IMPROVING STAFF PERFORMANCE THROUGH MANAGEMENT DEVELOPMENT

Graham Clay-Director
OBJECTIVE

To persuade you that improvement in staff performance requires a significant investment of time and resource in management development programs that include improving conversational skills.
OVERVIEW

- Review relevant research
- Consider some useful models
- The role of annual performance reviews
- The importance of embedding performance management into everyday conversations
- Managing poor performance
- Some best practice examples
RESEARCH (1)

DDI research results based on 5000 Australian Business leaders found:

- 55% reply on their own ideas and don’t seek other options
- 45% fail to check if their assumptions are true
- 50% displayed poor listening skills
- About 50% left meetings without clarifying the next steps
Bruce Watt, the managing director of DDI Australia who undertook this research study said: “In my view, it is important to train people to interact successfully and to conduct a discussion. People are not naturally gifted with these abilities”

✓ The key word is TRAIN
HOW CAN MANAGERS ACHIEVE HIGH PERFORMANCE?
THE IDEA STAFF MEMBER

Like the two hockey players managers ideally would like all staff to be:

❖ Engaged in their work
❖ Highly motivated
❖ Clear about what needs to be done

AND

❖ Determined to succeed
LESSONS - SPORT COACHES

- Encourage and motivate the team
- Set goals in consultation with the team
- Praise in public, criticize in private
- Try to match ability to position
- Develop set plays, and change roles
- Evaluate individual performance and replace poor performers
ANNUAL PERFORMANCE REVIEWS

A key tool for improving performance because:

- A chance to review past performance and hopefully to give positive feedback
- The time to set objectives in accordance with organisational strategy and plans
- The staff member’s opportunity to raise their support and professional development needs

Done well it is a positive experience - Is it done well?
Best Practice Australia is the leading company in health industry staff surveys.

Their data base consists of over 250,000 staff respondents.

Next 2 slides shows results from 2 key questions about performance reviews.
My manager conducts an annual performance review with me.

### Sector Norms

- **Private Healthcare - For-Profit**
  - (21,044 respondents)
  - 59%

- **Private Healthcare - Non-Profit**
  - (40,772 respondents)
  - 59%

- **Non-Profit: Health, Community & Social**
  - (110,661 respondents)
  - 58%

- **Health, Community & Social Services**
  - (218,007 respondents)
  - 55%

- **Public Healthcare - Non-Profit**
  - (24,288 respondents)
  - 54%

- **Public Healthcare - Govt**
  - (68,806 respondents)
  - 45%
My manager is prepared to address poor performance in a constructive manner

### Sector Norms

- **Non-Profit : Health, Community & Social (112,234 respondents)**: 55%
- **Private Healthcare - Non-Profit (40,653 respondents)**: 54%
- **Public Healthcare - Non-Profit (24,369 respondents)**: 54%
- **Health, Community & Social Services (219,731 respondents)**: 53%
- **Private Healthcare - For-Profit (21,125 respondents)**: 52%
- **Public Healthcare - Govt (68,776 respondents)**: 48%
WHY PERFORMANCE REVIEWS OFTEN FAIL (1)

- Lack of executive commitment
- Poor culture resulting for a lack of effective leadership
- Organisation fails to establish core values and behavioural expectations
WHY PERFORMANCE REVIEWS OFTEN FAIL (2)

- Lack of strategic direction and operational plans
- Forms too long resulting in conversational time being compromised
- Managers lack the skills to build rapport, motivate and engage their staff
BASIC MODEL FOR PM
QUARTERLY REVIEW
HELP US HELP YOU GET WHAT YOU NEED AT WORK
What would you like to include MORE of in your workplace?
What would you like to see LESS of in your workplace?
Where do you see that things could be BETTER?

DO MORE
You: ____________________________________________________________
Your Manager: __________________________________________________

DO LESS
You: ____________________________________________________________
Your Manager: __________________________________________________

DO BETTER
You: ____________________________________________________________
Your Manager: __________________________________________________

ACTION PLAN
_________________________________________________________________
_________________________________________________________________
_________________________________________________________________
_________________________________________________________________

_________________________________________________________________
_________________________________________________________________
_________________________________________________________________

_________________________________________________________________

STAFF ___________________________ MANAGER ___________________________ DATE ___________________________
### STAFF DEVELOPMENT & KPI's:

<table>
<thead>
<tr>
<th>Mandatory Employee Core Competencies</th>
<th>Achieved</th>
<th>Not Achieved</th>
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</thead>
<tbody>
<tr>
<td>• Infection Control</td>
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<tr>
<td>• Workplace Health &amp; Safety</td>
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<tr>
<td>• Manual Manual Lift/Manual Handling/Ergonomics</td>
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<td>• Quality Improvement AND Customer service</td>
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<tr>
<td>• Fire Training</td>
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<td>• Evacuation</td>
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<td>• CPR assessment</td>
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<tr>
<td><strong>NURSING ONLY</strong></td>
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<tr>
<td>• Pharmacology assessment</td>
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<tr>
<td>• Trend – Inter-rater reliability</td>
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### ANNUAL SKILL CHECKS (Department specific)

- [ ]
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- [ ]

Hours of paid in-service attendance _______ hours

Hours of unpaid in-service attendance _______ hours

Evidence sighted by: ________________________________

Designation: __________________ Date: ______________

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**SUMMARY:**
________________________
________________________
________________________
________________________
________________________

Both parties are to sign (at the time of the performance discussion) to acknowledge and confirm mutual agreement on the contents of this performance discussion.

**Employee Signature**
________________________

**Manager Signature**
________________________

**Date**
________________________

Manager to complete: ( ) Copy to Manager (Action plan only) ☐ Copy to employee ☐ Original to file ☐
TIPS FOR ANNUAL REVIEWS

❖ Make the forms as short as possible
❖ Use different tools for management performance plans
❖ Set 90+% completion of staff reviews as a KPI for all managers
❖ Only set 1 or 2 “Stretch Targets”
❖ Spend time on how to measure results and ensure it happens
EVERYDAY CONVERSATIONS

- “Our lives succeed or fail one conversation at a time”—Susan Scott author of “Fierce Conversations”

- Research finds that managers are not naturally good at conversations

- Annual reviews are important but not enough

- Quarterly reviews are better; however Susan Scott says that every conversation matters
SUCCESSFUL MANAGERS

Successful managers are able to:

- Set down clear expectations; are authoritative without being authoritarian
- Set aside their egos and act as coach and mentor
- Behave consistently, show empathy and build rapport
- Demonstrate high level conversational skills
- Learn through reflection
Some Useful References:

- Dr David Rock-SCARF
- Quint Studer-Hardwiring Excellence
- Susan Scott-Fierce Conversations
- Jim Collins-Good to Great and Level 5 leadership
The Human Brain is organised to *minimise danger (avoid)* and to *maximise reward (engage)*.

5 Key factors impact on motivation:
- Status
- Certainty
- Autonomy
- Relatedness
- Fairness
Negative feedback can threaten status and provoke a fight response.

Positive feedback increases status and engagement.
Lack of clarity about manager’s expectations creates a danger response

Performance feedback and communication reduces uncertainty
Micro management of staff takes away autonomy and increases stress

Good managers allow maximum choice within boundaries
Some managers fear being “too friendly”

Team building activities help create relatedness

Relatedness-Sense of Tribe
Lack of rules, no clear goals and arbitrary criticism is seen as unfair and staff feel undervalued.

Tolerating poor performers is seen as unfair.
STUDER FOUNDATION (1)

- More common in Australian private hospitals but starting in Public health
- Strong focus on quality of care to achieve growth and commercial success
- Strong focus on achieving quality through staff engagement and performance management
- Promotes managing out of poor performers
STUDER FOUNDATION (2)

- Promotes leadership development with a strong focus on leadership coaching
- Uses coaching techniques in leadership development to improve conversational skills
- Promotes the concept of patient and staff “rounding”, requiring managers and staff to be good at every day conversations
BALANCED SCORECARD FRAMEWORK

People  Service  Quality & Safety  Finance  Growth  Community
## OPERATIONAL OUTCOMES

<table>
<thead>
<tr>
<th>Quality</th>
<th>People</th>
<th>Finance</th>
<th>Service</th>
<th>Growth</th>
<th>Community</th>
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</thead>
<tbody>
<tr>
<td>VBP- Improved HCAHPS</td>
<td>Increased Employee Engagement</td>
<td>Maximize Reimbursement</td>
<td>Improved Patient Perception of Care</td>
<td>Higher volume</td>
<td>Increased Philanthropy</td>
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<tr>
<td>VBP-Improved Overall Core Measures</td>
<td>Reduced turnover</td>
<td>Improved operating income</td>
<td>Reduced claims</td>
<td>Increased revenue</td>
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<td>Decreased Preventable Readmissions</td>
<td>Reduced vacancies</td>
<td>Decreased cost per adjusted discharge</td>
<td>Reduced malpractice expense</td>
<td>Decreased left without treatment</td>
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<td>Increased Surgical Care Improvement</td>
<td>Reduced agency costs</td>
<td>Improved collections</td>
<td>Physician Engagement</td>
<td>Reduced no-shows</td>
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<td>Decreased Healthcare-Associated Infections</td>
<td>Reduced overtime</td>
<td>Reduced accounts receivable days</td>
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<td>Increased physician engagement</td>
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<td>Reduced LOS</td>
<td>Reduced physicals &amp; cost to orient</td>
<td>Reduced advertising costs</td>
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<td>Improved Mortality Index</td>
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<td>Decreased legal</td>
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<td>Decreased Med Errors</td>
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DIFFICULT CONVERSATIONS

- Most long term performance problems occur because managers avoid conflict
- Poor performers take disproportionate time
- Some managers will give direct feedback on poor performance but do it badly and violate one or more SCARF principles
- Difficult conversations require planning and practice
- Scott sets out 7 principles
WHY DO WE HAVE TO DO IT?

Delivering a difficult message is like throwing a hand grenade. Coated with sugar, thrown hard or soft, a hand grenade is still going to do some damage. But choosing not to deliver a difficult message is like hanging on to a hand grenade once you’ve pulled the pin.

Stone, Patton & Hean- Havard Negotiation Team
WHY DON’T WE DEAL WITH POOR PERFORMANCE?

- Fear of reaction
  - anger, tears, attack, making the situation worse
- Personal fear of conflict
- Fear of losing control of the situation, of self, of the outcome
- Fear of being labelled hard and unfair
- Lack of skills, training and assertive skills
- Lack of knowledge about what to do
DIFFICULT CONVERSATIONS (1)

Tips:

- Plan the conversation and determine the outcomes you would like.
- Be direct and specific, setting expectations.
- Acknowledge that the person might be feeling uncomfortable.
- Tune into your feelings and do not get angry.
DIFFICULT CONVERSATIONS (2)

- Establish an action plan and use coaching techniques.
- Coaching requires listening to the person’s story - don’t talk too much.
- Try to agree an action plan and monitor ongoing performance.
- Try to create as many choices as you possibly can.
BEYOND THE DIFFICULT CONVERSATION

- Substance abuse
- Ill health
- Disciplinary action

*It is important for line managers to seek advice from HR if they are uncertain*
BEST PRACTICE EXAMPLES (1)

Melbourne Health-Second largest public health service in Victoria with over 7000 staff. The organisation has five core values determined by staff. Typical management training includes:

- Managing Difficult Conversations
- Tips for Difficult Conversations and case studies
- Values training workshops
BEST PRACTICE EXAMPLES (2)

Eye and Ear Hospital—specialist public hospital in Victoria. Management trained in doing performance reviews includes:

- Treating staff performance as an ongoing event, not a once per year action
- Managers encourage employees to set goals and "own" their professional development
- Managers to provide feedback and use a coaching style of leadership
BEST PRACTICE EXAMPLES (3)

Uniting Care Health is a group of 5 hospitals, including the Wesley, one of Australia's largest private hospitals. Leadership programs include:

- In 2009 a 2 year post graduate qualification with Griffith University in Queensland was introduced
- Certificate covers: Values Based Leadership, Managing Others, Managing Projects and Managing Change
78 current and future leaders have graduated and 10 graduates have been internally promoted

Other management in-service programs cover topics such as:
- Leader as a coach
- Using targeted communication skills to build relationships
- Building and motivating teams
REFERENCES (1)

2. Best Practice Australia: www.bpanz.com
REFERENCES (2)

