BUSINESS PERFORMANCE
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Make Performance Measurement FUN
Unleashing Creativity and Innovation

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How to Make Performance Measurement FUN!

Measuring employee performance can be a tricky business. While there are many schools of thought regarding how to conduct the performance review, most everyone agrees that a review must be conducted regularly, and that some type of measurement must be built into the system. If you don't have the measurement aspect in place, how do you know what to assess?

Take Jane, for example. She has worked for your company for five years and is considered a loyal, good employee who always gets her work done on time. However, upon closer examination, you see that her performance reviews or employee appraisals are based only on surface details. Although she asks for constant feedback, the only response she gets is, "You're doing fine," or "Thanks very much."

Employees who expect and want to succeed in a crowded business marketplace want much more than simple feedback. Naturally, they want to know how they're doing in their jobs in a general sense – "qualitative" measurement – but also want to validate how they contribute to the company's bottom line – "quantitative" measurement.

The qualitative part is easy. Does the employee show up on time? Does he or she do what's expected of them? Do they have great ideas? Do they go above and beyond the scope of their job?

Quantitative measurement or measurement by numbers is much more difficult, but is most commonly accomplished by measuring performance to the company's goals or initiatives. For example, in a retail setting, factors like total sales, number of satisfied customers, number of retained customers and other areas are measured. Most often, each industry has certain performance measures, which impact a company's bottom line. Each offers many opportunities to measure – and increase – performance. Each company has different factors, tasks or activities with regard to what is measured, so there is no book to follow in order to create these measures. Some industries that respond well to performance measures, include health care, auto dealerships, retail and manufacturing, just to name a few.

The greater key to quantitative measurement lies in how you do it. Think about it: can you get excited by being held accountable to find five new prospects in any one month?

Creativity is the answer, and performance measurement should be fun. Here are a few examples in which "numbers" were mixed with "creativity."

March Madness

Western Michigan University in Kalamazoo, Mich., incorporated a sport's theme into the way its staff handled new student admissions. March Madness is the familiar term for the NCAA Basketball Tournament in which sets of college teams compete for the national title. The theme not only emphasized the college's passion for the game; it also described the fervor of activity each spring when prospective students inundate the school with applications for admission – hence the term, "madness."

Based on the theme, the performance measurement culture incorporated feedback into the office's daily activities – with huge success. The project began in the office mailroom where weekly performance feedback was having little, if any, impact on performance. To communicate accomplishments, the staff was content with posting a small, black-and-white line graph that detailed the staff's performance. This provided group feedback and was updated weekly. Employees and supervisors paid no attention to the graph, and performance failed to improve.

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How to Make Performance Measurement FUN! (cont.)

Creativity was born! Based on the March Madness theme, the feedback graph was enlarged to a poster-sized, color chart with balls and hoops as symbols in place of bullets and plotlines. Think of USA Today's graphs and charts as examples. Just this simple, small change resulted in increased interest in feedback and performance, additional ideas for process improvements, added social recognition and reinforcement, and improved performance.

Absenteeism

Although it might be considered a qualitative measurement, absenteeism in business is a very real, valid concern. Not only are employees evaluated by the number of days missed, but absenteeism contributes to loss profits. According to NovantHealth, 15 percent of the work force causes 90 percent of absenteeism. Emotional factors account for 61 percent of time lost, and the typical employee is absent eight days per year. Absenteeism costs employers 1.75 percent of an absent employee's wages, and companies spend 5.6 percent of their payroll on absenteeism.

With statistics like these, you should be concerned, but what can you do to motivate employees and prevent absenteeism? Be creative!

A large hardware company introduced a lottery to reduce absenteeism. Only employees with no absenteeism for one month could participate. In every department, participants could win prices, such as a television, a bicycle and other gifts. Although some may consider this an isolated example, the results speak for themselves: there was a 75 percent reduction in absenteeism and a 62 percent reduction in costs.

Another company tried to find the answer through a game of non-gambling poker. Every day, employees who were at work drew one card, and those who worked the entire week drew five cards on Friday. The player with the best hand won $20. Due to this game, absenteeism lowered to 18.2 percent, and even when the game was played less frequently, absenteeism remained lower than previous numbers.

Applying These Ideas to Your Company

Industry examples illustrate creativity, but what can you do in your own company to make performance measurement fun?

- Begin by creating an employee committee to **brainstorm ideas** and submit three to five well-thought-out examples of games, contests or strategies. Just the idea of asking for employee participation is a positive step in itself, and once the ideas start flowing, they never stop. Even if your company is small, you still can ask two employees to form a team and come up with ideas.

- **Take baby steps.** The old adage, "Walk before you run" is valid. Begin these kinds of measurement programs on a small scale without spending too much time in the planning and implementation stages. If something takes up too much time and you've lost productivity due to trying to be more creative than you need to be, the effort is a non-issue.

- **Think Outside the Norm.** Just because you have a professional image doesn't mean you can't do something out of the ordinary. Again, the object is to be as creative as possible.

- Above all, **assess your creativity and performance measurement** techniques on a regular basis, or measure the measurement. Without some kind of evaluation built into the activity, you won't know whether you succeeded and can't figure out how improve for the future.

To ensure your creative passions align with performance measures that will positively affect your company's profits, contact your business performance advisor today.