

Performance Management Process Review

What is Performance Management?

The various methods that an organisation uses to manage the performance of its employees, associates, teams, and the organisation as a whole. Whether you employ one person or thousands the **fundamental steps** of performance management are the same.

For some organisations an 'appraisal' is seen as a swear word, for others it is the cornerstone of employee performance. Although the following steps are often associated with **appraisals** they also apply when **tackling poor performance**, with **informal management practices** and when managing the performance of **wider teams or the entire organisation**.

Why is Performance Management so important?

Effective performance management ensures:

- That everyone is working towards the **same goals** and on the right tasks.
- That organisations get **return on their investment** in employees and value for the salaries paid.
- That realistic performance data is gathered and the overall approach is adjusted accordingly.
- That **lessons are learned** and errors don't escalate unchecked.
- That management and employee **time is not wasted**.

Agree Expectations --- Measure ---- Discuss ---- Take Action

Organisations often focus on agreeing short / medium / long term objectives with employees, but this is also about expectations with regards to values, behaviours, culture, learning, relationships or even a "there are no rules" environment.

Methods for measurement depend on what expectations were originally agreed. This can be about self-reflection, reporting, Key Performance Indicators (KPIs), financial reviews, observations, collecting feedback, monitoring, 360 reviews or through collaborative management.

Often this comes down to a formal annual review, but this is rarely effective in itself. Other approaches include informal chats, regular group reviews, employee engagement and involvement activities, supported coaching, and other communications channels.

The process is
pointless unless action
is taken. This may be in
the form of recognition,
development or
training, reorganisation
of responsibilities,
talent planning, active
management of poor
performance, feeding
into recruitment
plans, tweaking the
overall strategy or
anything else!

Review for my organisation:
In reviewing current performance management practices consider the short term and long term; formal and informal; individual, team and organisation; managing poor performance and exemplary performance; employees, managers and leaders.
Our performance management processes currently include:
Strengths in our current processes include:
There are gaps or potential improvements that we could make in the following areas:
Are all areas consistent, fair and completed at an appropriate frequency?
Other ways that overall performance management could be made more effective are: