

The Implementation Challenge

With such compelling evidence, it would seem that performance management would be standard fare in almost every company, and implemented with great rigor. Yet, there are very few companies that have actually implemented or sustained a comprehensive performance management system.

To be sure, most companies can legitimately claim at least some elements of performance management. Many companies use performance management software to help support the process. Goal setting is commonplace and incentive programs are increasingly common. Performance reviews are often mandatory at least once a year in order for salary increases to be processed.

Managerial responses related to performance management often look more like compliance behavior rather than genuine commitment. If goals are late and performance reviews are only submitted after prodding by Human Resources, it is likely that there is an underlying commitment problem. Yet commitment is essential for full system implementation.

Very few companies implement a systemic complete approach, and therefore get results that fall short of the promise of performance management.

Why is this so? The answer lies in one simple reality: implementing a comprehensive performance management system requires an organizational culture built for performance management. No system can be implemented successfully if the underlying organizational culture does not support, or even demand it. And that is rarely the case for performance management.

Let's consider the core elements of a culture designed to generate optimal human performance.

