

Performance Management (Appraisal)

Performance management includes praise, recognition, goal setting, appraisal and personal development. It is a continuous process requiring regular reviews. As such it should contain no surprises and be a relatively comfortable process for both parties.

Increasingly, people are being given feedback and identifying development needs against the behaviours that reflect the organisation's culture. This recognises that people with the right fundamental attitudes will make the right decisions, feel empowered and act in the best interests of your business. They know 'how we do things round here'.

This approach fits well with more frequent (shorter) meetings and existing one-to-ones, sometimes referred to as supervisions. Often this will replace the annual appraisal altogether. This allows for many more objectives to be owned by teams which builds collaboration and supports continuous improvement.

Overview

To work well people need: -

- To know what they are trying to achieve
- Why it is important
- To have the tools for the job
- Understand the requirements of the job
- To know how well they are doing it
- To feel part of the team and organisation

To achieve these requirements staff must be trained, communicated with and given regular and effective feedback on their performance.

Regular reviews

Once set and agreed objectives require regular review. This has traditionally been a formal meeting each year, supported by reviews, sometimes called supervisions. However, as described above, organisations are increasingly carrying out their formal processes more frequently, based upon people's behaviours as they reflect the organisational culture – often reflected in a set of core values.

Whatever the process, both parties should have evidence of progress and achievement in the form of reports, actions taken place, targets achieved etc.

There should never be surprises if the individual and their manager meet regularly and focus on the objectives.

Agreed goals

Part of the review is a formalised process of planning, agreeing and setting goals or objectives for the next period. This might be done over a series of two or even three meetings and both parties need to prepare.

The process will be considerably less effective if the organisation does not have clear goals for itself - these are what the employee will be working towards so they add weight and value to the process.

The process should be:

- Prepare (both parties)
- Review behaviours and the achievement of objectives for previous period
- Discuss organisational goals for next period
- Plan individual goals arising from these
- Make them SMART (see below)
- Discuss these and agree them
- Decide what personal development arises from them
- Finalise and record the outcomes on a form
- Put required training and development activities into place

Goal setting

Goals or objectives are clear statements of what the individual must achieve. They are not a re-statement of the individual's job description; rather they highlight where the person can add most value.

A good balance is five to eight key objectives per year, although this may be less if objectives are set at team level. They should include at least one covering personal development, possibly around behaviours based upon the core values of your organisation. Personal development objectives should ideally address priority needs.

Goals should be SMART: -

- Specific - be very clear about the output / requirement
- Measurable - if it can't be measured, you won't know when (or if) it has been done
- Achievable - not too easy, not too hard – challenge and stretch – support the person
- Relevant - directly related to organisational goals
- Time bound - agreed dates

Tightly focused objectives help the individual (and teams) to be clear about what is expected and when.

Competencies

A set of competency statements can be used to underpin development as they enable both management and staff to measure the quality of activity and should be used to identify and benchmark the standards achieved and required during the appraisal process. However, such frameworks are perhaps best used for leaders, especially when they are being developed.