



# Catalytic Coaching

A Performance Management System That Works

**Gary Markle**

Chief Catalyst of Catalytic Coaching, Inc





## Why Performance Evaluations Don't Work

### Organizational truism

#### People hate performance evaluations!

Those on the receiving end tend to find them demeaning and managers who are forced to deliver them often view the ritual as a profound waste of time.

### Six common complaints about annual appraisals

- Takes too much time
- Does not produce behavior change
- Performance ≠ salary treatment
- Does not motivate employees to work harder
- Tendency for understating problems
- Promotes internal competition and gamesmanship

### The quality movement influence

W. Edwards Deming, founder of the modern quality movement, gave this advice about performance evaluations:

Don't do them! He went on to call them one of management's seven deadly diseases.

#### Insights from Deming:

"If your system does more harm than good, just stop doing it. That alone will be an improvement."



### Getting out of the 70% club

A Deloitte Study quoted in the Harvard Business Review indicated that 70% of all companies have either changed their performance evaluation process or are planning to do so.

Two to three years later, the same 70% are back in line to change again.

Why? The changes are only making things different, not better.

### The big question

Why is everyone doing something everyone hates?

There are three main reasons companies do performance evaluations and each is built on a fatal flaw:

1. Protect the company from litigation
2. Justify salary treatment
3. Small companies copy big ones

**"Research show that 87% of employees think these traditional performance reviews are ineffective, and a whopping 94% of CEOs feel the same way."**

~ Allison Graham, Financial Post

### The pay for performance myth ("The Big Lie")

"If you work hard and do well, I'll give you a good grade and a big raise."

**TRUTH:** Performance is not the only factor, and not even the most important factor, driving salary increases. What really determines raises?

- 1) Budget
- 2) Compa-Ratio
- 3) Performance and potential

### The Truth about the Legal Protection Myth

**"In my 25+ years of employment law practice, performance reviews have surfaced on numerous occasions. Every once in a while they help the defense. Usually, however, it's the plaintiff who benefits. That's because performance reviews are frequently untimely and inaccurate."**

~Jathan Janove, HR Magazine



## What Should Performance Management Look Like?

### What to stop doing

If you do either of these things, you are likely to remain with a performance management system that **"Does Not Meet Expectations"** or **"Needs Improvement"**:

- 1) Use an overall grade
- 2) Link last year's performance to this year's salary administration

### Deming's logic extended

**Nothing is better than something bad, but something good is better than nothing. Doing nothing has consequences, too.**

### What does "something good" look like?

Five results of an effective performance management approach:

- Changes behavior
- Increases motivation
- Reduces turnover
- Increases promotions
- Minimizes legal exposure

There will always be some legal risk where there are people, so it can be minimized, but not eliminated. The secret to minimizing legal risk is to curb... "righteous indignation". Find a way to say to someone what others might already be saying about them.

**"Performance evaluations are rotten at the core of the paradigm and cannot be fixed."**

~Gary Markle

## Speeding the Pace of Significant Change

Unlock potential with a simple process that aligns employee aspirations and organizational strategy



**Catalytic Coaching is about helping people grow. It's about bringing out the best in people at work.**

## How is Catalytic Coaching different?

Evaluating is something you do **TO** people.

Catalytic Coaching is something you do **FOR** them.

	Traditional Evaluations	vs.	Catalytic Coaching
<b>Content</b>	Summary Grade or Label	Yes	<b>No</b>
	Competitive Ranking	Sometimes	<b>Never</b>
	Tie to Salary Treatment	Direct	<b>Indirect</b>
	Emphasis on Employee Input	Incidental	<b>Pivotal</b>
<b>Process</b>	Time Focus	Past	<b>Future</b>
	Average Length of Each Form	4-7 pages	<b>1 page</b>
	Responsibility for Development Plan	HR or Management	<b>Employee</b>
<b>Roles</b>	Primary "Customer" of Process	"The File"	<b>Employee</b>
	Role of Boss	Evaluator	<b>Coach</b>
	Role of Employee	Recipient of Feedback	<b>Empowered Career Craftsman</b>
	Role of Human Resources	Process Police	<b>Coach2 Coach of Coaches</b>



## And how does it work?

### Clarity of purpose

Catalytic Coaching is a replacement for, not an addition to, traditional performance evaluations, and it is unique in three fundamental ways:

**Content:** What is done

**Process:** How it's done

**Roles:** Those who do it

### Definition of terms

**Catalytic** refers to speeding the pace of significant change

A **Coach** is a guide, someone who tells the truth for the benefit of team and individual

According to Jim Collins in his book, From Good to Great, the job of management is to get the right people in the right seats on your bus and the wrong people off.

# The Catalytic Coaching Formula



3  
Forms



4  
Kinds of Meetings



5  
Hours/Year/Employee



Team member prepares input sheet and presents to coach



Coach solicits input from his/her boss



Coach presents coaching worksheet to each team member



Team member integrates input from other development tools



Team member and coach agree on personal development plan

45-60 minute meeting

15-minute meeting

45-60 minute meeting

15 minute meeting

1 week

15-minute meeting once per quarter

Coach drafts blue coaching worksheet



Bottom-line improvements



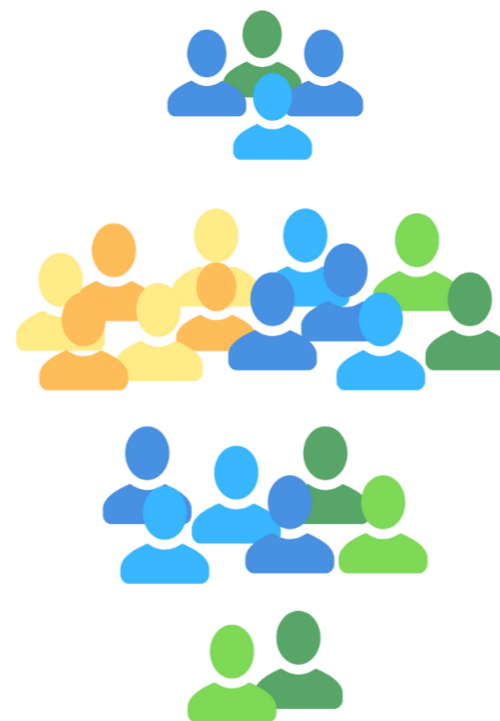
Team member reviews progress with coach quarterly



# Ensure buy-in and a great start with our proven Employee-Centric Implementation Approach

**Where to start?** With a proven (and usual) recipe for success Change management requires proper training at all levels. Many systems begin at the top and work their way down, but turning that approach upside down maximizes long-term success and sustainability.

## Implementation Process



**Step 1: Coach2 Training** Virtual Mastery Program that dives deep into practical exercises, including challenging cases, preparing attendees to be the process champion and coach of coaches

**Step 2: Employee Orientation** An introduction to Catalytic Coaching that gives everyone the WHY and HOW while preparing them to be coachable

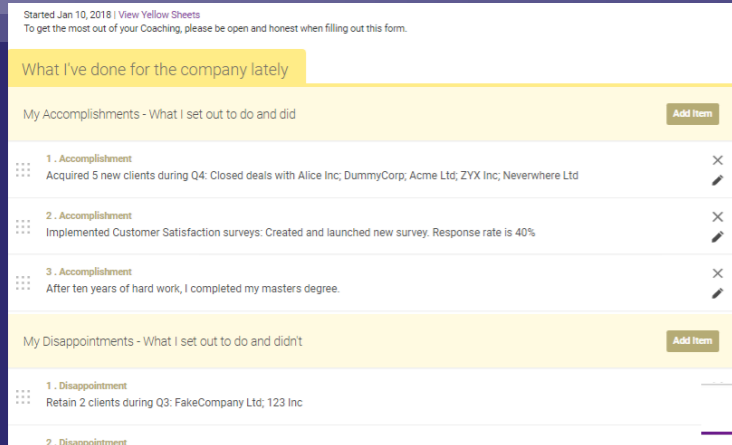
**Step 3: Coaches Workshop** Detailed review, practice, and role-playing that trains managers to be coaches

**Step 4: In-Flight Training** Real time one-on-one guidance through the forms and meetings for the CEO and other leadership



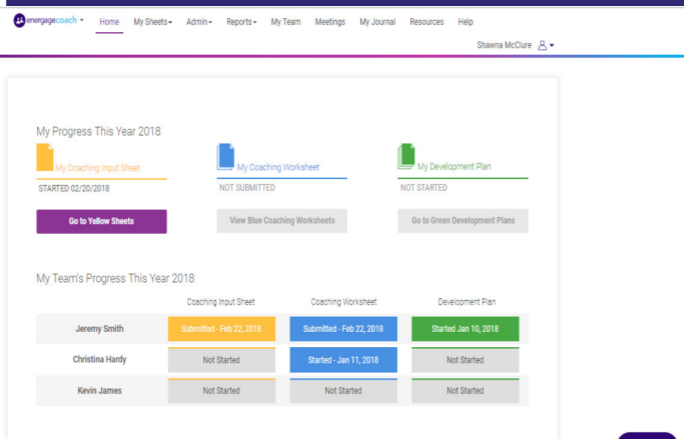
# Catalytic Coaching Coach Online

The software tool powered by Energage to support your Coaching success

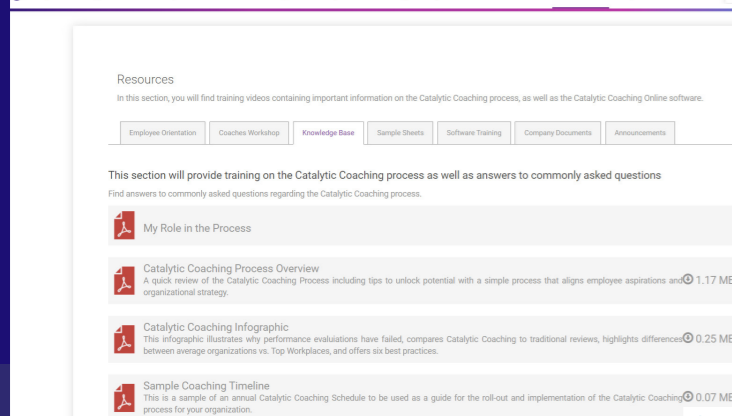


Securely capture and store employee input and manager feedback

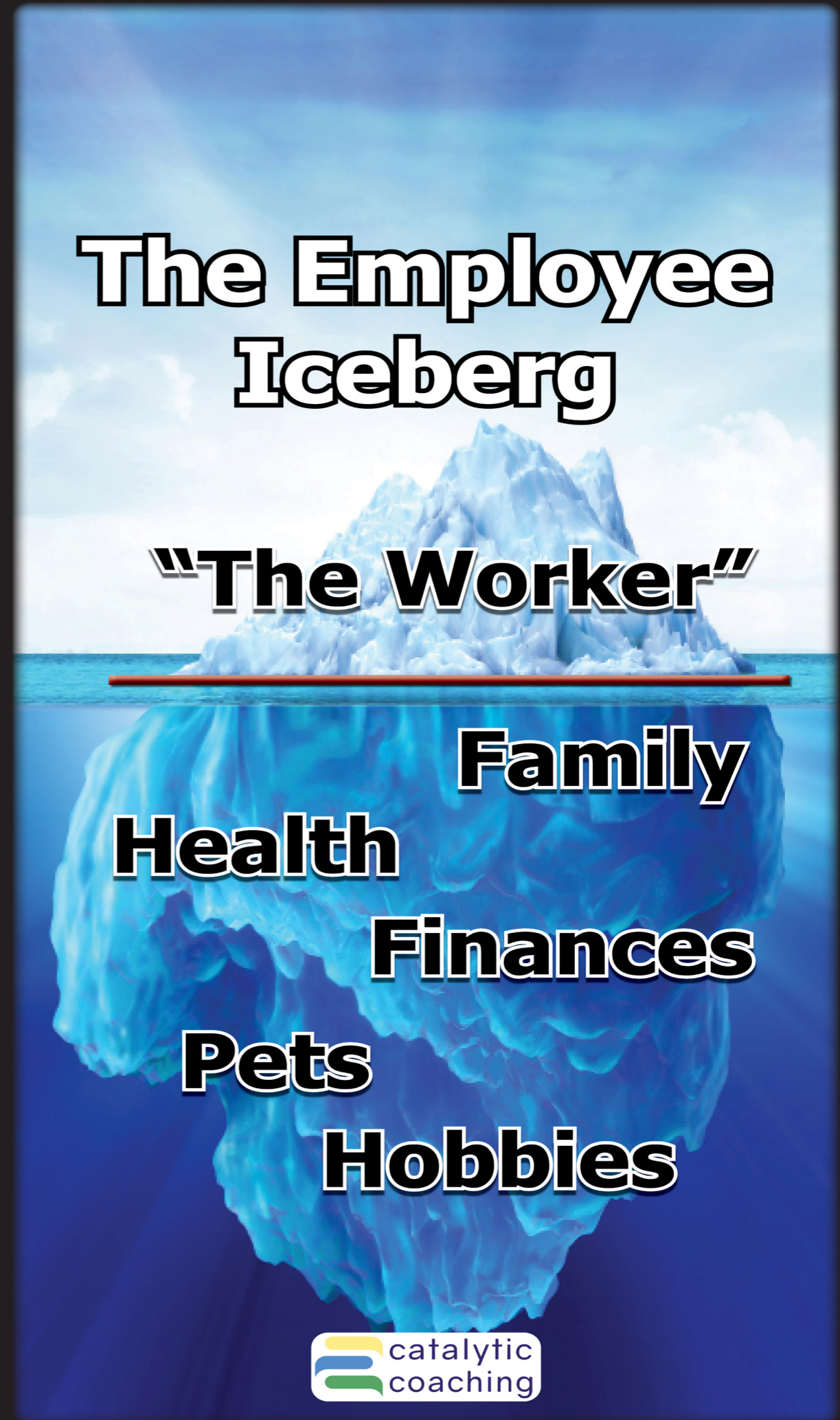
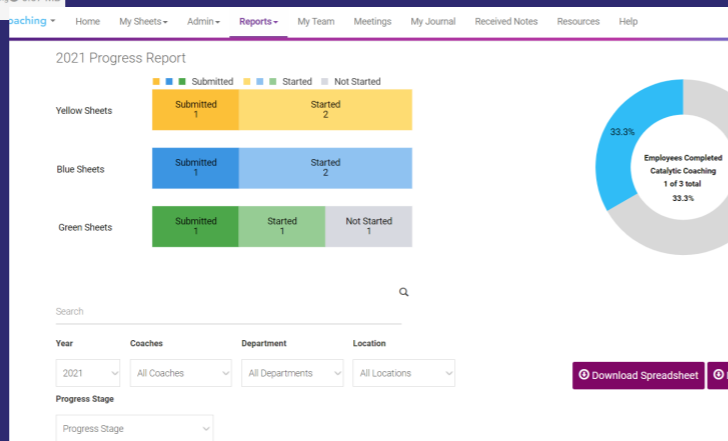
Easy-to-use online interface that guides the process for both employees and managers



Access to additional support and training resources, including live expert support



Reporting and tracking features for both managers and admins



"We had a belief in this organization that we could produce 17 million Lbs/yr. Through Catalytic Coaching, with no new equipment, changes of systems, or capital investment, production increased to 20 million Lbs/yr."

~ Ronn Cort, President, Sekisui/Kydex

"Helps you ask the right questions and shows employees they have ownership over their path... Wouldn't anyone want to join a company that will help them accomplish what they want?"

~ Rob Hackbarth, Founder, Hackbarth Delivery

"Brought management team and employees together."

~ Andy Page, CEO, Oak Ridge Associated Universities



## Gary Markle

### Chief Catalyst at Catalytic Coaching

Gary is the creator of Catalytic Coaching and author of the acclaimed book, *Catalytic Coaching: The End of the Performance Review*. His work has been featured in the *Wall Street Journal*, *Atlanta Business Journal*, *Fast Company*, and *The Detroit Free Press*.

A long standing speaker for the Vistage and TEC networks, Gary has presented more than 800 workshops across the United States, Canada, United Kingdom, and Asia. He's also a past founder of a Vistage CEO Think Tank in Atlanta and was named the TEC Canada "Speaker of the Year."

He served as a senior level HR Executive for prominent companies, including Exxon and Shell. He holds a Master's Degree in Organizational Communication from Purdue University and received the Senior Executive Human Resources Certification from the University of Michigan.

Gary and his wife, Gail, live in the north Georgia mountains and have three adult children.

**Got Questions? We're here to help.**

[answers@catalyticcoaching.com](mailto:answers@catalyticcoaching.com)

(678) 932-9288 [catalyticcoaching.com](http://catalyticcoaching.com)

