



**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% rely 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

## RESEARCH (2)

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

The “Australian” Saturday 9 February 2013.

# 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

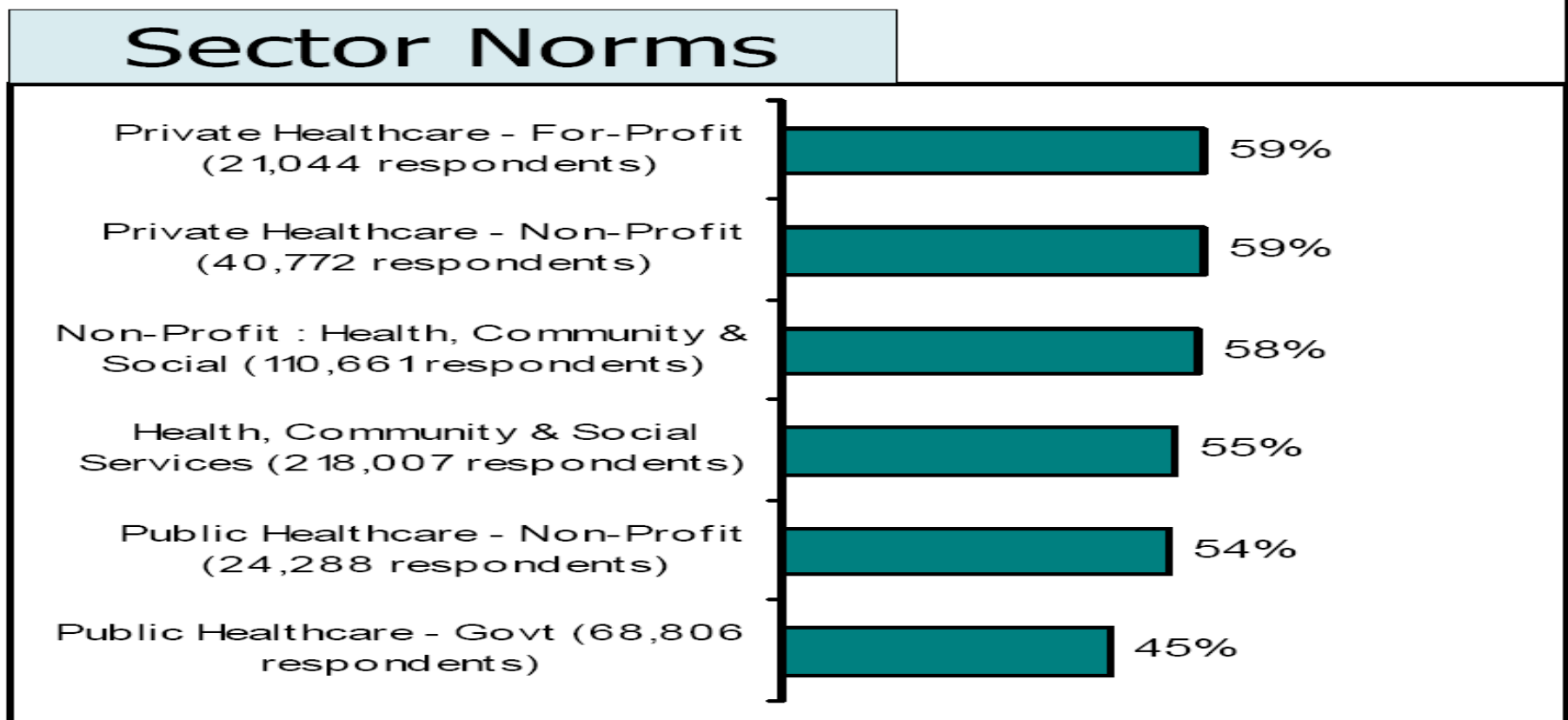
Done well it is a positive experience - Is it done well?

# BEST PRACTICE AUSTRALIA (1) (BPA)

- ❖ 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

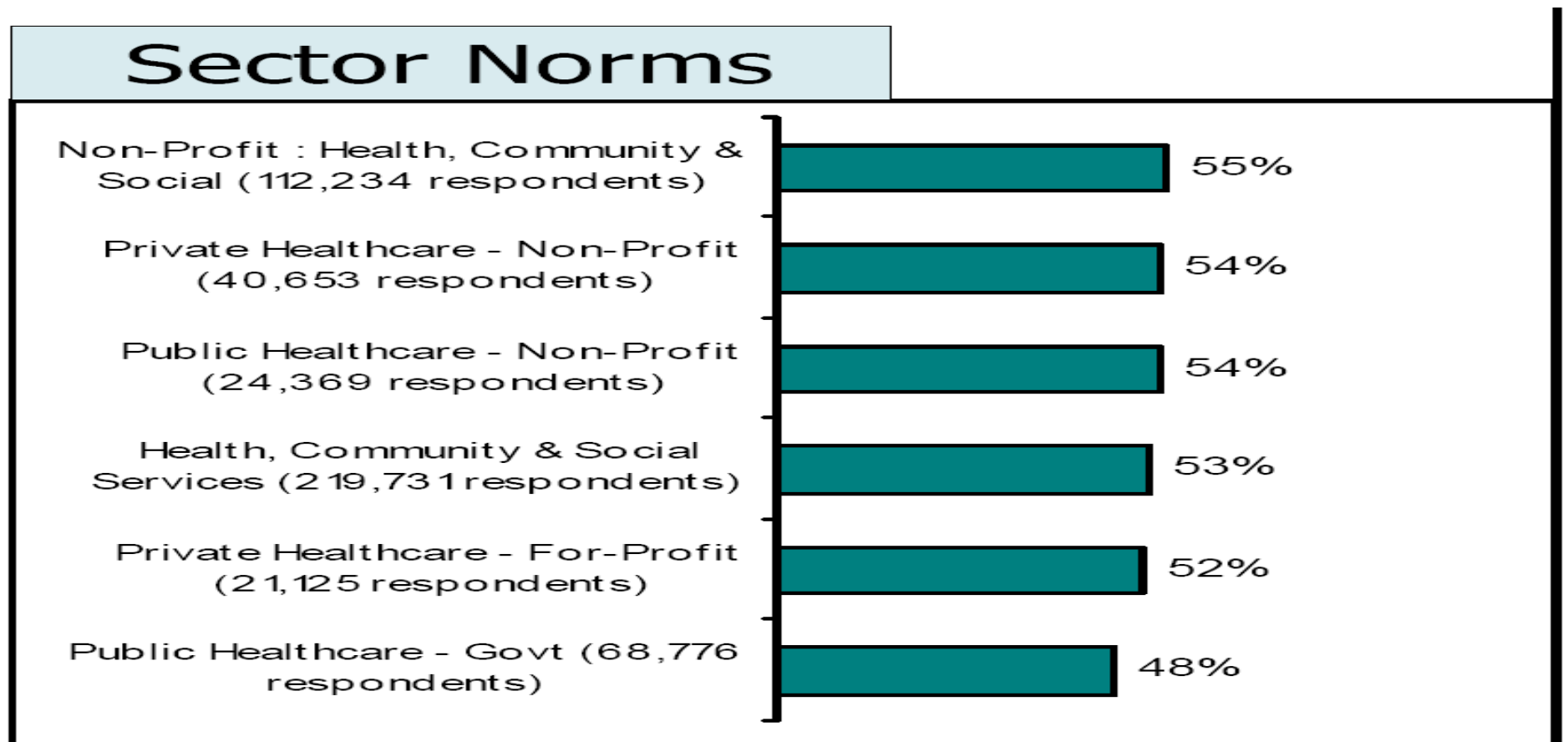
# BPA DATA ON PERFORMANCE (2)

*My manager conducts and annual performance review with me*



# BPA DATA ON PERFORMANCE (3)

*My manager is prepared to address poor performance in a constructive manner*



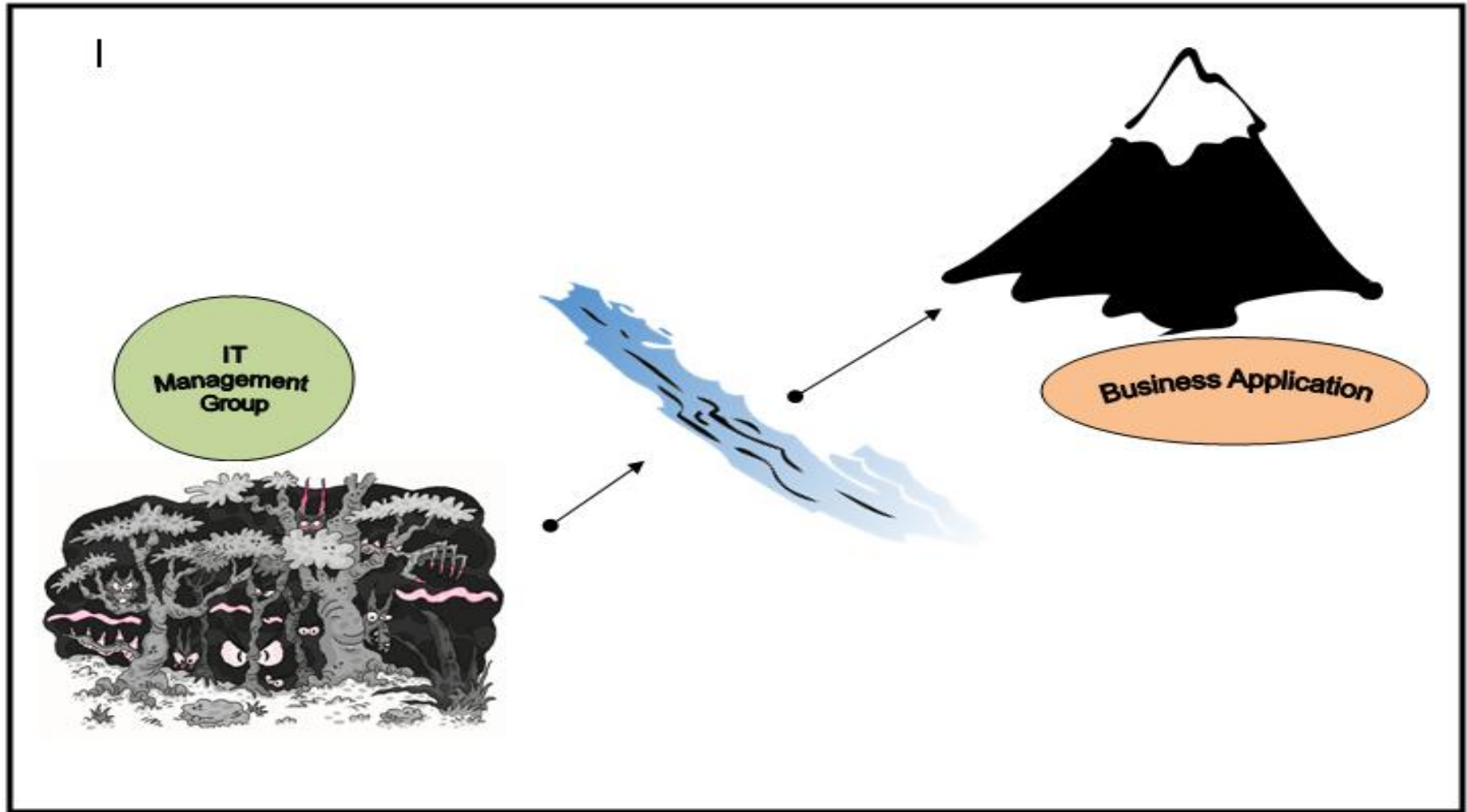
# WHY PERFORMANCE REVIEWS OFTEN FAIL (1)

- ❖ 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



## QUARTERLEY 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**?

Your happiness and your continued motivation to achieve your best is important to us. We would like to ensure that we are doing all that we can to give you what you need so that you will be happy at work. Please take the time to have a five minute chat with your Manager, telling them what it is that you want **MORE** of, what you want **LESS** of and what you would like to do **BETTER**. We would also like you tell your Manager what you would like **THEM** to do **MORE** of (M), **LESS** of (L), or **DO BETTER**(DB). Communication is a two way street, help us to make work better for you by using this MLDB sheet.

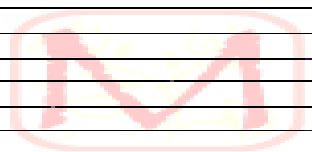
**DO MORE**

You: \_\_\_\_\_

\_\_\_\_\_

Your Manager: \_\_\_\_\_

\_\_\_\_\_



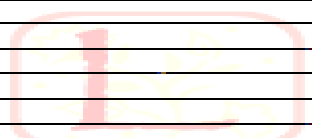
**DO LESS**

You: \_\_\_\_\_

\_\_\_\_\_

Your Manager: \_\_\_\_\_

\_\_\_\_\_



**DO BETTER**

You: \_\_\_\_\_

\_\_\_\_\_

Your Manager: \_\_\_\_\_

\_\_\_\_\_



**ACTION PLAN** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ **STAFF** \_\_\_\_\_ **MANAGER** \_\_\_\_\_ **DATE**



**STAFF DEVELOPMENT & KPI's:**

	Achieved	Not Achieved
<b>Mandatory Employee Core Competencies</b> <ul style="list-style-type: none"> <li>• Infection Control</li> <li>• Workplace Health &amp; Safety</li> <li>• Minimal Manual Lift/Manual Handling/Ergonomics</li> <li>• Quality Improvement AND Customer service</li> <li>• Fire Training</li> <li>• Evacuation</li> <li>• CPR assessment</li> </ul>		
<ul style="list-style-type: none"> <li>• NURSING ONLY</li> <li>• Pharmacology assessment</li> <li>• Trend – Inter-rater reliability</li> </ul>		
<b>ANNUAL SKILL CHECKS (Department specific)</b> <ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>		
Hours of paid in-service attendance _____ hours Hours of unpaid in-service attendance _____ hours Evidence sighted by: _____ Designation : _____ Date: _____		

**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

\_\_\_\_\_  
 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

# MODELS FOR SUCCESSFUL MANAGERS

Some Useful References:

- ❖ Dr David Rock-SCARF
- ❖ Quint Studer-Hardwiring Excellence
- ❖ Susan Scott-Fierce Conversations
- ❖ Jim Collins-Good to Great and Level 5 leadership

# D ROCK-SCARF MODEL

- ❖ 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

# STATUS-SOCIAL STANDING

Negative feedback  
can threaten status  
and provoke a fight  
response

Positive  
feedback  
increases  
status and  
engagement

# CERTAINTY-PREDICTABLE

Lack of clarity about manager's expectations creates a danger response

Performance feedback and communication reduces uncertainty



# AUTONOMY-DEGREE OF CONTROL

Micro management  
of staff takes away  
autonomy and  
increases stress

Good  
managers  
allow  
maximum  
choice within  
boundaries

# RELATEDNESS-SENSE OF TRIBE

Some managers fear  
being “too  
friendly”

Team building  
activities  
helps create  
relatedness

# FAIRNESS-EXCHANGE QUALITY

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



# OPERATIONAL OUTCOMES

Quality	People	Finance	Service	Growth	Community
<ul style="list-style-type: none"> <li>▼ VBP- Improved HCAHPS</li> <li>▼ VBP-Improved Overall Core Measures</li> <li>▼ Decreased Preventable Readmissions</li> <li>▼ Increased Surgical Care Improvement</li> <li>▼ Decreased Healthcare-Associated Infections</li> <li>▼ Reduced LOS</li> <li>▼ Improved Mortality Index</li> <li>▼ Decreased Med Errors</li> </ul>	<ul style="list-style-type: none"> <li>▼ Increased Employee Engagement</li> <li>▼ Reduced turnover</li> <li>▼ Reduced vacancies</li> <li>▼ Reduced agency costs</li> <li>▼ Reduced overtime</li> <li>▼ Reduced physicals &amp; cost to orient</li> </ul>	<ul style="list-style-type: none"> <li>▼ Maximize Reimbursement</li> <li>▼ Improved operating income</li> <li>▼ Decreased cost per adjusted discharge</li> <li>▼ Improved collections</li> <li>▼ Reduced accounts receivable days</li> <li>▼ Reduced advertising costs</li> <li>▼ Decreased legal</li> </ul>	<ul style="list-style-type: none"> <li>▼ Improved Patient Perception of Care</li> <li>▼ Reduced claims</li> <li>▼ Reduced malpractice expense</li> <li>▼ Physician Engagement</li> </ul>	<ul style="list-style-type: none"> <li>▼ Higher volume</li> <li>▼ Increased revenue</li> <li>▼ Decreased left without treatment</li> <li>▼ Reduced no-shows</li> <li>▼ Increased physician engagement</li> </ul>	<ul style="list-style-type: none"> <li>▼ Increased Philanthropy</li> </ul>

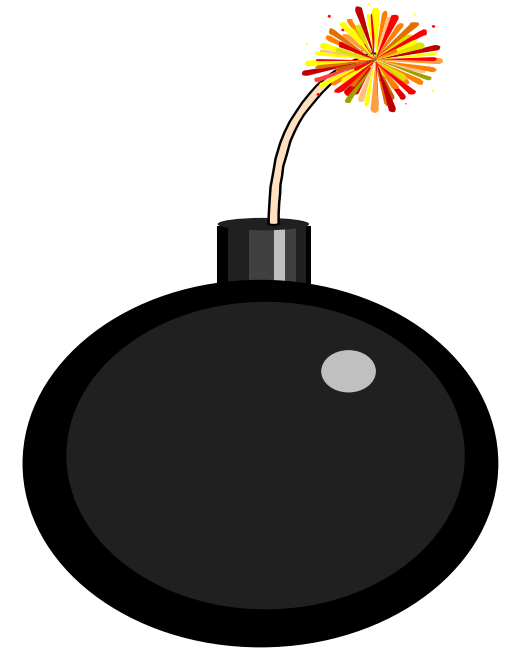
# DIFFICULT CONVERSATIONS

- ❖ 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- Harvard 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 possible 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 on ongoing event, not a once per year action
- Managers encourage to get employees to set goals and to 'own' their professional development
- Managers to provide feedback and the use a coaching style of leadership

# BEST PRACTICE EXAMPLES (3)

Uniting Care Health is 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



# BEST PRACTICE EXAMPLES (4)

- 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)

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2. Best Practice Australia: [www.bpanz.com](http://www.bpanz.com)
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