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ASSESSING PERFORMANCE

Tough Love Performance Reviews, in 10 Minutes

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There's growing evidence that conventional performance reviews are not working. According to a CEB analysis, organizations can only improve employee performance 3% to 5% using standard performance management approaches. Last fall, 53% of human resources professionals in a Society for Human Resource Management study gave a grade between B to C+ when rating how their organization managed performance reviews. Only 2% gave an A to their organization. As a result of findings like these, some companies are doing away with annual performance reviews altogether.

As my company grew, I started seeing the issues with conventional reviews firsthand.

Most performance management systems are simply too cumbersome and formal for today's startup

world. Plus, the time reviews require is itself a huge barrier to doing them well. For me, spending one hour with 30 people each quarter, one-on-one, plus all the preparation and documentation required, didn't seem scalable. And since our employees received immediate feedback on performance issues, I found there wasn't a lot of new information to share at these check-ins.

At the same time, I felt it was important to do these reviews myself, rather than delegating them to others. As the company founder, I wanted to maintain a direct connection to my team. And I don't think they wanted me to become more distant, either; many times, employees join smaller organizations because of the founder and her passion and vision. Finding the time to stay close and nurture employee growth was critical, but so was finding a feedback method that worked better.

I run a user experience-led innovation company—which means my profession is making products better, more intuitive, and more profitable—so we approached the performance review issue as a design problem. How could we get maximum impact in minimal time? I looked at different ways to change the process, including how feedback is given, the interview duration, who leads during a performance review, what the end goal is, and how often reviews occur.

When I unraveled these factors, what we now call our "Tough Love Reviews" emerged. A Tough Love Review is simply a 10-minute, one-on-one conversation with each employee to talk through the one thing he is doing exceptionally well and the one thing that he needs to improve to reach that next level. The result is a meaningful conversation that gives employees a choice in how the conversation unfolds, and results in two key takeaways that are memorable and actionable.

Here's how they work.

First, create a spreadsheet with the following columns:

- Column 1: Employee Name
- Column 2: Tough—Two or three trigger words or phrases to serve as reminders during the review. Include performance issues, goals missed, interpersonal issues, and/or general quality of work feedback if it needs improvement.
- Column 3: Love—Again, focus on two or three key words. Think highlights, goals achieved, great work, recent accomplishments, or accolades from clients or team members.

Think holistically about each person's contribution to the business: What do you need this person to bring to the table? What does this person uniquely contribute? What is a barrier or simply annoying for the team? Ask teammates for confidential feedback if you need to.

A few days beforehand, set up a 10-minute meeting with each employee to go over the review. Here's how the agenda typically breaks down:

Minute 1: Explain that the goal of the review is to bring awareness to positive traits and areas to work on. The employee will work with his/her manager to craft an action and accountability plan. Then ask: "How do you feel like receiving advice today on a scale of 1 to 10? One is kind and nurturing, and 10 is pointed and direct." This scale gives control to the employee, and the reviewer becomes the servant leader, playing by each employee's rules and preferences. It requires quick thinking, but tailoring your messaging reassures the employee that this is about helping him/her. An important note: those who select 10 don't get a mean boss; they just get a direct, cut-to-the-chase one. The people who pick lower numbers also get the same honest content, presented with softer words.

Minutes 2-4: The Tough or Love section. For responses 7 or higher, start with Tough. Begin with Love for anyone who says 4 or lower. Those who respond in the middle, 5 or 6, get this question, "What do you think needs work?" which brings Tough to the forefront so you can end on Love.

Minutes 4-6: Switch to the remaining section, either Tough or Love.

Minutes 7-10: Now, let the employee take the driver's seat and provide whatever response they want to close out the review session. Borrow from the discipline of design thinking: observe and absorb without bias, and know that you can follow up later if needed.

Finally, remember that while we often assume that people like to receive feedback, there are also many studies that show people actually hate it. As Stanford's Carol Dweck has found, people approach feedback with either a fixed mindset or a growth mindset. People with a fixed mindset believe their qualities are fixed traits ("I am who I am"), while people with a growth mindset believe their qualities are just starting points, which can be developed through hard work, shaping who they could become. But you can help nudge your team into a growth mindset by framing your feedback in terms of growth.

For instance, Ken Moran, our head of client accounts and essentially our entire HR department, shares the feedback from his Tough Love Review, which was to work on his defensiveness: "My job is to make sure problems don't happen, and when they do, to handle them. I was reminded that being defensive undermines my ability to be a team player and leader...[because it was put in those terms] for the first time I got why I needed to change."

Since we've implemented this approach, we've seen a significant constructive change in our employees. We've seen turnarounds in team dynamics, and Ken has received more accolades from clients on team performance. We've also seen evidence of employees empowered to act on the feedback: one employee signed up for a public speaking class; another mentioned interviewing career coaches to talk through the Tough Love feedback in more detail.

Approaching reviews this way gives company founders a meaningful touchpoint with each employee to thank them for the great work they do—and helps employees figure out what is holding them back from realizing their potential so they can help their career, and the company, flourish.