

# Human Performance Management (HPM)

## Chapter 2: *Managing* Human Resources: Leadership & Competence

### 2.1 Managing gains a new dimension

Motivating staff is one of the classical management tasks. But "HOW" is undergoing change. Manager behaviour patterns of "prescribing" tasks are still very widespread. The effects of this are pointed out in most recent studies: in the long term this behaviour is demotivating and even makes people ill. In addition, a new self-confident generation of staff is growing up who need to be led effectively into the 21st century. This gives leadership a new dimension if it no longer lays down, restricts and checks but initiates, gives situational support, identifies room to manoeuvre and promotes visions (= **Supportive Leadership**).

According to the study of Prof. Dr Holger Rust of the University of Hanover the culture of "number-oriented formalism" has failed. According to that, managers are not willing enough to learn, encourage staff too little and are not open and cooperative enough. "If you want to manage other people you must be able to manage yourself", according to the thesis of Prof. Dr Lutz von Rosenstiel, LM University of Munich. However that only works if there are certain freedoms at work. This is what Rosenstiel says: "Of course there are rules that control us. If however a business was to act exclusively as is prescribed it would be out of business after a week." Therefore the management in modern-thinking companies shares its power or responsibility with the key staff and stakeholders.

Management requires therefore a concentrated "**face-to-face dialogue**" with the staff about all essential targets, results of the work (output) and conflicts in cooperation. The purpose is to synchronise the factual and personal objectives. Here the behaviour of the manager decides whether the company has staff working for or against it.

"Management by objectives" has above all proved itself in staff management where change, improvement and innovation is needed. Leading exclusively by objectives can however not always work in everyday management. As there are important objectives that are not properly measurable, such as e.g. communication, overarching information, value orientation and not least personal responsibility for one's own further development. It is also necessary to take into appropriate consideration possible conflicts of objectives.

It should be noted that: "Management only makes sense if the objectives (milestones) make sense!"

The 21st century manager must therefore communicate to staff the cost-benefit ration of their work, their position and its results for the user (stakeholder). Engage them in target setting and decision-making processes, help them in difficult situations / conflicts and support the work in the team. It is essential in this that people (= responsible citizens!) can and want to achieve results (= volition).

The results of this for the manager are opportunities to have an effect on the member of staff and to revisit and also to consistently improve and communicate **quality in THINKING and ACTING**. The action and implementation skills alone determine the degree of the success of this.

If therefore the manager has a positive effect on the member of staff and does not just see him as "manpower" he can also decisively influence personal success and company success:

- The performance / implementation ability (**knowledge and skill**), e.g. by training, further education / measures for development of potential;
- The motivation (**volition**) through situational supportive management and a sense of achievement;
- The performance capability (**permission instead of obligation!**) through intelligent workplace, and working time organisation and correspondingly flexible forms of work, that are the precondition for the member of staff to be able to develop to his potential (work + family balance).

### 2.2. Motivate through agreed objectives

Target planning / target agreement is a management instrument intended to help the member of staff and his line manager to recognise the core tasks of his area of work and to plan objectives jointly. In this process line manager and member of staff agree on a few, as a rule five, result-oriented clearly phrased objectives that are to be achieved as a priority in a planning period. An objective is result-oriented when the desired result is described sufficiently exactly in its quantity and/or quality.

(E.g.: Market and customer-focused objectives, productivity objectives, business objectives, project objectives (a design or a meeting is also a project), area and staff-oriented objectives.

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Example for quantitative objectives:

- A sales campaign achieves an increase in turnover of 10% and a return of approx. 5%;
- A production manager achieves an increase in the output of an aerosol plant of 55,000 to 60,000 units (target value).

Example for qualitative objectives:

- An engineer optimises his spoken and written language skills through extra language tuition over a month;
- A departmental head consistently improves cooperation and information through considerably shorter work meetings (target state).

The evaluation of the results for qualitative objectives is not easy - in particular if sufficient attention was not paid when the objective was worded to the *measurability* of the objective achievement. Furthermore a distinction must be made between objectives, measures and tasks.

The basic conditions (e.g. availability / non-availability of staffing or financial resources) under which the objective in question must be reached must also be addressed and noted. If the basic conditions / also customer requirements change the objectives must if necessary be redefined.

Furthermore the responsibility for the achievement of objectives between line manager and member of staff must be clearly separated. As however the agreement of the objective is based on a commitment of these persons this commitment might also contain statements on what the contribution of the line manager is.

At the end of the **objectives planning process** the member of staff and the manager should therefore know:

- what his five most important *objective tasks* in the planning period are (to be weighted by priority);
- what *results* (target values) or *work objectives* (target state) he wants to achieve by when;
- what *measures / resources* are to be taken / used to achieve the required findings / objectives;
- *with whom he has to cooperate* and/or *clear things* and
- what *actual results(output)* have been achieved at the end of the agreed planning period.

It should be noted that: "When the (sub-) objective has been approximately achieved it should be clearly and precisely recognised!"

The (sub-) objective is considered to be achieved if the results are available to date (deviations of 1-x days are to be agreed) and these are evaluated with "at least 80% achievement of objective". A possible evaluation scale as traffic light system may be: <60% (objective not sufficiently achieved), >60%-79% (averagely achieved), ≥80%-90% objective well achieved, >91%-100% (objective very well achieved, i.e. premium payment can be carried out).

### Five tips for a motivating agreement of objectives:

1. Increasingly extensive information about the basic conditions and development trend of the long-term objective. (Explain e.g. background, collaborations, business model, strategy & vision).
2. Encourage by pointing to results achieved so far (express encouragement with traffic light system).
3. Make clear when the next sub-objective and the activities are to be discussed (have in mind immediate objective, results and deadlines).
4. Ask for proposals from the member of staff / team which measures for further action are planned (agree appropriate support).
5. If the basic conditions + customer requirements change redefine the sub-objectives together and have the result confirmed by statements (if necessary with the customer / supplier) (document new commitment).

### 2.3 Delegating is a management issue

All managers complain about lack of time. Many are justified as they have not appointed / promoted the right people or are not allowing them to develop their potential. Delegation is "all Greek" to them. More than a few of them suffer not from lack of time but from their absurd time budget. They attend seminars, conferences, lectures, meetings that have no relation at all to the

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aim and purpose of their task. They are mostly activities that are more for increasing their feeling of self-worth or the attitude that a "real" management issue cannot be delegated. Or can it?

### **A manager can save time:**

If he delegates - communicates and informs in good time - chooses and further develops staff correctly - uses them responsibly - and provides situational promotion and support in the achievement of the (sub-) objectives!

That means however, that managers must throw a whole load of psychological behaviour patterns "overboard":

1. I'll say how it's done...
2. I am always in charge;
3. I will find my own people;
4. When I delegate I will generate the necessary "dependence";
5. I don't delegate because I "identify too strongly" with the company;
6. My staff can never meet my desire for "better performance";
7. My "bad experiences" with my staff show me that they cannot resolve the task on my terms.

Or put another way. Managers only delegate when they can + want to assume the risk connected with delegation. Total delegation therefore assumes the application of the following building blocks:

- Accurate knowledge about staff potential (actual profiles);
- Accurate identification of the task definition + results (mandatory requirements);
- Transfer of the corresponding authorisations / competences;
- Definition of the responsibility of staff and manager.

The **staff potential**: The capabilities, the sector and project knowledge and knowhow and also language skills of a member of staff (actual profiles) should be stored in the personnel file. The manager must be able to "correctly" assess the current qualification and mental readiness (maturity) of each member of staff.

The **task**: Outlines a job description, as closely defined as possible (sub-process) that results from agreed objectives / results / measures / basic conditions.

The **authorisations**: Are primarily decision-making, co-determination, information powers and also authorities (competences) and also the power of disposition over material and personnel resources that are necessary for the fulfilment of the task.

The **responsibility**: The fulfilment (= success) or failure (= lack of success) of objectives must have positive or negative consequences. Otherwise there is the danger that members of staff do not take their tasks seriously. Instead of a culture of partnerships and personal responsibility there arises - as otherwise usual with poor leadership - a culture of justification, reverse delegation and attribution of fault (i.e. "feed them bananas and turn them into monkeys").

The delegation is successful if the member of staff is ready and willing to take on the responsibility with the attendant consequences. So that the member of staff does it willingly it is important that task, powers and responsibility are evenly weighted. In the daily business routine this is by no means a matter of course. Often staff are given difficult tasks with great responsibility transferred to them - the powers or resources required for them are not available however because their line manager is not prepared to give up a part of his powers. This is particularly the case for those "line managers" who like to "push" failures on to their staff and "pocket" the fruits of the success.

Situationally supportive leadership includes directive, participative and also delegative leadership:

### • **Directive leadership**

In this the line manager is responsible for the agreement of objectives, planning, decision-making and control. The member of staff bears the responsibility for the exact execution of the tasks and objectives laid down. In this case the line manager decides everything himself. Furthermore he checks the behaviour and work results of his staff.

This leadership behaviour is appropriate if the member of staff has few qualifications, is developing little initiative and shows little willingness to cooperate.

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- **Participative leadership**

The line manager allows the member of staff to participate in the planning, decision-making and monitoring. He retains the power to agree objectives completely in his own hands. Whereas the execution of the tasks / objectives falls solely within the area of responsibility of the member of staff. Participative leadership assumes that the member of staff is qualified and target-oriented and shows initiative, and willingness to cooperate and make decisions.

- **Delegative leadership**

In management by delegation the staff should in addition bring a high degree of personal responsibility and self-monitoring to their work. The line manager agrees with his staff, also with teams of staff, certain quantitative and qualitative objectives and core tasks. All other powers are in essence transferred to the staff who plan, decide and ensure the necessary (self-) checks on their own responsibility (i.e. on behalf of the line manager!). The line manager concentrates on the situational support of the staff so that they can carry out the solutions / innovations.

Thus the delegation principle promotes the development and qualification of the staff. It increases the self-esteem (= SUCCESS generates more successes!) and creates the conditions for people to be willing to continually raise their performance (output) standards. It is the condition for maximum performance to be produced at all.

Weak managers have mostly also weak staff – because they are permanently convinced that they are not in a position to carry out demanding tasks and objectives.

As a rule of thumb staff need from the time budget of a manager, on average:

- a) with the delegative style of leadership: approx. 5 to 10 per cent,
- b) with the participative style of leadership: approx. 10 to 15 per cent,
- b) with the directive style of leadership: approx. 15 to 25 per cent.

It is important that: the manager gives the member of staff situationally adequate support so that he achieves good results on his own responsibility and thus develops real enthusiasm for his work (= corporative stakeholder responsibility).

### 2.4 Empathy is the promising leadership skill

Empathy (= the ability to be able to put oneself in someone else's position!) is the most important social skill that makes the harmonisation of the corporate objectives with the attitudes and motives of the staff even possible: Where the perception + appreciation, of the personality of a person, the transformation, learning and situation-dependence of motives, is in the foreground.

It seems idle to argue about whether empathy can be learned. As a starter the following exercise may be helpful:

1. Name the five most important objectives
  - a) of your staff,
  - b) of your colleagues,
  - c) of your line manager,
  - d) of your (life) partner.
2. How far do you take account of these objectives in your decisions or the delegation of tasks?
3. How often do you use open or hidden instruments of power in daily business, e.g. fake praise, threats, reprimands, punishment, lying?
4. What motivational tools do you have available and which do you often use?

This exercise also shows you how strongly pronounced the ability to communicate is in your environment. Feedback requires of the participants the willingness to bring their personal opinions and assessments openly into an interview. The willingness and the capability to provide feedback is the basic condition to enter into a **dialogue**.

Feedback is a message to a person that shows how he is perceived, understood and experienced by another person (= **person as seen by others!**).

The feedback can also serve as a bridge between the intended and the actual behaviour or communication success achieved. In the end we can only **recognise our behaviour** through feedback – and if we want to, also change it. In communication we always achieve an effect –

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positive or negative. People communicate constantly, whether with their eyes, language, voice, gestures, mimes - sometimes however, differently from how they intend (= **Self-perception!**).

Basically for the recipient feedback has the following advantage:

- He can check whether his behaviour was able to achieve what he wanted;
- He finds out how his behaviour as group member or colleague is received by others;
- He learns how to recognise, optimise and use his (partly unconscious) strengths and weaknesses.

The person giving the feedback, the **feedback giver**:

- increases his perception of self and others (power of persuasion);
- learns to address even critical subjects openly and effectively (rhetoric);
- supports others by recognition and constructive criticism (appreciation).

Feedback is to be understood as an opportunity to gain insight about the part of the personal behaviour that is designated as the "blind spot". The feedback aims at the improvement of our (work) behaviour so we have also to master the most important aids to communication so that the feedback is effective.

Avoid sending messages to the **feedback recipient** that communicate power or your validity (examples):

- "It's a fact that..."
- "That's not so obvious..."
- "You should give it some thought..."
- "It has been scientifically proved that..."
- "I have always had the experience that..."
- "You can only solve the problem by..."

Do not use any reservations such as "really", "in principle", "thoroughly" or "on the whole" and always avoid an evaluative phraseology and also classification into "good and bad", "moral or immoral," etc.

As long as the feedback turns out positive there should be almost no problems.

It is different if feedback is given on negative behaviour. Whether someone can accept feedback depends in the first instance how it is given ("As you shout into the forest that is how it echoes back!"). Therefore the following **behaviour rules** should be observed:

### 1. *Giving feedback:*

- Always give positive feedback first;
- Only speak for yourself (I-messages instead of "one...");
- Describe, do not evaluate;
- Name your own findings;
- Refer to concrete behaviour, not to characteristics that the recipient cannot currently change;
- Refer to observations not to assumptions or interpretations;
- Disturbances (opinions / differences of opinion) should always be addressed immediately;
- Everything that is addressed within the scope of positive/negative feedback remains exclusively between those present and is not passed on to anyone else!

### 2. *Accepting feedback:*

- Listen, if necessary ask questions;
- Do not justify, defend;
- Do not "switch off" internally;
- Make it clear to the feedback giver that what has been observed has been taken in.

So before each intended performance interview (always one-to-one / two) check conscientiously that you have prepared well and the conditions for an objective and constructive interview are met. This **checklist** with questions you should ask yourself before each performance interview will help you:

1. Does criticism need to be levelled in this case?
2. Can I choose the interview date and time myself?
3. Was the original agreement (of objectives) really realistic?
4. Am I in a position (in the right mood) to lead an interview positively.
5. Will there be serious consequences if I (do not) carry out the interview?
6. In this situation can I comply with my "leadership rule" and conclude the interview positively?

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Not until you can answer "yes" to the questions in the checklist with a clear conscience should you carry out the performance interview. Giving feedback is a basic condition if leadership is to be understood in terms of appreciation + support.

### 2.5 Management performance is team performance

A member of staff only becomes a manager through the team he has to lead!

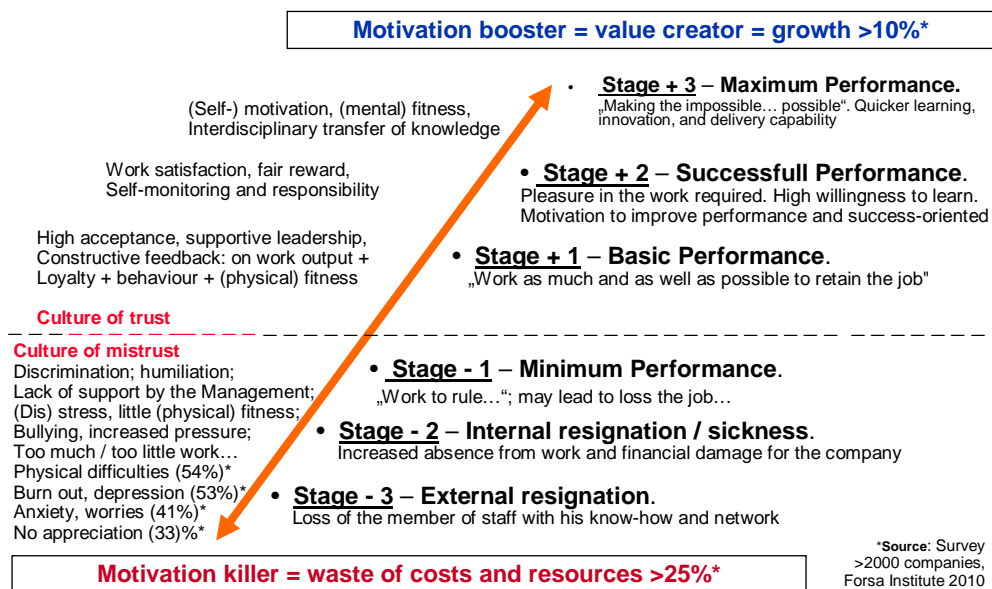
A good manager is characterised by his willingness to overcome obstacles with his team and be able to take setbacks and wish to transform agreed objectives into actual results or innovations with a lot of patience. Motivating, sustainable management is therefore essential if a skill/growth lead in front of competitors is to be maintained and/or you are to be differentiated from them.

An international study by Czipin & Proudfoot on **current management behaviour** shows how neglectfully this motivation aspect of managers is treated. The result: Managers only devote 23 per cent of their working time to the actual core business – the motivation and support of the staff. Up to 43 percent is devoted to administrative activities; the rest to meetings and travelling.

However motivation also arises from a personal interest in an activity, a thing or a state. The interest is connected with the expectation of obtaining a benefit of a material and/or immaterial sort from this activity. Rosenstiel knows that the material advantage in one's professional life is not always foremost: "The main reasons for giving notice are professional objectives not being met, lack of personal development opportunities and/or the relationship with the boss or colleagues." Many members of staff resign themselves to finding happiness in filling their leisure time and / or pursuing private interests.

The waste of costs / resources through **motivation killers** is significant. Top priority is a management culture oriented towards ethical standards based on **trust instead of mistrust**. Without trust + loyalty we cannot create durable partnerships (relationships), creative freedoms and thus innovations and changes. The capacity to control oneself and be able to take responsibility in this, interdisciplinary transfer of knowledge (= role model) is becoming the most important **motivation booster** in the 21st century (see diagram).

**Stages of the individual performance behaviour** according to Schust



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To make contemporary reforms possible qualification must take place where ethical values and perceptual abilities are urgently needed. A good boss does not have to score the goals himself but sees himself as the **trainer of a team** with whom he agrees the rules of the game and milestones and takes each individual with him on the challenging "journey of the company". Decisive for the success of the journey is however that the "teammate" is sufficiently qualified + trained + motivated to also score the goals or to achieve the best ideas / solutions for the customer, the company and the environment. He must be able to read (= perceive + evaluate + optimise) the

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**interplay of the team** and train again and again anew. In this he must take care that the “ball is kept low” as whoever loses his footing soon despairs of the everyday difficulties.

Structured project and process work serve as basis for the (sometimes changing) team formation. Performance output, motivation and health of the employees are strongly influenced by the behaviour of the manager. The daily mental leadership challenge consists in building the relationship to the different personalities of the team. Mental fitness is however - in the long term - only possible with physical health!

Long-standing modes of behaviour and living are not so easy to change in people in staff development seminars. It is important that the staff understand the connections, the business model of the company / the organisation and perceive + change their behaviour self-critically. E.g.: What is the meaning and demand of our DOING or NOT DOING? What consequences do our decisions and actions have? What contribution or NON-contribution am I / are we making for the company or the environment? Are we handling our health or environment correctly? How do we treat older people and migrants? What rules of the game and values control our culture - and thus also our dealings with each other?

Leadership & Competence is not a management technique but a mind-set that is based on trust, anticipation, holistic vision and team performance. Efficiency, results-orientation and honesty are the keys to it.

The “**Garage Principle**” of HP founders Bill Hewlett / Dave Packard therefore continues to retain its validity for our future:

“Start with the idea that you can change the world.

Work quickly – it does not matter when and where. Remain flexible: Work alone or in a team – depending on the situation. Share almost everything with your colleagues: work equipment, ideas, and problems. No power games. No bureaucracy. Radically new ideas are mostly good ideas. Produce results every day. If they are convincing they leave the garage.

Always remember: It is your customer / (life) partner who decides if a job has been done well. And never forget: Together we can reach anything.”

### Conclusion:

1. People, teams and organisations only differ – with almost the same resources – through their (self) motivation + (mental) fitness, their 360° knowhow and their **quick learning, innovation and delivery capabilities = Employment Value Proposition.**

2. It is the task of management to create a (virtual) **campus = platform for knowledge and innovation** on which specialist and management staff - permanently - as also in (performance) sport - become qualified for the “feeling” for sustainable work and learning.

3. **Staff becomes rapidly learning personalities** who constantly optimise and train solution-oriented thinking + working with others in the organisation. Constantly adding to one’s knowledge (also for health + environment) is thus the objective of every activity.

4. TOP Teams achieve the best ideas / solutions together with the customer / supplier = **Supply Chain Prosumption / Reverse Innovation.**

5. A supportive leader in the 21st century sees himself as the **anticipator, culture promoter, networker, role model and trainer** of his team with whom he agrees the rules of the game and milestones and is consistently considerate about their observance.

6. Managers will no longer “occupy” structures in order to exercise power and status there but they will rather help to build value-creating sustainable processes and understand leadership as a supportive service process = **Supportive Leadership.**

Author: Günther H. Schust. This contribution is the reworked Chapter 2 (of eight chapters) of his Leadership Management book “Human Performance Management – How you lead staff to value creation,” that has been released in the series “The Learning Organisation” in the Rosenberger Fachverlag. You will find more information about this at [www.human-performance-management.de](http://www.human-performance-management.de). **Here: Pdf Download.**