



TANZANITE

LEADERSHIP DEVELOPMENT™



**THE BEST
PERFORMANCE REVIEW
I'VE EVER SEEN**

www.tanzaniteleadership.com

The Best Performance Review I've Ever Seen

Performance metrics should mirror your goals, so people will do the things you actually want them to do.

Boy, have I seen a lot of performance reviews. They're basically the same things over and over. And we get an inordinate number of questions from clients asking for "a sample performance review template" they can emulate in their own business. Many executives have always managed and evaluated this way, to say nothing of how we pay and promote.

In the past few years, there's been a shift away from performance reviews. They're too time-consuming, and they simply don't work!

Performance reviews don't work because we don't ask employees what they do to advance our organizational and personal goals. We're not specific enough. Performance reviews don't work as they're currently devised.

The Importance of Expectations

My experience is that most employees do pretty well at hitting objectives if they know the specifics that are expected of them.

But here's the problem: Managers and executives do a lousy job of setting expectations.

Think about it: If employees are going to be evaluated based on attendance and productivity, they deserve to understand why. "Why do I need to be on time? I get my work done, so why does it matter?"

Businesses do a great job of creating volumes of requirements for employees; there's seemingly a rule for everything. But why? How do those requirements help us reach our individual goals?

Subjective vs Objective

The CFOs of the world tell us that performance reviews are necessary because they're objective. When we attribute numbers to the results, we objectively give raises and bonuses and measure performances.

This ideology buys into what I call The Myth of Objectivity™. Of course, everyone (especially CFOs) would love to see performances broken down into averages, medians, and charts. But that's not objective.

When a manager reviews an employee's performance, what really creates the difference between a 3.5 and a 4.0?

Answer: nothing. Therefore, the rating system isn't objective after all. And since it's subjective, it basically defeats the purpose of having a performance review to begin with.

(Yes, I know that ratings can effectively motivate salespeople and workers with repetitious jobs such as manufacturing, but the latter will disappear soon, due to AI and robotics.)

The Best of the Best

The CEO of an insurance brokerage in Pasadena, CA, wrote the best performance review I've ever seen. I was sitting in a meeting with the CEO and his executive assistant, and we were reviewing our punch list. I could tell the CEO was getting a bit impatient, so I made this suggestion: "Let's take a break. My team can finish everything on our own."

Greg brightened up after I made my suggestion, and asked his assistant, "Remember what your performance review is based on?" She nodded.

Now he'd piqued my curiosity. "What's your performance based on?" I asked her.

"My performance and salary increase are based on the number of times Greg gets to golf every month," she said. "If he plays at least eight times a month, I get a good performance review and a 10% salary increase at the end of the year."

Then it hit me. It was the perfect performance review! I know many HR veterans are undoubtedly recovering from their fainting spells, but hear me out:

The criteria were clear.

Melissa understood exactly what was expected of her, and she was easily able to repeat her goals.

The goal was measurable.

Eight rounds of golf per month (or 96 per year)

It advanced the executive's goals and objectives.

Greg wanted to golf. It was a personal goal, and it was important to him. [Pro Tip: If you want people to do something, incentivize them.]

It allowed a talented person to innovate and work autonomously.

For Greg, it didn't matter how Melissa got him out on the golf course, just that she made it happen. So her performance wasn't tied up in minutiae; it was solely focused on the end result. In other words, she had permission to do whatever she needed to do to get him golfing.

Melissa became a more effective assistant, because every interaction she had factored into that goal. And she was a much more effective gatekeeper. ("Does that person really need to have a meeting with Greg, or can I handle it?")

Summary

Rethink your 15-page form for performance reviews. What do you truly want that person to do? What's the end goal? Can't we simplify things, and make our objectives attainable, measurable, and real? The answer: Yes, we can. But then the question becomes, "Are we willing to break through the mentality that We've always Done It This Way?"

Over the next decade, businesses who are willing and able to change are going to become winners. Your formula for success doesn't involve being stuck in the past.

About Tanzanite Leadership Development

Contemporary leadership for today's leaders.

Tanzanite is created by leaders for leaders. We didn't study leadership in a classroom, or are regurgitating someone else's content; we have and continue to lead people every day.

Thus we are uniquely situated to understand and design programs and concepts for today's leaders.

Whether you're a person looking to develop your leadership skills or an organization looking to elevate your management team, we have a unique process designed with a simple concept: *One Size Fits One.*

This isn't simply taking a generic class. We're here to work with your innate skills, talents and needs. We're a holistic solution to upgrading your leadership skills. We provide dozens of trademarked tools that you can immediately apply to your own team as soon as you return from each workshop. These tools bridge the critical gap between concept and theory and actual practice.

For more information, please visit www.tanzaniteleadership.com



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