— Hey, and welcome to PCTY Talks. I'm your host Shari Simpson. During our time together, we'll stay close to the news and info you need to succeed as an HR pro and together we'll explore topics around HR thought leadership, compliance and real life HR situations we face every day. On today's episode I have with me Jason Lauritsen. Jason is a keynote speaker, trainer, co-founder, and CEO of Cultivayo, author of "Unlocking High Performance, How to use Performance Management to engage and empower employees to reach their full potential." Jason, you have quite the background. Thank you so much for jumping on with me today.

— I'm happy to be here. My son actually just said to me last night, he's like,"dad, you do a lot of things." I'm like, yes, yes I do.

— Can he describe exactly what you do? Cause my kids cannot.

— Well, he did, you know what? He did a pretty good job. He's like, well, you're, you write books. You're a professional speaker. You teach like managers to do stuff. Like he had a general like that, I was like, you know what? I'm making progress. I'm getting clearer because for years, no one in my family had any sense of what I did.

— Yep, I feel you there. So I wanna dig into performance management. You know, it's a topic that all HR professionals are, we're kind of trying to find the right combination of feedback, cadence and formality, and you tackle this in your book. You really illuminate how to create a work experience that feels great to employees while also supporting them in performing up to their potential. So what's your perspective on where HR professionals are right now in really unlocking performance?

— Confused, maybe if I put it in one word because, you know, performance management is such a sort of prickly topic because it's so central, I mean managing the performance of employees, managing the performance of our systems at work right, is so central to the existence and purpose of our organization. So here we have this thing that is so important. Without performance, we have no company, company goes away. But then at the same time, the primary process we use to manage it is so awkward, provides there's very little evidence it actually does anything to improve or impact performance. And it's been, it was predominantly designed around sort of enforcing compliance with kind of some checkbox things that we needed to do in HR, right? It's all really compliance driven. And so I think as the world of performance innovation, performance management innovation has exploded over the last couple of years and organizations like yours have started to try to bring forward tools and different approaches and whatever. I think a lot of, a lot, my sense is that in the people I talk to, there's just a lot of head scratching, right? Like, okay, what exactly is the right, there's OKRs and there's this and that and how often, like, do we need to have a performance appraisal every week

or is like once a year, always, like what is going on? So I think there's a lot of confusion. That would be how I'd summarize it in terms of current state.

– I hear a lot from HR professionals is I think a lot of bar in the space where like they wanna change performance, but they get locked into how does that affect my compensation decisions.

– Right.

– You know, so, I mean, I think for our discussion, really though, I wanna focus on, you know, performance and giving rich feedback. You know, something that we run into a lot is how do we teach our managers to embrace this idea of rich feedback more frequently instead of making it so formal and like awkward, like you said.

– Yes.

– You know, what are some tips that we can use to start to introduce that and really grow our managers in this space?

– I'm happy to address that, but I do want to comment on the performance compensation link quickly before we abandon that topic, because you're right. That is, that's the thing that cripples a lot of HR leaders from taking action. It's like, well, if we change this process and it doesn't produce a number that then can go into our matrix to produce how, what percentage of increase that this per, how are we ever gonna do it? And what I always the, best thing to do is like, get really, go talk to managers, and if they trust you, they'll tell you that what is happening is not that your performance evaluation system is driving compensation, it's that compensation is driving performance evaluation numbers. And so the manager and I, cause I used to do this, when I was the HR manager, I would do this for my team. I would decide in advance, what kind of raise people needed then I would go backwards into, okay, what kind of rating do they need to get? Which means then what kind of appraisal do I need to write in order to justify that rating? And so, there is like the risk in decoupling these things is so it's actually opposite. You have more risk right now because you're compensation decisions mean you're getting garbage performance information in a lot of cases. When you decouple the two and you have just a performance evaluation or performance enablement or performance management, whatever you wanna call that system that actually is anchored in helping the employee perform better, you start to get better data. Now you have actual data on performance that you can use to either justify or invalidate compensation decisions that can be made through a different process. And so it's, it's just it, I find it sort of comical that we still use that as a crutch not to make change because in actuality it's going backwards, not the way that we're pretending it's working. So I digress. You wanted to talk about feedback. So what, we can come back

to feedback now, but I that's my little rant I had to share with you. All right, so you asked for specifically, how can we make feedback more, a process that maybe is a little bit more manageable, something that we can see happening more frequently between employees and managers, correct?

— Yeah, I mean, ultimately I think managers get stuck in, who, I know performance review is coming. It's either quarterly or biannually, annually. And so I'm gonna kind of drip feedback throughout, but that's gonna be the real meat of the feedback that I give.

— Sure.

— How do we get that closer to the moment where managers are actively having these feedback discussions and it's more transparent and it's more helpful and it really is rooted in empowering the employee to do better?

— Sure. Well the irony of, I think our complicated relationship with feedback and the reason it's so challenging actually begins with something that is not really anything to do with feedback. And it's clarity of expectations. So many, I mean, every organization I've worked with, and I think almost every team or manager that I have coached or trained always has an issue of a lack of clarity of expectations at the beginning. They're not doing the work to get really crystal clear about what, you know, what exceptional or expected performance looks like. They're not doing the work to get really clear about how we're going to do our job. So that's, you know, what are our values? What kind of behaviors are expected? How are we going to communicate with each other, with our customers, with the people we support, all of these things are sort of left as you know, as a manager, oftentimes we, you know, it's like, well, we'll talk of about it. We talked about it once in a meeting in 1999 and so clearly everyone knows, like we had that conversation and so there's clarity. There's just isn't clarity and so the reason feedback sucks so much is that most of the time as the employee, you're walking into a meeting, the manager is about to drop a feedback bomb on you and the manager in their mind has an expectation that they're evaluating against that you have little or no awareness of, you're about to find out. So you're about to find out an expectation exists and that you're not meeting it. And it's going to be purely focused on criticizing you over the ways that you're not meeting this expectation you didn't know about, and at the end of it, you're supposed to be motivated to get better, and instead you feel like you just got hit upside the head with a two by four and told that you really, really suck. And it's like, and we're puzzled by why feedback isn't working. And so the key underneath all of this, if we want feedback to be more effective, it starts with getting much clearer about what's expected at work and that my go-to or simplified tool or mantra for this is what I call the golden rule of management. The golden rule of management is if it matters, write

it down. It's that simple. I, it's amazing how, you know, managers will tell me or leaders. They say they're clear about something and you say, okay, show me where it's written down. And they don't have it written down anywhere, it's clear to them. But then if you go talk to their people, their people have a completely different conception or no conception. You make them write it down and then all of a sudden they realize, boy, I wasn't nearly as clear about this as I thought. And the process of writing it out actually, you know, forces their way through it. And then they share it with others and others say, I don't know what that means. And then they have to write it again. And so when you write it down, that clarity starts to come.

— Do you think that this is potentially perpetuated by, you know, leadership has an idea of what the expectation of a team is that trickles down to what the manager expectation is. And then by the time it gets to the employee, it could look wildly different than what leader wants to see out of the team?

— Yeah, it's like that game of, what did we call that telephone when you were a kid?

— Yeah.

— Yeah, where you started, you told the first person something, you whispered it to 'em and then you go all the way around the circle and by the end, it sounds nothing like what it started. That is what happens. But you know what, if you write it down on a piece of paper, hand it to the first person, and then that person tells the next person and hands them the piece of paper, guess what? When you get to the end of the circle, they're still saying exactly the same thing. That's the power of writing it down. So you're absolutely right when it does, when it starts at the top and filters down, hot mess, hot mess, it falls apart. And the message by the time it gets to the intended person isn't the same. And so, yes, so that, that's where it starts is clarity of expectation. The other thing that I would say that is central to fixing feedback, and I think fixing performance improvement, at least just if we're talking about feedback in terms of techniques is a technique that I actually originally heard Marshall Goldsmith talk about years ago that he's a famous executive coach. has written a bazillion books, and then I've heard Marcus Buckingham talk about others, but it's an approach called feed forward. And feedback is actually, you know, it's an old kind of, it's an old term that actually comes out of sort of systems work that is about, it's just information, right about the performance and it's information about the performance that happened. Right? So it's, how did this process go? The feedback is basically did the process meet the expectation or not, or whatever. So it's, it comes out of that. And so by nature, by definition, feedback is backwards looking. It is an evaluation of the last cycle of performance or whatever behavior. The problem with feedback is that usually when we do feedback, we're looking at the

past cycle. If you met expectations, we give you nothing, just like you did it. And then you move on. If you exceeded expectations, then we give you a sticker or a, you know, whatever, a scratch and stiff sticker if you're really, really exceptional. But if you fell short, then we give you a, you suck list, right? We give you a whole list of ways that you fell short. The problem with that, that's really disempowering because you know what I can't change is my past performance. It's already done. Like, so you piling on me and telling me how much I suck based on my past performance doesn't help. That's not gonna, that's not motivating. And that's. And the insight for me that really made feed forward stick was watching my kids get coached in sports and realizing that like coaches are giving feedback all the time, but they do it in a way that is oriented towards next play, next play, next play. So next time do this. They're not like, man, why did you do that? That shot sucked, whatever. You're like, when you do that, kids cry and they stop playing. They just get demotivated. But when you say, hey, let me show you something and they teach, right. They show you how to do it better next time, that's feed forward. And so the approach with feed forward is as a manager or even in our system, is to stop asking people to create a you suck list for other people. You don't have to look backwards and then pile on all the things that the person did wrong. You can actually, you look at that past performance, you say, okay, where does this person need help? Where do they need new approaches? Where do they need to do something a little bit differently to perform different? And then I'm gonna provide them with suggestions, tips, insights, learning, coaching, so that they can take that and use it to improve future performance, which they still have control over. That is something that is within their range of control. So feed forward is kind of magic. You can use that in how you coach, you can use it in the questions you ask, even in your performance system. You know, instead of asking how, you know, like tell me about what Shari did well and what she didn't do well in that podcast interview, the question becomes, hey, do you have any ideas for how Shari could more effectively interview guests in the future? Those are two same outcome that we're after, but they feel very different.

— It's amazing that we see that in coaches, you know, as kids or with our kids and somewhere along the line, it like disappears that we realize that that's like the best way to help people move forward.

— Well, we've been told a lie, right? In a lot of our management training programs, historically traditional management, we've just been told that this is critical. Like you have to do, you know, feedback is vital and feedback is vital. It's important. You have to know, and I'm not, so let me be clear. I'm not Pollyanna here. I'm not telling you that you shouldn't ever look at past performance or evaluate past performance. This goes back to clarity of expectations. If I have crystal clear expectations, then at any given time, I know that I'm falling short of expectations, or if I don't, then I'm not

getting the kind of information I need about my performance. All
feedback is not my manager sitting down with me and telling me. Some
feedback is natural feedback that comes from the environment. Some
feedback is feedback that comes from my peers. Some feedback, there's
a lot, you know, some feedback is just quantitative, you know,
quantitative measurement of objective performance. All of that is
feedback and I should have access to a lot of that on a real time
basis so that I understand where I'm at. And you know, they like
coaches do, college coaches, high school coaches, they go back and
look at game film. They look at game film and they call out things
like, okay, that we, our defense broke down right there. So let's talk
about what we should have done. Like what should we have done
differently there? And then we're gonna drill that in practice this
week. Right, but it's not talking about how you're broken or like
really piling on why we suck so bad that we did that, right. That
doesn't help.

— How do you see the role of peer involved in the performance review
process?

— Well, I think peers actually are, play a much more important role
than we often allow them to play, but it's dangerous, right? I mean,
this is where setting the cultural, setting the cultural kind of
container is really, really important because, well, I'll give you a
perfect example of what's possible. And I, I wrote about this in my
book and it's, there's this company called Menlo Innovations up in
Michigan, that is a software, they're a software development shop. And
they are, they become kind of legendary. Their CEOs actually written
two books about how they do work there because people are so blown
away. But one of the things that they do is the way they do perfor
their sort of their answer to performance evaluation is something they
call feedback lunches. And a feedback lunch basically is as an
employee, when my feedback lunch comes up, I get a notification it's
time. So then I, as the employee identify the five or so people who
over the last performance cycle have the best view of my performance.
I invite them to this lunch. Once they accept, I then send them out an
email asking, or sort of telling them specifically what kinds of
questions I have about my performance and what I would like to talk
about or where I would need feedback. They have a couple weeks to
prepare, and then we all come together, sit down around a table and
they face to face, eyeball to eyeball give me the feedback I requested
about my performance. And while that seems insane to most people, I
actually have interviewed, I talked to several of, I talked to several
folks there about this process and they say the reason that it works
is because from the very moment they interview for a job there,
there's a cultural standard or expectation set that is everywhere at
this organization, that your job is to make the person next to you
successful. And so there's this level of trust and commitment that
exists from day one. They hire for it, they condition it, they, and so
when you sit down in that room to get feedback, they can give you all

kinds of feedback, critical, you know, encouraging all everything in between, and you can hear it and take it in because you trust these people and you recognize that they want you to succeed. And so it has to start by creating an environment where people feel safe and they know that their success is interconnected and that it's worth it to give that feedback. So it's really important, but it's hard to do.

— Yeah, it sounds like such an exciting way to give feedback. And it really kind of leaned into empowering the employee to own the process, which I really liked because sometimes those processes are so top down driven by leadership or by HR, so I really love that idea. I'm gonna switch gears a little bit. As you kind of think through performance and some of the things that, you know, HR has been dealing with over the last, you know, two years now, we're really high on kind of diving into employee experience. But I think there's this interwoven intertwine idea between employee engagement, employee experience and performance. I'm curious your perspective on how you see all those things working together.

— Yeah, that's a, it's kind of like the sort out the buzzword bingo of HR. I have for years been railing against the, and I say this just because I go on rants about this once in a while, but one of the things I commonly talk about is that one of the things in HR that plagues us is how sloppy we are about our language. So like employee engagement, I have built a career around employee engagement in this world of employee engagement and yet, and if I, you know, when I show up in a room full of, you know, if I'm speaking to a room of several hundred leaders or HR people, and I'm saying, I say employee engagement, everybody nods their head. Like they know what I'm talking about. Same thing, we're all talking about same thing. But then if I went to each of them individually and said, okay, what is employee engagement at your organization? What is it? It would be a hodgepodge. I'd get some blank stares. I would get some very generic definitions. Some people would be very specific. Some people would give the, you know, the Gallup program, what's discretionary efforts, whatever. Like we've had some, but it's it lacks specificity. There's no standard, and there's no. And so, and so to me, so I've defined it in the way that I think it's helpful for people to do this work. If you ascribe to the way of thinking about the workplace that I do, here's how I break it down. So employee engagement, let's start there because I was just talking about it. So employee engagement is the degree to which an employee is willing and able to perform up to their potential. And so it's a measurement of, like I said, two things, am I willing and am I able to give you my best? So it's ultimately about what level of my performance capacity, am I willing and equipped to give you? And so that's what that is about. So it's a measure of performance, you know, unleashing of performance or unlocking a performance is kind of what engagement actually is. Employee experience is actually the, it's sort of all, it's the day to day sort of series of moments and interactions that we shape that sort of impacts the degree to which an employee is

engaged. So the experience is more intentional. It has to do with interactions. It has to do with physical space. It has to do with technology. It has to do with all of the things that impact creating these moments of work that individuals experience every day. And those moments produce some kind of feeling about work, positive, negative, neutral, helpful, not. And so the idea, I talk about this a bunch in my book that the goal is we're designing experience to drive engagement, which unleashes or unlocks potential. And so then when I talk about performance management, I talk about performance management as a system and performance management is sort of the system that we design within our, the experience we're creating for our employees, that creates that experience of work that feels like a healthy relationship for employees so that they then will willingly give their best. So that's how I tie all those things together, but I'm sure you, next guest you will talk to on this podcast will probably answer that question completely different.

— Well, I think you gave a good framework for somebody who's listening, who hasn't been able to tie 'em all together yet. So I appreciate that, you know, as we wrap up our discussion, you know, the last question I really had centered around great place to work designation. So you partner with an organization called Quantum Workplace and it's one of the companies that helps identify best places to work. And that's really about, you know, creating a survey and then taking it and measuring engagement. What is the value of that? Do you think for organizations to actually continue to do those kinds of surveys and have those designations?

— Sure, so yeah, you mentioned, I spent three years of my career working for Quantum Workplace leading the best places to work team. And so I got really deep in that and I think that's a really great question. And there's several layers to it. I would say, you know, at the top level, and probably the thing that is most important today is that if you have a, you know, if you're investing in your culture and you're doing all the things to create a truly positive employee experience for your people, and you can get this kind of recognition through one of these programs, the benefit is it's external validation of you being a good place to work. And I think employees increasingly are getting more skeptical about the promises that companies make, because there was a lot of, you know, there was a lot of BS floating around and, you know, people make promises, then you get in, everybody's had that experience, you get to work and you're like, wait a minute, where's the company you were telling me about during the interview process? And so this is an external validation, especially the way that companies like Quantum do best places to work, where it require, you know, it's based on surveys of the actual employees. So it's the employee, how the employees feel about it, not what somebody in corporate communications can write up about the company. And so those kinds of designations are really powerful sort of validation that, you know what, this is probably a pretty good place to work if

it's a cultural fit for you. And so that's one, I think the other
thing that's really valuable is it's a really powerful way, if you're
an organization that cares deeply about retaining employees, engaging
employees, creating an experience that really works, it's a really
good way to benchmark where you are against your competition for great
talent. And so there's a plus and a minus when you do it. So this is
my word of caution to organizations is that if you're not committed to
this work and this isn't a real thing, if you're doing it, if you're
participating as a shortcut or you have leaders that wanna do it as a
shortcut to try get the bump in the, you know, this will help us
recruit better, but you haven't been investing in creating a great
culture before then you haven't been surveying your employees in the
past. You don't know, then maybe not the smartest thing to do, because
what you're gonna go do is you're gonna go ask your employees to
complete a survey as part of a best places to work contest, to
validate what your employees already know, which is it's a terrible
place to work, or it's not a best place to work and now you have
evidence of that and now you really better be ready to do something
about it. So there's some real value. I mean, there's value in the
recognition. There's also value in the information you get and the
validation or comparison you get and benchmarking, but you really need
to be committed to being the best place to work truly if you're gonna
do it.

— I think employees expect that too. If I'm filling out a survey and
I'm giving you feedback, I expect you're gonna do something with it
and not just use it for some award.

— Indeed. That's the biggest mistake companies make around any survey,
whether it's an award survey or not, if you're gonna, and we saw this
happen all the time, right? An organization, they would try one year,
right? They fill it out. They ask employees to do it. They don't make
the list. And then they disappear. They don't come back again. And
because they asked these employees for their feedback, the employees
like took 'em at their word that they actually wanted 'em to be honest
and then they didn't do anything about it that just made trust worse.
That is the worst thing you can do for employee engagement is to do a
survey and not take any action. It's better to not do a survey than it
is to do a survey and take no action.

— It's that same concept as like once, you know, you know, and you
can't unknow it.

— That's right.

— It's really important.

— That's right, once you see it, you can't hide from it anymore.

— Well, Jason, this was such a great discussion and I'll include in

the show notes links to, you know, Jason's website and his book in case you wanna reach out to him directly. But Jason, thanks for a few minutes of your time.

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