

LGO2222 Human Resource Management in LGO.

Collect and Rearrange By
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Performance management Chapter 11.

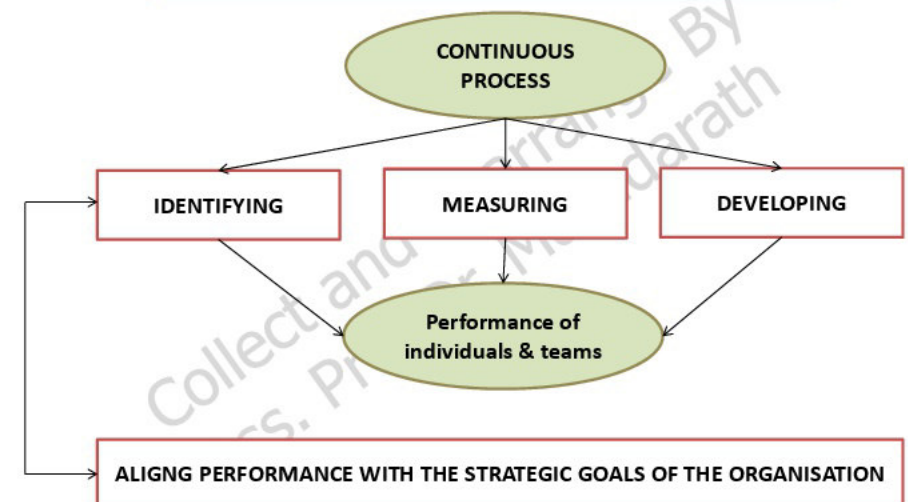
PM DEFINED

Continuous process of improving performance by setting individual and team goals which are aligned to the strategic goals of the organisation

It involves:

- Performance planning to achieve goals
- Reviewing and assessing progress
- Developing knowledge, skills and abilities

DEFINITION OF PERFORMANCE MANAGEMENT



Consider two main components of the definition:

■ Continuous process:

- It is ongoing, future-oriented, and participative system
- Never ending process of setting goals and objectives
- Observing performance constantly/regularly
- Giving and receive ongoing coaching & feedback
- Aimed at improving employee performance

■ Alignment with strategic goals:

- Ensure that employee activities & outputs are congruent with organizational goals/objectives
- To help organizational gain competitive advantage
- Create direct link between employee performance and organisational goals
- and makes employee contribution to organisation explicit.

DEFINITIONS

A means of **getting better results** from the organisation, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and attribute/competence requirements.

It is a process for establishing **shared/common understanding** about what is to be achieved

An approach to **managing and developing** people in a way which increases the probability that it will be achieved in the short and longer term.

YOU HAVE TO ASK YOURSELF NOW ...

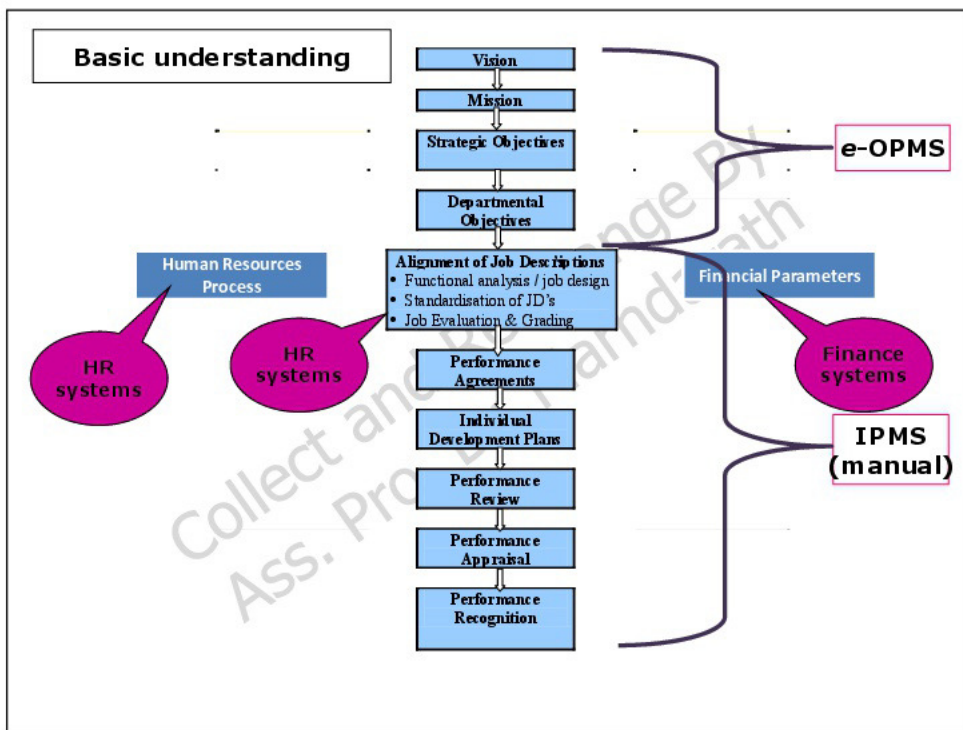
Am I really committed to better service delivery at work?

What is my contribution towards the achievement of strategic objectives?

SIMPLE PROPOSITION

*'When people **know** and **understand** what is expected of them, and have been able to **take part** in forming those expectations, they **can** and **will** perform to meet them'.*

*It seeks to change the **attitudes, values, and approaches** of management and employees according to new strategies, processes and plans to improve productivity and performance.*



OVERALL PRINCIPLES OF PM (Strebler et al 2001)

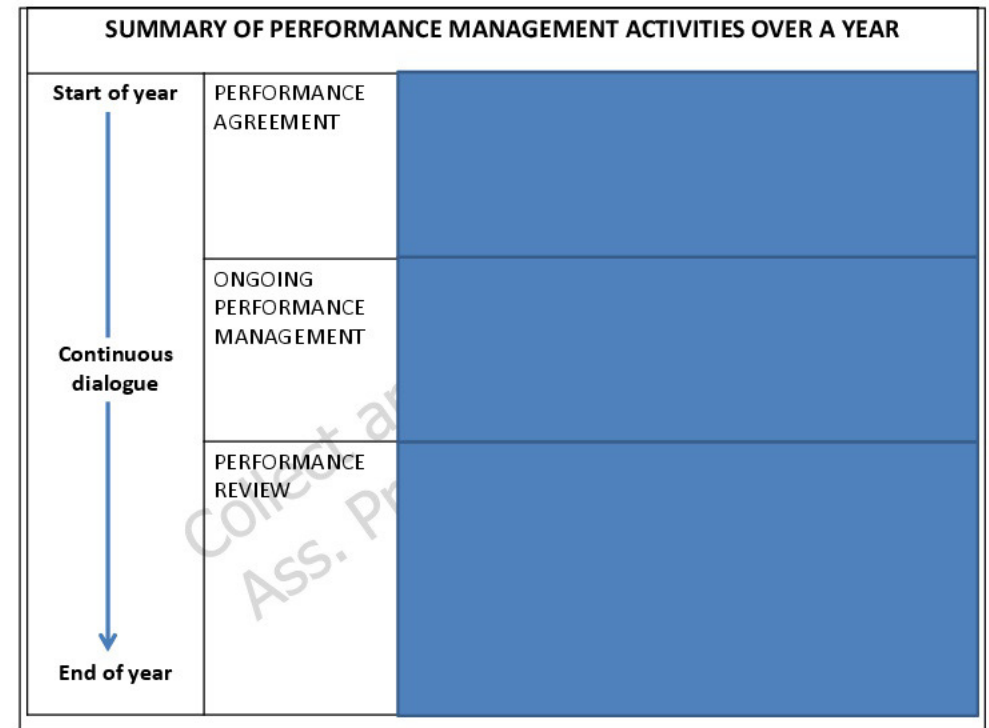
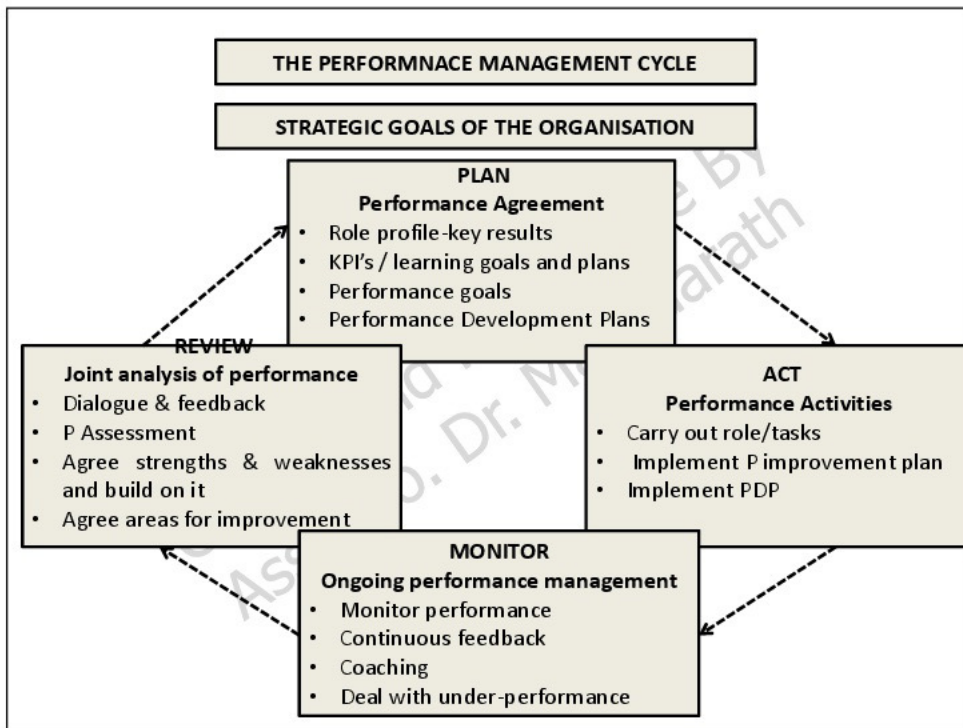
- Have clear aims and measurable success criteria
- Be designed and implemented with employee involvement
- Be simple to understand and operate
- Must be fundamental in achieving all management goals
- Allow employees to have clear understanding of their performance (contributions) and organisational goals
- Focus on role clarity and performance improvement
- Be closely linked to well resourced training and development infrastructure
- Directly linked to reward and build in equity and transparency safeguards
- Be regularly reviewed against its success criteria

VIEWS OF PRACTITIONERS ON PRINCIPLES OF PM (Armstrong & Baron (2004))

- PM is what managers do: a natural process to manage
- A Management tool which helps managers to manage
- Its about how we manage people
- Driven by corporate purpose and values
- To obtain solutions that work
- Only interested in things you can do something about and get a visible improvement
- Focus on changing behaviour rather than paperwork
- Based on acceptable principles but operates flexibly
- Focus on development not pay
- Success depends on what the organisation is and needs to be in its performance culture

ETHICAL PRINCIPLES (Winstanley & Stuart-Smith, 1996).

- Respect for the individual – treat people as “ends in themselves” and not merely as “means to other ends”
- Mutual respect – parties involved respect each other
- Procedural fairness – procedures operated fairly in accordance with principles
- Transparency - people affected given opportunity to scrutinize the basis upon which decisions were made



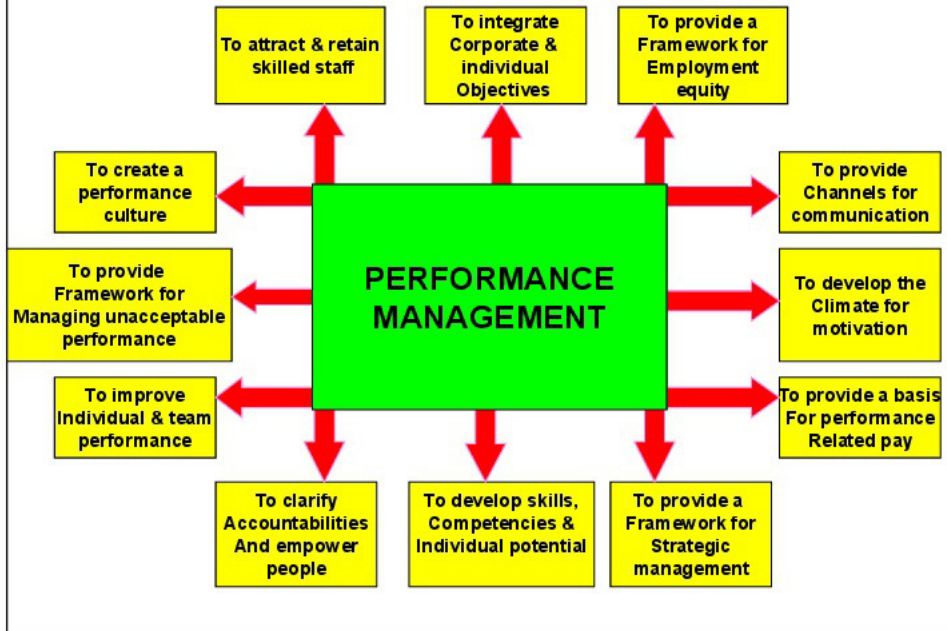
PERFORMANCE AGREEMENTS

- Outcome of decisions made jointly by the manager and individual during the planning part of performance management sequence
- Provides foundation for managing performance and guide improvement and development activities
- Used as a reference point when planning and reviewing performance and is a key of PMS
- Contains agreements on expectations in the form of results, competencies and actions required

ROLE PROFILES

- Role profile is the basis of agreement, and it defines the following:
- Overall purpose: what the role exist to achieve
- Key result areas – elements of role for which clear outputs and standards exist (KPA's)
- Knowledge and skills requirements: what role holder should know and be able to do
- Behavioural competencies requirements: types of behaviour required for successful performance

AIMS OF PERFORMANCE MANAGEMENT



THE OVERALL AIM OF PERFORMANCE MANAGEMENT:

- Is to establish a culture in which individuals and groups take responsibility for the continuous improvement of business processes and of their own skill and contributions

Thus:

- PMS will aim to instil a customer-service, performance-oriented, transparency and accountability culture within an organisation and align service processes, rules, regulations, and practices with the new culture.

KEY BENEFITS OF PMS

- PM focuses on results, rather than behaviours and activities
- Aligns organizational activities and processes to the goals of the organization
- Cultivates a system-wide, long-term view of the organization.
- Produce meaningful measurements

WHAT CAN THE PMS DO FOR THE ORGANISATION?

- Create **high performance culture** – high performance organisation
- Improve organisational **efficiency and effectiveness**
- Ensure **quality services** for greater customer satisfaction
- Create **customer service oriented culture**
- PMS **aligned with vision and mission** will provide a clear direction for organisation
- **Link individual activities** to organisational objectives
- Organisation will become a **learning organisation**
- Organisation will achieve its strategic objectives

WHAT CAN THE PMS DO FOR EMPLOYEES?

- Increase **motivation and commitment** of employees
- Enable individuals to **develop** their abilities
- Ensure sustained **growth** and individual development
- Positively **influence behaviour** to achieve organisational objectives
- Improve **individual and team** performance
- Deliver increasingly **efficient and effective** services
- Responsive to the **customers' needs** and ensure customer satisfaction
- Motivate employees to achieve their **full potential** in line with organisational strategic objectives
- It supports **knowledge, skills and competency** levels
- Employees will **understand their contribution** to the vision and mission of org
- Employees will **commit themselves** in their jobs
- Employees will **adapt to new challenges** within the organisation
- Provide basis for **rewarding** people
- Assists in **empowering people and to retain** high quality people
- Can lead to **performance related** salaries