

Why performance management is failing in real time – and what HR leaders must build instead - hrleader.com.au

Source: [gnews-performance-management](#) | **Published:** June 09, 2026 | **PMS Relevance:** PMS RELATED | **Type:** Opinion/Commentary | **Geography:** Global

Source URL: <https://news.google.com/rss/articles/CBMizAFBVV95cUxQaW52MjhGV2FRdFV4U1FxV3RTM2o>

Executive Summary

This article, authored by Paul McNamara, CEO of ADAPTOVATE, addresses what it characterises as a fundamental failure in contemporary performance management systems. The central argument is that traditional performance frameworks, designed for stable and predictable organisations, are now misaligned with modern work environments characterised by cross-functional collaboration and AI integration. McNamara contends that underperformance is most often a systemic and environmental failure rather than an individual capability deficit, and that HR leaders must shift from managing performance to designing conditions under which high performance can naturally emerge. Key evidence presented includes a single, unnamed organisational case study in which a low-performing employee became a high performer following leadership and system redesign — without role change or formal intervention. The article draws on Daniel Pink's motivational framework of purpose, mastery, and autonomy as a conceptual anchor. The conclusions suggest that HR's mandate should be architectural — redesigning work systems, feedback loops, and accountability structures — rather than administrative. No quantitative data or peer-reviewed citations are provided to substantiate the claims.

Key Insights

1. Underperformance is framed as a systemic signal — indicating failures in clarity, context, pace, or autonomy — rather than an individual capability problem.
2. Traditional performance management frameworks were designed for stable, linear organisations and are structurally misaligned with AI-integrated, cross-functional modern work environments.
3. The article argues that discretionary effort — voluntary high contribution — is unlocked by designing purpose, mastery, and autonomy directly into daily workflows rather than enforcing compliance-based accountability.

Practical Takeaways

- Organisations experiencing persistent underperformance may find value in examining the environmental and systemic conditions around work — such as clarity of purpose, decision-making autonomy, and feedback mechanisms — before attributing performance gaps to individual capability.
- Embedding learning into delivery through short-cycle feedback and 'teach-back' dynamics is presented as a mechanism for building mastery as a byproduct of work rather than a separate development activity.

Frameworks Mentioned

Purpose, Mastery, and Autonomy (Pink) — A motivational framework drawn from Daniel Pink's work, positing that employee motivation and performance are driven by three interconnected elements: a sense of purpose, the development of mastery, and the experience of autonomy in work.

Critical Analysis

Strengths: The article presents a coherent systems-thinking perspective on performance management that challenges compliance-oriented orthodoxy. The reframing of underperformance as a systemic signal rather than an individual failure is conceptually grounded in established organisational behaviour literature. The three-driver framework (purpose, mastery, autonomy) is well-recognised and provides a useful scaffold. **Limitations:** The article's primary empirical support is a single, anonymised case study with no measurable outcomes, timeframes, or organisational context — making it impossible to assess replicability or causality. The Daniel Pink reference is invoked as received authority rather than actively demonstrated. There is no engagement with counterarguments or the known challenges of systemic redesign (e.g., cost, leadership capability, change resistance). **Biases:** The author is CEO of ADAPTOVATE, a management consulting firm, which creates a clear commercial interest in promoting the view that organisations need to redesign their performance systems — the type of work consulting firms provide. This conflict of interest is not disclosed in the article. The tone is prescriptive despite the absence of robust evidence, and the framing consistently positions the author's perspective as the inevitable evolution of the field.

Organizational Practice

The article describes an unnamed organisation that redesigned its performance environment — redefining strategic purpose, redesigning outcome definitions, and restructuring day-to-day accountability mechanisms — resulting in a previously low-performing employee being recognised as a high performer by senior leadership, without a formal role change or escalated intervention.

Strategic Implications

The article reflects a broader trend in PMS discourse toward systemic and environmental explanations for performance variation, moving away from purely individual-level diagnosis. If this framing gains traction among HR leaders, it implies a potential shift in PMS investment from compliance infrastructure and documentation toward work design, leadership development, and feedback architecture. The emphasis on AI integration as a driver of role redefinition — from execution toward interpretation and judgement — aligns with emerging conversations about how performance criteria will need to evolve as automation absorbs routine tasks.

Validation Status: passed