



DO BUSINESS FASTER™

Jim's Profit Accelerator 91: Performance Reviews that Change Behavior

The ubiquitous performance review may be the least effective good intention in leading people. Employees complain if there are no reviews, and complain about their content when they happen. Supervisors dislike reviews more than their employees, because they are called to summarize months of behavior in a few phrases or check boxes.

SPEED BUMP: Performance reviews should change behavior. Do yours?

Background: If you're a data person, look back at last year's reviews and see what changed (or didn't). Usually there's little correlation with performance, either better or worse. Instead, change your focus, as outlined below.

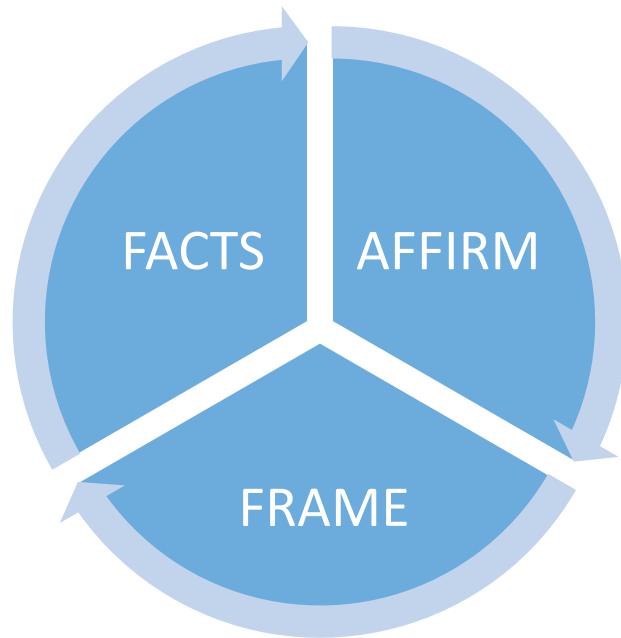
SPEED BUMP: Focus on behavior that will impact results in a big way.

Do a review when there's behavior that has a big impact. If it's little, point it out verbally and move on. If it's big, a brief written review can help steer behavior and attitude in positive ways.

Here are the three steps in your conversation (and don't try to do this with just a note):

1. **State the facts.** Find simple measures that show clearly what went awry, and why it matters to company results and customer loyalty. Making it about serving customers will boost the impact on your employee, increasing her desire to do well.
2. **Affirm that your employee is the kind of person who wants to do his job well.** Say that you've seen his dedication to doing his job right, even when it's tough sledding. Make it clear that you know he wants to do things right (even when his latest behavior makes you furious).
3. **Join her in framing new behavior:** What can we do to make this work better (or solve this problem, or change this situation)? Ask the question so that your employee knows that you want her answer. Ask how and why. Probe gently. Ask what it will take. Move the discussion from the mistake to the new behavior, and clarify what you'll do to help her start doing things the better way immediately.

SPEED BUMP: Drop your doubts. Focus on affirming the person and the behavior.



Results Multiplier: Rocco was the lead of a critical manufacturing team. His team paced and sequenced the work for the entire factory, and their performance was erratic. His supervisor avoided real performance reviews, fearing retribution from Rocco's uncle, the business owner. Remarkably, when he finally did a review with Rocco, there was a double benefit: Rocco's performance jumped up, and he helped discover a scheduling blind spot whose solution yielded a dramatic boost in total shop efficiency!

Ask your employee to list up to three specific actions that he'll start tomorrow. Ask for a copy of the list, and explain that this change is so important that you'd like to help keep him on track.

Set two immediate check-ins, in one and two weeks. Ask him to gather the data and bring it to your discussion, along with how things went. Ask what he'll adjust in the next two weeks, and set another check-in then.

ACCELERANT: Which employee will you try this approach with?

For more information on how you can accelerate revenues and profits in your business, please call or email me.

For more information, visit www.grewco.com.

Jim Grew is an expert in CEO-level strategy and executive leadership whose clients refer to him as the Business Defogger and Accelerator. Jim helps leaders swiftly discover the hidden opportunities within their businesses and exploit them for dramatic results. Nearly three decades of success as a COO and CEO coupled with his experience running nine thriving businesses provide the foundation for his consulting work as president of the Grew Company. He presents regularly to industry groups, mentors business leaders, and shares insights on his blog, BizBursts.com: <http://bizbursts.com/>. He holds BA and MBA degrees from Stanford University.

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