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by CHUCK BOLTON

Torpedo yearly reviews; try 'W-5' instead

WHAT IS REQUIRED for any business that seeks to serve its clients well? A group of motivated, high-performing people is a necessary component.

And how do most businesses monitor the performance of their people? An annual performance review is typically used.

And who feels the performance review process works well? Just about no one!

Consider these facts:

- Only 13 percent of employees think performance reviews are effective.
- Seventy percent of managers admit they have trouble giving a tough performance review.
- Fifty-eight percent of human resources executives give their performance review process a grade of C or below.
- Only 6 percent of CEOs think their performance review process is

effective.

Clearly all of the stakeholders of the annual performance review see the process as broken. If that is the case, isn't it time to obliterate the traditional performance review?

Why don't companies blow up their performance review processes? They typically give one of three reasons:

1. Because it is necessary to give feedback on performance and this provides a mechanism for the exchange of feedback.
2. Because they've always done performance reviews before.
3. Even if they acknowledge performance reviews don't work well, they don't have a better solution for delivering performance feedback.

I'm all about giving and receiving feedback to improve performance, and I'm fanatical about creating performance-oriented cultures. But I am adamantly opposed to the annual performance review process, which sadly

is the antithesis of high performance. So what can companies do differently? I suggest the W-5 meeting.

Five-way view

The W-5 (work in 5 directions) meeting is a new idea in performance management. These meetings offer a powerful opportunity to promote self-accountability. Very simply, a W-5 meeting is a one-to-one meeting between a team member and his or her direct manager. At these meetings, the team member should report a self-assessment on performance from five directions: customer, direct reports, peer, manager and self (how they are learning and growing).

Typically held monthly, the focus of this meeting is about the results the team member is achieving. It is the team member's responsibility to schedule the meeting and report in full.

During the W-5 meeting, which will

[tips]

- 1 | A W-5 meeting is a one-to-one meeting between a team member and his or her direct manager.
- 2 | At these meetings, the team member should report a self-assessment on performance from five directions: customer, direct reports, peer, manager and self (how that employee is learning and growing).
- 3 | Typically held monthly, the focus of this meeting is about the results the team member is achieving.
- 4 | It is the team member's responsibility to schedule the meeting and report in full.

typically run 20 to 30 minutes, the team member gives a full accounting of his/her progress on ways he/she is meeting and exceeding the requirements in the five directions of work, as listed above.

The team member provides an overall assessment of how he or she is delivering, takes accountability for performance shortfalls and reports on a plan to correct any deficiencies in the future. Both problem areas and success stories are shared.

Specific topics on which the manager can assist are identified, and together a plan is developed. For both the team member and the manager, the W-5 meeting is held in a spirit of collaboration, alignment and coaching for future performance. The manager should look for ways to encourage, support and recognize the team member throughout the meeting, in a genuine way. The meeting is supported by candor and an open dialogue.

Implementing W-5 meetings monthly builds accountability for performance with an eye on what is required for future success. If W-5 meetings are held regularly and with

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— **Chuck Bolton**, The Bolton Group

the right intention, the manager will only need to hold team members accountable when they are failing to hold themselves accountable.

Companies that implement the W-5 process across the board can discard their annual performance review process. Using the W-5 process provides for recognition of excellent performance. Meanwhile, poor performance gets addressed quickly, and is not tucked away for a discussion that may occur months later.

There is no ambiguity around how performance is perceived, in the world of W-5. Problem performers find themselves in a pressure cooker, have nowhere to hide and are quickly faced with a choice: dramatically improve or leave. Mid-level performers are coached on ways they can lift their contribution. Excellent performers are recognized for their superb work.

So if we are committed to growth, extraordinary results and a performance-driven climate, it is time to obliterate the old performance review process, substituting it with real time feedback and the W-5 process.

The biggest challenge of W-5 meetings is the discipline to initiate and sustain these meetings, which take time. But I suggest that nothing should be more important to leaders and managers than creating a team of motivated, high performing team members that are positioned to achieve sustained results. After all, taking great care of clients by creating the climate for sustained results is

what leaders are paid to do.

If you are getting great results with your traditional performance review process, you wouldn't be reading this article. If you want great performance in the future, I encourage you to consider committing to the W-5 process.

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