Rethinking Performance In The Pandemic

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Responding to COVID-19: How Everything Seems to Have Changed
How The World Has Changed

- Coronavirus
- Crash
- Global Pandemic
- Back to Work
- Transformed Business
US Job Market Is Hot Again  (12/9/2020)

<table>
<thead>
<tr>
<th>Name</th>
<th>Postings</th>
<th>Month over month change</th>
<th>Change from last year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heavy and Tractor-Trailer Truck Drivers</td>
<td>1,555,857</td>
<td>28%</td>
<td>69%</td>
</tr>
<tr>
<td>Registered Nurses</td>
<td>694,052</td>
<td>6%</td>
<td>21%</td>
</tr>
<tr>
<td>Retail Salespersons</td>
<td>367,011</td>
<td>4%</td>
<td>0.5%</td>
</tr>
<tr>
<td>First-Line Supervisors of Retail Sales Workers</td>
<td>350,969</td>
<td>2%</td>
<td>-6%</td>
</tr>
<tr>
<td>Software Developers, Applications</td>
<td>329,110</td>
<td>3%</td>
<td>9%</td>
</tr>
<tr>
<td>Customer Service Representatives</td>
<td>267,630</td>
<td>-0.9%</td>
<td>6%</td>
</tr>
<tr>
<td>Stock Clerks and Order Fillers</td>
<td>226,856</td>
<td>-3%</td>
<td>55%</td>
</tr>
<tr>
<td>Light Truck or Delivery Services Drivers</td>
<td>225,628</td>
<td>3%</td>
<td>16%</td>
</tr>
<tr>
<td>Computer Occupations, All Other</td>
<td>177,364</td>
<td>3%</td>
<td>13%</td>
</tr>
<tr>
<td>Marketing Managers</td>
<td>148,672</td>
<td>7%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Emai Job Posting Analytics

12,837,318 postings  4% month over month  10% from last year
The Big Reset: What We’ve Learned This Year

1. Continuous real-time communication
2. Wellbeing in all its forms
3. Supporting and developing leaders
4. Multi-functional HR
5. Adapted talent practices
6. Digital transformation at speed
7. Agile problem solving, not Agile methods
8. Direct focus on family
9. Maintaining productivity and focus
10. Remote and flexible work
11. Focus on purpose
12. The rise of trust
13. Distributed authority with coordinated control
14. Improved pay and benefits
15. Learning all the time
16. Rules and priorities with consequences
17. Operating under uncertainty
18. Positive psychology
19. New work protocols
20. Unity: coming together as one

https://joshbersin.com/big-reset-2020/
# Not All Companies Responded Well

## The Four Stages of Response

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1: Hope for the best</td>
<td>Try to keep operations running, furlough or layoff people, focus on financial survival</td>
<td>18%</td>
</tr>
<tr>
<td>Stage 2: Care for the people</td>
<td>Aggressively protect workers, workplace, customers, suppliers, and all supply chain from infection</td>
<td>46%</td>
</tr>
<tr>
<td>Stage 3: Drive agility and culture</td>
<td>Educate and support employees and families to move fast, develop cross-functional solutions, and stay resilient and productive</td>
<td>15%</td>
</tr>
<tr>
<td>Stage 4: Transform and reinvent</td>
<td>Reinvent hiring, job design, performance management, and pay to transform to new business/operating model</td>
<td>21%</td>
</tr>
</tbody>
</table>


Figure 7. The Four Stages of Response
## The Ten Practices That Matter

### Health & Wellbeing
- Take care of people and their families
  - 1. Focus support on employee health and safety
  - 2. Aggressively listen to the workforce to define return to work plans
  - 3. Create integrated support for families and the entire worker's life

### Business Agility & Change
- Drive agility and change through mission
  - 4. Reinforce and invigorate focus on purpose and mission
  - 5. Communicate agile teams to deal with ambiguity
  - 6. Adapt technology to develop new products and services

### Business Transformation
- Reinvent work, jobs, and talent practices
  - 7. Rapidly, creatively, and strategically hire new, needed talent
  - 8. Heavily leverage contingent and part-time workers
  - 9. Facilitate and support teams to experiment and learn quickly
  - 10. Simplify and speed up performance management
Even Now, Employees Remain Concerned

ONLY HALF OF EMPLOYEES DEEM OFFICE SPACES SAFE

Percent of employees that...

- Trust corporate offices are safe given the current situation
- Are likely to enter a corporate office in the next three months

September 2020

Edelman Back to Work Survey, 2000+, September 2020
Creating A Resilient Organization

Organizational Resilience

1. **Operating Model**: distributed authority with central coordination
2. **Capability**: deep levels of training and experience
3. **Relationships**: socio-technical systems and personal relationships
4. **Shared data** and real-time situational awareness
5. **Leadership**: Creates trust and believe in creativity and innovation

Individual Resilience

1. **Positive attitude** and emotion, growth mindset
2. **Work**: fit, safety, enablement, tools, support
3. **Relationships**: work, home, family, community
4. **Purpose**: meaning and mission of work and life
5. **Progress**: ability to perform, achieve, and grow
Need for PowerSkills. New Secrets of Success.

- Optimism
- Curiosity
- Tenacity
- Flexibility
- Integrity

- Learning
- Generosity
- Joy
- Teamwork
- Communication

- Drive
- Ethics
- Empathy
- Followership
- Time Management

- Happiness
- Patience
- Kindness
- Forgiveness
- Awe

Source: IBM, Greater Good Science Center, Pymetrics, Josh Bersin
Rethinking The Role Of Management
The Future of Work is Here

Al, Robotics, Sensors Have Arrived

83% of CEOs expect AI to radically change their business in the next 3 years.

51% have already implemented major automation projects in services or product areas.

55% of employees are worried about automation taking their jobs.
Shift to Service and IP-based Economy

Goods-Producing vs. Services Jobs as % of Total, USA, 1939 – 2014

Source: U.S. Bureau of Labor Statistics

“Fully Grown” by Dietrich Vollrath
## Stress, Anxiety, Financial Concerns

<table>
<thead>
<tr>
<th>Anxiety or worry</th>
<th>Distractions from work</th>
<th>Increased financial concerns</th>
</tr>
</thead>
<tbody>
<tr>
<td>92% report at least some anxiety from the coronavirus, with 55% indicating a moderate or high degree of anxiety</td>
<td>70% report at least some distraction from work from coronavirus concerns, with 26% indicating a moderate or high degree of distraction</td>
<td>61% report at least some new financial concerns due to the coronavirus, with 25% indicating a moderate or high degree of worry</td>
</tr>
</tbody>
</table>

### Impacts on the Employee Experience…

<table>
<thead>
<tr>
<th>39%</th>
<th>57%</th>
<th>32%</th>
<th>76%</th>
<th>47%</th>
<th>46%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree fully that colleagues are able to cope well with the stress they are feeling</td>
<td>Agree fully that they are able to find ways to manage challenges outside of work</td>
<td>Agree fully they can balance working from home with other personal life commitments</td>
<td>Have shifted to a work-from-home arrangement</td>
<td>Agree fully that they know how to apply company benefits to coronavirus care</td>
<td>Agree fully their company is making it easier to access and use benefits</td>
</tr>
</tbody>
</table>

Management Philosophy Has Changed

<table>
<thead>
<tr>
<th>The Industrial Corporation</th>
<th>Hierarchical Leadership</th>
<th>Collaborative Management</th>
<th>Company As A Network</th>
<th>Empathy, Trust Resilience, Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational Efficiency</td>
<td>Profit, Growth, Financial Engineering</td>
<td>Customer Service, Employees as Leaders</td>
<td>Mission, Purpose, Sustainability</td>
<td>Citizenship, Trust, Growth, Learning</td>
</tr>
<tr>
<td>Industrial Age People as Workers</td>
<td>Management by Objective</td>
<td>Servant Leadership Work Together</td>
<td>Empower the Team</td>
<td>Productivity, Wellness, Responsibility</td>
</tr>
<tr>
<td>Andrew Carnegie Henry Ford</td>
<td>Jack Welch Peter Drucker</td>
<td>Howard Schulz Steve Jobs</td>
<td>Netflix, Google, Facebook, Amazon</td>
<td>Unilever, Verizon, Patagonia, Whole Foods</td>
</tr>
<tr>
<td>The Corporation is King</td>
<td>The Executives are King</td>
<td>The People are King(s)</td>
<td>The Teams and Team Leaders are Kings</td>
<td>The Individual, Community, and Family</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Philosophy</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1950s</td>
<td>The Corporation is King</td>
</tr>
<tr>
<td>1960s-80s</td>
<td>The Executives are King</td>
</tr>
<tr>
<td>1990s</td>
<td>The People are King(s)</td>
</tr>
<tr>
<td>2019</td>
<td>The Teams and Team Leaders are Kings</td>
</tr>
<tr>
<td>2020</td>
<td>The Individual, Community, and Family</td>
</tr>
</tbody>
</table>
What’s On CEOs’ Minds

DEALING WITH BUSINESS INTERRUPTION
Movement of business to new economies and *inward focus* of business is the mandate for 2020

- **Business must adapt and may not survive:** 87%
- **Need more creativity to reinvent the business we’re in:** 77%
- **Need to reskill the workforce to grow and adapt:** 61%

All employees
The Link Between Performance and Engagement

- When researchers looked through the job logs of thousands of workers for clues to their engagement, they found one overriding need:
  - The need to “get things done.”

- Productivity and engagement are two sides of the same coin.
When People Perform Well, They Become Engaged

75% agree that “high engagement” drives high performance

69% believe “you cannot improve performance” without improving engagement

The Progress Principle, by Teresa Amabile and Glint, Harvard Business Review,
September 2019, 717 corporate respondents
How Can We Rethink Performance Management In The Pandemic?
The New Performance Management Process

1. OKR Goal Setting
2. Check-Ins (1-1’s)
3. Feedback Recognition
4. Coaching & Development
5. Performance Review (data)
6. Periodic Compensation Review
7. Succession Mgt Talent Calibration
8. Development Plan & Activities
9. Next Assignment or Projects

Goal Alignment and Feedback
Coaching and Development System
Make Goals Relevant and Achievable

Teams with specific and ambitious goals increase achievement from 50% to 80%, and to 90% with feedback.

-Don Sull, MIT
Focus on Learning not Just Results

High-impact organizations empower individuals and teams with effective feedback and in-the-flow development

% of organizations who use these practices to a significant extent

- Continuous performance management - frequent, multi-source/peer feedback: 56%
- Separating performance and development feedback: 44%
- Encouraging peer development: 74%
- Facilitating learning networks: 72%

Insights through effective feedback

- Low-impact organizations

Action through in-the-flow development

- High-impact organizations
Make Feedback Central and Frequent

Organizations that revise or review goals quarterly or more are 3.5 X more likely to score in the top quartile of business performance.

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Improvement in Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>50%</td>
</tr>
<tr>
<td>Quarterly</td>
<td>31%</td>
</tr>
<tr>
<td>Twice Per Year</td>
<td>26%</td>
</tr>
<tr>
<td>Once Per Year</td>
<td>24%</td>
</tr>
<tr>
<td>No Goal Revision</td>
<td>3%</td>
</tr>
</tbody>
</table>

Note: Based on our employee recognition survey, we created a business performance index (BPI1) that averages scores on employee engagement and three business-related outcomes (customer satisfaction, cost structure compared to competitors, and market leadership position). It then ranks organizations on the scale. Organizations that scored in the top 25 percent of the BPI are considered to have "strong" business outcomes.

Evidence That Opening The Feedback Loop Works

Asking for Feedback Is A Positive Behavior:
90% of companies state that engaged employees are more likely to seek out feedback to improve their performance, and they set more ambitious goals.

Receiving Feedback Creates Performance:
Employees who received constant regular feedback were among those scoring four-and-a-half and five on their performance ratings.

Feedback Creates More Engaged Managers
89% of respondents state that engaged managers meet more frequently with their employees than with disengaged Managers.

Patagonia, Cisco Have Proven This
These companies have statistically proven that the high performers have higher levels of feedback and dialogue with managers.
Differentiate In A Fair And Transparent Way

From Feedback to Performance – New Criteria Of Success

1. **Reward exceptional performance in an exceptional way**
2. Don’t assume the team is “bell-curve” in focus
3. Assume everyone can excel under the right conditions

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https://www.forbes.com/sites/joshbersin/2014/02/19/the-myth-of-the-bell-curve-look-for-the-hyper-performers/#488e9f8bca
Deloitte and McKinsey research both found that fair and transparent pay for performance is a significant driver of success.

This means there must be clear goals, goals must be aligned, and goals must be relevant to the overall business (OKR methodology).

Companies with team-based goals outperform those with individual goals by over 30% (Deloitte).

Still, pay practices themselves need to be modernized. More flexible, more transparent, more frequently reviewed.

High-performing organizations are . . .

- 2.3x more likely to see development and growth, not compensation and promotion, as the purpose of PM
- 2.1x more likely to use pay for performance to differentiate and reward

. . . than are low-performing organizations.

Making The Process Simple

High-performing organizations are...

- 2x more likely to use technology to track performance indicators
- 3.8x more likely to use technology to track development indicators
- 2.2x more likely to integrate PM technology with other workflow systems (e.g., email, project management)

...than are low-performance organizations.

Rethinking Development Planning

Society’s Needs and Demands

Organization needs
- Values
- Strategic initiatives
- Desired business outcomes
- Mission
- Vision
- Desired competencies (knowledge, behavior, skills)
- Open positions & opportunities

Individual needs/desires
- Development needs
- Strengths
- Annual goals
- Mobility
- Career aspirations

Development planning
- Individual Development Plan (IDP)

Succession management
- Career development

Strategic competencies
- Workforce planning
- Development planning
- Performance management

Rethinking Development Planning
Seriously Rethinking Your Job Architecture

Dozens of levels, job families, roles, and descriptions

Fewer levels, simpler job descriptions, simple titles
Creating Development Plans and Goals

Development Plan
- AI
- IOT
- Data Science
- Story Telling
- Collaboration
- Writing
- Project management

Development Plan
- Budgeting
- Goal setting
- Team leadership
- Hiring
- Competitive Analysis
- Communications
- Business case
### Three Models for Development Assignments

<table>
<thead>
<tr>
<th>Planned</th>
<th>Facilitated</th>
<th>Agile</th>
</tr>
</thead>
</table>
| • Skills and experience  
• Tenure and reputation  
• Assessments, gated paths | • Needs of the business  
• Developmental needs  
• May be stretch assignment | • Changeable at any time  
• Based on interest and skills  
• Skills models may help |

Clear functional career paths which employees traverse over time with succession, talent reviews, and manager-led coaching integrated into talent management.

Job moves, relocations, stretch assignments, and promotions are facilitated outside the model for high-potentials, critical talent needs, restructuring, M&A, and other rapid changes.

Individuals can find new gigs, assignments, jobs, and roles themselves, apply for jobs, and move internally – including gig work and projects.
The Big Shift: *Integrating Work and Life*
“Simplification of HR processes before implementation of systems was one of the biggest drivers of successful implementations.”

Why Development is Core To Performance
Development And Growth Drive Engagement

In your current company, what is the #1 most important thing that would make you look for a new job?

- Inability to learn and grow: 20%
- Working too hard, too much travel, unhealthy work environment: 12%
- Poor relationships with team mates or peers: 6%
- Misalignment with company's mission or purpose: 10%
- Not getting an adequate raise: 11%
- Other, please specify: 13%
- Lack of respect for company leadership or CEO: 8%
- Poor relationship with my manager: 9%

N=2,800 professionals, Fall 2018, Bersin and LinkedIn Research,
Learning: Move from Skills to Capabilities

Skills or Expertise (Fast learning)

Context or Perspective (Slow learning)

Why “Skills Expertise” Is Not Enough

• Academies teach employees about context, application, and implementation of their skills.

• Academies give your people an opportunity to meet and learn from others inside or outside your company.

• Academies are a “place” not a set of “programs.” A place that brings people together.
All Stakeholders Must Buy In

**EMPLOYEE**
- Identify Career Goals
- Maintain Profiles
- Demonstrate Values
- Experiment and take risks
- Create Internal Network
- Be Ready To Learn On The Job

**MANAGER**
- Embrace Internal Candidates
- Provide Coaching
- Assess Potential
- Identify Development Opportunities
- Provide Feedback

**HR**
- Tools and Resources
- Facilitate Process
- Offer Career Coaching
- Career Models and Communications
- Open up learning programs
- Integrate with Rewards

**COMPANY**
- Implement Infrastructure
- Reward and honor internal growth
- Create Culture
- Communicate Expectations
- Be Transparent
Rethinking What Leaders Must Do

1. Growth Mindset: everyone can grow, all the time
2. Strengths Based: find your zone every day
3. Psychology Safety: inclusion, belonging, esteem
4. Inspiration and Agency: autonomy, mastery, purpose
5. Positive Psychology: joy, potential, possibility, abundance
Proof That Growth Mindset Works

Microsoft

S&P 500

GE
The Important Role of Culture
The Critical Role of Culture

Great Corporate University
Strong CLO
Excellent L&D Skills
Strong Talent Process
Excellent Training Technology
Great L&D Measures & Effectiveness

Have we created an organization which truly has a culture to learn?

Does Leadership reinforce the need to Learn?
Are experts rewarded and valued?
Can we get time from experts and leaders?
Do people share information openly?
Do people feel empowered to point out errors?
Do we take the time to reflect?
Do people move around and take risks?
Do we listen to customers openly?

The Critical Role of Culture
Trust Is The New Business Currency

Edelman Trust Data

46% Believe

The system is failing me

Only 48%

Trust government

Yet 75%

Trust my employer

Majority believe the system is failing:

Welcome to the Josh Bersin Academy

The Josh Bersin Academy is a global community of HR professionals connected through powerful digital learning experiences, that combine the best HR learning and education on the planet with unparalleled opportunities to collaborate with your peers. The Academy’s mission is to prepare the HR community for the radical disruptions already happening in the workplace.

Josh Bersin
Founder, The Josh Bersin Academy

People as Competitive Advantage