

Drive Your Business Outcomes with Your Performance Management Plan



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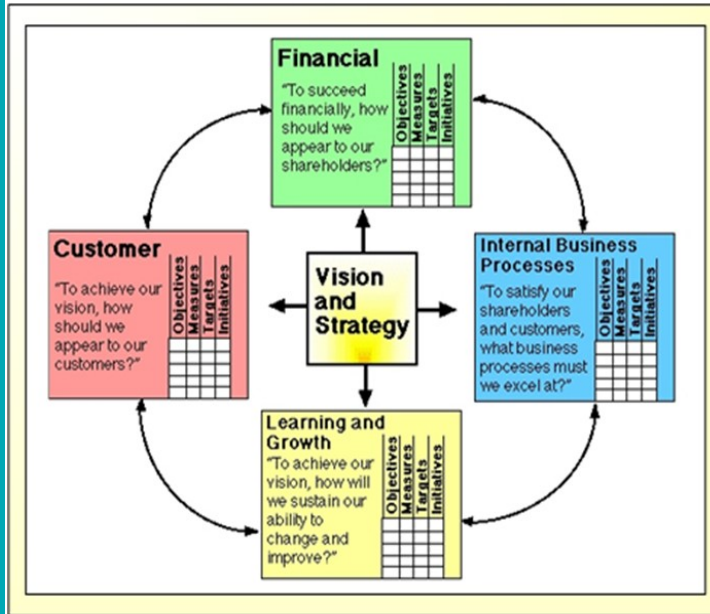
With a clear vision of where you want your organization to go and a framework for getting there you can better inform your people about what you want and need them to do

Effective performance management helps crystallize the understanding of organizational goals and objectives, ties departmental, group and individual performance to organizational goals and objectives and provides a framework for measurable, results based activity.

With a clear vision of where you want your organization to go and a framework for getting there you can better inform your people about what you want and need them to do, have measures for how well they are doing and guidelines for improving performance and

a fair plan for recognition and rewards.

At the heart of a performance management plan is the vision and strategy of the organization. With your vision and strategy in mind, you take a look at the goals and objectives in four key areas: financial, internal business processes, learning and growth and customer. The balanced scorecard approach by Norton and Kaplan best illustrates the interrelation of each of these areas and the impact they have on an organization.



"People with goals succeed because they know where they are going. It's as simple as that."
- Earl Nightingale

Keep your goals and objectives SMART. By using the SMART approach, you ensure that your goals/objectives are:

Specific: what you are going to do, why you are going to do it and how you will achieve it.

Measurable: remember, if you can't measure it, you can't manage it.

Attainable: are the goals/objectives attainable and agreed to? Do you have the resources, attitudes, finances, etc to be able to realistically achieve your goal?

Relevant: Make the goals/objectives relevant to your people and their contributions. Explain the goals/objectives, break them down in such a way that they are relevant to the tasks your people perform.

Timely: set a timeframe for achieving your goals and benchmarks for measuring along the way. Timelines will help determine if you are on track or if you have missed a key element along the way. Inform your people about the timelines.

Performance Management

Tie specific people performance to business outcomes

Communicate your plan

Measuring performance

Reward performance

In creating a plan, as laid out in the balanced scorecard, you tie specific people performance to business outcomes and your tools such as job description, policy/procedures, etc. can accurately reflect the expected results based activity that you need from your people in order to move the business in your desired direction. Your people have clear guidelines for performance measures and you have clear expectations of performance based activity that can be measured.

When your people understand the who, what, where when, how and why of their roles, they can see how their efforts relate to achieving organizational success, and are more likely to engage in results based activity linked to the strategic initiatives of the organization.

How does this apply to individual performance reviews? With your strategic plan in place and your basic HR structures accurately reflecting the desired behaviors required to achieve results.

How do you communicate all of this to our people? When communicating your message, you have two groups to communicate with. One group is the existing people in the organization and the second group is the new hires.

With your existing group consider where you can include them in the planning process, to what de-

gree, at what level? Your people have insights and knowledge about the organization that is helpful in the planning process and having them involved at the planning level makes the plan theirs.

Where do you start to communicate your plan for new hires? This starts before someone is hired. What I mean is when advertising for a new role, you are painting a realistic picture about the organizational culture, expectations of the role and the rewards tied to performance. From there you build it into your on-boarding process. Create an on-boarding plan that covers the who, what where, when, how and why of the organization and of their specific role within the organization.

Measuring the performance of your people in relation to the organizational goals and the job specifications is what will keep your people on track and performing in such a way that supports your organizational success. When does performance get measured? On an informal basis, performance is measured daily. What I mean is that when you see activity taking place that is not in line with your strategic goals, and organizational culture, you address it at the time you see it. When you stop the undesirable behavior upon recognizing it, you prevent the negative behaviour from becoming habit and replace the undesired behaviour with the desired behaviour. Equally

important is recognizing excellent performance, when you see someone performing well; you need to tell them specifically what they have done well and how it positively impacts the organization. In addition to the informal monitoring of performance, you need to have a more formal performance management process in place. How often do you formally evaluate performance? When determining how often, it is important to keep in mind the time required to review and document performance. What is realistic for your organization; what can you truly commit to on an ongoing basis? Keep the process simple and SMART, consistent and fair, based on performance measures that accurately reflect success on the job.

Rewarding high performers is another key element in your performance management plan. By linking your rewards to performance measures in your workplace you support the development of the behaviours you need for driving your business outcomes.

Keeping performance reviews simple and attainable for your organization and your people is important to achieving success. An effective performance management system is a process, continually changing as the organization changes. Keep it simple and make adjustments along the way to prevent over process that may halt engagement.