

How to EASILY implement a Performance Management Process into your Business

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Bill Bernick

- 18 years with Carrier
 - Salesman
 - Salesmanager
 - Operations Manager
 - District Manager
 - Regional Manager
- 6 years Trane
 - VP Service
 - Global VP Parts and Service
- 5 years Entrepreneur with a Consulting Business and an Automotive Service Business specializing in Porsche!



The KJR Process

- Objective of the workshop
 - Learn how to EASILY implement a performance management process that will impact your teams' performance.
- Takeaway from the workshop
 - Tools and process to implement
 - Rules of the Road



Why do you need to manage Performance?

- Pros
 - Helps you align YOUR goals throughout your entire organization
 - Helps you monitor your peoples progress against their goals
 - Helps you help your high performance people to a higher level
 - Helps you manage your problem employees!



Why don't you do it today?

- It is hard to do!
- You do it once annually
- If their last month was a good one, they get a good rating....if not, they don't.
- I don't have time



Steps in Developing the Process

1. Discuss Personal Goals and Aspirations with the employee
2. Relate the personal goals and objectives of the individual to the department goals and objectives]
3. Identify the production and performance requirements for reaching the goals
4. Develop and review benchmarks for productions and performance
5. Relate the achievements of the individual to the departments' expectations and to obtaining personal goals. Fit the reward system to the personal objectives of the individual.



The KJR Process

Establish 5-6 key objectives that you and your supervisor would like to accomplish

1. These should be substantial accomplishments that help support your success in your position
2. They MUST be measurable.
3. They MUST be simple and easily understood. One sentence at most.
4. They MUST be something that both you and your supervisor wants.
5. You should have one objective dedicate to your personal/professional development.



Service Manager KJR

- Grow Service Revenue from \$2.5m to \$3.0m
- Improve parts GM from 45.2% to 49.2%
- Increase Service Agreement Sales by \$200k
- Implement Service Management Software in 2010.



Improve Parts Margin by 4 pts

- Meet with top vendors and request a 7% cost reduction by Jan 31.
- Implement Visa purchasing Card for each technician by Feb 15
- Work with Johnson Supply to add a parts purchasing person to focus on purchasing parts Jan 31



Increase labor productivity from 80-82%

- Implement Service turnover package for all projects.
- Plot and share weekly productivity chart
- Add non revenue producing categories to our labor tracking: Training, HVS, Shop, Sales—set goals and measure monthly.



The KJR Process

- Now that you have the 5-6 objectives
 - Develop 2-3 Key strategies to accomplish each objective
 - The develop 2-3 tactics for each strategy



The Employees Responsibility

- The most important aspect, other than creating the objectives, is the quarterly review!
 - Employee reviews their KJRs and prepares for the meeting 24-48 hrs in advance.
 - The employee rate themselves using the following scale:
 - A: Above Target
 - T: On Target
 - B: Below Target
 - Be prepared to share with your supervisor what you are doing well and what you need to improve?



Supervisor's Roles in the Process

- Schedule the meeting well in advance
- Schedule the meeting during the part of the day that you do your best work
- Schedule the meeting offsite whenever possible—this increases your focus.
- On reschedule if ABSOLUTELY necessary
- Review their KJR document 24 hours prior to the meeting



The KJR Process

- Suggestions for the Supervisor
 - Be Consistent: hold the meetings within two weeks of the end of each quarter-no deviation!
 - Listen and Ask lots of questions
 - Help the employee honestly evaluate their progress on these KJRs.
 - Make sure they rate themselves with the A-T-B process.
 - Employees will almost always be harder on themselves than their supervisor



Summary

- KISS
- SMART objectives
- Facilitate them rating themselves
- Quarterly Reviews is the KEY
- It is easy AND you will learn a ton about your operation during these two weeks each quarter than the rest of the year combined!



Workshop

- Pair off into groups of two.
- Choose a Objective that you would like to accomplish in 2010
- Confirm it meets SMART rules
- Identify 2-3 strategies
- Identify 2-3 tactics for each strategy


