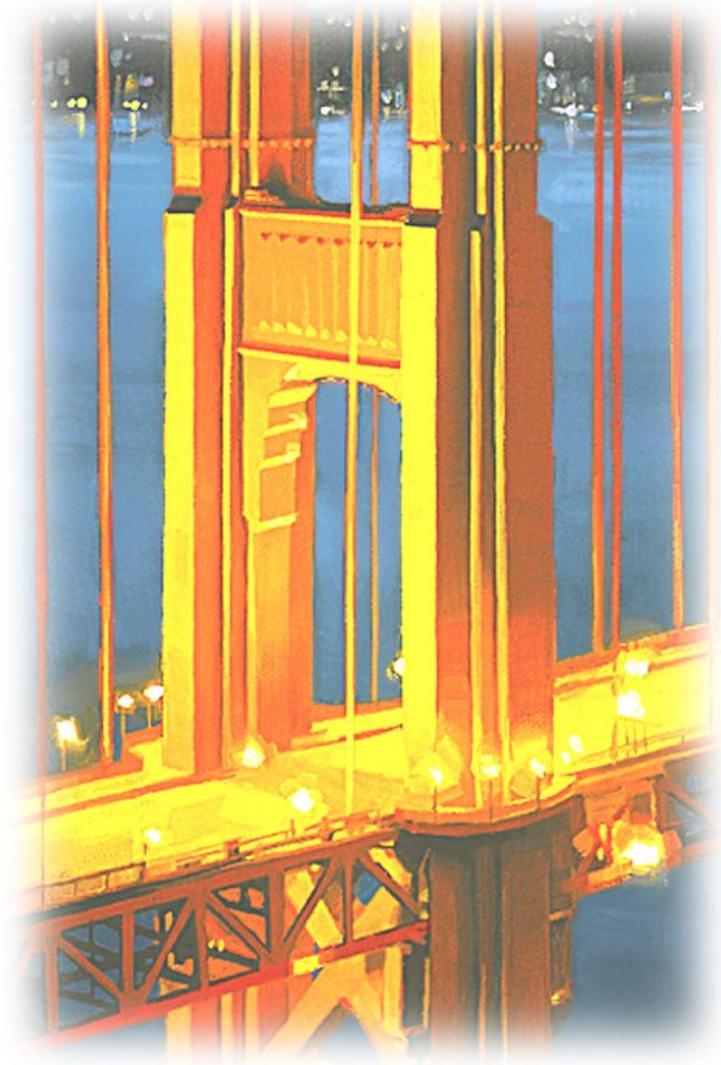

IDEABRIDGE



The IdeaBridge White Paper Series:
The Leadership Series:
Performance Standards



THE LEADERSHIP SERIES: PERFORMANCE STANDARDS

1

Summary

This article deals with the Leader's role in setting crystal-clear standards of performance. Until everyone understands with complete clarity and precision about their responsibilities and the Leader's performance expectations, high performance results will remain elusive.

Setting Performance Standards and Expectations

- Demand excellence from your people, and they will develop into people who will also demand excellence of themselves and the people they lead. Set "excellence" as the standard.
- When you strive for excellence, you prompt your people to shoot for the top. When a Leader's goal is acceptability rather than excellence, then even the best people in the organization will produce what is merely "acceptable" and the rest may not even produce that minimum. When excellence is the standard, the best will hit the mark, and the others will at least hit the board.
- Some misguided Leaders drop their Minimum Acceptable Performance Standards ("MAPS") to a level where everyone can meet them. No matter how minimal the effort, they still qualify. Is it any wonder their organizations don't achieve anything meaningful? Meeting the minimum is not only one step away from failure, but also a quantum leap from victory. Everywhere you look people are struggling, frustrated and dissatisfied.
- Superior Leaders recognize that *elevating* the MAPS is crucial to consistently superior performance. In looking at their standards, the Minimum Acceptable Performance Point ("MAPP") is almost indistinguishable from the Victory point. When their people meet the lowest requirement, they are still in position to win. But even if they fall beneath the MAPP, they are still a long way from failure.
- A Leader's actions become a model for the actions of his team. Further, the Leader's character sets the moral tone for the team. The standards he sets become the benchmark for the group. The people he favors become his flag-bearers. In all situations, the Leader is observed and copied; at all times, the Leader demonstrates preferred behavior by his own actions. The Leader sets the example...whether he intends to or not!
- A Leader must give positive acknowledgment and encouragement to the producers, and she must be careful not to reward the idle. Take a hard look at your team. Who and what are you rewarding?
- You may want to consider including some of these attributes into the required skillset of your managers: Manage change, establish plans, execute plans, compelling vision, inspiration, strategic ability, troop rallying, risk taking, taking charge, business practices and controls, results orientation, manages diversity, broad perspective, calm under fire, interpersonally sensitive, people skills. Add more based on your specific culture.
- The best managers want a routine that asks each employee to keep track of their own performance. Each employee becomes excited and involved in keeping track of their own progress toward their goals.



THE LEADERSHIP SERIES: PERFORMANCE STANDARDS

2

- Superior Performance is the key to independence of action. If you consistently put the numbers on the board and do the right things, then you earn the right to call your shots. If you don't perform, somebody has the right, the obligation, to make serious inquiries as to why you are behind plan and exactly what you intend to do about it.
- First, promote the people who are focused on increasing market share and who are willing to take risks to do so. This means that you will promote those who make mistakes and not promote the overly timid employees who prefer to take the traditional route of non-action. This both moves up the people who want to conquer their markets and forces security-minded people who want to be promoted, to take risks to advance their career.
- Everyone is focused on the goals, and excuses just slow down achievement. When success is the only measure, then excuses become irrelevant. Success is what you must measure things by. Everyone must recognize that some problems are harder than others, some markets are tougher and bad luck will ultimately occur. But these are all irrelevant. All the excuses in the world will not make up for a failed goal. The critical question is: What are you doing to fix this problem and meet your commitment? Now some people will claim that this is unfair. Yes, it is. But your competitors are not concerned about fairness and your stockholders are not concerned with fairness. We are only concerned with success. This success-oriented environment self-selects employees. The most successful will be the ones promoted, and the least successful are generally those who leave or are never hired in the first place.
- Stretch goals must be at least a 50% increase over expectation.
- It's performance that matters and it's performance that people concentrate on. Since no one will pay any attention to excuses, then no one will put much effort into formulating them and will instead concentrate on performance or immediately fixing problems.
- Carrying non-productive employees because they once did something useful is a reckless and damaging luxury that no company can afford. If an employee is no longer needed, then regardless of what they've accomplished or what they are capable of, they must be set free. People, no matter how good, should not be kept on the payroll if they are not adding value. Most managers end up failing when they avoid making these tough calls.
- Every meeting, every memo, every policy and every interaction should be driven by the same core objective: to advance the ball daily. To build profitable marketshare and to increase the value of the company daily. And you must fight as hard for the last 1 percent of the market as you fought for the first 10 percent. In every review, the first and most important question should be, "What have you done to increase your marketshare and build the value of your company?" Then drill-down deeper and ask, "What else could be done? How can we be more effective? What other markets can we attack? How can we be better? Where are we weak? Where are we strong and where are our competitors vulnerable?"
- This should characterize your style:
 - Demanding, but certainly able to be satisfied
 - Accessible, but not too familiar
 - Decisive, but willing to hear all sides first
 - Focused and intense, but flexible and understanding
 - Active and urgent, but not causing a commotion everywhere



THE LEADERSHIP SERIES: PERFORMANCE STANDARDS

3

- Willing to make the tough calls, but humane and caring
- A very low tolerance for failure to meet commitments will encourage people to be more realistic in what they promise to deliver.
- Rampant office politics is symptomatic of a weak leader. Don't waste your time, or permit others to waste their time in building fiefdoms and boundaries. Spend your time creating, planning and accomplishing. *Let your actions be your politics.* Be the last to know about rumors and juicy gossip. Don't get sucked in with the tantalizing details. Don't ask, don't answer, don't tell, and don't agree. Just say you need to focus on work. Just work.