



# Performance Management

## How Does Performance Management Work?

The drive to implement a performance management system is not sufficient. Management as well as employees must put forth the effort necessary to make it happen. With “all hands on deck” and the observation of the following, organizations can build a successful program.

- Clearly identify the job’s purpose as well as the duties associated with it.
- Determine goals and how to measure outcomes.
- Rank job priority.
- Characterize the standard of performance for critical aspects of the position.
- Discuss employee performance and provide feedback. This should at least be done on a quarterly basis.
- Keep track of performance records.

If necessary, create an improvement plan to better employees’ performance.

## Assessments

There are a variety of assessments that can be utilized to determine skill, knowledge, and ability. These assessments can be administered when the individual is a prospective employee or an actual employee.

### **Types of Assessments**

- **Pre-Screening:** A Pre-Screening Assessment can be used to find out information on a prospective employees skills and knowledge before committing to hire them and this can save the employer costly mistakes down the road.
- **360-Degree Review:** As its name implies, this type of assessment takes a comprehensive look at an employee with regard to their work performance. This information can be attained by involving a diverse pool of individuals, with varying levels of interaction with the employee (e.g. supervisor, peers, clients, etc.)
- **Knowledge:** This type of assessment generally takes on a questionnaire format. It allows the employer to ask specific questions on topics relating to the business, usually in the form of multiple choice questions.



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## SMART Goal Setting

People often fail to reach their goals. This usually indicates that the wrong goals are being chosen. SMART goals will improve the chances of achieving both personal and business goals.

### **SMART goals:**

- **Specific:** Goals should have specific instructions.
- **Measurable:** It should be clear when goals and objectives are met.
- **Attainable:** Impossible goals are not motivating.
- **Realistic:** Goals need to be something people are able to work towards.
- **Timely:** Goals need specific timeframes.

## Monitoring Results

Once goals are established, it is important to monitor their results. This will determine how effective a plan or strategy is. Use a basic evaluation to determine what changes need to be made in a plan and reevaluate your goals.

### **What to evaluate:**

- Were the goals and objectives achieved?
- Were they achieved in the established time frame?
- What is the feedback from employees and leadership?
- What are the financial gains or losses?

## Motivation

Performance is related to motivation. Motivation is the job of every leader. There is not a single method for motivating employees. People have different personal motives, and leaders must meet the needs of individuals.

### **Motivating Tips:**

- **Lead by example:** Motivate yourself before you can motivate others.
- **Meet with individuals:** Communicate with employees directly to find out what motivates them.
- **Reward employees:** Find motivating rewards for individuals.
- **Delegate:** Do not micromanage employees.
- **Inform:** Inform people about how they are making a difference in the organization.
- **Celebrate:** Pay attention to achievements and celebrate with employees.