# USEFUL PERFORMANCE MANAGEMENT TAKEAWAYS FROM SPORTS

\*bamboohr"





We get it: you're tired of sports analogies in business. Men who love sports have run the business world for a very long time, and sayings like "keep your eye on the ball" have become cliché.

However, when it comes to performance management, organized sports are a perfect metaphor since they serve as a natural laboratory for all-things performance. Where else can you find humans volunteering to enter a super competitive field, with remarkably specific rules, and clear-cut ways to determine performance?

So, that time you overheard the sales manager go on a long rant about a game plan, a full-court press, the bottom of the ninth, fighting for those extra yards, swinging for the fences, and a slam dunk—all in one hopelessly-convoluted sentence? Try to forget it ever happened.

# Because these seven lessons from sports about your performance management efforts are actually useful:

Seek maximum efficiency
Always be coaching
Remember the context
Don't forget team chemistry
Reward and recognize winning
Think long-term
Use the best resources

# Seek maximum efficiency

In sports, competitors are bound by the same rules, which means that everybody is obsessed with efficiency. If all things are equal, the only way a competitor can differentiate themselves from their opponents is through efficiency.

Think of it this way: If basketball were like other industries, larger businesses would just throw out six or more players to compete against the other team's five. Even if their people weren't performing well, the sheer numbers of the larger team would likely win out (and their poor performance would go unnoticed). But this simply isn't an option in basketball. Since the rules strictly forbid putting out more than five players, basketball teams are forced to be as efficient as possible with their five.

In sports, competitors are bound by the same rules, which means that everybody is obsessed with efficiency. If all things are equal, the only way a competitor can differentiate themselves from their opponents is through efficiency.

Think of it this way: If basketball were like other industries, larger businesses would just throw out six or more players to compete against the other team's five. Even if their people weren't performing well, the sheer numbers of the larger team would likely win out (and their poor performance would go unnoticed). But this simply isn't an option in basketball. Since the rules strictly forbid putting out more than five players, basketball teams are forced to be as efficient as possible with their five.



### Always be coaching

Competitive sports coaches certainly can't afford to save feedback for infrequent performance reviews. Rather, they need to provide constant coaching during a game or match to give their players the best chance to win. Challenges come so fast and furious in sports—usually in the shape of opponents—and scoreboards make it perfectly clear when you are succeeding or failing.



Not only does constant coaching make it easy to correct any problems before they become too large, but it also gives coaches the ability to identify strengths immediately and encourage their athletes to focus on those strengths. And a coach's guidance isn't always high-level strategy. Sometimes, the best thing an athlete can hear are words of encouragement. In the right context, "Go! Go! Go!" is all athletes need to reach the next level.

Another term for constant coaching is frequent feedback. Not only does frequent feedback in the workplace allow managers to help improve employee performance faster, but it shows employees that their managers care. Otherwise, like a benchwarmer in sports, unattended workers can feel demoralized by the lack of attention their coaches give them.

Studies show tomorrow's workforce thrives on frequent feedback and, frankly, they expect their boss to provide coaching as well as management. Long gone are the days when employees are satisfied with annual performance reviews. Whether you're holding formal performance reviews on a frequent basis or in a constant state of "coaching," employees want an ongoing performance management program.

### **Remember the context**

Even in sports, performance can be relative when you consider the context. Consider the sports term "strength of schedule" (SOS), which refers to the difficulty of a team's or person's opponent as compared to other competitors.

Not every loss (or win) is treated the same when the opponents are particularly difficult to beat. For example, a football team could lose their first couple games of the season, but if they played two of the best teams, their fans and the media won't judge their performance too harshly—especially if they came close to winning. Losing to the best in sports—like coming just short of perfection in challenging work tasks—is still an accomplishment that should be treated as such.

Another factor that requires more context when evaluating performance in sports is experience. As much as the sports world is clearly a meritocracy—and it is—smart organizations know they need to be able to project a person's talent going forward, rather than just today.

Peyton Manning, one of the most heralded quarterbacks in football history, lost 13 of 16 games during his rookie year in the NFL with the Indianapolis Colts (and that team included a Hall of Fame running back Marshall Faulk!). Yet nobody said he was a failure following the season because they understood that, while he didn't win many games, he showed tremendous potential. Had the Colts organization merely graded him for his current results, they may have benched him or moved him to another team, which would've been disastrous. They would've never won a Super Bowl or enjoyed a long run as one of the best football teams of this century.

These same principles are crucial to performance management efforts in every field. Anybody can look at performance after the fact and evaluate its quality, but truly great organizations will create strategies that allow them to project employees' futures and develop internal talent.



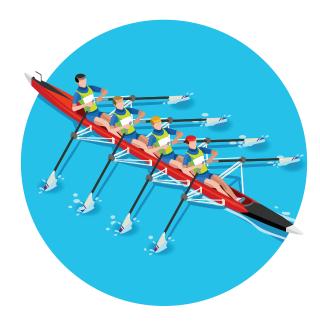
# Don't forget team chemistry

Talent is often perceived as critical to success, and sports is no exception to that perception. But in team sports, it's not enough just to find the most talented athletes and call it a day. At a certain point, building teams that will succeed is more about finding the right talent. As any coach will tell you, a team that works well together will always beat a team that is slightly more talented but doesn't work well together. It seems obvious when you think about it, and yet often people forget this simple truth.

The whole is definitely greater than the sum of its parts in a well-constructed sports team, while "All Star" teams are often the exact opposite. You need to find athletes that have chemistry with each other and make each other better. And from there, each player needs to have clearly defined roles.

There's no better example of this than the "Miracle on Ice." When the U.S. Olympic Hockey Team famously defeated the historically-dominant Soviet Union in the 1980 Winter Olympics, they did so with a ragtag group of college students who—according to pundits everywhere—lacked the talent necessary to have any real shot at gold. But their coach, Herb Brooks, understood the importance of team chemistry and clearly defined roles; he was willing to pass up more talented hockey players for those he believed would win together.

In performance management, it's important to not only evaluate how employees perform in individual roles, but also how they perform in their team environment. There may be situations where it makes sense to move an employee to another team within the organization or to fire a talented, yet toxic employee. But to do so, you need to look at teams from a broader performance standpoint.



# **Reward and recognize winning**

While there has been a number of overpaid athletes, the sports industry is still one of the best at reward and recognition programs. The proof is simple: athletes get more rewards when they win.



Last year, the Chicago Cubs famously broke their 108-year "curse" and won the World Series. Their reward, aside from a lifetime of fame and adoration from Cubs fans everywhere: \$368,871. Compare that to the \$261,804 the second-place Indians made or the \$0 non-playoff teams made, and it's easy to see that Major League Baseball incentivizes winning.

More specific to individual players, sports contracts are often very specific when it comes to incentives. For example, teams frequently offer bonuses for reaching specific individual or team statistical milestones. They're also offered to players who achieve league awards or honors.

But it goes beyond that. Time and again, sports teams have thought outside the box to offer athletes deals they think will motivate them to perform better, including a recent instance where a prominent football player was offered bonuses for staying under weight. And the rewards go far beyond money.

Regardless, players know exactly what is required of them to get rewarded, and these motivators drive their performance throughout the year. Whatever rewards and recognition programs you use in your performance efforts—and there are thousands of individual plans you can create for your people if you're willing to put in the time—they must be clear, and they must actually motivate the employees.

# Think long-term

Professional sports teams that don't think long-term usually find themselves in a lot of trouble when the future comes around. (Spoiler alert: the future always comes!) Multiple sports teams have shot themselves in the foot by focusing too much on the short-term and trading away future prospects. And in many of those cases, the teams then failed to reach even their short-term objectives that they sacrificed so much to achieve, to say nothing of any long-term viability.

Sports, like virtually every other area of life, are tough to predict no matter how obvious the outcomes. So, even when short-term successes seem too good to pass up, it's always prudent to plan for the future.



Consider this odd bit of trivia: In every major American sports league, the team with the most regular-season wins ever during a season has never won the league championship that same year. Focusing on wins now without consideration to future goals can backfire, and since you'll be hard-pressed to find any sports team admit that they'd rather have regular season wins than championships, this is certainly something worth considering.

It's the same in the business world. Performance management programs must be forward-thinking and designed to match the performance of employees with long-term business objectives and goals.

For example, if a sales team is exceeding their quotas ("Killing it!" you hear them say) but the new customers they're bringing on board cost the company more money than they provide, is the sales team really "killing it"? Probably not. If your performance management programs are rewarding employees in the short-term disproportionately to the long-term, your organization is playing with fire.

#### Use the best resources

What do you think would happen if a professional tennis player showed up to an important match with an old-fashioned wooden racket and worn-out Chuck Taylor shoes? Or what if you saw a professional basketball player smoking a cigarette and drinking a beer right before a game? Or perhaps a professional runner who spends the majority of training time on a treadmill? The sporting world is so competitive that the mere thought of using lesser equipment or practicing outdated health habits is laughable, right?

The sports world is obsessed with resources. In the modern era, top athletes usually have their own line of sports equipment, personal trainers, and even personal dieticians and chefs at their disposal. The clear-cut nature of sports with its wins-losses structure keeps performance at the forefront of everyone's minds, so finding and using resources that will turn losses into wins is critical.

And while sometimes the sports world obsesses too much over using resources to gain a competitive advantage (\*cough\* Lance Armstrong), the business world could still learn from this mentality. Far too often, organizations are stuck using outdated performance management tools and resources because their losses aren't nearly as visible or because, frankly, they're stuck in the past.

While the world of performance management has grown and advanced, far too many business leaders are bringing the equivalent of wooden rackets and worn-out Chuck Taylors to their annual performance reviews.



### One more takeaway

If your performance management efforts aren't where you want them, there's one more takeaway sports has to offer. Whether you call it determination, or perseverance, or sticktoitiveness, or simply practice, countless stories in sports teach us that if you work hard enough, you can be the best at whatever you put your mind to.

Not only should your performance management efforts be designed to help employees constantly improve through frequent feedback and evaluation, but the performance management efforts themselves should constantly be evaluated and tweaked for improvement.

After all, Tom Brady went from an NFL Draft afterthought to the winningest NFL quarterback ever; Lionel Messi overcame a growth hormone deficiency to become one of the greatest soccer players of all time; and Jackie Robinson overcame hundreds of years of racism to change the game of baseball (and American pop culture) forever. No matter where your performance management efforts are today, you can turn them into an invaluable asset for your organization. You just have to resolve to work at it and never stop.

To quote the late basketball coach, Jimmy Valvano,

"Don't give up; don't ever give up."

BambooHR is the leading provider of tools powering the strategic evolution of HR in small and medium-sized businesses. Using BambooHR software, HR professionals can automate HR tasks (including performance management) and perform big-picture activities that improve their workplace and make them vital leaders in their organizations. For more information or a free trial, visit www.bamboohr.com.

°bambooнr™