

Paradigm shift in Performance Assessment

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The conventional model of Performance measurement system pushes people to race against each other.



Albert Einstein once said, "Everybody is a genius. But if you judge a fish by its ability to climb a tree, it will live its whole life believing that it is stupid". Unfortunately, not only does our conventional performance assessment system make one climb up but also makes them climb down. Not sure what Einstein meant but I have always likened this quote in the context of the conventional performance evaluation system existing in the organizations.

The conventional model of Performance measurement system pushes people to race against each other. There is a race on the path to the top, without making one to ponder whether the path chosen is right. As only ones in the top are rewarded suitably, everyone is making efforts only to reach the top and very less focus is on choosing the right path. This has resulted into a significant amount of stress on the system and also on the people in the system. Not only has it impacted organizational performance but significantly altered organizational behavior impacting the way people interact with each other resultantly impacting the overall performance outcomes.

One of the biggest challenges for performance measurement system is not only to improve the performance but also inculcate such values & behaviors that facilitate the right culture for high performance.

This has raised a fundamental question around, why some organizations, operating in the same competitive space, are more successful than others. The experts have found some unique characteristics of the successful organizations and one of the important attribute that differentiate it from others and keeps them ahead of competition is its motivated and talented individuals, who offer superlative service to customers. These organizations have created and adhered to a unique mechanism of recognizing individual performers that has positively impacted team cohesiveness. Their ability to focus on the individual capacities and potential that has power to create a future has set them apart from others.

The fundamental purpose of today's performance measurement system is not only to enhance the performance of an individual in a given performance cycle but also connect his abilities, capacities and potential with future possibilities and excite him to do new and different things.

While the bell curve ensures it does not let managers be lenient, its rigidity has resulted into loss of morale for many.

With traditional process proven to be a de-motivator there is a greater need to change our ways and methods of performance measurement. Here is what I call a 5 step approach.

Get rid of Ranking system

Comparing people against each other is unfair. Imagine you are have secured 75% in the class that has an average score of 85%, don't be surprisingly awakened for a rude shock when you are informed that you are given a "C" category. Thanks to the Bell Curve Ranking System. Every one is unique and brings and diverse skills and capabilities that can be transformed into organizational advantage , if managed well. Giving rating and ranking is like typecasting people that has damaging impact on their overall motivation to perform and individual creativity. People must be evaluated , assessed against the goals and objectives that are set for them instead of comparing with others. This will also promote teamwork and collaboration at workplace and prevent people for embracing skills that are aimed at outperforming each other . There is a general perception about people who are not in the top ranking curve. They are not preferred and sometimes considered as failures resulting into a big disadvantage for the organization. Everyone is unique and has unique strengths and attributes. The bell curve kills the spirit of identifying that uniqueness of an individual and deprives an organization to leverage its unexplored best.

The story of Jeff Bezos, CEO Amazon, is a unique testimony. He wouldn't be there if he didn't embrace the failure the way he has over years. He believes that failed experiments are a necessary evil to creating successful inventions. He in fact hired former executives of Webvan, the failed online grocery delivery service from the first dot-com era, to launch Amazon's own grocery delivery service, Amazon Fresh.

Make it a continuous process

Instead of making Performance review and measurement an annual activity, it must be a treated as a continuous process where regular periodic conversations take place. These conversations must address and discuss issues of progress and provide instant feedback and support rather

waiting for the year-end assessment. There should be periodic checkpoints that are intended to facilitate a transparent, merit-based assessment of work that is employee friendly.

The new framework of continuous assessment must consider the different dimensions of an employee's performance – e.g Collaboration, Innovation, Initiative, Business Results, Impact on client success, Personal responsibility towards others or New skills acquired. In fact, it reminds me of Howard Gardner's "Frame of Mind", where he has questioned the idea that intelligence resulting out of single factor and proposed the concept of "Multiple Intelligence factors". This reinforces the Einstein's quote and cautions many assessors, evaluators and managers before they assess people.

The process and journey of continuous assessment should be both, formal and informal .

Continuous process of assessment will provide early indicators of progress and direction where required and will make the entire journey highly enabling, therefore preventing from year end shocks. The continuous process will be facilitated with an effective communication framework, where Coaching and Feedback will help in individual development and takes the organization to a new level.

Organizations must also ensure that the framework of new performance measurement program is supported with an effective ecosystem that facilitates its successful deployment.

Up Skill Managers

The biggest challenge for the effective performance measurement system deployment comes when Managers are not equipped with right skills, knowledge and aptitude. Any such system is bound to fail until Managers embrace the new model and demonstrate passion for people development. Their ability to empathize with a flair for helping people to grow is crucial to help people to recognize their inherent talent and abilities and through a structured coaching and feedback help people to leverage their unrealized and untapped potential. In conventional systems one of the Managerial challenge is to select the best from the best. Imagine a Manager has 30 outstanding performers out of a set of 100 but has a target to send a list of on 10% for "A" ratings for the year. So even if 30 score in similar range only a small percentage will be guaranteed "A" grade. The rigidity of the distribution of bell-curve forces many managers to label a high performer as a mediocre. The Managers, at the end, are left with little choice but to decide about few basis their personal biases. How ever in the new framework, Managers need to be skilled on assessing people for their capacities and potential . Managers need to be trained with new skills of appreciative inquiry. Managers through the process of Appreciative inquiry can help people to understand and assess their fundamental human capacities e.g Capacity to Think, Learn, Act & Relate besides assessing on other important dimensions.

Paradigm Shift in Conversations

The conventional performance review conversations by managers are focused towards understanding the past mistakes. The onus is on employee to prove that he performed well, while Managers address the grey areas that got missed. This process defeats the purpose and strains the trusting environment. Instead of employee looking for his opportunities to develop, the entire energy of employee is spent on preparing and finding ways to defend himself.

Instead of this, if the process is reversed and the responsibility of Manager is now to find the constraints faced by the employees and the hurdles to his performance, while as employee actually starts introspecting on the areas of his improvement. The responsibility of Manager shifts to highlight employees strength and capabilities

The responsibility of Manager shifts to highlight employees strength and capabilities *where* as employee is responsible for recounting the mistakes committed and acknowledging steps around how to do better. This paradigm shift will strengthen the experimenting and exploratory process and will also enhance the authenticity of the process . The process will urge people to do better with what is better inside them.

Autonomous process

The conventional process of performance measurement system operates on some set perceptions, where employee believes that it is the responsibility of the Manager to set his goals, timelines, and also how to deliver them and which teams to work with. The new system should empower the employee and infuse a sense of autonomy to choose “What”, “When”, “How “ and “Who” to work with for achieving their goals and outcomes. When employees see the finish line and not worry about competing with others, there is bound to be a sense of Valence that will inculcate a sense of repetition for good work. Not only does employee need to feel the shade of autonomy but even Managers also need to be empowered to determine the rewards and recognition for their teams. The autonomy in the process will strengthen the two-way conversation and will lead to overall Organizational Effectiveness.

The empowerment will make people to decide and determine for themselves instead feeling things getting imposed over themselves. It will equip them to fly than to get conditioned to walk.

Topics: [Performance Management](#), [Performance management systems](#)

Source: <https://www.peoplematters.in/article/strategic-hr/4-ways-hr-can-help-drive-a-successful-m-and-a-5003> (Published: 06 December 2016)

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