

# Execution *focus*

*The success of an organization depends on its ability to convert its plans into reality. One of the important components is the ability of its leaders to enable the success of the team by setting the context—providing the guidance and direction on what is most important for the company and why it is important.*

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## Performance Enablement

**Transitioning from traditional performance management to performance enablement**

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The uncertain, turbulent business environment today, is causing organizational changes that are changing the nature of work and work relationships, making them very different from the organizations of before.

A recent Gartner survey found that 82% of respondents want their employers to see them as complete people, not just as workers (Betterworks, 2022). Millennials today no longer are motivated by money alone and need organizations that provide them great work experiences and managers to partner with them in helping them in their growth and development.



Organizations need to take a more holistic approach in managing their human capital. The Great Resignation of 2020-21 has got organizations thinking about the changes they need to make. One of the important areas that has gained attention is the performance management systems. The performance management systems have more or less remained unchanged for years despite the fact that it impacts every single employee, their work lives and careers (Colquitt,2017). Organizations need to examine their performance management systems, which have traditionally been used, more as a power tool that lies in their hands to control and coerce employees. Traditional PM and reward systems rely heavily on extrinsic rewards like carrots and sticks to motivate and align employees with the goals of the company and this form of control is not suited to the current business environment (Colquitt,2017)

Many organizations may agree that the PMS doesn't necessarily achieve what it was set out to achieve hence they need to step back and take a hard look at it and make changes to suit the existing business environment and changing needs of their employees. Evolved organizations are moving towards performance enablement which they realise is the need of the hour as it helps build their employees and their businesses.

**"Always treat your employees exactly as you want them to treat your best customers."  
Stephen R. Covey**

Performance enablement involves aligning the employees goals to the larger organizational goals, giving them a context and purpose, coaching and giving regular feedback and finally helping in employee development and the achievement of their goals. It is an emerging model that helps companies foster employee experiences that increase alignment, productivity and retention. (Goldberg and Chellapa,2022)

The traditional performance management system is static and looks backwards and may not be able to recognise the full potential of the employee (Betterworks,2022), as important aspects may get missed out when you do a review once or twice a year only. However the continuous and evolving process of performance enablement, on the other hand, not only helps the employee achieve his/her potential but also acknowledges it (Betterworks,2022).

Unlike the traditional PMS, performance enablement involves regular feedback, guiding the employees in their progress, to reach their set goal. There is a lot more transparency as the feedback is given continuously and in real time hence biases are reduced drastically. From a manager perspective employees begin to view their managers more positively as a resource for their development instead of being the one who is critiquing and standing in their way of success. (Betterworks ,2022). As the manager is in constant communication with his subordinates there is also a level of trust that is developed in the manager (Betterworks ,2022)

**“Leaders in an execution culture design strategies that are more road maps than rigid paths”**  
**Ram Charan**

Performance enablement is also a form of an control mechanism but unlike the traditional PMS which is coercive this is an enabling one that is more informal , provides support and guidance to the employees and relies on intrinsic motivation (Colquitt,2017) . He indicates that performance management should involve the employees in the process of setting goals to get buy -ins and they

should have the ability to make changes in their strategies and focus areas depending on the situation.

We at Metis feel that organizations must also not ignore or forget to understand the impact of culture on their HR practices, in this case performance enablement plans. Based on Hofstde’s (1980) model, India is a collectivist and high power distance country and this has implications on how performance reviews are conducted. In a collectivistic country the kind of relationship the subordinate has with the manager may influence his or her rating and also managers in order to maintain harmony may not be forthright and give genuine feedback lest it hurt feelings. This would actually be counterproductive. Hence a formal once a year review may not work as well in collectivistic countries as an ongoing informal enabling process that requires you to meet at regular intervals and coach the employees.

In the current business scenario where managers are working with employees from across the globe it’s really important for both parties to get a perspective on the facets of the culture the other belongs to. There needs to be a fit between the cultural values and the characteristics of the performance appraisal followed by an organization (Peretz & Fried,2016). The foundations of PMS were developed in individualistic countries and the researchers ask if these could be blindly applied to other countries especially those with a collectivistic orientation.

A study conducted by (Ramamoorthy,2019) ,looked at the way managers attribute causes to poor performance in different cultures. They indicated that a manager in a highly collectivist country like China, tends to rate a poor performing employee higher than one from a moderately collectivist country like India or an individualistic country like the US. In an individualistic country managers tend to rate their employees based on internal attributions like effort and skill and the individual is held accountable for what s/he does. However in a collectivistic culture , there is a tendency to make external attributions to situations like underperformance. They also found ,for the identical level of performance, managers from different countries rated the employees differently, hence the need to focus on the cultural context of the employees and managers.

## Ways to Enable Performance

### 1) Train and Empower the managers

Managers are extremely crucial in the performance enablement process but most are not equipped with the skills needed to make it a success. Organizations need to provide them with the necessary training and also help them prioritize their work so they move from basic operational to more strategic tasks and become coaches to their employees.

### 2) Provide guidance and direction to set the context for purpose

Employees need to be aware of their managers expectations so that they can work towards achieving their goals. Their goals need to be aligned to the larger company goals and they need to have access to the objective and key result areas so as to be able to measure their progress. Employees also need to feel that they work is contributing to a larger purpose.

### 3) Improve performance through coaching, feedback and support

Checking in on employees on a regular basis and providing real time feedback can help employees fix problems and get back on track before it's too late. Coaching them and providing support boosts confidence and motivation in them besides creating a bond and sense of togetherness.

### 4) Make ongoing learning and development an important focus area

Under performance enablement, managers need to encourage their employees to continuously learn and develop their skills. Managers need to be trained to point out learning opportunities to their employees on a day to day basis and also opportunities that will further their growth in their careers. Employees need to be engaged in development programs on a continuous basis to upskill and prepare themselves for future roles.

5) Use Data to help employees progress

Managers can use performance data points as objective feedback for their employees to indicate their progress and hold them accountable. This can also be used to identify what skills need to be developed besides recognising the employee for the jobs well done.

6) Leverage enabling technologies:

- Execute - Execute strategy by educating employees on goals and context
- Enable- Provide a supportive environment through coaching and use tools for real time developmental feedback from managers and peers and use it to connect with mentors
- Engage- Through social collaboration tools, connect people and recognise employees for work done to increase engagement

7) Provide the necessary resources to perform

When an employee is underperforming most often one assumes the fault lies with the employee. It could however be an issue with the structure, process and systems and not due to lack of skills or motivation. Managers need to ask if the employee has all the tools and resources needed to perform the job efficiently and if there is any support the manager or the organization can provide to improve the experience.

Source: Betterworks (2022); Goldberg&Chellapa (2022); Ismail (2022)

## Two examples of companies that have moved to performance enablement

### Google

In May 2022, google announced on their website that if one was joining them, their manager would look at their career and progression using a new approach called Googler Reviews and Development (GRAD), which will focus on employee development, learning and progression throughout the year. They used to have a performance management review which was formal and ratings were given twice a year. The company after taking into account employee feedback, understanding global trends and industry best practices decided to evolve their processes and bring in fairness and consistency, to give their employees a great work experience.



The Build Your Future at Google website illustrates what the updated process will involve

- 1) Expectations, feedback and check-ins: To align on the work that's most important, employees and managers will align on expectations and there will be feedback and check-ins throughout the year. One of the check-ins will be focused on learning and career development at Google.
- 2) Promotions: Promotions will happen twice a year and we'll continue to invest in new ways for Googlers to grow their career through internal mobility.
- 3) Reviews and ratings: Performance ratings will happen once a year and our new rating scale will reflect the fact that most Googlers deliver significant impact every day.

This Googler Review and Development approach will help employees stay focused on what matters most while developing their careers.

## Adobe

Adobe as far back as 2012 replaced their traditional formal annual performance review and ratings with a more an approach called Check-Ins. This was based on feedback from employees who thought the earlier process was bureaucratic and draining besides making them feel undervalued. It also impacted collaboration in teams .



Adobe decided that they shouldn't wait till the end of the year to share feedback but must make it an ongoing process all year round where managers have regular conversations and give feedback. It's a two-way conversation between the manager and the employees about their performance, what's going well what can improve , how they can increase business, how they can learn and grow in their career etc. . The fact that this approach is working can be understood from the positive feedback received from the employees

Adobe states that since they have grown multifold, they have launched a digitally-enabled Check-in to keep the focus on ongoing conversations, but with a consistent, centralized place for their employees to document goals, discuss performance with their managers, and map career aspirations.



## Conclusion

Performance enablement is a break free from the traditional system and can be used as a means of fulfilling the job as well as social and psychological needs of the employees while achieving great business results. If used well, it will help engage, attract and retain talent, providing them with a great work experience, a much needed leverage for companies today.

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