



POWERFUL CONVERSATIONS

How effective feedback can transform
professional development

WALK

Meaningful Business Transformation

Feedback: Turning the obligation into an opportunity



Every year, in the first 3 or 4 months, it is time to have that difficult conversation in which those of us in leadership roles have to share with each of our employees their individual performance during the previous year, communicate whether or not there is any bonus associated with the results achieved, the corresponding salary review, which will set the level of compensation for the year ahead, and take the opportunity to jointly prepare an individual development plan for the future.

When leaders and employees are asked how they feel about having to prepare for these conversations, the response is not always positive. Most leaders face this event as an obligation, as something we must do or because Human Resources tells us to. Few see it as an opportunity to have a good conversation and ensure the employee leaves more motivated and with clear ideas of what we expect from him/her in the future. Let alone considering these conversations as one of the essential attributes of the leader’s role, to nurture and ensure the company’s future talent.

Some words expressed by leaders when asked: “What do you feel when you are going to have these conversations?”:

Negative	Positive
Overwhelm	Responsibility
Stress	Importance
Boredom / Laziness	Interesting
Anxiety	Confidence
Difficulty / Challenge	Chance
Hypocrisy	Motivated
Nerves	Happy / good
Discomfort	Team building
Uncertainty	Closeness
Bureaucracy	Help

The truth is that a key factor in ensuring the success of these conversations is the attitude with which we face the process. If we believe and want to get something good out of this conversation, it is very likely that the result will be positive in the end. If, on the other hand, we are convinced that it will be a waste of time for both of us, we should not expect good results. It is interesting to note that more than 50% of the people we have asked what they feel when having these conversations, express negative feelings.

The first question we should ask ourselves is why are we having this conversation and what are the expected benefits? And the key answer should be: “In the short term, we want this conversation to go well and for our employee to leave a little more motivated and engaged than when he/she walked into the meeting; In the medium term, we want this conversation to provide clarity and to encourage the employee to better leverage his/her strengths and address some critical development needs”.

⋮ **For each of our employees this conversation is important,**
⋮ **because on one hand they will learn about the impact**
⋮ **their results and contributions had the previous year,**
⋮ **and on the other hand they will receive a lot of valuable**
⋮ **information about what their leader and the company**
⋮ **expect from them.**



Moreover, if we do not prepare the meeting with the right attitude, it is possible that the result will be negative and at the end of it we will have an employee who is more upset with us and with the company. Let's not forget that well-known phrase that says: “people join great companies and leave because of bad bosses”. As bosses or leaders, we must take into account the impact that this meeting can have on our teams.

Expected benefits

These conversations, if well conducted, have benefits on three fronts:

1. For the company:

- Achieve alignment around the company's objectives and greater commitment and leadership by people.

2. For the employee:

- Have clarity of the previous year's closing, next year's salary review and the reasons behind it.
- Understand what is expected of him/her for the following year and how to achieve it.
- Feeling listened to and feeling that he/she is part of the process of defining what is expected of him/her. In fact, it is a conversation to clarify mutual expectations.
- Feeling that his/her leader is at his/her service to contribute to his/her development
- Be motivated with his/her own development and the contribution that he/she can have.

3. For us, the leaders:

- That the team we lead does their job better, from a more leading, committed, and positive attitude.
- To better leverage the team to achieve our own results...
...And thus have more time to focus on work with greater added value
- Have more motivated and energetic employees (with whom, by the way, we are going to have to meet every day)

A myth: In senior management these conversations are not necessary.

It is true that in many companies these conversations do not take place at the top. One reason is the belief that we do not need anyone to motivate us in the mornings, and one excuse is that top management performance is generally very much driven by business results or the profit and loss account, and as a result it is interpreted that, since the numbers have said it all, there is no need to have this conversation. Big mistake.

But that doesn't mean they should not happen. We are all human beings, and we all need to receive feedback and know if we are moving in the right direction and in the right way. Experience has taught us that the lack of these conversations leads to major misunderstandings in the leadership team itself, with consequences such as demotivation or lack of commitment that then permeate to the rest of the organization.

How to structure the conversation?

Regardless of whether this conversation takes place in a single meeting or in several successive meetings, it is important to make sure that we cover the elements that help us address the events of the past, “closing the previous fiscal year”, and visualize the future, especially the priorities for the current year. It is advisable to be very clear in these two phases of the conversation because the dynamics of each is different.

In the first part, which is one based on the past, we must communicate how the previous year ended, the bonus (if applicable according to the company’s remuneration policy) and the salary review for the following year. Some key things to cover in this part of the conversation are:

- Review the most significant achievements and challenges.
- Explain the reasons why the bonus has been defined (at the individual level and in the context of the company), being prepared to clearly explain the differences that may exist between the achieved bonus and the maximum expected bonus.
- Communicate the salary adjustment, having information and arguments to explain the decision based on company criteria (e.g., employee potential, company context, sector, country, and comparisons through market studies of salary bands within the company and outside). The explanation of this rationale and methodology will help to generate a sense of security and fairness in the communicated decision.
- Leave a space to ask the employee’s perspective, without necessarily seeking agreement.

The second part of the meeting is a co-creation exercise to define individual goals and objectives for the coming year, together with the definition of a plan to help the employee’s development and growth. At this stage of the meeting, it is necessary to seek agreement with the employee, since this facilitates his/her commitment to development instead of complying with the fulfillment of objectives or actions that he/she does not share. Before concluding, it is important to define and agree on the sessions or mechanisms to follow up on both the objectives and the individual development plan.

Throughout both the first and second parts of the meeting we will have the opportunity to give feedback on performance, both in areas for improvement and strengths that we hope they will continue to put into play.

Key principles to keep in mind

Some key principles to keep in mind before, during and at the end of the conversation.

Before the conversation

1. What do we have to do before the meeting?

Gathering

- Gather relevant input about the employee's work, both from our own experience and from a key person who has worked with him/her and has a perspective that we lack.
- Collect concrete evidence that allows us to give specific feedback, avoiding generalizations (it's that you always..., it's that you never..., it's that you are...)
- Cover what has happened over the previous year and not what has happened in the last few months or weeks.
- Gather any information that we have already communicated to the employee or uploaded to a people management tool to ensure consistency between messages.
- Be very clear about the area's objectives for the following year and how they connect to the person's possible objectives.

Definition

- Have clearly identified what you expect from the employee, what you expect from the area as a whole and what role you think the employee plays in the area (*By the way, the objectives we have as an area are these...*).
- Be clear about the level of bonus to be given to the employee, as well as the line of argument to explain the context behind the decision.

2. With what attitude should we prepare ourselves?

Empathy

- Identify and understand the personal circumstances that can may bias the conversation: has the employee had any important personal issues during the previous year?
- Connect with the person's reality. For example, if we already know that Peter had this important problem last year, how can we take advantage of this moment to transform it into an opportunity, generating greater empathy instead of ignoring it?
- Let's anticipate by trying to put ourselves in the other person's mindset.
- Let's connect with the person and how the feedback that moves him/her the most influences him/her. Some people prefer direct messages and others require more context.



Intention

- With what attitude are we going to enter the conversation as a leader? Which is the most effective for the achievement of the objectives (of what we defined earlier)?
- Let's remember that the ultimate goal is for the employee to leave with clear ideas and more committed/motivated.
- Let's get rid of prejudices and go with an open mind to listen.

During the conversation

1. What content should be covered?

The content should focus on meeting the objectives of the conversation. Like a play or a good story, it should have three phases: An introduction, a middle and an end.

- **Introduction:** Explain that we are going to go through the 5 items – And that there are two different phases to separate the past from the future.
- **Middle:** Go through the five items that you want to cover.
 - o Performance and Achievements
 - o Bonus and salary review
 - o Individual Goals and Objectives
 - o Growth and development
 - o Positive Feedback
- **End:** Review the agreements and define next steps

Remember that it is an adult-to-adult conversation, not parent-to-child.

2. What attitudes to show?

The attitude you show during the conversation and the atmosphere you promote will be key to the outcome of the conversation. In this sense, we propose to apply “The 4Is model”, based on the book *Talk, Inc.*, by Boris Groysberg and Michael Slind:

- **Intimacy:** Generate a personal and safe bond so that the conversation can be open and personal. It is also necessary to hold the meeting in a suitable place that helps to generate this space.
- **Interactivity:** Ensure that the conversation is a dialogue. Allow time for debate, sharing of points of view and avoiding one of the two people from monopolizing the conversation.
- **Inclusion:** Break hierarchies and guarantee the team member that his/her voice and points of view are important. Understand your vision, motivations, and concerns in order to integrate them into the following year plan and especially in its follow-up.
- **Intention:** Be very clear before starting the conversation what the intention is. Is it to motivate? To celebrate? To help the person improve the elements that are not working? To deepen trust? To help the employee boost his/her self-esteem? There may be several intentions, but there is one that is usually paramount and should be clarified and guaranteed to happen.

*The main mistake to **avoid**: that the meeting does not turn into a monologue where only one of the parties speaks.*

Closing and after the conversation

Proper closure and effective follow-up are essential for the conversation to have results in the future and translate into real change in the employee.

- Explicitly review commitments on both parties, next steps and agreements. Review in terms of actions: *On my side, I will do... On your side...*
- Clarify very well the subsequent follow-up – How often will we meet? How and where will we meet?
- In subsequent follow-up meetings it is recommended to be explicit that you are having a development calibration conversation and not a normal conversation about some operational issue.

In the leader's head, you are convinced that you have had 20 conversations with your team and in the employee's mind, he/she has never had a good feedback or development conversation.

“Done right, a performance review is one of the best opportunities to encourage and support high performers and constructively improve your middle- and lower-tier workers.”

Kathryn Minshew

American entrepreneur, CEO and co-founder of The Muse, a career-development platform

Practical recommendations

Based on our experience, we propose some practical recommendations that facilitate the success of the conversation (and in turn minimize the risk of derailing it).

Before the conversation

- **Reserve an extra half an hour** in the agenda in case the conversation runs long
- **Free yourself 10-15 minutes before** the conversation to focus
- **Find a suitable place** for the conversation (based on the employee's preferences)

During the conversation

- Focus on **developing the strengths...** and only on those points of improvement that can lead to derailment (80% / 20%)
- Give feedback **on the play**, not on the player, generating **awareness of the impact** of the other person's attitudes and behaviors
- Be **clear** from a positive and appreciative intention of the person
- Ask **open questions** to generate dialogue and interactivity
- **Adapt your style** to the one that is most effective for the employee
- Stay **focused** and avoid the temptation to use all the time to talk about day-to-day operational issues. If at any time an operational issue arises, write it down and set it aside, explicitly agreeing that it will be dealt with in a separate meeting at a later date.

After the conversation

- Validate that you have reached the same conclusions
- Review the next steps
- Agree on the follow-up mechanism and frequency

Expected benefit if the meeting is approached positively

Those leaders who have been able to turn this conversation into an opportunity, beginning with a change in their own attitude, have identified many potential benefits that we list below.

What do you think is the main benefit of these conversations that you are going to have?

Commitment	Involvement	Alignment
Growth	Motivation	Change
Increased team building	Proximity	Improved productivity
Learning	Trust	Transparency
Improvement	Openness	Honest connection
Construction of personal relationship		

Considering all the above, it is possible that some skeptics still think that these conversations are a waste of time, possibly biased by their own personal experience and beliefs. As we said before, with that attitude it will be difficult to expect good results from these conversations.

Our recommendation is very pragmatic: since we are going to invest time in having these conversations, let's face them with a positive and appreciative attitude and transform them into an opportunity to improve in the future for the benefit of the company, our employees and ourselves.

About the authors



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About WALK

WALK is a global consultancy focused on producing meaningful business transformation through leadership development and cultural change. Combining a team of strategy consultants, organizational psychologists, and leadership facilitators, WALK works with large organizations to ensure effective execution of their business initiatives. We do so by aligning people with strategy and empowering them to embrace a new leadership paradigm for the digital age. WALK's solutions include Leadership Development Programs, Alignment of Executive Teams, Organizational Engagement at Scale, Design and Deployment of a Digital Culture, and Implementation of New Ways of Working.

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