The Performance Wave – for effective evaluations
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Abstract

Are you a line manager\(^1\) who evaluates your own staff or do you work in human resources management supporting managers when they conduct performance evaluation? Then you will certainly be familiar with the common difficulties encountered when assessing performance. In this article we look at these difficulties and present an approach to supporting the task of enhancing performance while at the same time keeping in mind corporate objectives. The interaction model "The Performance Wave" which we describe shows how managers and staff may conduct a success-oriented dialogue on performance improvement.

Dialogue instead of diagnostics

Lots of organizations carry out annual staff interviews which frequently include features of performance assessment. Working as consultants in performance evaluation we are often told by managers and staff alike that the results of such interviews fail to meet with their objectives, i.e. maintaining good and improving poor performance. Instead, what comes out of such interviews is a great deal of self-justification and frustration as well as numerous conflicts.

One reason for this certainly is that the assessment of a person's achievement by means of three-, five- or seven-grade scales represents an oversimplification and generalisation of a complex and multifaceted issue. Especially when an employee has been negatively assessed he or she will feel that the evaluation is incorrect and start looking for examples that lead to a more positive evaluation. The evaluating manager, on the other hand, will look for evidence to disprove this assessment. Conflicts, mutual accusations and demotivation arise from this and prevent change rather than provoking it. This can lead to negative attitudes towards these interviews and – in the worst case – to the managers themselves.

\(^1\) From here on, we will speak of managers, meaning everyone responsible for carrying out performance interviews with their own employees.
So how can you intervene effectively to both recognize and maintain good performance and to discuss poor performance in a way which encourages change rather than preventing it?

In co-operation with managers we have developed an approach for such success-oriented interactions. The "Performance Wave" enables a target-oriented and open dialogue that focuses on improving the employees' future performance rather than on justifying past results.

**The wave as an illustration of variable performance**

An employee's performance is never constant over a one-year period. Due to various influences it frequently changes in the course of the year. The performance dialogue which takes place between the manager and the employee starts from this position. The manager and the employee talk about these differences in levels of performance with the aim of maintaining or enhancing positive points improving areas where there is potential for improvement.

![Employee performance]

We call those areas where employees performed particularly well "moments of excellence" and those where performance can be improved "areas for development". Both areas are discussed citing concrete situations. The manager decides which particular situations to highlight depending on their, the department's and the organization’s objectives.

The Performance Wave can be used to evaluate performance in general or to focus on specific areas. For example the manager could simply ask: "What do you consider your personal moments of excellence in the last year?", or more specifically: "What were your personal moments of excellence in the field of ‘personnel management’?"

**Shared responsibility**

Our experience shows that it is important for the dialogue that both the employee as well as the manager, think about concrete moments of excellence and development potentials beforehand, but that the employee should be the one to first identify their personal moments of excellence and areas for development, discuss them with the manager and, where relevant, look for solutions. The fact that it is the employee who brings up specific areas for development means that positive change is possible.

During these dialogues the manager's attitude is target- and result-oriented helping the employee to recognize his own success patterns and offering useful suggestions. To this end the manager asks questions, gives recognition for the employee's achievement and ideas and supports the latter's search for further improvements.
Based on the feedback given by the manager over the course of the past year, the employee should have a fair idea going into the discussion about the areas where the manager is satisfied with his performance where not. In our experience, both the employee and the manager tend to identify the same areas which need to be worked on. Having the employee themselves identify these areas leads to a stronger commitment to achieving the resulting goals. If the employee fails to recognize essential development potentials in spite of the manager's feedback given during the daily work routine, the manager will certainly have to add these. This may also be the case when the manager wants to strengthen certain areas which are critical for the team or corporation to achieve its targets.

Structure of the dialogue
Step 1: Identify “moments of excellence”

First of all the “moments of excellence” are identified. Then, the manager and the employee look at what contributed to this success. This is done for two reasons: to recognize the employee’s achievement, but also to allow him to learn from his own strengths. The questions below are useful both for preparing and for carrying out the appraisal.

![Figure 2: The Performance Wave showing “moments of excellence”](image)

Describing situations:
- What actual situations are we talking about? / What actually happened?
- What turned it into a personal moment of excellence? In what respect was this particular situation different from other situations?
- What was your own contribution to it? What did YOU do to turn it into a moment of excellence?

Possible agreements / relevant topic areas:
- What can you do to make sure that the things which already work well continue to work well (or even better) in the future?
- In which other situations could the things you have been successful at be helpful for you?

Following this concrete agreements are made and put in writing.

Step 2: Identifying “areas for development”

In the second step, “areas for development” are identified and discussed. This is where this approach differs greatly from conventional performance interviews. Instead of focusing on what isn’t working, the participants looks at things that have worked (at least a bit) and make use of them. Not until this point
do you begin to discuss what can be improved. This means that the focus of the discussion is on future optimization. Analyzing the problem is deliberately dispensed with as the crucial aspects of the problem are covered during the search for future optimization.

Describing situations
- What enabled you to perform to this level?
- What was your own contribution?

Possible ideas of improvement
- How would you and I notice that this issue had undergone an improvement? What would you notice, what would I notice? Who else would notice and how?
- Which of the things that worked at least a little bit can you do more of in the future?
- Which of the things you did during your moment of excellence can be applied in this situation?
- What would someone else do who can handle situations like this better? Which aspects could you adopt?
- What or who could assist you in doing so? How can you get this assistance?

Agreement and Setting Objectives
- What could be a first concrete step you could take?

A concrete agreement between the manager and the employee is made and put in writing at this stage too.

It may happen that the employee does not mention the “areas for development” the manager considers as being of importance. In this case it makes sense for the manager to add those development potentials which are likely to have the largest effect on the employee's performance and which are most suitable to support the targets of the team, the department or company.

If an employee sees entirely different “areas for development” than the manager, the employee may not be the right person for job, or simply have a radically different idea of how the job should be done. Here we would see the problems as by far exceeding the framework of the performance dialogue as we describe it here. This incongruity must then be used as a starting point for a different type of discussion. The questions that need to be clarified are now: How come our perceptions differ so enormously? On which aspects do we share an understanding? Who can assist us in developing a common understanding? If finding common ground proves difficult, a way needs to be found to end this working relationship in the best way possible. These discussions, which exceed the framework of the performance dialogue, should be conducted together with a third person such as the line manager, a member of human resources or the works council or an external facilitator.
**Step 3: Compliments**

At the end of the dialogue, all agreements are summarized and the manager informs human resources about any further training needs the employee may have. In addition to this, the manager gives the employee the following feedback:

1. Which of the things that I heard impressed me? What did I consider noteworthy?
2. Which of your strengths give me confidence that you will achieve your objectives?

Here it is important that the feedback given is not general but that it links directly and specifically to the employee and the arguments he put forward. In our experience this is not easy, however, it has the effect of strongly motivating and supporting the employee to achieve the objectives that have been set.

**Important aspects of implementation**

In this article we have explained the basic concept of the "Performance Wave". We regard the following points as essential when implementing such an instrument in an organization:

1. Organizations, which have not carried out performance assessment so far, will first have to identify just what they want to achieve by implementing such an instrument. We help the relevant groups of people such as the organization's management, personnel developers and work councils to define these objectives but we also talk with the users themselves, i.e. managers and staff.
2. In organizations where an instrument of performance evaluation is already being used, it is still important to review what goals are being pursued. After this we look at which elements of the existing instrument have worked well and helped to achieve the objectives. We then combine these elements with the "Performance Wave" and develop a new system that fits in with the organization's system.
3. The "Performance Wave" should be integrated in a process, as performance itself cannot be discussed at a purely individual level. A team's performance is the result of a multitude of individual achievements. Including team goals in the evaluation process always increases transparency and raises motivation.
4. Given that the organization set itself certain goals when deciding to use the instrument of "performance dialogue", it is important to collect the results at the end of each round of interviews and review them against these goals.

All this leads to a greater benefit for the organization.

**The “Performance Wave” improves the quality of performance dialogues**

Including the idea of the "Performance Wave" steers the discussion about performance in the desired direction. It departs from the notion of a discussion about deficits and the concept of sanction and reward. Instead, the wave represents a future-oriented model which builds on the employee's own resources and focuses on the objectives of the organization. An important difference is the fact that it relies on responsibility shared between the employee and the manager, which makes the employees themselves think more about their own performance.

The time devoted to the dialogues must be reasonable and practicable. In our experience the preparation of such an interaction presents a real challenge for both the manager and the employee. Using the “Performance Wave”, the dialogues take up less time and yield better results for all parties.