## StandOut:

A team leader led approach to fueling engagement and accelerating performance.

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#### Too remedial. Too retrospective. Too static. Too irrelevant to the team leader. Too time-consuming.

>> Such are the complaints heard repeatedly about Performance Management and Engagement systems.

And these don't even touch on the biggest problem of all: current systems produce a tidal wave of unreliable data. The ratings they yield are based on the notion that, with enough time and training, managers (and peers) can become reliable raters of other people's skills and competencies. Sadly, that's not true. A large body of research reveals:

#### 61% of your manager's rating of you is a reflection of the manager, not of you.

Your organization, apparently unaware of this, then persists on paying you, training you, and promoting you—and everyone else in the organization—based on these flawed ratings.

Our Performance Management systems affect everything we do with our people—how we pay them, promote them, train them, and deploy them. So how can we address their stilted processes and flawed data, and build something better suited for our current talent needs?

Two years ago, our team set out to design an agile, future-focused system to accelerate performance and engagement, and, at the same time, generate reliable, real-time data. The result is StandOut, an integrated approach to fueling performance and engagement.

Here are the five design principles that enabled StandOut to break through the barriers of our legacy systems:



#### It's all about the Team Leader

StandOut was built for team leaders. Study performance inside any organization and one finding leaps out at you. It's an odd finding in that it is at once obvious and surprising, the sort of discovery that's as clear as day, and yet makes you realize that you've never seen it written about in the business press. This discovery is range—variation in performance between two teams in the same organization doing precisely the same kind of work. Whether that performance is measured as per person productivity, quality, employee engagement, customer satisfaction, accidents on the job, or lost workdays, and even if you study highly controlled environments, such as retail or manufacturing in which each 'team' has been carefully constructed to do exactly the same job in exactly the same way, you still find significant range in the performance metrics.

*These discoveries show that performance and engagement happen (or fail to happen) on a team.*  The organization can encourage the right climate and provide the right tools, but it's up to every team leader to create a micro-climate on their team, which then drives both performance and engagement.

Intuitively we know this. Work for a rotten boss inside a great company, and the experience of the boss trumps the experience of the company.

And yet current systems are not built for the team leader at all—they are built for the organization and for HR. For example, engagement surveys are infrequent, and the data goes first to HR, then to senior leadership, and only months later to the team leader—late, and irrelevant. Similarly, performance management systems coerce team leaders into doing a host of things that the best team leaders don't actually do. The best leaders don't set goals and then ask people to track their "completion percentage" on each goal. They don't rate people on prescribed lists of competencies. Nor do they write detailed performance reviews once or twice a year.

It's as if performance and engagement systems live in a parallel HR universe, cut off from the real world where actual team leaders grapple with the challenge of helping actual team members get actual work done.

StandOut was built expressly to **add speed and insight to the practices that the best team leaders do naturally.** 



#### Radically Frequent Check-Ins

It turns out we know a great deal about what the best team leaders do naturally. Study the most effective leaders—those whose teams have measurably higher performance and engagement scores—and you discover that they all share one simple ritual:

### Radically frequent check-ins about near-term future work.

These aren't team meetings. And they aren't laborious, preparation-filled conversations about feedback or to-do lists. No, these are 1-to-1 meetings about the work that the team member is about to do right now, and how the team leader can help. In fact, the two questions they ask in these check-ins are simply "What are your priorities this week?" and "How can I help?" And they do this because they know the goals set at the beginning of the year are irrelevant by the third week of the year, and so every week they know they've got to check in with each team member to tweak and adjust and course-correct, in real time.

This weekly cadence is very important. For the high-performing team leaders we study, a year is not a marathon, but is instead 52 weekly sprints. They don't check in once every six weeks, or once a quarter, because if you change the cadence, then you have to change what the check-in is about. At once every six weeks, it becomes simultaneously backward-looking and vague about the future. At once a week, it can stay futurefocused and specific to the work at hand.

StandOut gives team leaders a light-touch yet insightful way to check in with each team member about next week's sprint.



#### Less Feedback, More Coaching

In these check-ins, the team leader isn't giving the team member feedback on her personality or performance. These days, we always hear that managers should learn how to give feedback, that they should be better at receiving it, and specifically that "Millennials love feedback." None of this is true.

#### What people want more than feedback is attention in particular, coaching attention.

Indeed, a growing body of research shows that the brains of people receiving feedback interpret it as a threat—feedback sends us into "fight or flight" mode. Even when the feedback is delivered with great skill and caring, hackles go up. The best team leaders know that what people want more than feedback is attention—in particular, coaching attention. They don't tell a team member where she stands. Instead, they help her know how to get better.

And their coaching is explicitly strengthsbased. They know that the best way to help a person grow is to challenge him to identify and then leverage his strengths intelligently. His strengths—not his weaknesses—are his "areas for improvement," those areas where he will learn the most, grow the fastest and be most resilient.

StandOut helps team leaders to deliver **coaching focused on the strengths of each team member, and relevant to the work actually being done**.



#### An Engagement Pulse, Locally Triggered

In the real world, one of the most pressing questions for leaders is "How are my people feeling, right now?" This question preoccupies the team leader because all leaders need to know the 'mood of the troops.' And it preoccupies the organization as well since, as Gallup data reveals, highly engaged teams have 22% higher profitability, 21% higher productivity, 65% lower turnover, and 48% fewer safety incidents.

And yet our current employee engagement systems offer leaders and organizations little help: employee survey tools are launched from the center and are expressly designed to generate organizational-level data--only months later does the organization "cascade" the data down through the ranks. This is an entirely ineffective sequence because engagement is created (or not) at the team level, and so there's very little an organization can do from the center to affect it. With their focus on the organization engagement surveys are 'digging in the wrong place.' Even when the scores finally reach the team leader, they don't prove helpful. What team leaders want to know when they see their scores is "What can I personally do to make my team more engaged in and excited by their work?" They want practical ideas customized to their unique strengths as a leader, and to the engagement scores of their actual team. And they're right to want this. After all, we don't measure engagement for the sake of gathering data. We measure engagement so we can get more of it.

StandOut gives the team leader **immediate** results from a locally triggered engagement pulse, informed by strategies customized to that team leader's unique strengths.



Here are the eight questions that the StandOut platform uses to measure engagement.

#### We call these our Engagement Pulse:

Purpose	<b>1.</b> I am really enthusiastic about the mission of my company.
	<b>2.</b> At work, I clearly understand what is expected of me.
Excellence	<b>3.</b> In my team, I am surrounded by people who share my values.
	<b>4.</b> I have a chance to use my strengths every day at work.
Support	5. My teammates have my back.
	6. I know I will be recognized for excellent work.
Future	7. I have great confidence in my company's future.
	8. In my work, I am always challenged to grow.



#### Reliable Performance Ratings

Finally, the big bad data problem. We described this in detail in our HBR article, but it boils down to this: if we are all unreliable raters of other people's skills and performance, how can the organization ever have line-of-sight to the actual performance of each team member?

The answer, it turns out, is surprisingly simple: Since we will never be able to make people reliable raters of other people, we should stop trying.

Instead, we should measure, reliably and frequently, what each team leader intends to do with each team member. This we **can** do, because we are all reliable raters of our own intentions and feelings. So, to see the performance of each team member, all an organization needs is a short survey that asks team leaders (at least four times a year) a few very carefully worded questions about what they intend to do with each of their team members.



Here are the four questions that the StandOut platform uses to measure performance.

#### We call these our Performance Pulse:

#### 1. I always go to Marc when I need extraordinary results

(Asked on a 1-5 scale, this item measures a team leader's assessment of the person's productivity.)

#### 2. I choose to work with Marc as much as I possibly can.

(Asked on a 1-5 scale, this item measures a team leader's assessment of the person's teamwork.)

#### **3.** I would promote Marc today if I could.

(Asked on a Y/N scale, this item is the most reliable way to measure potential.)

4. I think Marc has a performance problem that I need to address immediately.

(Asked on a Y/N scale, this item is the most reliable way to reveal the presence of 'derailers.')

Aggregate the data from these questions and the organization will see, quarter by quarter, what the performance of each team member is, based on the person best qualified to judge it—the team leader.

No laborious reviews, no lists of competencies, no all-day calibration sessions. Just reliable data, collected locally at least four times a year, and aggregated centrally. The organization can then use this data to decide what it, in turn, wants to do with each team member.

StandOut collects performance data reliably, and as close to the action as possible, to provide raw material for talent decisions.



StandOut combines **1-on-1 coaching**, **strengths based education**, and an **agile technology** platform to give team leaders all they need to build extraordinarily productive teams. Clearly, the team leader is the focus. But with frequent, ongoing use by the team leader, this approach gives the organization direct line-of-sight into the performance and engagement of its most important unit: the team itself.

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