**Purpose of this Idea:**

Accountability is critical in the achievement of goals and reaching the operating standards in our business.  Setting goals that are meaningful to the individual help the team reach the collective goals for the business.  Responsibility starts with everyone’s individual commitment toward achieving overall success.

**Result or Output:**

Each individual person in the business will complete an employee performance agreement every 180 days.  The performance agreements will include personal and professional intentions with a firm commitment to achieving their desired goals, expectations and behavior performance.

**Need of Agreement**

Miscommunication in a business can be disastrous.  Failure to meet expectations can be equally debilitating.  The intention of the employee performance agreement is to set high standards for each individual contribution by asking them to set their own expectations.  Beyond the employee job description or task list that outlines their various functions in the business, the intention of the Employee Performance Agreement is to break new ground and to inspire each member of the team to accept and be motivated to exceed their limitations break out of their comfort zone and achieve something that will honor them, the business, our customers and most of all help them to feel like a proud contributor to their own success.

**Key Points to Understand This Tool:**

**Component**

Employee Performance Agreements is an ***a***ccountability agreement which aimed to the organizational structure of your business.  It should start with the owner or CEO and be completed by every individual contributing member of the company no matter how large or small. The guy on the ship that deals with all the sewage, if somehow he didn't do his job, the whole boat suffers.  Very simply stated, whatever your function or position, everybody's important and everyone needs to feel essential.

All need to take ownership of it and when that occurs it all comes together as a team reaching their goal.

Employee Performance Agreements acknowledge this and aim to raise everyone’s performance by asking each team member to outline their commitments to their personal goals and desires, their work performance expectations and their individual behavior performance expectations.

Yes even starting with the leader right down to the janitor or part time employee.  Responsibility for achieving results needs to be the focus of everyone.  Sharing your goals, work performance and behavioral expectations with your supervisor every ninety days creates a momentum for your business for continued improvement.  Every business has a rhythm whether recognized or not.  This type of concentration will, when observed, monitored, and taken seriously, create the positive momentum you desire.

People like to be challenged.  Best of all is when they set the bar themselves.  They are more motivated, more inspired and more determined to achieve their own goals then those set by

Others.  Have you ever heard an employer say that they don’t have to eliminate people on their staff, that their employees get rid of poor performing individuals?  Companies that say this have a natural code of conduct that demands everyone should be pulling the wagon not riding on it. That’s not to say that if a capable employee falls sick or has a challenging emotional or physical incapacity that they won’t fill in and be compassionate.  Quite the contrary, they will double their efforts to make good for that employee, as long as they had been a contributing member to the team.  Wouldn’t you want that type of environment in your business?

This process starts with the owner.  You should be the first person to complete these three agreement statements.  You can and should make multiple commitments in each stage.  Examples provided after the worksheets should give you an idea of what you can commit to.  As owner you may only wish to share this information with your coach, or spouse.  You may decide to use this as an example and share it with your top line managers.  The critical benchmark is that you make your own commitment and then stick to it, measuring and monitoring your performance

**My Goals and Desire Statement:**  What are your goals and desires for the next 180 days?  It’s okay to put longer term goals here since you will be working toward these during the six months, but make sure they are meaningful.  If you intend to earn $240,000 a year in 2 years what portion of that movement do you wish to reach in the next 180 days?  If you want to take 13 weeks of vacation a year, what should you be doing to achieve that?  It might be determining how you will spend it, thus visualizing and inspiring yourself, or it might mean creating systems to make yourself replaceable.  It could even mean hiring someone for the position or creating the position agreement for that function that will allow you take more time off.

**My Specific Work Performance Expectations:**  Here is where you list the specific performance goals you wish to achieve within the realm of your responsibilities for the business as well as personal.  Do you wish to achieve a certain profit goal, or customer average sales?  If at the technical level of the business these might be smaller yet still very important and critical to the company’s success.  Did you realize that at a car wash the service advisor [conversion or sales person] will succeed more frequently when he is able to speak to the driver of the vehicle when they step out of their vehicle?  When the customer stays in their vehicle they remain in their comfort zone.  Outside the vehicle the advisor can look in their vehicle and make recommendations to say clean their floor mats.  The customer is easier to speak to, and their conversion rate for higher add on sales increases dramatically.  Wouldn’t you want someone in that position to get the customer out of their car?  In fact wouldn’t you want someone at this level of your business testing and discovering what works and what doesn’t?

**My Individual Behavior Performance Expectations:**  Well most of us are keenly aware of our strengths and weaknesses.  For example I’m a perfectionist, so when things do go well I tend to get temperamental.  I’m in fear mode, afraid the worst is going to happen, I over react and what happens, generally the worst, or worst than would have if I’d just stayed calm.  If I make a commitment to remain calm, and others are aware of it, heck if only I’m aware of it just the commitment alone, the awareness that I’ve promised myself not to go overboard will improve my behavior.  Suggestions here can be simply being open and receptive or encouraging. These can be powerful transforming behavioral opportunities that can transform the business and the people touched by these acts of kindness and consideration.

**Summary**

High performance takes place when expectations are high.  Momentum in your business is established with higher standards, regular renewal and commitment and recognition of the team’s intention to perform at a higher benchmark.  Goals and

Desires and workplace and behavioral performance will contribute greatly to the success of your business if each person regularly devotes themselves to this type of self-improvement.  Starting at the highest level to the lowest in the business everyone contributes.  Reaching goals takes enormous sacrifice and contribution.

Recognition, reward and performance success contribute mightily to the teams achievements.   An achieving individual is a positive one each positive contributor lifts the level of the team and makes every other individual believe they too can succeed.

**Template:**

**Employee Performance Agreement** for: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Position: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Manager: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_