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LEADERSHIP & BUSINESS PODCAST

EPISODE 159: CHRISTOPHER LEE – PERFORMANCE CONVERSATIONS

Ken White

From William & Mary in Williamsburg, Virginia. This is Leadership & Business, the podcast that brings you the latest and best thinking from today's business leaders from across the world. We share the strategies, tactics, and information that help make you a more effective leader, communicator, and professional. I'm your host, Ken White. Thanks for listening. The annual Employee Review, The Performance Evaluation, the employee appraisal, whatever you call it. In many organizations, the process of evaluating employee performance is often ineffective. In many instances, the evaluations do little to help the employee, the supervisor, or the organization. Among other things, employees are rarely satisfied with the score they receive, and they find it challenging to write a self-evaluation when they know it may be tied to their future compensation. And while evaluations and appraisals have not evolved significantly over the years, working professionals have. They seek feedback, coaching, and support. And many professionals want to perform better and feel better about their work. Well, knowing that the old evaluation system is changing. Christopher Lee is a longtime human resources professional and leader. He's the chief human resources officer at William & Mary and the author of Performance Conversations. He joins us today to explain how conversations and questions can be used to coach employees, improve productivity, boost confidence, all without appraisals. Here's our conversation with Chris Lee.

Ken White

Chris, thanks very much for being with us today. It's great to have you here.

Christopher Lee

My pleasure.

Ken White

And face to face, too.

Christopher Lee

Yes. Absolutely. Three dimensions.

Ken White

Yeah, which is really great. So one of the things you say is those employee appraisals that so many professionals grew up with

Christopher Lee

Yup.

Ken White

just never did work and never will work. Why not? What's wrong with them?

Christopher Lee

Yeah. I think for me, it's the fundamental underpinnings of them really were never aligned with their supposed purposes. Right. So as an example, it's called performance management as an example. But you can't manage past performance. I mean, you can only reflect upon past performance. So we talked about managing performance. Truthfully, it was performance documentation, accountability, record keeping, and negative reinforcement because the assumption was that if I tell you you didn't do well, you'll do better. But we missed the part of well, why didn't I do well? What do you mean? How do I adjust from that? And the whole framework, the set up of the once-a-year, some people call it the bloodletting, wasn't the space to have that conversation because once people received negative feedback, they shut down because it was also contingent upon so many other things. That 1-hour meeting, that half-hour meeting, whatever it was, was going to determine whether you got the minivan or not. Right. So you come to that conversation with hopes of getting a promotional opportunity, a raise, or many other things, and you got some negative feedback. Right. And you knew that negative feedback meant okay. I don't get a 4..8. I get a 4.6. In my organization, that means I get less pay well; I'm a 4.2, and why? And then you want to say, let's talk about getting improving? Well, I'm in shock.

Ken White

Yeah, yeah.

Christopher Lee

Some people in tears, right, you know, and all kinds of research shows that it's just not the time and space and who gets excited about planned, constructive criticism. I mean, all the research shows people had tremendous anxiety and fear. It's like, okay. You know, Chris, I got some negative feedback for you. How about let's wait till Thursday, and we're going to talk about it. The whole setup was fundamentally flawed at the beginning.

Ken White

In both ways, for the supervisor and the employee. Right. Because the supervisor, it's pretty high-stress situation.

Christopher Lee

Absolutely. McGregor said it best. McGregor is like 1954 quote, and he talked about why appraisals aren't good, and they shouldn't work. But we ignored that. He basically said that no supervisor, if they were informed, would want to sit as a judge of their subordinates because they wouldn't understand the impact. An the example would be a judge. If someone you don't know you don't have a relationship with, they are on their high horse. They are well trained, and they're actually protected by someone with a weapon. Right. And when they pass judgment on you, you never see them again. Now, we're asking a manager to pass judgment on someone and then have a relationship with them the next 15 minutes, 15 days, 15 years kind of idea. The relationship changes when you're giving negative feedback that is judgmental. And we're going to talk about feedback and appraisal and how they're fundamentally different. So the whole idea of the judge is what changes the dynamic. Because giving anyone negative feedback, whether it's your kids, your spouse, your friends, or whatever. It changes the relationship dynamic for a while. And people got to recover from that. Then they might be open to growth in movement from there after that recovery.

Ken White

Yeah, excellent, yeah. So in the book, you talk about the power of questions.

Christopher Lee

Yes.

Ken White

Well, what do you mean by that?

Christopher Lee

Yeah. Questions are the Holy grail of management, if not humanity. I know it's a big statement, but if you think about it, kids learn. Everybody learns by questions. If you've been around any kind of five or six year old, they ask questions incessantly because they're trying to learn. They're trying to calibrate try to understand. Right. If you're a lawyer, you interrogate witnesses by questions. Police officers gather facts. Doctors. When you go to them, how do they know what's wrong with you? They ask you a series of questions. You're a professor, right. The whole scientific method is based upon questions. If you're a journalist, you just go through the whole process. Questions are amazing. And as a leader or manager, everybody knows that's your job as a leader to find out where there are gaps

to diagnose situations and do things. And you're asking questions. And then, most importantly, when we hire people, what do we do? We set up this whole elaborate thing called an interview, which is a series of questions, but we don't do the same to evaluate that same performance.

Ken White

That's great. You talk about performance conversations, and we've experienced those here at William & Mary. But for those, obviously, who haven't. What is that?

Christopher Lee

Well, it's really just a series, a brief, structured conversations about the things that matter most. Right. So a series. It's a planned series of conversations because you can't get everything done in one conversation. When I'm dealing with personnel matters, I've often over my career advise leaders about performance challenges or personnel problems to say, is this a one conversation conversation, a two conversation conversation, or three conversation conversation. Meaning that if you're delivering bad news, you're going to discipline someone or put them on a performance improvement plan. You can't get it all done in one conversation sometimes because people are shocked, don't understand they're coming back, etcetera. So there's a series and then its structure. It's not just a conversation; it's a structured conversation. There's a plan for this conversation. There's a framework around it. And I call it semi-formal. It's formal in that it's structured and planned. And then it's informal in that it's conversational. So it's kind of semi-formal, right. And then it's about the things that matter most. Right. And the question is what matters most that changes. And it's the timing of the year, who you're dealing with, how the work is going, et cetera. So it's a series of brief, structured conversations about the things that matter most. And the conversation is very important because it's giving and receiving information. It's feedback, adjustment, and calibration. And I think the calibration is a really big part of it. What do you mean by good? What do you mean by great? What do you mean by I need to adjust this? Can we talk about that? And if it's non-evaluative, then people are more likely to be forthright and honest when they're sucking win. Right. Because if I'm being evaluated people, they aren't totally truthful because it's just self-preservation. So it kind of goes like this. I never understood the self-evaluation things. I always say it's kind of a mini IQ test. So we set up that. Okay, Chris, we going to have your evaluation next week. How about you do the self-evaluation come to the thing or whatever? And at that meeting, we're going to determine whether you're going to get a promotion. We don't say that, but that's kind of what it is all designed for. And so it says, okay, tell me how you did on these things, and you give yourself an assessment. Okay. Let me think this right. So if I say I did anything other than excellent, you're gonna use this information against me to determine whether I get a promotion.

Ken White

Right.

Christopher Lee

The research shows that superstars, man, they're hard on themselves because they know that feedback and improvement is the Holy grail to getting better. The people who just don't have a clue, they think they're a plus. All the research shows it, and then you spend all your time talking them off the ledge. So the self-evaluation is really kind of a crazy idea.

Ken White

Yeah.

Christopher Lee

So that whole context of the if it's non-evaluative conversation, then the person can come in and say, I'm not thinking I'm doing well. I don't think I'm doing well. And then you can say, well, you're doing really good, but you can tweak, and the person says I don't understand because they know the purpose of the meeting is feedback, calibration, correction, and adjustment. And you can actually have a conversation about what's real and how to adjust because the goal of the conversation is not evaluative. It's improvement. Think about it as a coaching session.

Ken White

And think of the manager. The further away they are from their feet on the ground, the less they know about what's going on. So what a great way to get information from the team, because you're not quite on the team anymore, right?

Christopher Lee

Yes, absolutely.

Ken White

And you're out of loop fast.

Christopher Lee

Yes. In the first Performance Conversations book, which I did in 2006, I basically reviewed the literature of the past 50, 60 years and had these 15 fallacies of appraisal. And one of those is that the leaders initiate. I know what I'm saying, that the leader sees and knows all this going on. And that's just I don't know how we ever assume that that was accurate. Right. You know what I'm saying, right?

Ken White

Right.

Christopher Lee

Because you don't. And if you have good employees, hopefully, they're doing things that you've given the right direction in charge, and they're on the plan, and they're just knocking things out. And so you never really know 100% of what they do. And if you do, you must be a minor deity to be able to understand and know everything all of your subordinates do.

Ken White

We'll continue our discussion with Chris Lee, author of Performance Conversations, in just a minute. Our podcast is brought to you by the William & Mary School of Business. Our post COVID world will require new skills and new approaches. Well, those skills and approaches are taught in the William & Mary MBA program. We offer four different MBA formats, including the full-time, the part-time, the online, and the executive, all taught by our top-ranked MBA faculty. The William & Mary MBA will prepare you to succeed and lead in our new world. Check out the MBA program at William & Mary. Now back to our conversation with Chris Lee.

Ken White

You talk about performance questions in the book? What are they? What's the point?

Christopher Lee

So the performance question is kind of like the 2.0 from the first book, really of refining things. There's seven questions, and the idea of those seven questions are they're aligned with the major purposes of performance management systems? And the goal is if you ask these seven questions, then you've really kind of taking care of all the major concerns and opportunities and things that you would want to do when you're managing performance. Right. And each of them is kind of a chart that kind of shows how these questions are aligned to the various purposes and how they're kind of designed. So there's two kind of questions that I propose. One is I call it the kind of Magic three, which is the original three. And then there's a four additional ones. So I kind of call it the Magnificent seven. Right. So it's kind of 2.0, but it's elegantly simple, and for me, simple is best. Right. It's that kind of Da Vinci's kind of quote about simplicity is the ultimate sophistication. And so the first one is what's going well, and how can we replicate it?

Ken White

Yeah.

Christopher Lee

The second question is, what's not going well? How might we adjust? And then the third question is, what else is going on in your work life that we need to be aware of? And there, your troubleshooting for potential problems and just seizing opportunities. Right. And if you're just asking those three kind of open-ended questions, you'll be amazed where the conversation goes.

Ken White

I experienced it. There's no question. Evaluation went out the window. That's not what it was about. It became about strategy. It became about the future. And are we supporting you as best as possible, or are we creating our own roadblocks? It was amazing. Yeah.

Christopher Lee

Absolutely.

Ken White

Yeah. Just that conversation. Wow. And then you have your checklist, and that's in the book that helps people sort of get through that part of it.

Christopher Lee

Yeah. So we're talking with one of your colleagues earlier. He's a retired army officer, and it just reminds me of one of the examples in the book. I talk about being a Marine officer Lieutenant called the Basic School, the entry-level training. They always gave us this little checklist for anything we did. If you need to call for artillery, if you need to call for aircraft support, if you needed XYZ, they gave us all these checklists, and it's like go down his checklist or whatever. And at the end of training, they would always say, laminate it, take it to the field, meaning take it with you, because it may save your life one day. So imagine you're in a chaotic combat situation, and you need to precisely ask for help. In every little variable to include where they're going to place, this ordinance matters because if you're off a hundred yards, it might land on you versus the enemy. So it's a really a life or death situation. It's the same thing for pilots. So, pilots, they get on a plane. If you get on any commercial aircraft, you walk in. You see the pilots door open. There's two pilots sitting there, and they're going through a checklist.

Ken White

Yeah.

Christopher Lee

Now they've flown 10,000 hours. But missing a step on that checklist means whether you go up and come down the right way or not.

Ken White

Mmm-mmm.

Christopher Lee

So it really really matters, right? There's a whole movement in the medical field, the same idea. Where surgeons incredible human beings, but you'd be amazed at how many times they miss things less than 1%, the experts say. But 1% is 5000 deaths a year. And there's one study. There's a book called The Checklist Manifesto that argues the point that if you're in ICU, there's something like 180 actions they need to take with you every day. And that's incredible number of opportunities for failure.

Ken White

Yeah.

Christopher Lee

So with 1% error, there's still a lot of issues. So checklists are designed to keep people from making mistakes. So we borrow that idea and say, hey, you're going to have this dynamic conversation about performance. We give you a tool to help kind of be a toggle for your memory on things that you want to cover and keep track of over the series of conversations.

Ken White

So I was going to ask if you're the supervisor, the leader, you're maybe introverted. This isn't all that easy for you. The checklist sort of bails you out, doesn't it? That helps you in this conversation.

Christopher Lee

It absolutely does. You're absolutely right. And the questions and checklists are designed for that purpose. And in the framework of the performance conversations method, you actually empower the employee to be prepared for the conversation as well. So you're not just totally driving the conversation. They're going to come with their own questions because they're going to say, Chris, here's what I need from you. One of the Magnificent Seven, the last one is, what can I do for you? And so we were talking about a superstar on your team earlier before we started, right? Man, performance conversations are great for superstars because that's what you should be asking them, which is how do I keep you on the team?

Ken White

Right.

Christopher Lee

I mean, you're not really coming out saying, how do I keep you on a team? You're saying, oh, man, Jennifer or Paul, you're doing great, right? You're doing this whatever. What other opportunities do you want? What growth things can I hand off to you? What are you thinking about? Because if you're not keeping them fulfilled, they're going to go look for something else.

Ken White

Yeah.

Christopher Lee

Right. And so this is an opportunity for them. I can recall one lady; I'll give her a shout-out. Her name is Jennifer James, who's on my team at my previous shop, amazing professional. I think I managed two of our performance conversations. After that, she managed me, and it was a yes, ma'am because she would walk in. She was prepared all the prompts and ticklers or whatever, and she comes here's what this is going on. I'm concerned about that. I want to do this whatever. And I was like, yeah, okay. Got it. Check, check, check. Because I wanted to keep her on the team.

Ken White

Right.

Christopher Lee

And so my job as a coach, you got Michael and Michelle Jordan on the team. You're trying to figure out how can I best utilize his or her talents?

Ken White

Right.

Christopher Lee

And so it's really a great sort of approach because we've shifted the metaphor from boss, employee to coach and performer.

Ken White

Or even teammate it felt like, to me a little bit, it didn't seem like there was one person was, quote, unquote, higher or lower than the other. Yeah. It seemed like it was a real collaborative kind of effort. So if I'm with an organization for years, we've done the scale of one to five, one to five. Everybody gets irritated if they're below a five. But that's how we determine our raises. How do we tie the money, the bonuses, and so forth to this kind of an evaluation on our system?

Christopher Lee

So I would say two things. One is that if you work for an organization this is still 20th century oriented in its thinking, you might have to comply with their rules, policies, and procedures. And I would encourage you to use this framework inside of that because all existing or historical method said the same thing. Evaluations only work if you're doing regular, ongoing feedback. We're giving you a feedback system here. And so that kind of fulfills that need or whatever. I don't think you actually need the evaluation. And we can talk about that another day because there's a lot of information there. But on the issue of tying it to compensation. That is one of the biggest problems with evaluations because then we've shifted for the purpose. Are we trying to manage performance, or are we trying to rate performance? Two fundamentally different issues and the research shows that the tail wagged the dog because here's how it goes. I have a list of 23 reasons or criteria upon which we make compensation decisions in organizations, and evaluations are only one of them. So that's part of the challenge. So let me give you an example. I'm the HR guy happens here as anywhere else. A manager thinks that the salary scale is wrong or my person is not treated fairly. Or I'm really trying to keep Jennifer on the team, and I want to pay her more than the University or the company wants to allow because it matters to me to keep her on the team. So if that person's performance is a 4.8 or 4.2, doesn't matter what the number is. You want more. So you may give them a higher raise than they deserve because you're trying to keep that person on the team. That's an example when the tail wags the dog. And then all evaluation system, there's two different kinds, right? One is against a standard against another. If you're Scotty Pippin, life's tough because you're on the same team with the world's greatest right. And so, if you're on a team by yourself with Scotty Pippin, your chances of getting a higher raise is higher at organizations that use the relative to others.

Ken White

Right.

Christopher Lee

And then the same thing with a great team in an average organization or a good team in a great organization so that calibration across units is always a problem as well. Again, there are 23 different variables. Many private organizations, as you might know, also give you increases according to where you are in the salary range because they want to move people towards the midpoint to keep their salaries competitive overall. So if you perform at the 90th percentile but you in the third quartile, they may slow your growth versus if you're in the first quarter. So again, there are so many variables there. And so when we tie to performance, then we bastardize the performance system. And again, that's just another one of the fallacies around appraisal. So I discourage that, I'm saying, but you have to use that. Information is valuable information. But let's be truthful about it. That's one of the reasons and ways. And the biggest and the easiest is last year. The vast

majority of organizations did not give anyone an increase because of the economy turned, if you're in the middle of the year fiscal year in July, because if you're not profitable, you can't give people. So the whole idea that they call it expectancy theory and compensation, that if I do what you say, I expect that you will do what you say, which is give me a raise. And that's never been true because it's the profitability of the company or the division or whatever case may be. It's the largest factor that would drive what your pay will. So then it's kind of hard for you to promise is that if he does his part, you're going to do your part. So again, that's five of the 23 variables, and that's why it's really problematic to tie it together.

Ken White

That's our conversation with Chris Lee, and that's it for this episode of Leadership & Business. Our podcast is brought to you by the William & Mary School of Business. Companies, organizations, and businesses are seeking professionals who can think strategically, communicate effectively and manage ambiguity. You'll learn those skills and more in the William & Mary MBA program offered in four formats, the full-time, the part-time, the online, and the executive MBA. Check out the William & Mary MBA program to learn more. Finally, we'd like to hear from you regarding the podcast. We invite you to share your ideas, questions, and thoughts with us by emailing us at podcast@wm.edu. Thanks to our guest, Chris Lee, and thanks to you for joining us. I'm Ken White, wishing you a safe, happy, and productive week ahead.