

High Performers

By

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Stellar performance from individuals or a team is the goal in most organisations but identifying how to generate results and create the right kind of violence is complex. Here's the latest thinking on what works and the traps to avoid.

He was a top performer, on the fast track, and regularly delivering outstanding results in the professional services firm where he worked. But it came at a price. His demanding and insensitive behaviour often overstepped the mark and drove his colleagues up the wall. Eventually, he was counselled and told exactly how he was perceived by his workmates, which came as a complete surprise. A few months later, after some coaching and further counselling, the problem was under control.

Then there's the IT whizz who saw a fabulous future in the footsteps of Bill Gates, and modelled his own entrepreneurial business accordingly. Disconsolate when the business failed, he discovered his religious emulation of Gates was not actually going to work for an Australian geek with an IT start-up, no matter how many smarts he had, and he learned to trust his own style.

Those stars that burn bright in the business firmament can also run into trouble, either through poor personal skills and burnout, or a failure by management to handle them in the right way. The result can be a lack of motivation, a slump in performance or even resignation, it's a myth that fabulous performers simply glide effortlessly to the top of the corporate tree.

In fact, whether you're aiming for peak performance or trying to manage a bunch of intensely demanding but crucial employees in an era of skills shortages, you'll have your work cut out for you. Despite the torrents of information, there is no magic formula or set of rules to encourage and manage high performers. Trying too hard can even backfire.

Recent management literature and workplace research certainly provides some guidance on what can help and hinder efforts to foster a high-performance environment. While money motivates some, it's not usually top of the list for many dedicated employees, who have a more sophisticated set of values.

For knowledge workers in particular, there is a set of so-called intangibles that make a workplace more conducive to stellar work. Trust, autonomy, constant feedback and work that is meaningful are often identified by the experts as crucial indicators of these high-performing environments.

The challenge in many workplaces is how to codify these factors by incorporating them in performance-management systems that help rather than hinder top operators, at the same time as ensuring that individual needs are catered for.

Delivering Performance Management

In Australia we do have a tendency to think of performance management as a yearly appraisal and not much more. That's a common mistake, according to Dr. Julie Cugin, senior lecturer in organisational behaviour at the Australian School of Business (formerly the AGSM).

“Performance management is a big concept and part of what makes up a high-performance organisation. It's the process by which employees are trained and

developed to allow them to contribute to the plans and goals of the organisation,” she says. Appraisals form but one step out of four core areas, she adds.

The steps commonly associated with the process are:

1. Defining performance – this is where KPIs and the expectations of both parties are articulated.
2. Providing support – this may be in the form of skills development, coaching or mentoring, or ensuring the employee has adequate resources to meet goals.
3. Judgement and measuring – assessing how the employee has done in the objectives that were set, including performance appraisals.
4. Feeding back performance information – this is the feedback to employees on their work and whether their objectives have been met.

Although such steps define performance measurement, there are many reasons it does not always work out as planned in the real world of work, Cugin says.

“People perceive that it’s just about that third step, but it’s about developing an employee and [the other steps] can contradict themselves in some ways. If you are evaluating my performance, how open are you going to be when I say you are no good at this? And rewards are also involved. It’s an inherent flaw in the system. There’s a huge debate over whether the two [remuneration and appraisals] should be linked together in the same process.”

Organisations that fail to link their human resource management to strategy run a risk of wasting time and employee goodwill on systems and procedures that don’t deliver, she explains, and they certainly don’t encourage high performance.

“If you want strategic HR practices, levers such as appraisals have to be used to make decisions about training and identifying and retaining talent,” says Cugin, “and you

don't see many organisations with those practices these days. PM systems take time and money and management attention.”

Avoiding the Appraisal Traps

Critics point to a range of flaws in many performance appraisal systems, with poor feedback and unrealistic goals leaving employees demotivated, and a yearly chat often used as a substitute for regular communication between employee and manager on performance issues.

Aside from these, Cugin sees another worrying trend emerging in the way individual performance data is being scaled in a growing number of organisations.

More and more organisations are using ratings systems with a one-to-five rating being replaced by performing objectives. And then, to overlay that, all employees are placed in a bell curve. “You may achieve all your objectives, but a comparison is made about your performance with 400 other people in the organisation and you may only get an average or ‘performing as expected’, and your benefits will only be reflective of that position.”

The use of bell curve scaling is causing a lot of difficulties for managers who are trying to motivate their employees, who in turn find the system unfair.

“Those types of systems in the past were used by consultants,” Cugin says, “but now we are starting to see them permeate into Australian banks, insurance companies and professional service firms. And what this means is that there's a focus on managing out the tail of the bell curve and hiring new talent. So it's pushing performance standards and raising the bar.”

In addition, as Cogin points out, there's a potential trap with formal appraisals and other performance assessments which can end up eroding a top performer's morale.

"You can have objectives set for you and have performance indicators, and you have no control over them," she says. "So you may not have the resources to execute those objectives, or you can have no control over external factors such as legislative changes in the marketplace, which means you can't achieve your indicators."

High performers may be more vulnerable because they are particularly performance and results driven and a failure to match up to objectives, through no fault of their own, leaves them deflated and even more prone to moving jobs.

Evaluation Pitfalls

Among the more difficult problems with evaluating and rewarding high performance are some common psychological biases that cloud judgement.

The notion that we can measure individual performance accurately is a myth, according to US academic Jeffrey Pfeffer, professor of organisational behaviour and human resource management at Stanford University and a proponent of evidence-based management. He cites research showing that in appraisals, managers rate people they hired themselves more highly than they do others in their team.

The psychological traps include the "halo and horns" effect, where you can make a good or bad judgement about someone based on one attribute. Then there's confirmation error, described by Pfeffer, and good old stereotypes that effectively sway managers despite evidence to the contrary. Recency error occurs when recent performance rather than overall performance is used to rate an employee. All can impair the quality and efficiency of a performance management system, leaving the best performers either ignored or demotivated.

Managing Stars

Just as there are consistent attributes, qualities and behaviours that underpin elite performance in business, there are also characteristics that are unhelpful and counterproductive.

The Melbourne-based organisational psychologist Christopher Shen believes that many who aspire to high performance think that they can model themselves on those they admire. But copying others can be unhelpful and even detrimental, he says.

“We need to realise that the very principles that have facilitated or accelerated the performance of unique high achievers can actually hinder the progress of the majority of individuals,” he says.

“The problem lies in the reality that many of these high achievers demonstrate fairly extreme traits unique to them and to the situations they experience. They are motivated, shaped and influenced by unique drives and conditions.”

Passionate vs Driven

That said, managers may find it helps to think of high achievers in two categories. The first type, Shen explains, are passionate high performers who feel a powerful sense of engagement and absorption in their work. They do not feel the need to align with the norms of their society, but are usually quite comfortable trusting their intuition. They are not especially boastful, but instead are honest about their successes and achievements.

On the other hand, driven high performers do not feel as engaged, but instead almost feel an obligation to succeed. They are very sensitive to praise and criticism. They can be defensive and moody as well as sometimes inflate their abilities.

“Their performance and training is more erratic, sometimes incredibly intense, but also more likely to demonstrate burnout and exhaustion,” Shen says of the latter type.

Passionate high performers need a sense of autonomy. They should be permitted to flourish, without the imposition of deadlines and constraints. They should not be monitored too closely – and they do not respond well to either promises of rewards or threats of punishment. They need to be granted independence.

Driven high performers need to experience excitement and enthusiasm, but flourish when granted structure, with clear expectations. Nevertheless, these individuals should be encouraged to express, rather than repress or conceal, their concerns and doubts; otherwise, they can become increasingly defensive, and burnout is likely.

Top operators in the workplace face an increased risk of burnout. They have a tendency to set themselves ever more difficult targets, which become ever harder to achieve. Many end up suppressing their natural tendencies. Avoiding burnout for over-achievers, Shen says, involves two main options.

First, they should be granted more opportunities to express their natural inclinations. Examples include sharing their doubts with friends and colleagues; allowing them to experiment with their own ideas; and encouraging them to express their instincts and intuitions about what is best for them, rather than imposing rigid practices and principles.

Second, they could be given advice on how to improve their capacity to suppress their natural tendencies without experiencing burnout. Pleasant and exciting work experiences, for example, enhance the capacity to suppress impulses, but without

rising exhaustion. Just as importantly, these are people who should be encouraged to think about the bigger picture rather than obsessing about current projects.

Paying attention to their aspirations, Shen says, and what they would like to achieve if they were granted unmitigated control of their lives, tends to reduce burnout as well.

Of course, ensuring all these levers are in place is not easy for managers, who need to be comfortable with releasing control but also giving support to their star operators or teams. It's a balancing act that requires formal performance monitoring and reward along with informal development. More common sense than rocket science, it needs commitment and resources.

B Team Players

It's one thing to foster individual high performers but what about the star team, which can be made up of vastly different types of personalities? What is it that makes a high-performing team?

A study of team efficacy by Australian School of Business marketing lecturer Dr Tania Bucic and PhD student Linda Robinson is exploring the interdependencies at work in service organisation teams.

According to Dr Bucic, managers may simply put together groups of people with little regard to the team environment and how to get the best from the group.

Their research aims to provide evidence of what impacts on team performance, and to produce guidelines for managers on how to improve team effectiveness.

The researchers have come up with four components for team efficacy:

1. Task performance: interpreting past performance and applying it to future tasks;
2. Vicarious experience: learning from other teams' performance;
3. Motivation: how knowledge is shared, whether team members are encouraged, supported and given feedback;
4. Psychological safety: whether team members feel safe putting forward ideas and taking risks.

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