

Performance Management Drives Business Results



As a business owner, what tools are available to assure your business is continually improving? If you are a sports fan, you know that the best teams never rest on their laurels. Year after year, their focus is on getting even better. Never good enough! And central to their drive for excellence is the continuous assessment and development of their players.

It's no different for a business. It's unlikely you will win if a central part of your business strategy is not focused on managing and developing your talent. Having in place a well thought out performance management process or, as Marcus Buckingham calls it, a performance *development* process (PDP),

...is the most powerful performance-driving process in your company. Setting big goals and delivering regular feedback improves individual performance full stop.¹

No one will tell you that designing the PDP is easy. It requires challenging and sometimes unpleasant work. But the results are worth it:

- Over an 11 year time frame, companies that had a performance management culture grew net income by 756% vs. a 1% growth over the same period for those that did not.²
- Departments with managers who receive feedback on their strengths achieve 8.9% greater profitability.³
- CFO's spend at least 40% of their time on business performance management but estimate that 30% of their company's performance potential is lost due to ineffective performance management processes and behaviors.⁴
- Companies that implement regular feedback have turnover rates that are 14.9% lower than for employees who receive no feedback.⁵

And its impact on other critical talent management processes cannot be over stated. As can be seen from the below chart, the PDS collects and feeds important data to all of the processes that make up a talent management system:



If your performance development process is not delivering the business results you wanted or expected or if you have yet to even install such, please reach out to me. Your employees and investors will appreciate it.

1. Marc Effron, "An Update-The Hard Truth about Effective Performance Management". Talent Management Quarterly. 7/24/14
2. John Kotter. "Does corporate culture drive financial performance"? Forbes, 2/10/11
3. Jim Asplund and Nikki Balacksmith. "The Secret of Higher Performance". Gallup. 5/3/11
4. Don Weobong. "10 Statistics about Performance Management that Will Blow Your Mind". Talent Management 360. 9/22/15.
5. Jim Asplund and Mikki Blacksmith. "The Secret of Higher Performance". Gallup. 5/3/11.



John Weidner
Cornell Global LLC
(203 762-0730
jweidner@cornellglobal.com
[Website](#)

