

Bell curve gone bad: A new practical approach to employee performance management



It's been widely debated that using the performance management bell curve approach unfairly represents employee performance, yet many organizations have clung to this seemingly outdated way of ranking employees. But is there a better way? We explore how the bell curve approach is limiting—and what organizations should focus on instead.

The performance management bell curve

A bell curve shows a “normal distribution,” which means a typical pattern in data. It represents a group where most values are clustered around an average, with an equal number above and below that average. Many organizations use this curve as a way to rank employees and distribute promotions and raises. A [bell curve approach to performance management](#), often referred to as “forced ranking,” requires managers to score their employees from lowest to highest performing.

The thing is, this model assumes that there are roughly the same number of people above and below average performance. We're also assuming only a few individuals would be significantly different (either much higher or much lower). But we all know employee performance doesn't work like that.

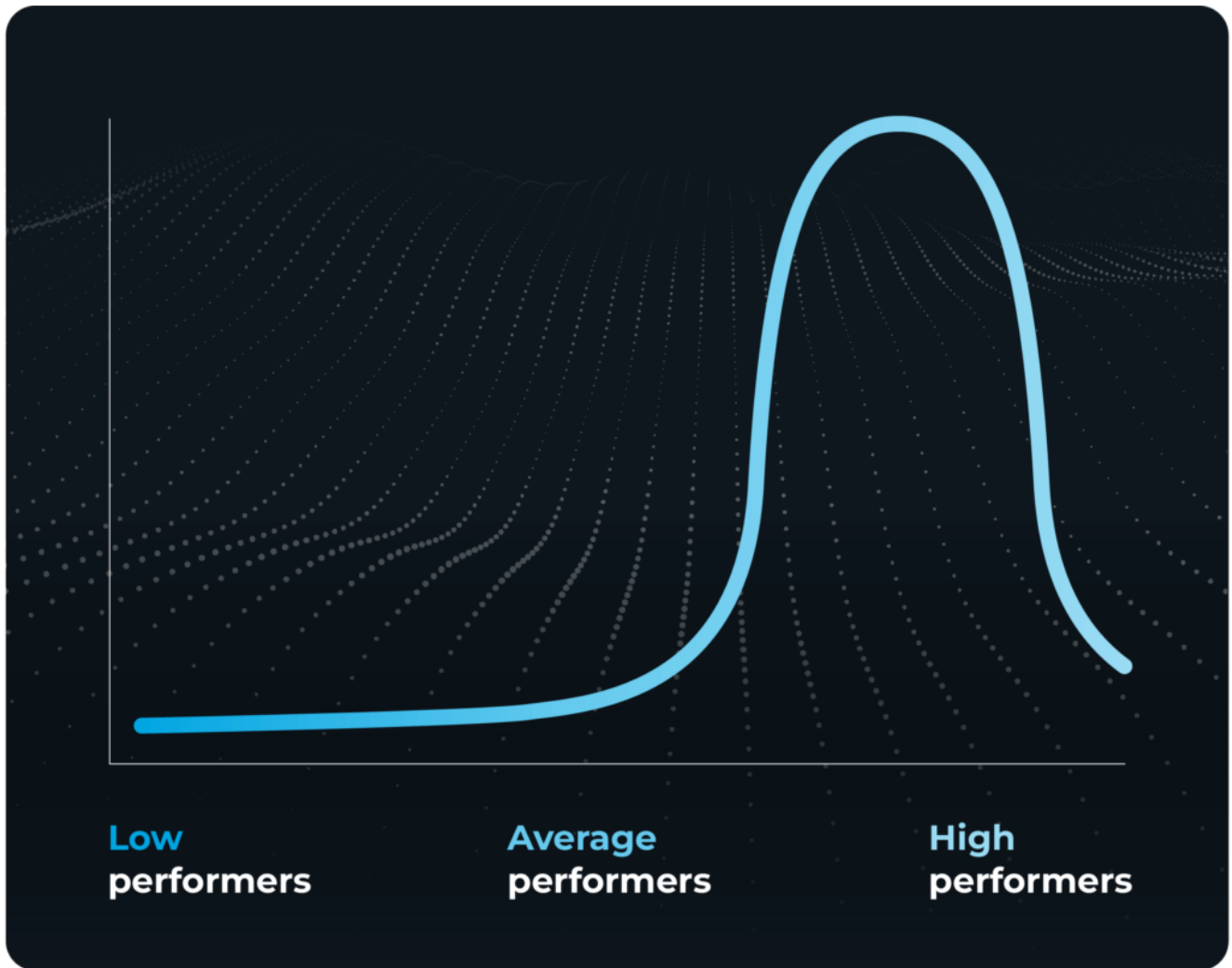
There are a few obvious problems with assuming real employee performance is distributed in this way. For one, when managers are required to rank employees on this curve, there's only space for only a few "top performers." Even if you're working with a top-notch team, some people are still going to have to get labeled as "low performers" by comparison.

Secondly, it lacks focus on employee development. This type of ranking system places more focus on rewarding or correcting past performance, rather than developing a plan for employees to get to the next level of success.

Another reason this approach misses the mark is because it doesn't take into account [humanity in the workplace](#). □An organization made up of top performing employees is entirely possible when you see people as people, but this ranking system doesn't allow for that.

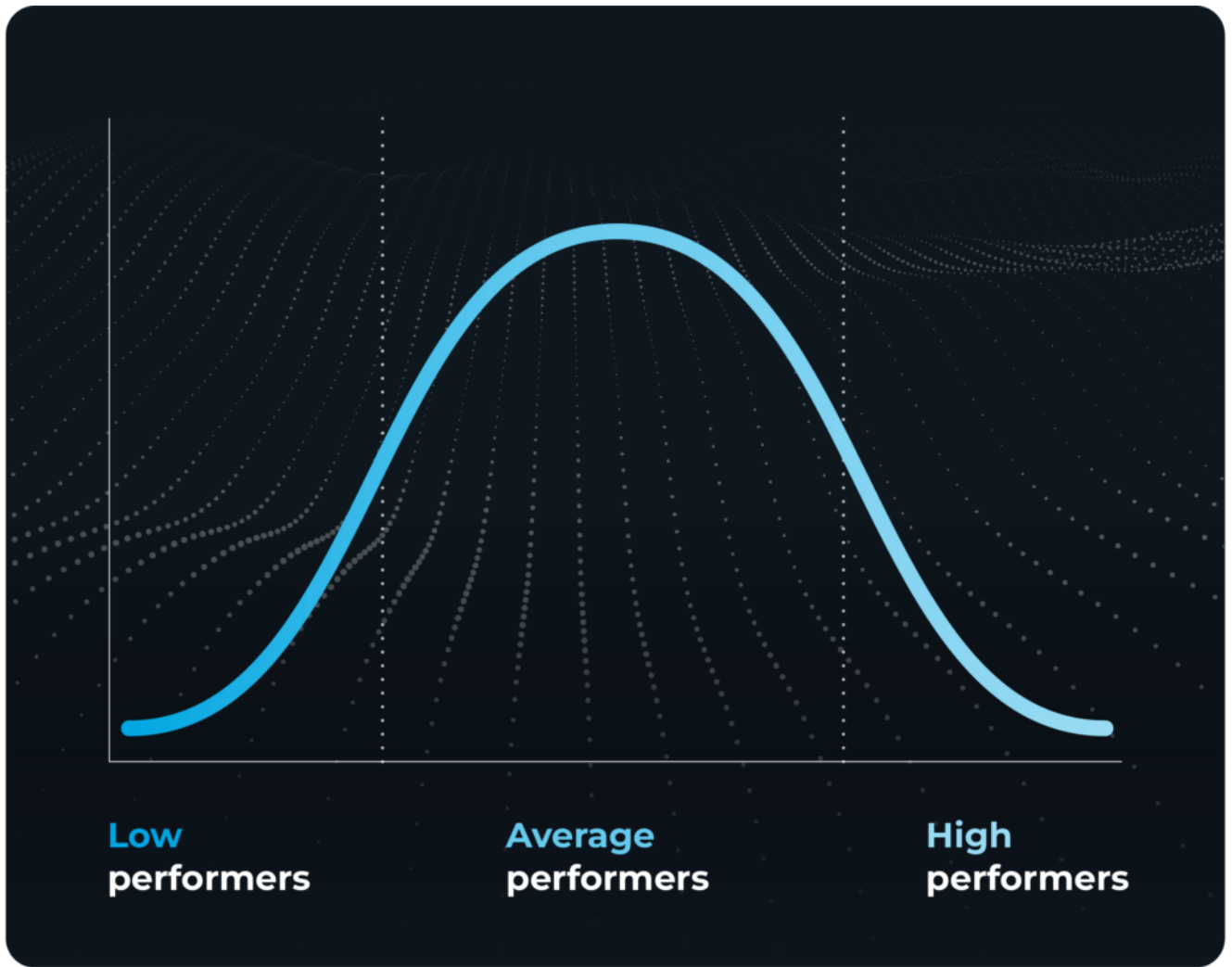
Reevaluating employee performance management

In an ideal workplace, we want our employee performance distribution to look like this:

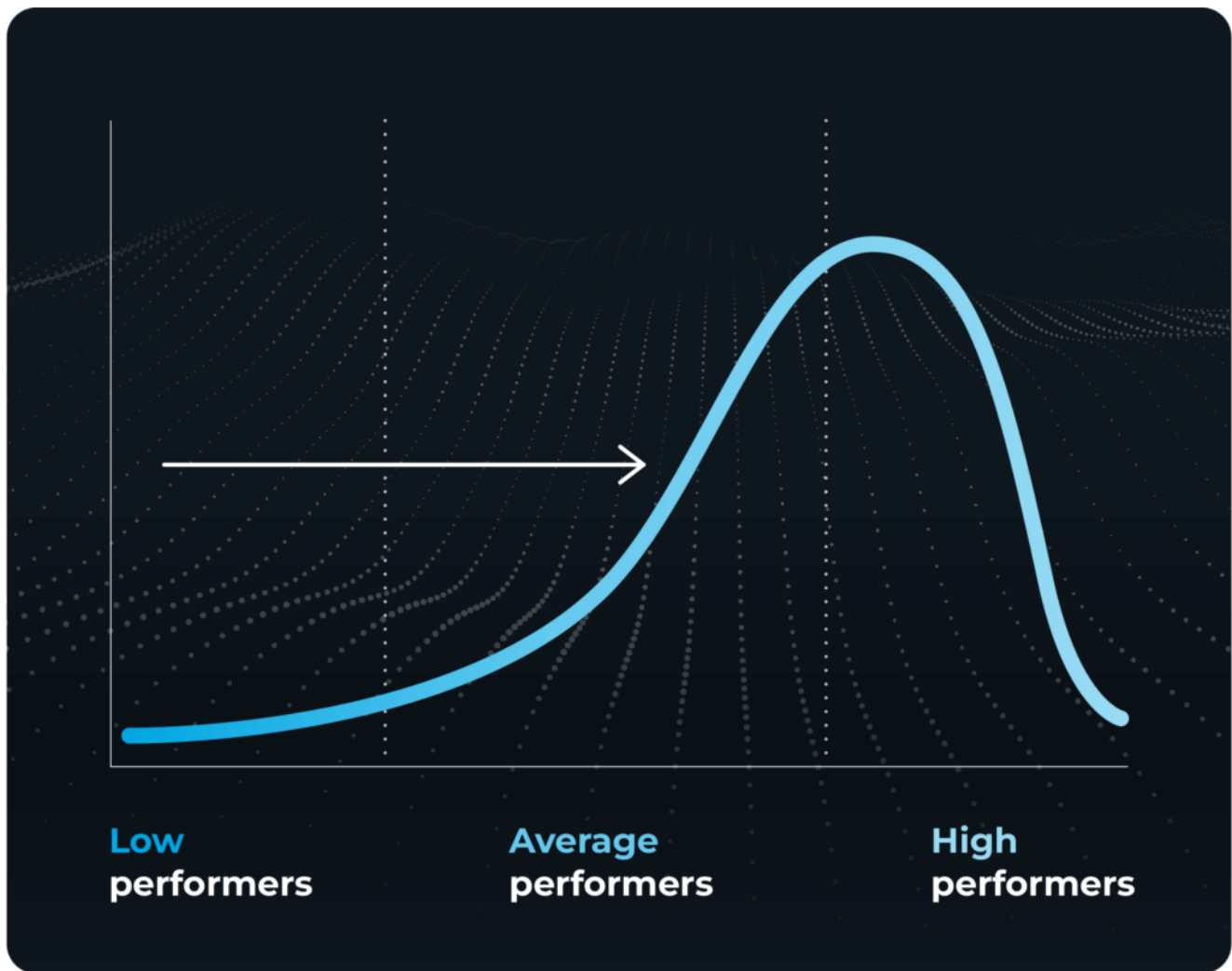


And this is entirely possible when we stop “bell curving” performance and start looking at this activity as a way to help employees develop in their careers and within your organization.

So if your employee performance management appraisals look something like this:



And you want to move people through towards high-performance, like this:



The first thing you need to do is start looking at employee performance differently. A person's performance is not a data point that you plot on a chart for your executive team to review, it's reflective of each employee's experience with your organization. And spoiler alert: There's a lot leaders can do to influence that performance and change it for the better.

If an employee is a "low performer," it's rarely as simple as them being "careless" or "lazy." While lack of knowledge or aptitude are possible causes, it's also important to remember that these people were hired for a reason, and there could be other factors at play. Here are a few potential causes of low performance:

- **Their responsibilities aren't clear.** It's difficult for someone to excel at their job if they feel the lines of

what they're responsible for are blurry. As a leader, take the time to ensure each employee understands exactly what's expected of them and how their success is measured.

- **They're frustrated or disengaged.** If a strong employee feels like their efforts are met with resistance, barriers, and challenges, it's going to look like they've given up. Are you clearing the path for your team members and helping them maneuver obstacles?
- **They lack tools or skills to do their job effectively.** An employee who is poorly equipped to do their job (whether they lack resources, equipment, or [training](#)) is going to underperform. What can you do to ensure they have what they need to do their job well?
- **They feel unappreciated.** Feeling unappreciated is among the [top three](#) greatest contributors to feeling stress or burned out at work. What efforts do you have in place to show employees that their work is valued?

Sometimes, however, people do understand the performance standard—and have all the tools to do their jobs effectively—but are unable to do so. In that case, below are some examples of how you can approach those employee performance conversations.

"If we're going to achieve our team result, your personal performance with your customers needs to improve. Specifically, it needs to be different in this way: _____. Do you understand why? Will you be able to do it that way from now on?" (Or: "Would you be able to redo it this way by next Thursday?")

"You're good at many things. In particular, as you know, I appreciate your work in _____. But lately you haven't been as good at _____. Is there something I don't know about that's creating a problem?" (Discuss this as appropriate and, if necessary, take action to help.) Then say: "I'd like to meet with you next _____ and have you tell me how you will correct this going forward. Will that work for you?"

Arbinger
Institute

We recently talked about the **7 traits of a high-performing employee** and how to develop those specific traits in your workforce. As a recap, high-performing employees are:

1. Accountable☐
2. Self-aware☐
3. Collaborative☐
4. Communicative☐
5. Adaptable☐
6. Reliable☐
7. Proactive☐

While some people might be more naturally inclined towards some of these skills, the reality is that they're all competencies that can (and should) be nurtured at work. Ask yourself, as a leader, are you doing everything you can to help your employees succeed?

Headwinds and tailwinds

When talking about performance, it's also important for us to be conscious of our own headwinds and tailwinds—and how perception can play a role in how we perceive someone's

performance. Privilege, for example, is like having a tailwind. It doesn't mean that you're not trying or working hard, it simply means that you may be blind to how certain aspects of your life have helped to move you along. So, while another person may be working just as hard as you, they may be facing headwinds, the disadvantages and hardships people face in life and work that prevent them from moving at the same rate.

The real truth is we all have headwinds and tailwinds. If we focus on the fact that people have different experiences, and in seeing them as people we can have compassion for those experiences, even if we can't fix it, we can be helpful. Consider the factors in your own experience—and in the experiences of others—that contribute to both achievement and challenge. When we have a “better than” bias, we don't see the circumstantial factors at play with the success we've experienced and the challenges that others face.

Performance on a scale

Rather than looking at performance on a curve, we should look at employee performance management as a scale. There are low performers, average performers, and high performers, but the goal should always be to move employees to (and keep them in) the high-performer category.

Instead of creating competition between employees, a performance scale ranking system puts no limit on the amount of top performing employees, and reinforces the mindset that other people and their goals matter just as much as the individual drive to succeed. Organizations and its leaders can nurture people across the spectrum and build a high-performance culture that maximizes the potential of your people.

With this [outward](#) way of thinking, employees naturally want to be helpful to one another, so they'll adjust their own efforts

to make their work easier. Rather than blaming others for frustrations or feeling like victims of our circumstances, employees will begin to see new possibilities and work together to solve long standing problems. This not only boosts employee performance, but [team performance](#) as a whole.

Remember, your people are your most valuable asset. Supporting them in the workplace to help reach their potential is what will guarantee you the high-performance culture needed to achieve long-lasting results.

It's possible to turn every employee into a high performer. We share the 8 traits of high-performing employees (and how to foster them) [in this blog post](#).