

## "If you want good employees, be a good employer:" A Performance Improvement System

*Dr. Bob Milligan, First printed in Learning Edge/ November 2021*

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We have been wondering what the "new normal" after COVID will look like. When it comes to employment, the picture is emerging. The hiring challenges before COVID are intensifying and workforce mobility is escalating. Some are calling this the "Great Resignation." There are no easy solutions, but I completely agree with a speaker at a recent conference I attended: "If you want good employees, be a good employer."

Over the next several months, I will address several topics on this theme. This month we address perhaps the greatest opportunity to improve your standing as an employer – a performance improvement system. Excellent feedback has the dual advantages of improved performance and increased engagement.

Let's start by comparing two performance conversations:

### Conversation 1:

Supervisor: Gene

Employee: George, a feeder

Gene: George, we must talk. I am concerned that you are becoming less accurate with the feed proportions. You must improve!

George: I don't understand. I don't see that I am doing anything different.

Gene: You must be more careful and concentrate on what you are doing.

George: I am doing that. What exactly should I change?

Gene: You just must concentrate more.

### Conversation 2:

Supervisor: Ted

Employee: Ashley. A feeder.

Ted: Ashley, I can't believe another month has passed. It is time for our monthly performance improvement discussion.

Ashley: I know, it has gone fast. It has been a good month.

Ted: Before we look at your performance numbers, do you have any issues you wish to discuss.

Ashley: Not this month

Ted: This has been a tough weather month. How did your results hold up?

Ashley: Pretty similar to last month. My performance exceeded the expectations we set on ingredient proportion variation. I was a little below expectation on completion time. I am certain it was due to the weather.

Ted: Excellent, especially given the weather we have had.

How would you compare the two conversations? Here are some of my comparisons:

- The biggest difference is that George received essentially no useful feedback compared to Ashley's participation in a performance improvement process.
- Ted and Ashley were talking about quantified measure of performance; Gene and George were not.
- The Ted and Ashley discussion was more informal and collaborative; Gene and George's was one way with George on the defensive.

When it comes to performance, employees have two key questions:

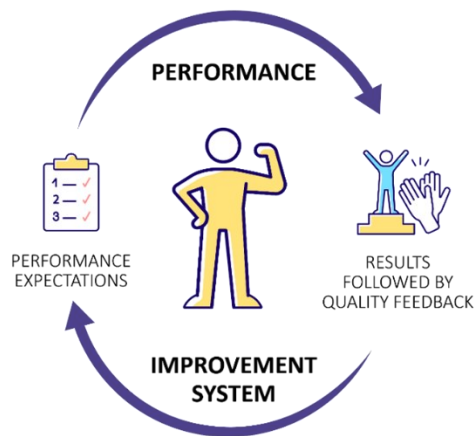
- 1: What performance is expected of me?
- 2: Am I meeting those expectations (Winning)?

The only think that was clear to George after his conversation with Gene was that he was not meeting expectations; unfortunately, he had no idea why. Ashely, on the other hand, know the expectations and was able to compare her performance to those expectations. She could answer both questions.

Let's use a football game to illustrate why measurable performance expectations are crucial to performance improvement. I am a University of Minnesota Gopher football fan. In a recent game we attended, the Gophers scored 31 points. Did they win? You do not know because you do not know how many points the opponent scored.

You are in the same predicament as most employees. Typically, employees are not provided clear expectations to know how they are doing – winning? This leaves them feeling more like George after his performance discussion.

Historically, around the world and in agriculture, the annual performance review has served a major role in performance feedback. Think about how useful it would be to know the opponents score for all the games only at the end of the season. I refer to the traditional form as the “dreaded annual performance review.” Every human resource expert that I know recommends that this annual meeting be eliminated or transformed (I am in the transformed camp) and replaced with a performance improvement system. The key to a performance improvement system is that it regularly answers the winning question and resets performance expectations while providing continuous feedback. Such a system is depicted in the diagram below that comes from my participation on the team developing the Cornell Agricultural Supervisory Leadership Certificate.



Structurally this system is like your animal and crop systems where you set goals, continually observe, analyze performance compared to those goals, and reset the goals. The crucial difference is that the performance improvement system works best when the employee is integrally involved and committed to the process and improvement.

The two sides of the diagram represent a focus on answering each of our two key employee performance questions:

1. The left side answers: What performance is expected of me?
2. The right-side answers: Am I meeting those expectations (Winning)?

I recommend that this system be implemented with three key components:

1. Frequent immediate feedback.
2. A regular feedback system focused on comparing actual and expected performance.
3. A development/career focused meeting – typically annual.

The first component is crucial because feedback does not age well. Just as you want to continually know the score when watching a game, employees want to continually know how they are performing. I have often written about the challenges of the dual role of a working manager – tasks and supervision. This component can be integrated with your task work, but it does require a change to identify and provide feedback on employee performance. Positive feedback is key with people, not so much with animals and crops.

The second component is more challenging for a working manager because it requires structure including a scheduled meeting with the employee. Working managers are very familiar with and comfortable with task structure – milking schedule, equipment maintenance, spray schedules, etc. That same commitment and priority must be applied to the regular meeting with employees. Think back to the conversation between Ted and Ashley. The regular, often monthly, meeting should be collegial and informal. I use the term informal formal meeting to illustrate that some structure is required, but the conversation should be informal and collaborative.

The meeting should have two major themes:

- Review actual performance vs. expected on the selected performance measures (keep the number small), discuss the results, and reset performance expectations.
- Address any issues brought forth by the supervisor or the employee. Recall Ted's question to Ashley: "Before we look at your performance numbers, do you have any issues you wish to discuss."

Because performance has been addressed as it happens, the Stay Meeting third component, a replacement for the traditional annual performance review, looks forward to address employee growth opportunities and career planning.

#### A Final Comment:

**A performance improvement system can increase performance and enhance engagement reducing the likelihood of turnover. Next month, we will continue this discussion focusing on large quantities of high-quality feedback.**

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