the talent within an organization must be an ongoing one. An annual or bi-annual recap of a team member’s performance is neither insightful nor particularly helpful. Instead, a strengths based approach to performance management is one that is balanced, continuous, and flows in both directions. By making regular one-on-one meetings between supervisor and direct report the cornerstone of performance management, everyone stays more engaged, informed, and aware of any issues that need to be addressed. Further, it should be the individual employee who is charged with noting, recording, and communicating their strengths, successes, achievements, as well as weaknesses that they are experiencing in their role. These are discussed regularly in one-on-one sessions, making formal review times more of a recap or summary of those formative, ongoing conversations about the direct report’s progress.

**Next Steps**
The design and implementation of an effective performance management system must take into account several key factors. The success of the program hinges on careful planning, strong leadership and consistent communication at each step of the process.

- **Defining Objectives**
  As explored above, defining the desired outcomes for an organization’s performance management program is a foundational step in creating an valuable process. This involves not only the setting of objectives that are related to employee performance, participation, and progress, but also the careful determination of the ramifications the review process will have. How an organization’s performance management system is tied to any advancement, career development, recognition, or bonus programs should be very deliberately considered while designing the process itself.

- **Customization**
  Each organization should take into account their unique qualities when refining or redesigning their performance management system. First, the existing performance management process should be examined for what works well and those aspects should be retained if possible. Then, factors such as the size of the company, the location(s) of its individual team members, and the company’s fiscal calendar should be considered. As important are the elements of company culture, generational divides among employees, and the management methodology currently in place.

- **Feasibility and Logistics**
  Designing a truly valuable performance management system that aspires to drive high levels of employee success is a futile process if the system itself is not functional and well supported. The process of connecting, communicating, and reporting each aspect of a performance management system must be feasible and logistically sound. A sure way to lose buy-in up front for a new tool is to have it viewed as a hindrance to progress in the workplace. Careful planning, input from all stakeholders, and strong support, training and leadership are all vital to a successful implementation.

**Conclusion**

Developing and sustaining a culture of strengths requires a commitment to having all employees engaged in meaningful work and doing what they do best most of the time. With a strengths based performance management system in place, all stakeholders participate in making that happen. As a result of the individual empowerment generated by collaborative evaluation, all team members take on the job of driving their own high performance.