

---

# HOW TO MANAGE HUMAN PERFORMANCE

---

— Timothy Galpin

**C**an human performance be managed? This is a question asked by numerous managers in companies around the world. Successful managers already know the answer: Yes. They don't even ask the question. They realize that successful managers consciously manage the people aspects of their business as well as they manage the technical, operational, and financial aspects; and their results prove it.

Other managers struggle day after day, week after week, year after year hoping that the things they are doing will produce the results they need. Things like initiating and answering mountains of memos, spending countless hours on the telephone, reprimanding staff who don't perform, doing paperwork, and on and on. For these managers, the answer is still yes, they can manage performance. They just haven't applied the steps to make it happen every day.

Results are what managers are paid to produce: low costs... high sales... profit. Managers cannot consistently achieve their results alone, no matter who they are or how hard they try. Eventually, they will need other people to help them do it—their staff... their team. If the team performs, the manager performs; if the team fails, the manager fails. It's that simple.

This article outlines and describes a performance improvement model that is as equally effective for managing team performance as it is for managing individual performance. When implemented effectively and consistently every day, these steps will enable any manager to motivate, influence, and inspire people to higher performance. The four steps of the model are (1) set goals; (2) measure performance; (3) provide feedback/ coaching; and (4) give rewards/ recognition.

## SET GOALS

Without goals, people will usually do one of three things: (1) wander aimlessly through their day looking for "jobs" to keep them busy; (2) run like crazy from one task to another without really accomplishing anything; or (3) wait for someone to give them a task to complete and when they are done with that, wait for another task to be handed to them. If you have people working for you who do any of the three, they need direction—goals. Having

---

*Timothy Galpin holds a Ph.D. in Organization Development from UCLA and is currently employed as a principal within the Human Resources and Change Management practice of the consulting firm Booz • Allen & Hamilton based in Washington, DC. He has expertise in the areas of strategic planning, change management, productivity improvement, and business process redesign.*

clear and distinct goals allows people to plan a course of action and enables them to avoid confusion.

Motivated people get more work done, enjoy working, and feel a sense of accomplishment. They have more initiative to solve problems and overcome obstacles. They are concerned with quality of work and are dependable and responsible. Motivated people are generally happier and more fun to be around and work with. *And, motivated people require less management time.* How many managers do you know that need more time? You can rely on employees who are interested in their jobs to be more productive. You won't have to spend huge amounts of time looking over their shoulders to ensure everything is being done and done right. The fundamental reason to set goals is to begin saving valuable time, your time.

---

**And, motivated people require less management time.**

---

### ***Guidelines for Effective Goal Setting***

Goal setting is the clear and succinct explanation of what you expect your people to accomplish in a given time frame. There are seven essential elements of effective goal setting:

1. Keep it short and simple. You will do yourself and your team a huge favor by keeping your goals short, simple, and understandable.
2. Make goals achievable. You and your team may not achieve every goal that you set out to achieve. However, your team needs to feel that every goal is obtainable, or they will not make the effort to get there. If your team doesn't believe they can reach a goal no matter how hard they work, they won't even try.
3. Make goals challenging. Your goals should be a stretch for you and the team. Make your goals achievable, but don't make them too easy. When people have to put out some effort, they become motivated and learn from their experience.
4. Set a time limit. A time limit will keep your team focused, and it adds a key motivational dimension to goal setting. People can track their progress along the way.
5. Involve your team in the goal setting process. Start from the beginning with not only your ideas about the goals you would like your team to achieve, but also your team members' ideas. Involving your team from the start in helping set their own goals (both team and individual) will establish the buy-in you need from them. Without buy-in, you will struggle to motivate your team to achieve any goal.
6. Establish the "What's in it for me?" from the start. People

work for rewards. To gain commitment from your team, in addition to involving them in setting their own goals, you must establish up front what is in it for them when they reach their goals. They will want to know both the team and the individual rewards. The section on rewards/recognition will address this key factor in more detail. But, remember to think about rewards and recognition at the start of the process, not at the end.

7. Clearly communicate your goals. Publish your team's goals for them to see. Team goals shouldn't be a secret. Post them on walls or publish them in a newsletter (try to avoid the same old stale memo format). Keeping your goals visible will do two things. First, it keeps people aware of the goals. Second, visibility communicates to everyone that the goals are important, and that it is important to achieve them.

Here's an example that illustrates the essential elements of effective goal setting: I once read a goal that went something like this: "The goal of the Billing Department is to increase our productivity and reduce our error rates through improved teamwork, better systems, more appropriate allocation of labor hours, lower absenteeism, higher motivation, and enhanced commitment to the job." This is a classic example of a goal that no one could get their arms around. The entire team was confused from the start. The statement is really a goal within a goal within a goal. The author was well-meaning, but because of the statement's complexity, he or she was doomed to failure before he or she even began. The author should have broken the statement down into several clear and concise "stand alone" goals, such as

---

***To gain commitment from your team, you must establish up front what is in it for them.***

---

"Over the next six months, the Billing Department will...

1. Improve productivity by 10 percent;
2. Reduce error rates by 20 percent;
3. Measurably improve team work;
4. Improve our systems capabilities;
5. Allocate labor hours that fall in line with our work needs;
6. Reduce absenteeism by 5 percent;
7. Measurably improve motivation; and
8. Measurably enhance our team members' commitment to the job."

Short, clear, concise goals such as these provide people with bite-size chunks that they feel are achievable.

In addition to being short and simple, each of the above goals also shares a characteristic imperative to motivational goal setting:

---

**A time limit is a key motivator of people.**

---

a time limit. The example of the eight Billing Department goals above has a six-month time limit. A time limit provides two important things. It tells people by when the goal must be achieved, and it allows people to continually track their progress. People can watch their progress as often as they want to—daily, weekly, or monthly. This helps them determine whether or not they are on track to meet their deadline. A time limit is a key motivator of people. A great example of this is the two-minute drill at the end of a football game. Countless times we have seen a team get their adrenaline pumping, pull together, and run 80 yards for the winning score all because they knew time was running out. Why does this happen? Because they know their goal (to score more points than the other team), and they know how long they have to achieve it (60 minutes with only 2 minutes left to go).

The eight Billing Department goals above are one example of simple goal setting. Obviously, the Billing Department team needs to clarify each goal further (e.g., more clearly define “motivation” [goal number seven]). Their discussion should also include how to measure each goal. (Measurement is addressed in detail in the next section.) Any conversation the manager of the Billing Department has with the team should take place before the goals for the Billing Department are finalized. During that discussion is when the manager begins to get buy-in and commitment to the goals from the team. Below are three more simple examples of goal setting.

- **Rags Retail Unlimited.** Rags Retail Unlimited will measurably improve our customer service standards over the next six months by
  - Reducing customer waiting time in all departments by 20 percent;
  - Reducing customer phone service waiting time by 20 percent;
  - Reducing returns/exchange service processing time by 20 percent;
  - Reducing checkout processing time by 10 percent;
  - Using the customer’s name during all credit transactions;
  - Saying hello and thank you to 100 percent of our customers;
  - Reducing our negative comments on customer surveys by 50 percent;
  - Increasing our positive comments on customer surveys by 20 percent; and
  - Smiling while on the sales floor.

- **The Standalone Construction Company.** During the Central Building project, our team will
  - Complete the project ahead of schedule—under 18 months;
  - Beat our project budget by 10 percent;
  - Keep our team safety rating at 100 percent for the entire project;
  - Maintain measurable standards of quality workmanship; and
  - Keep our team absentee rate below 5 percent of the total labor days.
  
- **Multi-Manufacturing Corporation.** The Multi-Manufacturing Corporation will measurably improve our assembly process over the next six months by
  - Reducing our rework rate by 25 percent;
  - Reducing our start-to-finish processing time by 10 percent;
  - Reducing our backlog of work-in-process by 50 percent;
  - Allocating our labor resources to better match workflow needs;
  - Cross-training all of our employees in at least one other key process skill; and
  - Reducing our absentee rate by 10 percent.

### **MEASURE PERFORMANCE**

There are two primary reasons to measure. Foremost, we need to be able to determine when we have achieved our goals. Once we have a clear understanding of what our goals are, measurement allows us to decide whether or not we have accomplished them. Have we reduced our absenteeism, increased our customer service, come in under budget, or improved our teamwork? Without reliable measurement, we cannot credibly answer these questions. We would only be guessing. Measurement removes the guesswork.

Second, measurement provides us with a way of tracking our progress. When we know what to measure and how to measure it, we can see for ourselves whether or not we are on track to achieving our goals. Accomplishing goals wouldn't be a surprise to anyone. Periodic measurement allows us to see progress toward our goals. We can observe ourselves achieving milestones along the way. Obtaining intermediate landmarks helps people stay motivated and keeps them committed to achieving the final goal.

---

***Measurement provides us with a way of tracking our progress.***

---

### ***The Essential Elements of Measurement***

As with goal setting, there are specific guidelines for effective performance measures:

- Set specific, numeric expectations. Remember, any activity can be measured in time, units, money, or customer satisfaction. Embracing this strategy will help you and your team to begin "measuring the immeasurable."
- Keep it simple. Keeping it simple will help your team understand the measurement you use. It will also help them stay focused on performance as they move toward their goals.
- Be creative. Creativity will unlock new methods of measuring old issues. Don't fall for the lure of using the "same old measurement for the same old issues."
- Involve your team in designing their own measurements. Your team will be a big help to you in coming up with credible and creative approaches to measurement. By involving your team, you will also encourage their commitment and buy-in to tracking their own performance.
- Determine the frequency of the measurement. Define how frequently measurement will take place. Will it be hourly, daily, weekly, etc.? Measuring too often will put unneeded pressure on people. Measuring too infrequently will make people forget about it.
- Establish responsibility for keeping measurement up-to-date. Determine who will be responsible for keeping score. Make someone accountable for keeping any measurements that are put in place up-to-date. Rotate the responsibility. This helps people stay aware of the score as they progress. It also alleviates the tendency for one person to become "burned out" on being the only one who tracks progress. For individual goals and measurement, assign the responsibility to each person to keep his or her own score.

---

***Determine who will be responsible for keeping score.***

---

Measurement is nothing more than keeping score. By regularly keeping score, we can assess our progress against a given standard. Keeping score provides us with a point of comparison. For example, in a golf game, we know after every hole how we are doing against three standards: (1) the other players in our group, (2) our own score the last time out on the course, and (3) the par set for each hole.

The first rule of measurement is to set specific, numeric expectations. People become more motivated when they can see results. Many people believe it is impossible to define clear, numeric

measurements for activities. When we make this assumption we are defeated before we start. The gurus of continuous improvement disagree wholeheartedly. People such as Deming and Drucker believe that any activity can be measured in time, units, money, or customer satisfaction. By adopting this approach, you will help yourself and your team to start measuring the immeasurable. Granted, measuring customer satisfaction isn't as clear-cut as counting the strokes in a golf game. However, if you don't try to measure it, don't waste the time trying to manage it. You will always be questioning whether you are improving from one day to the next or not.

Another important guideline when defining measurement is to keep it simple. Complex measurement systems succeed only in confusing and alienating people. For example, one measurement system for tracking the individual performance of sales staff used by a clothing chain included sales performance versus last year, sales per hour, total sales to date for the week and the month, sales against target, increase of sales trend from month to month, units per sale, and average sale value. All of this was felt by the company to be useful information. Managers of the outlets were asked to track and discuss this information on a regular basis with each of their salespeople. Some information was to be discussed daily, some weekly, and some monthly. The system failed for two main reasons.

First, management was spending huge amounts of time compiling and calculating the information. Second, the sales staff were completely overwhelmed and confused by the barrage of data. In a very short time, the company found that no one was using the system, and they scrapped the idea completely. The company would have been much better off if it had kept it simple by asking managers and staff to track just one or two of the key aspects that related to individual selling performance, such as daily and weekly total sales. The point here is to keep measurement simple so that people use it and pay attention to it.

### ***Creativity and Team Involvement***

In order to establish clear measurements for intangibles such as improved customer satisfaction, better teamwork, enhanced communication, and increased morale you need to apply creativity. Creativity is the key that unlocks new methods of measuring old issues. Be aware of falling into the trap of the "same old measurement for the same old issues." A good example of this is in the area of customer service. A typical approach to measuring customer service improvement is counting customer complaints. The traditional way to improve service is to reduce the number of com-

---

**Complex measurement systems succeed only in confusing and alienating people.**

---

plaints. However, focusing on this method of measurement can easily backfire.

For example, one company that attempted to reduce the number of complaints found that the employees were induced to suppress and ignore customer gripes rather than deal with them. The company encouraged this by implementing a reward system based on measuring complaints. As a result, the employees didn't try to correct customer problems, they hid them instead. The company actually lost sales because employees were not taking actions to correct the problems.

A more creative approach to measuring service was taken by another company. A branch manager for a regional retail chain was assigned to a store notorious for poor performance. One thing she noticed when she took over the store was the poor attitude of the staff toward customer service. She decided to begin measuring the service her team gave to the customer. She knew that many people thought the best way to measure service would be by sales—more sales meant better service. However, she realized that a myriad of factors went into why people buy and that service was just one of them. Yet, she still wanted to begin to manage service. So, she asked her people—the people closest to the customers—to come up with a way to measure service. Her team came up with five attributes measured on a 1 to 10 rating scale: (1) smiling, (2) appearance, (3) making a minimum of one nonbusiness comment during a sale, (4) saying hello and thank you at the beginning and end of every customer interaction, and (5) using the customer's name. The sales people rated each other, and everyone achieving 80 percent and above in a given week received a reward. She also gave out a reward for the top scoring "service achiever" each month. Within a few weeks, she noticed a "friendlier" atmosphere in her store and many customers actually commented to her about the excellent service they were receiving. After just three months, her store's performance improved significantly.

The example above demonstrates an excellent way of devising creative measurements to measure the immeasurable—involve your team. By involving your team in defining their own measurement criteria, you will be amazed at the credible and creative approaches they can come up with. Someone once said that "the best way to get a good idea is to get a lot of ideas." Ask your team; they will generate many ideas, some good and some not so good, but a lot of ideas. Furthermore, like the process of goal setting, when you allow your team members to define their own measurement, you will encourage their commitment and buy-in to tracking their own performance.

Finally, two other aspects of measurement that should not be

---

**Someone once said that "the best way to get a good idea is to get a lot of ideas."**

---

overlooked are frequency and responsibility. Once you have arrived at set measurements, define how frequently the measurement will take place. Will it be hourly, daily, weekly, etc.? Then, determine who will be responsible for keeping score. You need to make someone accountable for keeping any measurements that are put in place up-to-date. Consider rotating this responsibility. This will help people stay aware of the score as they progress. It will also alleviate the tendency for one person to become "burned out" on being the only one who tracks the team's progress. For individual goals and measurement, you can assign the responsibility for keeping score to each person.

### ***What Does Measurement Look Like?***

There are no limits to the way measurement can "look." Here are a few examples to help spark ideas for you and your team.

*Self-rating.* Asking teams and individuals to rate themselves on whatever factors are determined to be important is a good way to approach measuring "immeasurables" like customer service, teamwork, and communication skills. Many managers find that the ratings their team members give themselves are often more critical than the ratings the managers would have given them. Self-rating offers several important positive aspects. First, it establishes buy-in to the measurement. Second, self-rating motivates people—it becomes important to them. Third, although self-rating may not be minutely accurate, an awareness is created around the facets that are being rated. Awareness is the first step toward change and improvement.

---

***Awareness is the first step toward change and improvement.***

---

*Measure discrete behaviors.* Measuring discrete behaviors will help you measure more abstract things like communication, teamwork, and service. For example, measuring behaviors can be as simple as determining whether a team of bank tellers regularly says thank you or tracking the amount of time a manager "mingles" with the loading dock team each day. Improving communication, teamwork, or service has to "look" like something. Behaviors such as saying thank you, smiling, and talking are what these things look like.

*Make it visual.* People are visual. They like to see what is happening around them. Providing visual measurements is a good way to keep people motivated and interested in their performance. A creative example of this is from a company that wanted to develop a novel approach to decrease spending. They implemented a visual measurement system that increased employee

awareness of spending. At the beginning of each month, the company distributed "budget bucks" to each of its department heads. The amount each department received was equal to the department's budget for that month. Employees were asked to staple the fake money to expense vouchers, and they also used it to "purchase" supplies from the company stockroom. Department heads submitted the money with requests for checks to pay invoices. By raising awareness, the company hoped to reduce expenses as a percent of sales by 3 percent. They found that, as people became more aware of cash flow, expenses actually fell by over 5 percent.

Another example of providing visual measurements is the use of wall charts. Posted prominently and kept up-to-date, wall charts that track key performance measures are an effective way of displaying a scoreboard of team progress. Used effectively, wall charts stimulate interest and enthusiasm to improve. Exhibit 1 illustrates an example of a wall chart to track errors in a billing department.

### **PROVIDE FEEDBACK AND COACHING**

People need feedback and coaching to learn, grow, and improve. Without feedback, learning at best occurs by chance and at worst becomes stagnated. When a team stops learning, performance stops improving. In today's business environment, with the competition getting better all the time, when we are not moving forward, we are moving backward. We may be doing well now, but as the competition progresses and we stall, we will fall behind. Feedback and coaching allow us to improve as individuals, teams, and organizations.

Why do so many managers find it so difficult to give feedback and coaching? Managers may want their teams to improve, but they don't apply the techniques of coaching as often as they should. Why? Many times it is the limiting beliefs we have that keep us from effectively coaching our teams. In most instances, the beliefs are unconscious—we are unaware they even exist. For example, many people possess beliefs about giving positive feedback to people. These beliefs include

- I might embarrass them.
- They know when they are doing well.
- They might start to slack off and take advantage of me.
- They might want a raise.
- I might sound insincere.

Many people possess beliefs about giving critical feedback, including

---

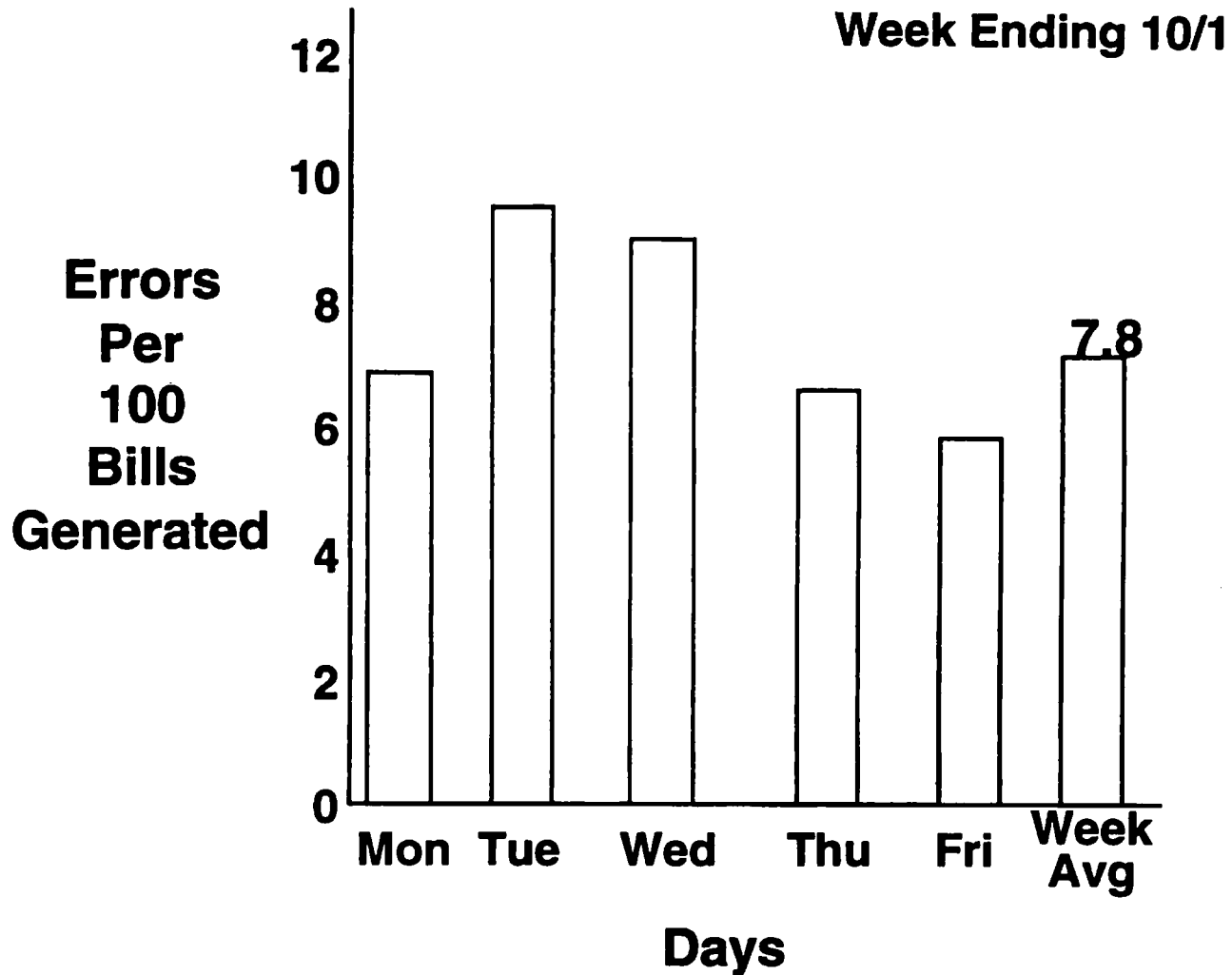
***When a team stops learning, performance stops improving.***

---

## Exhibit 1

## Example Wall Chart

## Billing Department Daily Error Rates



**Last Week's Average = 10.2    This Week's Target = 9.0**

- They might get upset.
- They may get defensive.
- It may un motivate them.
- They should know what needs to improve.
- They may think I'm being too critical.

As managers, we are paid to develop people. When we don't do this, we are not doing our jobs. We need to provide feedback and coaching to develop our people, and our businesses and achieve results.

Feedback is keeping people aware of what is happening now or what has just happened. For example, posting a chart of daily or

**Coaching is both positive and constructively critical.**

---

weekly sales performance provides a form of feedback (this type of feedback is the use of scoreboards described in the previous section on measurement). Watching and critiquing a videotape of a presentation that we have conducted is feedback. Pointing out to a cashier that you notice that he or she always says hello and smiles at the beginning of each customer transaction is also feedback. Feedback creates awareness.

Coaching uses feedback to help people become aware in order to capitalize on their strengths and improve on their weaknesses. As such, coaching is both positive and constructively critical. For example, suggesting that cashiers at checkout stands continue to greet each customer with a hello and a smile helps them to capitalize on their strengths (smiling and saying hello to each customer). That is positive feedback and coaching. Also, during the same discussion, suggesting to the cashiers that a way to improve would be to offer a thank you at the end of each transaction helps them to become even better cashiers. Using feedback as a base, coaching enables us to help people improve their performance.

### ***What Do Feedback and Coaching Look Like?***

Feedback and coaching “look” very different from individual to individual. Just as each coach of a sports team develops his or her own style, every manager should develop his or her own style of coaching. Fortunately we all have a resource available to help us become better coaches. That resource is the experience we have had in being coached by other people.

Thinking back to the coaches we have had in the past can help us learn to become better coaches ourselves. Our past coaches do not need to have been sports coaches—they just need to have been people we felt enabled us to learn and grow through their comments, actions, and guidance. These “coaches” may include parents, teachers, friends, and others. By identifying the traits that our past coaches possessed and the things they did that helped us to improve, we can begin to incorporate these actions into our own coaching style. Typical attributes identified in good coaches include trustworthiness, persistence, empathy, a belief in their own ability to coach and in your ability to learn and achieve, openness, consistency, and a balance between positive and constructive comments. Coaching is a combination of all of these characteristics. Consequently, we each need to develop our own coaching style. But, most importantly, we need to continually apply it and continually improve it.

*Effective coaching.* Although there are no set rules for coach-

ing, several considerations will contribute to effective coaching with your people. They are as follows:

- **Before coaching anyone, establish upfront with your team that coaching will take place with everyone.** This approach leaves no surprises. Each person knows he or she is included.
- **Be open to coaching yourself.** Make your team feel comfortable enough to coach you. Ask for coaching from the person you report to, your peers, and your employees. The more feedback we receive, the more we learn.
- **Don't criticize your team or its individual members.** Coaching is not criticism. Watch where you are coming from when you make comments. If you are feeling upset about something or with the person you are coaching, don't try to coach him or her now. It will only be a negative experience for you both. Wait until you cool down and gather your thoughts. Remember, coaching looks ahead, to improve on where we are right now and enables us to learn from mistakes and successes. Criticism is unmotivating. Coaching is motivating.
- **Keep it simple and informal.** Don't overcomplicate coaching. Make the format informal. No need for pens and paper. Come out from behind your desk and sit facing each other, without the typical office barriers or power desks in between.
- **Stay focused while delivering or receiving coaching.** Choose an appropriate time and location without interruptions, which will encourage openness.
- **Be specific.** Speak to work-related behavior—the things people do and say that affect performance and results. People can change their behavior.
- **Coaching should be timely.** Don't wait too long to coach someone. The impact of the specific examples you use will be lost with time. The nearer to the occurrence, the better.
- **Keep coaching balanced.** Make both positive, "You are effective because..." and constructive, "You could be even more effective if..." comments.
- **Be empathetic.** Put yourself in their shoes. Remember how it was when you were trying to learn the job they are learning.

---

**Speak to work-related behavior—the things people do and say that affect performance and results.**

---

Here is a useful approach to coaching that you can apply right away:

- Write down the names of five coworkers that you would like to receive feedback and coaching from, for your own improvement. They can be people you report to, peers, and/or your employees.
- Ask one of the people from your list to sit down with you for 10 minutes and exchange feedback and coaching. Tell the person the purpose of the conversation. Let him or her know that you would like them to exchange ideas with you about how each of you can improve your work performance—both the things you and he or she do well and areas where you and he or she can improve. Allow him or her at least a few minutes to gather their thoughts along these lines. Make sure you let him or her know it is an informal discussion for improvement, not criticism.
- When you sit down with the person, make it informal. Choose a place and time where you won't get interrupted. Come out from behind your desk. Sit facing each other. Remove the barrier of the power desk.
- Use the approach of taking turns providing feedback and coaching to the other person—decide who will coach the other person for the first five minutes and who will coach for the second five minutes.
- A good way to lead into positive and constructively critical comments is to use the following statements:

For the positive, lead in with the statement: "You are effective because..." Using this lead-in statement, describe to the person you are coaching a few of the specific things that he or she does that you feel makes him or her effective in his or her job. This is the positive side of coaching. Then follow this with the statement...

"You would be even more effective if..." Using this lead-in statement, describe a few of the specific things that the person you are coaching can do to improve in his or her job. This is the constructive side of coaching. Notice that this lead-in statement maintains a positive tone by using the words, "...even more effective..." These words indicate the person is already effective; you are just suggesting ways you feel they can improve.

---

***Throughout the conversation, check that you are both maintaining a positive and supportive tone.***

---

- Throughout the conversation, check that you are both maintaining a positive and supportive tone aimed at helping each other learn and improve.
- As the listener, or the person who is being coached, each

person should listen and receive the comments in a positive way. Remember that coaching is meant for learning and improvement, not criticism. There is no need to either get embarrassed from hearing the positive comments or to try to justify or explain when receiving the constructively critical comments.

- At the end of the conversation, thank the person for his or her suggestions and agree to coach each other on a regular basis.
- Repeat the coaching process with all the other people on your list.

By approaching the process of feedback and coaching in this way on a regular and consistent basis, you will establish a culture of support and learning in your team and markedly improve performance.

---

***You can rely on employees who are interested in their jobs to be more productive.***

---

### **BE GENEROUS WITH REWARDS AND RECOGNITION**

Providing rewards and recognition helps to motivate people to perform better in their work. Rewards and recognition are what people focus on as they strive to achieve their goals. Remember why we need motivated people working for us: Motivated people get more work done, enjoy working, feel a sense of accomplishment, and have more initiative to solve problems and overcome obstacles. They are concerned with quality of work and are dependable and responsible. Motivated people are generally happier and more fun to be around and work with, and require less management time. You can rely on employees who are interested in their jobs to be more productive. You won't have to spend large amounts of time looking over their shoulders to ensure everything is being done well.

The basic reason to reward and recognize people is to help motivate them, now and in the future. We need to reward and recognize people for the work they do to accomplish a goal. If we don't, they will be much less willing to put out the same amount of effort the next time we need them to.

Rewards and recognition tell people that their work is appreciated. Think about the number of times you have put in the effort to complete a tough job and all you really wanted to hear from your boss was "Thank you," but it was never said. Most managers will tell you something like, "I don't need to say thank you, my team knows I appreciate the effort they put in." When you ask their team members, their perceptions are often very different.

Rewards are what we receive for completing a task or reaching a goal. Rewards are tangible symbols of appreciation for a job well

done. Rewards can take the form of cash, perks, stock, trips, etc.

Recognition is how we let people know that we notice the effort they put into their work. Recognition can be at a personal level between you and your team. At this level you can gather your team together at the end of a goal-reaching effort and announce team and individual achievements. You may also present rewards at this time.

Recognition can also be broader than within your own team, such as at the division or company level. You may announce team and/or individual accomplishments at division or company meetings. Accomplishments may also be published in the company newspaper. Company executives can visit your team to recognize their achievement.

The essential elements of rewards and recognition are

- **Directly link rewards and recognition to performance and goal achievement.** People should not have to wonder what the payoff will be when they perform and achieve their goals. Directly link their rewards and recognition to performance and you will establish clarity of purpose for your team.
- **Be creative.** Cash is only one option. Creativity is the key to establishing low-cost, effective incentives for your team. Look for alternative rewards and recognition. Checking on what your competitors are providing to their people can be a good source of creative ideas.
- **Involve your team.** Another source of alternative rewards and recognition is the members of your own team. Asking your team what they would like to see as a payoff for performance can generate a lot of creative ideas. Remind your people to be realistic when suggesting rewards, but don't limit them too much. Remember, they are only making suggestions. You may be surprised at the low cost of many ideas that seem expensive at first glance. Involvement will also help to establish buy-in from the start.
- **Make it fair for everyone.** The opportunity to receive rewards and recognition should be as equal as possible for all of your team members. Whatever criteria are established, you should check the equality of the process for receiving rewards. For example, you may want to reward and recognize people for the most improved performance over last month, either in place of, or in addition to, rewarding the best performer for the month.
- **Make the rewards and recognition equal to the effort required to achieve the goals.** Try to keep the magnitude of

---

***Bigger efforts  
deserve bigger  
rewards and  
recognition.***

---

the rewards and recognition received in line with the effort required to reach the goals that have been set. Bigger efforts deserve bigger rewards and recognition.

- **A few well-placed words of praise and appreciation go a long way.** Often, people want and need to hear a few words of appreciation on the way to achieving a goal, especially when the road to accomplishing a goal is a long one. Even though their main goal may not be achieved for months, saying something to your team like, "I really appreciate the effort you have all put in this week," on a Friday before they go home lets people know you have noticed their hard work. Appreciation like this helps your team stay motivated throughout their efforts. And remember to take the time to stop, get people listening to you, and be sincere when providing your appreciation.
- **Make rewards and recognition public.** Keeping the rewards and recognition that people will receive to yourself only defeats the purpose. Letting people know the payoff and keeping them aware of it will help to keep them focused.
- **Make rewards and recognition timely.** When people have to wait to be rewarded and recognized, the impact is lost. Try to make the delivery time of any rewards or recognition as close to the achievement of your team's goals as possible.
- **Remember the magic words.** Whatever other types of rewards and recognition you develop, remember the two words that often go the farthest in communicating appreciation to others—"Thank You."

---

***When cash is in short supply, the key is to be creative.***

---

### ***What Do Rewards and Recognition Look Like?***

It may be true that the reason people initially come to work is for the pay. However, once they are there, money is usually not the only reason they perform at work. Rewards and recognition can take many forms besides cash. Throughout the business world we see creative examples of unique and effective rewards and recognition. Examples of alternative rewards and recognition include additional training, a piece of the business, trips, pictures and articles in the company newspaper, plaques, vacation time, lunches and dinners, complimentary letters and visits from executives, participation on business improvement teams, trophies, office equipment and furnishings, schedule changes, new work assignments, and others.

When cash is in short supply, the key is to be creative. One excellent technique to design creative rewards is to ask your team to help you. Ask them for suggestions about the types of rewards

they would like to receive. When team members help develop their own rewards they will be more likely to want to work to receive them.

### **IMPLEMENTING THE PROCESS IN YOUR ORGANIZATION**

The human performance model can be implemented in a variety of organizations, from manufacturing companies to retailers. The process of implementation should begin from the top. Executives can support the process of goal setting, measurement, feedback and coaching, and rewards and recognition in several ways. First, they can make the process important to the organization by implementing the framework within their own team of direct reports. Second, they can model the process when they interact with various members of the organization by providing feedback and coaching on employee performance they observe. Coaching does not have to be formal; it is often spontaneous. Third, executives can lend their approval to rewards and take part in recognition presentations. Fourth, senior management should encourage others to coach them on their skills and abilities. Although this may seem to be a stretch for many executives, it can be the single most powerful way to implement the process with an organization.

---

***Senior management should encourage others to coach them on their skills and abilities.***

---

Once senior management have begun to implement the framework, the process should then be cascaded throughout the organization for all management and employees in all divisions and departments. Training in the process can take the form of a comprehensive course including all four components of the human performance model, or it can be a series of courses dealing with one component at a time. Any training should be experiential in nature, providing participants with the opportunity to develop tangible goals, define measurements, practice feedback and coaching, and identify rewards and recognition, so that they can start the implementation process as soon as they return to their teams.

The process of developing and delivering training in the fundamentals of the framework is usually housed within the human resources, training, or organization development functions of an organization. Each of these functions can act as the catalyst to begin implementation. However, the ongoing implementation of the process must be owned by the various teams within all functions throughout the entire organization. Linking the performance goals, measurement, feedback, and rewards of management to the process of providing these four steps to their employees will help create ownership and ensure that the process takes hold. Essentially, management should be measured, coached, and recognized

and rewarded for excellence in implementing the four steps of the framework within their teams.

## **CONCLUSION**

There is a reason why I have used many gaming and sporting analogies throughout the text. People enjoy participating in games and sports. Why do so many people like to participate in these activities? Because they are motivated by excitement and fun. When we are playing our favorite game, we feel our adrenaline boost and our effort increase. This all happens due to a few key ingredients.

First, we know our goals. We know right from the start of the game what we are setting out to achieve and how long we have to get there.

Second, we know how to measure our progress. During any game we know how to keep score: goals, touchdowns, runs, baskets, points.

Third, we regularly receive feedback and coaching. We are constantly reminded of what the score is—how we are doing every step of the way. We either see the feedback on a scoreboard, hear it from the fans or a coach, or keep ourselves aware as we progress. Not only do we always receive feedback about what the score is, but we also get coaching about how we can improve our skills, techniques, and strategies during the game. Coaching is aimed at helping us improve our performance and our score.

Fourth, we get rewarded and recognized for our efforts. We hear the praises of our coach, the cheers of the spectators, and we feel the satisfaction of a job well done.

All of these examples demonstrate one thing, that yes, we can manage human performance. We can do it by making work motivating and fun. It is often said that you cannot motivate anyone; you can only establish an atmosphere that will foster their own internal motivation and allow it to flourish. Using all four steps of the performance improvement model will help you establish that atmosphere. Try it and you will be amazed at the results you and your team can achieve. ♦

---

***We can manage  
human performance  
by making work  
motivating and fun.***

---

Copyright of *Employment Relations Today* (Wiley) is the property of John Wiley & Sons, Inc. / Business. The copyright in an individual article may be maintained by the author in certain cases. Content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.