

Title:

A Guide To Performance Management

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Summary:

Nowadays, a great significance is being given to Performance Management, as companies incorporate them in their effective management strategies. However, a lot of people find this process a complicated one, mostly because of the many options that it offers - on the organization, a specific department/branch, a product or service, and on employees, among others.

In order to minimize this confusion, the items below will give you a general idea of what Performance Management...

Keywords:

performance management

Article Body:

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In order to minimize this confusion, the items below will give you a general idea of what Performance Management is all about as well as the activities that are involved in this process.

What is Performance Management?

Performance management is a process that provides both the manager and the employee (the person being supervised) the chance to determine the shared goals that relates to the overall goals of the company by looking into employee performance.

Why is it important?

Performance Management establishes an outline for employees and their performance managers to assess and to come to an agreement on certain concerns

and aims that are in accordance with the overall structure of the company. This enables both parties to have clear objectives that would help them in their work and in their professional growth.

Who conducts Performance Management?

Performance Management is carried out by those who oversee the performance of other people – work/team leaders, supervisors, managers, directors, or department chairs.

What are the processes involved?

Below are the phases of the Performance Management process:

### 1. Planning

This phase of Performance Management process includes establishing job descriptions and identifying the employee's essential functions as well as defining the strategic plan/s of the department or the company as a whole.

#### Job Description

A job description is used to advertise a vacant position, which typically specifies the following:

- The specific functions, tasks, and responsibilities of the position
- The amount of time needed to act upon each function
- The qualifications needed (skills, knowledge and abilities) to perform the job
- The physical and mental requirements of the position
- Salary range for the position
- To whom the position reports

Job descriptions should be disclosed to the employee as soon as he or she is hired. Note, however, that job descriptions are listed using words that make it difficult to measure the employee's performance. They are in contrast with competencies, which list the skills needed in performing such tasks and are described using terms that can be measured.

#### Strategic Plan

In effect, a strategic plan tells you three things:

- Where the company is heading in the coming year/s.

- How the company is going to get there.
- How the company will know if it is already there or not.

Included in a strategic plan are the following:

Mission statement - the primary reason why your department (or company) exists.

Goals - associated with the mission statement, they determine the results that will advance said statement/s.

Strategic initiatives - specifies definite steps that must be taken to accomplish each goal. It is a dynamic process, usually examined during periods such as one or two years.

## 2. Developing

This phase of Performance Management process includes developing performance standards, which offers a scale that describes how a specific job should be performed in order to meet (or exceed) expectations. They are explained to newly hired employees and are later used to evaluate work performance.

Performance standards are generally outlined with the help of the employees who actually perform the tasks or functions. There are a number of advantages with this approach:

- The standards will be suitable to the requirements of the job
- The standards will be applicable to actual work conditions
- The standards will be easily understood by the employee (and performance manager as well)
- The standards will be acknowledged (and received) by the employee and the performance manager

Standards of performance are usually in the form of ratings (1 to 5, A to E) that are used by performance managers to rate the employee's actual level of performance.

## 3. Monitoring

This phase of the Performance Management process includes monitoring employee's work performances and giving feedback about them.

As the basis of feedback, observations should be verifiable: they should involve noticeable and work-related facts, events, behaviors, actions, statements, and

results. Feedback of this type is called behavioral feedback, and they help employees improve and/or sustain good performance by precisely identifying the areas that the employee needs to improve without judging his or her character or motives.

#### 4. Rating

This phase includes conducting performance evaluations. This is the critical aspect of the Performance Management process, especially because it is important for performance managers to arrive at an unbiased assessment.

A performance appraisal form has the following features:

- Employee information
- Performance standards
- Rating scale
- Signatures
- Employee performance development recommendations
- Employee comments
- Employee's Self-appraisal

Why conduct performance appraisals? It provides an opportunity to improve performance in the future not only for employees, but for managers as well. Performance appraisals enable managers to acquire information from employees that will help them make employee's jobs more productive.

#### 5. Development Planning

This phase of the Performance Management process includes establishing plans for improved employee performance and development goals. This advances the overall goal of the company and at the same time increases the quality of work by employees by:

- Encouraging constant learning and professional growth.
- Helping employees maintain the level of performance that meets (and exceeds) expectations.
- Improving job - or career-related skills and experience.

In closing, Performance Management is a process that, when executed fairly and effectively, can improve the quality of the company's workforce, raise standards, increase job satisfaction, and develop professionalism and expertise that would benefit not only the employees but the entire organization as well.