



Performance management redefined

Host: Burt Rea, Managing Director, Deloitte Consulting LLP

Guests: Jennifer Beihl, Senior Manager for Performance, Development, and Culture at GE
Kathi Enderes, Senior Manager, Bersin, Deloitte Consulting LLP
Joan Goodwin, Manager, Deloitte Consulting LLP
Nathan Sloan, Principal, Deloitte Consulting LLP

Jennifer Beihl (Jennifer): To be honest, sometimes practicing those behaviors aren't always easy when I have to set my alarm for 5:30 in the morning to go out and meet my jogging partner to actually make progress on living that healthy lifestyle. And I just liken this performance development work in the same way, that it really takes intense commitment from each of us as employees; and then people leaders and, again, our HR function, to help our employees bring it to life. I think we're sort of looking for this perfect performance development approach or performance management approach. We kind of think, oh, that just has to be out there, it has to exist, and I think one of my big learnings is that there is no perfect solution, there's no perfect performance system. But what we

can do is get clear on what we're solving for with our performance management design or performance development design, and then understand using the data we can collect, how we're making progress in creating more impact.

Burt Rea (Burt): What if performance management was also a development tool to help people adapt to digital and other changing business conditions? Today, we'll hear from Jennifer Beihl—Senior Manager for Performance, Development, and Culture at GE—who will discuss GE's ongoing performance development evolution, which includes both an approach to cultivate new behaviors, habits, and conversations, as well as a tool to support the approach. Later, I'll be

Capital H: Season 2: Episode 2

July 2019

joined by my colleagues—Nathan Sloan, Joan Goodwin, and Kathi Enderes—who will discuss why organizations must embrace this shift in performance management, making it less about a process and more about providing ongoing, fluid support.

Joan Goodwin (Joan): Hi, this is Joan Goodwin, and I'm the performance management market lead for Deloitte, and I'm very thrilled today to welcome Jennifer Beihl from GE. Jenn, welcome to the podcast, and if you could introduce yourself, it would be great for all of us to hear about your role there at GE.

Jennifer: Thanks, Joan. So I would describe my role as one of the lead architects of the performance development approach at GE. I'm coming up on 20 years in the company later this year, and my background is a little bit varied. I've primarily held HR roles, but I've also held some customer-facing and community-facing roles where my job was to help those organizations operate better. So before GE, I was a swim coach, I was a camp counselor, a teacher, and a trainer; and so I'd say one theme in my career navigation to date is helping others, whether they're people or organizations, get better. So this role focused on our performance system, and GE really seems like a perfect fit.

Joan: Well that does, and that's exciting to hear because I would say that past experience has definitely played probably a critical role in you being very successful in even coaching your own people. So Jenn, tell me about GE's journey in performance development over the past few years. What has that been like, and if you could catalog that a little bit for me, that would be great?

Jennifer: So we transitioned to PD starting in 2014, and it was part of our business strategy to truly bring digital to our industrial world and adapt to this fast-paced world we all live in that is full of uncertainty, and complexity, and just constant and ongoing change. So we had had a longstanding performance management approach in the company, many, many years—I would say probably about 50 years old—and we saw an opportunity, again, given the changing context, to rethink the performance approach in the company. I would say two of our guiding principles were that the approach had to be simple, and it had to be impactful. So I think, Joan, would it be helpful if I described some of the key elements of the approach?

Joan: I think that would be great, and so you're saying that the key catalyst for this change was really the changing business conditions that going digital and other external as probably internal environmental business conditions?

Jennifer: A hundred percent accurate.

Joan: Yeah, so let's go ahead, and why don't you actually frame what you were just speaking about.

Jennifer: When we talk about performance development at GE, we're really talking about two things: We're talking about an approach, and the focus of the approach is about cultivating new behaviors, habits, and conversations that we know, and the research has shown, are so important to accelerating development and improving performance. So there's an approach, and then we also have a tool that supports the approach. So a couple aspects of PD: The PD behaviors include employees and what we call people leaders or their managers having ongoing conversations, so taking those sort of project update status kind of meetings and tweaking them for more meaning for performance and development; sharing candid insights and feedback—insights, what we call feedback—in all directions in the organization; and adjusting customer-focused priorities as you learn about the impact or the environment changes. So PD requires ongoing dialogue between the people leader and the employee, it allows for sharing real-time feedback in all directions. So our history at GE had been more top-down, but the PD approach includes more of a holistic at sharing insights all around us, and it also includes a collaborative approach to performance reviews. So, in addition to the ongoing aspect of PD, we also have an aspect of it that we call the summary, which happens at least annually, and it could happen more depending on the person's role or the work that they do, but the summary is a co-created performance snapshot. So, the employee and people leader agree upon the content, and it's focused on three areas, it's a one-page snapshot. It's focused on three areas: the contributions the employee has made, so the impact that they've delivered is about half of the story in the performance snapshot.

Joan: So it sounds like you've really implemented a much more continuous approach to performance and development, especially with the ongoing conversations, very similar to a coaching process for athletes who always get coaching, right, in every moment. So what have you seen some of the direct benefits of this change being for employees, and, are there any challenges that still need to be addressed?

Jennifer: And it is ongoing is one of the key words, right, Joan? I think we've all learned that in this space over the last couple of years. So I would say the benefits are significant, so we have, as part of this transition to performance development, identified a set of learning metrics that help us understand how we've made progress towards creating more impact with our approach, and so we look at it really from the point of view of three end-users or customer groups from employees themselves—from people leaders, so those who lead teams; and then we also look at the extent to which adoption of the approach has had impact on our cultural transformation. And so our data tell us that for employees who practice and adopt the PD behaviors, they're much more favorable on items related to their engagement and on their development as being treated as ongoing,

Capital H: Season 2: Episode 2

July 2019

for example. And then, Joan, from the challenges perspective, there absolutely are still many challenges because this is an ongoing evolution; and I would point to the ongoing challenges. I would say there were probably three main things, and one is, while we've seen in the organization, in the first three years of the transition to performance development, great adoption of the approach and progress on the adoption, we still are a collection of individual people, and this approach requires us to often work and act in new ways, which isn't always easy, and it isn't always comfortable. It's not like we're just a computer and can insert a new operating system, it really takes one by one by one, each of us to adopt the approach, it doesn't happen to us. So while we've seen great progress in the adoption of the approach, we still know that we have more to work on, and as an HR function and for our people leaders, right, that really are the shepherds of this approach in the company. It takes investment in time, in coaching, to your point earlier, so that all employees can adopt the approach and individuals and company can get the value.

Joan: Yeah, well you've raised a really great point, Jenn, and that I think many organizations sometimes don't really realize what a huge cultural transformation redesigning performance development is in the organization, and that those people behaviors are some of the most critical components of that, even much more so than the process; and it sounds like GE has done a really good job of equipping its people leaders to be able to actually implement those ongoing conversations in more of a quality way, but it also sounds like you guys have actually realized that you've gotta be patient with the organization because this is a journey.

Jennifer: Yeah, that's fair, Joan. I mean one of the ways that I try to explain this to others is it's a little bit like my quest to live a healthy lifestyle. I have all sorts of habits and behaviors that I have tried to practice, and sometimes more successfully than others, and sometimes I'm in the mode and in the practice, but then something happens and I fall off. To be honest, sometimes practicing those behaviors aren't always easy when I have to set my alarm for 5:30 in the morning to go out and meet my jogging partner to actually make progress on living that healthy lifestyle; and I just liken this performance development work in the same way, that it really takes intense commitment, from each of us as employees, and then people leaders and, again, our HR function, to help our employees bring it to life. So it is definitely, sometimes we have a little joke where we're just chipping away, person by person, to really cultivate these new behaviors in the company.

Joan: That's a great analogy. That is a really great analogy. So let's think about three years after your initial revamp of performance development, I understand you're making changes again, so can you speak to what you're doing now?

Jennifer: Just to take us back for a moment before I explain where we're going forward, is that, starting with 2014, in addition to the elements of performance development that were consistent, we also tested a no ratings environment, so moving away from that standard, annual, single rating that we had had in the company for many years. So we tested subsets of employees that were transitioning to the performance development approach to understand the impact of moving away from that, because what we had found in our early research and in dialogues with employees and their people leaders, that that annual performance rater or label did one of two things for the majority of the employees in the company. So it either absolutely did nothing for them, it was a heavy process to get to it when they received the rating and kind of shrugged and moved on; or it actually demotivated them. So in 2016, we did make the decision to move away from that annual performance label that we had had in the past. And that brings us to today because what we've realized that in addition, and learned, that in addition to the very, very personalized focus of performance development on really helping individuals articulate their impact, in their own context, because we all work in different environments, differing markets, different scenarios, with a laser focus on individuals continue and consider insights that our organizational leaders really are seeking consistent standardized data points in addition to these sort of individualized metrics of performance impact about the employees in their organizations to really understand the talent in a simple way and to inform talent decisions. I have to say, too, that some employees really crave, I would say, these consistent markers to understand how they are viewed in the organization. So this is sort of the next evolution in the ongoing evolution of PD at GE.

Joan: Well it sounds like when you made your choice to move away from no ratings, you did something very consistent with what is kind of leading practice out there, and that's more, better, richer data to give yourselves a more holistic view of the employee's performance; and it sounds like you're continuing down that path, which is, I'm sure gonna reap some really great benefits. Why has it been important to continue to evolve GE's performance development, and what do you foresee as the continued future? And I know one part that you actually talked about very specifically was the fact that this is a journey and that you're gonna continually evolve, but can you say a little bit more about why it's been important to continue to evolve, and then what do you see for the future?

Jennifer: So I would say it's important to evolve because despite the fact that we all, I think, whether we're in HR or are partners in the business, I think we're sort of looking for this perfect performance development approach or performance management approach. We kind of think, oh, that just has to be out there, it has to exist; and I think one of my big learnings is that there is no perfect solution, there's no perfect performance system, but what we

Capital H: Season 2: Episode 2

July 2019

can do is get clear on what we're solving for with our performance management design or performance development design, and then understand, using the data we can collect, how we're making progress in creating more impact; and I think that that mindset makes it have to be an ongoing evolution because it's just never done. I also think it's important that we keep at it because the world is so different today, it's just incredibly fast-paced, like the technology creates opportunities for us, but it creates challenges for us all; and I just think if we can help our employees, through the design of our performance approach, operate more effectively in that environment, then it's a win for them as individuals, it's a win for their leaders, and then it's a win for the organization.

Joan: That makes an enormous amount of sense, and you've highlighted a couple of things said are really critical because if you think about the future of work, the fact that the workforce is changing, the work is changing, and the workplace is changing, that is so much in alignment with the philosophy around all of our talent processes need to continually be changing as well, so that evolutionary philosophy of that to meet external and internal changing conditions is what's gonna make this so successful. So Jenn, thank you again so much for coming on and spending time with us today. It was great hearing about the GE journey and the GE story; and what's really important is what I heard in synthesizing the whole conversation is it's much more about purpose and mindset than it is about the process and the model.

Burt: We just heard Jennifer Beihl explain how GE is continuing to focus on performance development transformation to help people operate more effectively in a world of constant change. Next, to continue the conversation, my colleagues—Nathan Sloan, Joan Goodwin, and Kathi Enderes—will join me to discuss performance management's evolution and its impact, not only on employees, but on leaders as well. Nathan, Joan, Kathi, welcome to the podcast. We really thank you for joining us today. By way of introduction, Nathan is Deloitte's US Organization Transformation Leader and a principal in our Human Capital practice. Nathan's been with Deloitte for quite a few years, since 2006, and brings 15 years of prior experience working with companies to determine the organizational and talent priorities required to implement their business strategies. Joan is the Performance Management Market Leader for Deloitte Human Capital Consulting. Joan has spent 20 years working with leaders focused on large-scale culture change, performance management, talent management, and learning and development. And Kathi joins us from Bersin, our HR think tank within Deloitte. Kathi leads our Talent and Workforce Insights Research Team and has over 20 years of global experience in human capital, talent and performance management, and change management. So welcome, Nathan, Joan, and Kathi.

Nathan Sloan (Nathan): Thanks Burt. Thanks for having us.

Kathi: Excited to be here, Burt.

Burt: Wonderful. So today we'd like to talk about performance management, everybody's favorite topic. And Nathan, I'd love to start with you. Why is performance management important?

Nathan Sloan (Nathan): Yeah, Burt, it's a great question; and in fact, it's really one of those processes or programs that I think everybody loves to hate. We've seen that with the research that we've done, the conversations with the clients that we've been having. The real focus around performance management, unfortunately, historically has been more around on the management piece and less on the performance piece. It's always been this process that HR has owned, more really as a means to an end, with the end being, how are we gonna figure out what to pay people at the end of the year? And the good thing is that most companies have started to make the pivot around, this is really more around how do we focus more on performance? How do we get the most out of our people? How do we get the most out of our leaders? And so if you go and ask any executive at any company, do they want high-performing employees, do they want high-performing teams, do they want high-performing leaders? They're gonna say yes. Unfortunately, the process as it's historically been viewed and designed, hasn't really been driving high performance, it's been focused on compliance within a process. And so over the last five years, that's why we've seen a lot of our clients come to us for guidance on how can we really turn the corner and make it more around higher performance and less about managing a process?

Burt: Yeah, it really strikes me as so much a learning in the sense that, oh, I've succeeded in my learning objectives because all these people sat in a training class. Yeah, no. How has it changed your business? How has it enabled you to make your top-line and bottom-line goals?

Nathan: Yep. Exactly. When I think the other piece too is they realize that the work itself is changing, so what had worked in the past around trying to manage performance in a certain way, doesn't necessarily work anymore. The colleagues that they have, the type of work that they're doing, it's much more fluid, so they have to adapt to a process that matches that agility around how the work is getting done, and that's also been another driver for companies starting to really make some significant changes in this space.

Burt: Yeah. Yeah. So Joan, I'd love to bring you in on that topic. You work with so many of our clients on this area, how are you seeing companies evolve their thinking on this? What's practically working?

Capital H: Season 2: Episode 2

July 2019

Joan: Well I think what's practically working is also really taking a look at the employee experience, and what are organizations really looking to drive with their whole performance approach? And Nathan really hit the nail on the head, that it's been so much more about the process and the model in the past than it has been really about driving performance, and it's more around the ongoing conversation today. So from a practical perspective, people are really thinking about what is that ongoing conversation we need to have with people to really engage them? And I always ask people, why do we really even mention managed performance anyway? Don't we really want to accelerate it? Don't we really want to inspire, motivate, and engage our people to really perform at their best, to be at their best? And how do we help them really understand and clarify expectations so that they can really know exactly how they're contributing in the workplace, how their work is meaningful, and how do they really make an impact? So I think that organizations are really taking a better look at, how do we really create an employee experience that helps them realize those learning and growth opportunities and do that in a more fluid way to support that? Because if you think about how we've kind of force-fit all of our performance and talent programs into that year cycle, or a fiscal year even, that's not the work that's done anymore; and I don't know that work has ever really gotten done that way, but if you think about work, it gets done in a much more fluid way where it's initiated, there's an execution of the work, there's a closure of the work; and that's happening on an ongoing basis. And sometimes the workload's over a two-year period or a three-year period. So how do we do that in a much more fluid way that's really supporting people, meeting them where they are, and how do we act more as performance coaches in organizations? And so I think organizations are really taking a look at much more of a user-centric model and looking at that employee experience, and how do we deliver a good employee experience as a part of the process too? Now by the way, how do we really impact organizations? Because at the end of the day, we really do have to have the organization get what they want as well.

Burt: Yeah, and I think individual aspirations and organizational objectives are more closely aligned than we think. We all want to do well. The organization wants to grow. People want to grow. So how are we aligning that? Certainly at our own firm, we look at performance of some of our folks in terms of how are you helping us to build our balance sheet? How are you helping us to strengthen our income statement? And both are important, it's the right balance between those two short-term, long-term objectives. So, Kathi, I would love to also bring you into the conversation here; you're our lead researcher within Bersin on this topic. What's the science telling us? What does your research offer?

Kathi Enderes (Kathi): It's a great question, and I love following this discussion that Nathan and Joan brought together on the consulting experience because we've encountered these questions around how do we transform performance management for decades? At least the last 20 years that I've been in the workplace and working on these kind of questions, we've always tried to reengineer or redesign the process. But still, we don't seem to have it right yet. When we studied this subject last year, we looked at what over 1,000 organizations are doing globally, and what practices, what of these performance management practices make a difference? And what do people think about performance management? So one thing, one very interesting statistic or one very interesting finding that we had was this process is very much despised by everybody. It really is, and it's the most, by far, the most despised process of all the people processes that we study. So we looked at what people think about, would they recommend their organization's performance management process or approach? And we calculated a net promoter score, if you're familiar with that, it's a score from minus 100 to plus 100; and usually we see when we study these processes, the other processes, we see scores in the positive, double digit—like in learning, we saw positive 15 net promoter score. Well, in performance management, we saw a negative 60 net promoter score; and that's not just bad, that's kind of shocking, but it's also very exciting because it's a really big call to action that something needs to change. And that something, I think Joan and Nathan hit on that, is make it less about what the organizations needs to force people to do and more about how can we enable people to do their best work? So rather than this process-centric approach that forces people into doing something, can we leverage the passion, can we leverage the skills, and the capabilities, and the strength that every person has to actually get performance—individual and organizational performance? So we see this big shift from that competitive mindset of people competing for a rating so they get the highest reward, to people really being empowered to do their best work, giving them the tools, the resources, and the insights so they can accomplish their goals.

Nathan: And Kathi, you make a great point around just the focus on strengths because my guess is part of the reason that employees and leaders alike despise the process so much is because historically it has really been focused on remediation—remediation of gaps that may be perceived or real. And this is definitely one of the things that you obviously found in the research, we're seeing with our clients, we're seeing results from companies that focus more on having that growth mindset and the focus on strengths; and we love to use the analogy of sports teams and professional athletes and thinking about how they really focus on not just what are they good at, but what do they love to do? And you have that natural passion around what strengthens an individual. And historically, many leaders have had

Capital H: Season 2: Episode 2

July 2019

the wrong conversation around what are you doing wrong versus highlighting those areas that people love to do, that they're doing right, and how do we continue to give them examples and expose those strengths and focus on that growth mindset? So that's been a big shift, I know we've seen with our clients, you've obviously found in your research as well, Kathi.

Kathi: Yeah, and I love the sports analogy too because that resonates with me in the context of should we have ratings or not? And I had always believed, and was interested and excited to see that in our research that, actually people don't despise the ratings themselves. They sometimes despise how the ratings were derived. And when you think about sports, too, people get insights, data, and coaching all the time. So, when you do, for example, when you exercise, you might have your sports watch, and you know how if I, I'm a runner, how far you've run. If I didn't know that, I wouldn't know if I'm getting better or worse. So getting ratings and insights is actually very important to improving your performance and getting better, not getting better than somebody else, but getting better than you were before. So it's this concept of the personal best, and you need data and insights for that. So without these data points, you won't know if you are accomplishing your personal best or if you're getting worse.

Burt: Yeah, I love that idea of growth mindset versus fixed mindset. Fixed mindset, I've got all that I'm ever gonna get, and I have to protect it and keep others away, defend; whereas a growth mindset says, what I have today is just my starting point, and I'm gonna learn more, and I'm gonna grow my capabilities, and others are gonna help me to do that, and vice versa, I'm gonna help them succeed. That's much more of a team-based and coming back to that sports analogy mindset.

Kathi: Yeah, and the team, I'm so glad you brought up the team, Burt, because that's another big theme that we see in this research that we didn't quite see when we did a similar research about five years ago; we saw a much stronger role of just the manager being able to coach and all of that, but not so much about the team-based approach and people learning from each other and getting feedback from their peers, not just from their manager, and learning together—so how you get feedback and then how you learn. Interestingly enough, the themes that came out there were all about the team, so things like having peer development or learning networks in place to actually learn and grow once you have identified where you want to grow and where you should focus on, those were the things that made the difference; and those team-based practices, and I think it's a reflection of how the market and work is changing overall because work is much more done in agile, flexible teams that come together, and work together, and have to come together quickly, and then get some results done and then disband and reform in a different configuration.

Burt: Yeah. Very nimble, very agile. Absolutely. Nathan, from your perspective and organizations that you're serving and working with, how are you seeing this balance between individual performance metrics and team-based performance metrics, which traditionally have only really focused on your individual contributions as your performance management basis? Are you seeing organizations mix that better with the team-based elements?

Nathan: Yeah, it's a great question, Burt. I'm glad you put it out there because, in fact, I would say of probably 80–90% of the clients that Joan and I have been serving in the market are asking that question. They realize that the construct of the team is, in many cases, more important than the construct of the individual. So historically, the process has always been around individual goals, individual behaviors, individual feedback, individual incentives; and now to Kathi's point, based on how work has changed and it's very team-focused, quite honestly, regardless of industry, companies realize that some of those processes need to change. And so the question that we typically get is, how can we infuse some element of the team into the process? They usually start by having a piece of the goal or objective-setting process be team-based, so at least you start by understanding what are the team-based objectives, and then they may go into soliciting team-based feedback, to Kathi's point around getting feedback from peers, and this is the concept of getting performance information from those who are closest to the individual with whom they're working; and sometimes it's a very big cultural shift for organizations that are not used to that. I think the biggest challenge that companies are faced with is, how are they gonna reflect some type of team-based incentive? Some of our clients have moved there, some have been hesitant to do so, but they at least start with the team-based objectives and then end up with some team-based incentive at the end. I don't know, Joan, what would you add on to that based on what we've seen?

Joan: I think it's really interesting, Burt, that you asked the question. It's such an important question, and Nathan and I were just talking about this yesterday, because I think it's a really important nut to crack. I really do, and I think it's kind of our next nut to crack in the market. And organizations aren't asking the question constantly about how do we now look at it because of the network of teams and the way that the work, and the workforce, and the workplace is changing. How do we actually measure team performance? And I think that's done at the inception of the team, and what are the outcomes of that team, what's the customer that they're serving, and what are the metrics that they have to come up with to serve that customer? But it's also around those team behaviors. And I think the question is really important around the incentive piece, and that's really what we're gonna have to figure out and solve for.

Capital H: Season 2: Episode 2

July 2019

Burt: So, I'd love to switch gears and talk a little bit about the role of leaders in this arena of performance management. What can leaders do to be inspirational, to be successful as mentors and coaches, and motivators of team and individual performance? And Nathan, let's start with you.

Nathan: Yeah, thanks Burt, it's a great question, especially in the concept of what does a great team leader look like? In many cases, because companies have focused much more on the process and less around helping their leaders develop, this was a big question that we got from some clients who were debating whether or not they should go away from ratings. I remember one client telling us, well, my leaders need to prove to us that we're ready to do that; and interestingly enough in the context, it was really around, do leaders know what great conversations look like? Do they know what the difference is between being a performance coach and a career coach? Do they know how to give constructive advice? And so most of the organizations really need to make a choice around, are they gonna start with equipping their leaders with the right tools, an understanding of what good looks like, to build out that skill set before they make a change, or are they gonna make a change to the process, and in parallel, develop their leaders? What I'd say is, most companies have started to focus on leader development. And there's also this age-old question around, is every leader in the organization a great people leader? Can they be a great people leader? Can they be a great coach?

Burt: Yeah, that's certainly the age-old question of do leaders emerge and evolve, or do we need to train them? Can they be trained? And I think the answer is yes and no.

Joan: I couldn't agree more, and it's one of the things I talk about with my clients all the time, is that to really find those people who are passionate people developers, people who are really looking to catch people doing things right to really instill a coaching and feedback mindset in the organization, and really think about what is the ratio of appreciative to constructive feedback over time. It needs to be six to one, and really thinking about how do I make sure that I'm being very specific about what my people are doing well and recognizing them for that on a regular basis to create that trust in how do I develop them and help find opportunities for them to learn and grow, even if it's not in their specific role? How do I look across the organization and help them look across the organization at development opportunities so that they can find what they're really passionate about too, in the organizations for their own growth and development?

Nathan: Yeah, and I think what we've also found—Burt and Kathi can confirm this in the research—is just this notion of leaders understand that reacting real time and pausing and showing what good looks like to their teams, dealing with mistakes real time in the flow of work, is critical to top leaders driving performance on their

teams. Typically, people will default towards, well, we have a process, we're gonna give feedback at certain intervals, whether it be once, twice, three times a year. The best leaders stop, they problem-solve, they recognize when teams are doing well, they recognize when their teams are struggling, and they stop in the flow of work to have those real-time conversations; and that gets back to this notion of agility, not only as being agile, a key characteristic of top leaders, but it's also important on how we deal with performance management as a real-time construct as well.

Burt: Yeah, I love that concept of in the flow of work, it's just part of the normal course of doing business. Great job here. Pro tip on this. Improve here. Break. We're almost at our time, but I'd love any final comment that you'd like to make, any sort of takeaway for our audience; and Nathan, let's start with you.

Nathan: Yeah, thanks Burt. Well, again, appreciate having the time to talk about this topic that we continue to wrestle with our clients on. It's an important one, and one that I don't think will necessarily find an answer that's gonna live for 15 years just given the dynamic nature of work. What I would say, and this is a little bit building off of what Joan said is, most clients had come to us asking for the silver bullet—what is the new design, what should we be doing, what are the ten things that everybody else is doing that we should replicate? And what we've quickly found, and what most organizations have realized is, a lot of this is up to them. Yes, there are best practices that we can and should leverage as we think about the process overall, but every design that we've ended up with has been customized in some form or fashion—either based on the culture of the organization, their values, the work that they do, how they operate, how they look at their business changing in the future—and so my advice is, think about what's important to you as an organization, you as a leadership team, and make sure that gets embedded into the future design for PM.

Burt: Great. Great. Kathi, any final thoughts?

Kathi: Yeah, what Nathan just said really resonated with me too because we see that in our research too that there is really no silver bullet, it's more around best fit rather than best practices; and a little point on that, an additional point on that, don't think organizations shouldn't think that if they are in a certain geography and a certain industry that it's not possible to do this well. Because when we looked at it in our study, we see excellence in all industries, in all geographies, so it's not just the high-tech companies in the Silicon Valley that can do this well. It's gonna look very different if you're a hospitality company in India than it's gonna look for one of the big tech companies here in Silicon Valley, but it's entirely possible and within reach to actually do this really well, and the upside is huge. The upside is huge for the business to thrive and the upset is huge for the workforce to thrive.

Capital H: Season 2: Episode 2

July 2019

Burt: Absolutely, and we have more in common in our objectives than we think.

Kathi: Very much so.

Burt: Yeah. Yeah. So Joan, any thoughts? And while you're kind of summarizing for us, I'd love you to maybe tie this a little bit to some of our thinking around the future of work as we're looking ahead. What implications do we draw from for performance management?

Joan: Well I think we always have to be sensing for fit-for-purpose. I mean, I think that's a perfect analogy, and whenever we go into organizations, like Nathan said, yes, there's all the leading practices in the world; and I just had this conversation with a client this morning, and I said, look, I can tell you what the leading practices are, but let's put those aside for now because what's really most important is, what is gonna work in your organization? What is your culture ready for? What are your people going to be able to—what do your people desire and want, and what's the experience you want to create for your employees? So I think for the future of work, we have to continually be sensing the external environment. We have to continually be looking at the work. Is it a network of teams? Is it a contingent worker? Is it a gig worker? And what does performance look like for them? And so I think it's that constant looking at change. How can we be agile in our approach for performance management? How can we be looking at it as a non-change event? Kind of like in scrum teams, how they look at a software thing, it's a non-change event. So how can we look at our talent programs and our performance management processes as it's a non-change? It's like, oh, okay, we're doing a change, well of course we are because the workplace is changing, the workforce is changing, and our work is changing. So it's just kind of a given, and it's a natural part of the DNA.

Burt: Yeah, I love that approach of we're on a journey, we're constantly evolving, and sensing, and adapting, and responding. That's great. That's great. Well, Nathan, Kathi, Joan, thank you so much for joining us for this conversation. It's been great to discuss

it, and I think it's gonna continue. There's lots going on, and more to be said, but really appreciate you taking a few minutes to share your thoughts with us. Thank you.

Burt: We'd like to thank our guest, Jennifer Beihl, for giving us an insider view to performance development at GE; and my Deloitte colleagues—Nathan Sloan, Joan Goodwin, and Kathi Enderes—for their perspectives from their performance management research and their work with clients in the field. Join us next time as we dive into more topics and trends that focus on putting humans at the center of work.



Learn more



Visit the Capital H podcast library
deloitte.com/us/capital-h-podcast



Explore our blog for additional insights
capitalhblog.deloitte.com



Join the conversation on Twitter
[@DeloitteHC](https://twitter.com/DeloitteHC)
[@Bersin](https://twitter.com/Bersin)

This podcast contains general information only and Deloitte is not, by means of this podcast, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This podcast is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this podcast.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.