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# Fact Finder

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## **SETTING GOALS-MANAGING PERFORMANCE**

Among the most important functions of leading and managing are helping individuals establish goals and objectives and providing effective coaching to ensure goals are met. More and more, the coaching and goal-setting process is identified as the key area in promoting morale and retention of high-performing employees as well as an area critical to organizational and individual growth and development. These areas are even more important today with the diversity of generational needs, the speed of change, and the demand for more knowledge and training to be able to adapt to new frontiers and evolving technologies.

In response to these factors, organizations need to improve the performance management process and to work smarter as a team. To achieve these objectives, it is essential to focus on clear, open communications in setting and meeting periodic performance goals that are valid measures of the organization's growth and development. Here are fundamental guidelines that are keys to the success of this process:

- Organization performance goals and objectives must be related to individual performance goals in terms of the performance planning and evaluation process—that is, the performance goals of individuals need to be an expression of departmental goals and objectives.
- The establishment of individual performance goals should be the result of mutual discussion and understanding related to individual job responsibilities and requirements. While the creation of performance measurements is ultimately the supervisor's responsibility, employee understanding and ownership is a critical part of the process. Once organizational and departmental goals are defined and communicated, the most appropriate next step is to have individuals outline proposed performance objectives for the upcoming

performance period.

- Performance goals should be SMART goals—they should be Specific, Measurable, Achievable, Realistic, and Timely. Even goals that at first seem subjective can at least be qualitatively defined. Definitions often get clarified through one-on-one performance planning discussions. A key question here for the supervisor and the employee is “How will we know when this happens?” There are almost always quantitative, qualitative, behavioral answers to this question as it applies to specific measurement criteria.
- Understanding accountability is basic to effective performance management. Accountability entails sanctions: Positive recognition or corrective supervisor actions that clearly recognize and acknowledge performance. While we quickly think of dollars-and-cents, other forms such as simple appreciation, a word of thanks, and supportive feedback and counseling are among the most powerful acts of recognition. Sanctions that recognize performance shortfalls are also essential to creating a pervasive culture of accountability. Discipline is the final ingredient in making accountability a reality. Without individuals understanding and believing in the linkage between performance and sanctions, accountability is simply a pleasant organizational myth.

### ***Setting Goals and Objectives***

At the beginning of each performance period, the supervisor should work with each individual to develop performance goals that will contribute to the achievement of the overall department goals. Five to seven goals should be developed and documented along with realistic performance standards (measurable expectations) so that both the supervisor and the employee understand performance objectives and requirements for the upcoming period. Goals should be examined against the SMART criteria cited above to promote clarity of focus and potential achievement.

Annual goals, of course, grow out of position description duties and responsibilities and are often discrete in terms of specific time periods. They are part of the individual's day-to-day responsibilities in terms of the overall job functions.

Remember that managing performance is the critical subset of general supervision and leadership. It is the main arena where work gets discussed, defined, and understood in the context of the individual's goals and the objectives of the larger organization—the unit, the department, the company. Time spent in effective goal-setting reduces time spent in

unraveling disappointing misunderstandings and improves the opportunity for each staff member to truly understand his or her role and to be a key contributor to the team effort.

## **FAMILY AND MEDICAL LEAVE CHANGES**

An employee who is otherwise eligible to take leave under the FMLA may be eligible for military family leave under the 2008 amendments to the Act. There are two types of leave available.

Under the new “active duty” leave, an employee may be granted leave for up to 12 weeks per year because of “any qualifying exigency” arising out of the fact that the spouse, son, daughter, or parent is on active duty, or has been notified of an impending call to active duty status, in support of a contingency operation. By the terms of the statute, this provision requires the Secretary of Labor to issue regulations defining “any qualifying exigency.”

Under the new “military caregiver” provisions, the employer may grant a military caregiver leave for up to 26 weeks in a single 12-month period to an eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member who is recovering from a serious illness or injury sustained in the line of duty or on active duty to care for the service member. “Next of kin” is defined as “the nearest blood relative” of the service member. The term “serious illness or injury” is defined here as one that renders the service member medically unfit to perform the duties of the member’s military position. The covered service member is one who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list due to the injury or illness. The employee is entitled to this military caregiver leave intermittently or continuously, but only during “a single 12-month period.” If you take this military caregiver leave, any leave you have used from your 12-week allotment for other FMLA leaves will be deducted from the 26-week period.

Some provisions of the new law parallel the existing federal FMLA while others apply specifically to those events related to care for military service members.

## **EMPLOYEE HANDBOOK TIPS**

Perhaps the most critical aspect of employee handbooks is balance. Balance conveys the idea of clearly articulating your company's policies, procedures, and values without painting yourself into a corner where your policies seem to compel you and your managers to take actions that don't make sense and, in some cases, may be legally unsound. One area where this is often a problem is progressive discipline. On balance, progressive discipline simply means that where there are performance or attendance concerns, for example, the employer will provide reasonable warnings before terminating an employee, depending, of course, on the severity of the problem. Some policies establish an elaborate series of steps to be taken in a specified order before the company can terminate the employee. The basic idea behind progressive discipline is making the punishment fit the offense and to offer opportunities to remedy performance in the hope that performance can be improved and termination avoided.

As you review your employee handbook, be sure it includes your company's stand on equal opportunity; family and medical leave; military family leave; violence; weapons; office relationships; Internet, email, and cell phone use; COBRA; HIPPA; and others.

Having clearly-stated, balanced organizational policies and procedures is the best defense to protect you against serious future legal exposure and to provide healthy, productive employee relations.

## **CHECKING YOUR ORGANIZATION'S VITAL SIGNS**

Organizations, like humans, can suffer from a variety of maladies, which are often difficult to diagnose. Sometimes there is limited awareness of a problem, and sometimes no one is willing to acknowledge it. Causes can range from benevolent neglect to vicious premeditated game-playing. No matter what the cause, organizational maladies rarely, if ever, improve over time. Instead, benign neglect usually results in a degenerative sense of drift and a high degree of frustration, which may get expressed in unusual ways.

Over the years, experience and expertise in organizational diagnostics point to the vital signs of organization disfunctionality:

- **Organizational Structure** The architectural principle of "form follows function" is the

first consideration. If the work has not been properly analyzed and assigned, it is difficult to identify problems of efficiency and effectiveness. Without regular re-examination of the effects of organizational change, work sometimes gets sub-divided and assigned based on personalities and individual interests rather than functional-relatedness. For example, a supervisor leaves and the manager decides to realign the supervisor's previous functions among others. This, of course, can be appropriate, but it can also result in the residual functions being re-aligned based on who wants to do what or who we think can't work with someone else rather than based on aligning kindred functions logically and systematically.

- **Communications** This, of course, is a complicated subject because there are many aspects to communications. All too often managers don't take the time and effort to analyze what's happening within the organization's communication systems: Vertical, horizontal, formal, informal, oral, written, conventional, electronic, etc. Some of these may be working well while others are failing miserably. Meetings are one area of common vulnerability, where endless hours are spent with little productivity.

- **Decision-Making** This is a classical organizational vital sign. Tracking how decisions get made or fail to get made is a tell-tale sign of organizational malaise. Implicit in decision-making networks and PERT charts is the issue of accountability. Authority, responsibility, and accountability often get confused, and there is little accountability—little evidence of significant sanctions when designated leaders fail to deliver on specific project results.

- **Role Definition** Like organizational structure, how position roles are defined and executed is critical to organizational effectiveness. Articulating and understanding authority, responsibility, and accountability as it relates to the organizational roles various positions are expected to perform is as important as having each part of the orchestra understand how each contributes to the harmony of the whole and how important timing is to a great and powerful sound. Poorly defined roles can result in excessive staffing costs, inaccurate assessments of individual performance, and a variety of other distractions that are not the real problem.

If you're uncertain whether your organization is properly conditioned and tuned up for top performance, give us a call. We can help give you a clear picture of what's working and what's not and, most importantly, help you develop innovative, workable solutions.

# **SIGNS OF THE TIMES**

In this time of confusion and uncertainty, we thought it would be both informative and entertaining to consider some political insights from the past.

"If you don't read the newspaper you are uninformed; if you do read the newspaper you are misinformed." Mark Twain

"I contend that for a nation to try to tax itself into prosperity is like a man standing in a bucket and trying to lift himself up by the handle." Winston Churchill

"A government which robs Peter to pay Paul can always depend on the support of Paul." George Bernard Shaw

"Government's view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it." Ronald Reagan

"I don't make jokes... I just watch the government and report the facts." Will Rogers

"In general, the art of government consists of taking as much money as possible from one party of the citizens to give to the other." Voltaire (1764)

"Just because you do not take an interest in politics doesn't mean politics won't take an interest in you!" Pericles (430 B.C.)

"The inherent vice of capitalism is the unequal sharing of the blessings. The inherent blessing of socialism is the equal sharing of misery." Winston Churchill

"The only difference between a tax man and a taxidermist is that the taxidermist leaves the skin." Mark Twain

AND THE BEST ONE.....

"A government big enough to give you everything you want, is strong enough to take everything you have." Thomas Jefferson

# TRASHING PERFORMANCE REVIEWS

Periodically business writers launch an all-out attack on performance reviews. Reviews are seen as ineffective by supervisors and employees alike, they contend. Reviews are simply a way for the supervisor to reaffirm her preconceived notions of the employee's lack of knowledge, skills, and abilities. The employee sees the process as a methodology for justifying meager pay increases and an opportunity for the boss to exercise his or her fault-finding skills. Unfortunately, such observations are true in organizations where reviews have no developmental component and where precious little time and effort is spent by the supervisor and the employee on the frontend of the cycle in the goal-setting process. This oversight is compounded by the tendency of supervisors—or call them managers if you like—to lie in wait for the end of the year rather than regularly coach employees on how they are doing and how they can do better.

A recent article on this subject and another on the great difficulty of giving honest feedback in general underscore why performance reviews get such a bad rap. More time and attention needs to be spent preparing supervisors to engage in productive leadership practices critical to joint-goal setting, day-to-day coaching, and performance discussions. As a recent article on the subject points out, mind-set is all important, and both supervisor and employee need to understand what the process is about and what it is not about.

To lead, supervisor need to get information and perspectives, not simply give direction. The key here is INTERVIEW, INTERVIEW, INTERVIEW. While we often think interviewing is something we do only with job applicants, we need to understand that interviewing is a fundamental data gathering skill for supervisors: "What, where, when, why, how, how so, for example, why do you feel that way, how would you approach the problem?" Information gained in response to such interviewing allows a leader to understand what motivates others. Tuning in to that motivation is what makes for solid joint effort, teamwork, and satisfaction for the employee and supervisor alike.

The classical functions of management are planning, organizing, staffing, directing, coordinating, communicating, and evaluating. Each of these commands many hours of reading, speaking, and writing in MBA programs. Let's not abandon the critical evaluative function of management simply because we have not expended the time and energy to equip supervisors to understand that their principal function in the evaluation process is not

to write the report card, but to have discussions that keep the employee engaged and motivated in how he or she does the job so that both can take joy in the satisfaction of a job well done, while learning and employing new knowledge and skill on a personal level. (Also see "Setting Goals—Managing Performance," this issue.)