

## Case Study 11-1

## NOT ALL TEAMS ARE CREATED EQUAL\*

Public Service Works is a large public service organization. The company's performance management system reflects the focus placed on results, the need for creativity and imagination, and the need for continuous improvement. Under its current framework, the system links individual performance with that of the team or department, as well as the organization. Therefore,

- Department business plan goals link to the business plan and business priorities.
- Performance goals and measures grow out of a department's business plan.
- Employee performance measures align with those of the organization.
- The department, teams, and individuals are rewarded and recognized on the basis of these measures.

The organization's team structure consists primarily of *work or service teams*, which align with the company's departments. Because of the close relationship with local government entities, however, the organization also utilizes *network teams* that focus on government regulatory needs as they relate to public service providers and *project teams* that are assembled on an as-needed basis to work on various projects that come from the *network teams*.

The elements of the current performance management system are as follows:

**Organizational performance.** Organizational performance measurement is a continuous process conducted to assess the department's performance—efficiency, effectiveness, and client satisfaction—in relation to the vision and business plan. The steps in the process include

1. *Business plan goals and strategies.*  
Identify the desired outcomes that the organization is seeking to achieve and outline how the goals will be realized.
2. *Human resources department plan.*  
Outline the key strategies the department

will undertake to address identified human resources (HR) issues to meet its business plan, within the context of the vision, values, government business plan, and the HR plan.

3. *Performance measures.* Identify specific criteria that will be used to monitor progress toward the goals.
4. *Targets.* Describe specific performance levels that will be used to achieve the desired outcome.
5. *Learning supports.* Identify practices, policies, and initiatives that provide incentive and encouragement to employees to develop new skills, knowledge, and abilities.

**Employee performance.** Employee performance can be enhanced through a continuous and interactive process to help departments and teams achieve business goals and to help employees continually improve. The steps in the process include

1. *Performance plans.* Link employee performance to that of the organization and identify and set measures for desired outcomes.
2. *Orientation.* Provide information for employees regarding their new job and the organization to enhance understanding and effectiveness.
3. *Learning and developmental plans.* Identify competency development required for employees to carry out the performance plan.
4. *Performance coaching.* Provide ongoing performance feedback and assistance to employees from managers, supervisors, and other key individuals.
5. *Performance assessment.* Provide a summary of feedback received throughout the performance period and analyze what employees have achieved relative to the desired outcomes set out in their performance and learning plans and

\*This case is based, in part, on actual information. The name Public Service Works was created to protect the identity of the actual firm.

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handle the subject of performance pay increases.

Public Service Works' current performance recognition (pay) plan supports and reinforces the desired performance for both the organization and the employee as follows:

- *Performance pay.* This compensation for employees links pay with individual performance. It consists of a market-driven base pay and a market-driven increase system that provides the ability to address cost-of-living increases and a bonus based on achievement of department and individual and team goals.
- *Special programs.* The company also has two recognition programs for outstanding performance: (1) Award of Excellence, which can be applied for and awarded to team leaders and (2) Executive Excellence Recognition, which is a unique program that recognizes teams that achieve measurable enhancements in the

service they provide. Each of these programs requires an application process, and the award is determined by a committee.

Consider the performance management process (see Figure 11.2) as it is applied in implementing team-based systems. Then, please answer the following questions:

1. How is Public Service Works implementing each of the components of the performance management process?
2. Consider how Public Service Works assesses performance. Which aspects of the measurement system are appropriate and which are not, given its goal of enhancing team performance?
3. What additions or revisions should be made to each of the components of the performance management process to make the system more effective from a team performance point of view?■



### Case Study 11-2

### TEAM PERFORMANCE MANAGEMENT AT DUKE UNIVERSITY HEALTH SYSTEMS\*\*

At Duke University Health Systems (DUHS) located in Durham, North Carolina, managing performance is an ongoing process based on four principles. The following outlines the current team performance management system:

**Planning.** Planning is the foundation of the performance management process. It lays the groundwork for what the supervisor and the team expect from the individual. There are two parts to the planning process: (1) understanding the behavior that is expected and (2) defining the job results expected.

- *Understanding behavior.* Five categories of behavior have been established for all DUHS employees (including senior administrators and new employees):

customer focus, teamwork, creative problem solving, continuous learning, and diversity. Those supervising other employees are expected to demonstrate two additional behaviors: strategic communication and performance management.

- *Defining job results.* The supervisor and individual establish expected job results as part of the planning stage. These expected job results are based on the goals of the department and the individual's job description.

**Feedback and coaching.** Feedback should be given often during the performance management process, so that there are no unexpected surprises at the end of the year. The feedback process involves