

A Look into the Fundamentals of Performance Management

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In the workplace, the combination of performance appraisals and vaguely set goals and targets can leave concerned stakeholders with a bitter taste in the mouth. Most published surveys on performance management had less than half of employees say their systems established clear performance goals, generated honest feedback or used technology to streamline the process.

Performance management is a sensitive exercise because, at its core, it is a highly personal and often threatening process for both managers and their subordinates. If not conducted properly can lead to a myriad of problems in your organization instead of encouraging a culture of achievement.

Performance management is defined as the process of setting expectations, aligning goals, assessing results and focusing on staff development through ongoing feedback between managers and their subordinates. Most employees, however, feel victimized through performance management through these exercises as it seems as it is an opportunity for managers to take out their vendettas on their subordinates. Other common concerns expressed by employees are that they are not given specific examples of their work to support the feedback they receive therefore they won't have points of reference for improvement.

Managers are also not spared from the effects of an ineffective performance management system. Cumbersome, bureaucratic and too time consuming for the value-added are some of the words used by the average line managers to describe performance management systems. Managers have to constantly deal with increased turnovers from disgruntled staff emanating from poorly developed Performance Management Systems.

Given that both managers and employees treat performance management as a necessary evil of work-life that should be minimized rather than an important process that achieves key individual and organizational outcomes, it then begs the question of what constitutes a good performance management system? The starting point should be strategic buy-in from all concerned stakeholders as this ultimately decides whether objectives are achieved or not. Each individual should be made aware of the strategic direction of the firm and the responsibility of the particular roles in helping to achieve the desired outcomes. In doing so, the next step in fulfilling an efficient system comes into play that is, the setting of goals.

Employees often complain about being evaluated based on unknown criteria, therefore, breeding acrimony in the workplace. Setting goals means that the employees and the evaluators are on the same page on standards of achievement required. As a general guideline on acceptable goals to give subordinates, they should specify what exactly needs to be achieved within a specified period, the goals should be measurable and most importantly the goals should be achievable. When an employee is handed a series of arbitrary, unrealistic, and unattainable goals, it's easy for them to become frustrated,

demotivated and discouraged as they fail to reach their quotas and start to miss out on their feelings of satisfaction, performance, and compensation attainment.

The final step in establishing a fair performance management system would be an open and transparent system where employees can get feedback on any grey areas that would have been flagged and also be offered assistance for remedial action in their weak areas. This no doubt paves a way forward for both the organization and the concerned employee.

The overall aims of performance management are to establish a high-performance culture in which individuals in which individual and teams take responsibility for the continuous improvement of the business process and to make a significant contribution to individual and organizational effectiveness and growth. If done well performance management promises the chance for the firm to meet its organizational goals from the individual up.

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