

Literature review on performance management

Business, Human Resources



Literature Review on Performance Management Performance Management

Performance management involves the process of clarifying and communicating performance expectation, priorities, and responsibilities to enhance mutual understanding between employees and supervisors. It involves setting and aligning of individuals' performance to organization's coaching, informal feedback provision, employee development, formally evaluating performance, strategic goals, and linking performance to rewards and recognition to enhance the employees' performance (Smither & London, 2009). This paper is divided into three parts; the first part summarizes the performance management process, the second part discusses the reasons for failure of performance management systems and the last part relates these reasons for failure to my organization.

Performance Management Process

Determination of Organization Strategy and Goals

Here the organization must clarify the mission, goals, priorities and expectations to be achieved. Effective goals and objectives should be; clearly define end results to be accomplished, should have a direct link to organization success factors, set in not more than three areas as attempting to achieve too many different goals at once impede success and should be difficult but achievable so as to motivate performance (Pulakos, 2004).

Performance Planning

Performance management planning is a tool of communication for ensuring mutual understanding of work responsibilities, priorities and performance expectations (Indiana University, 2005). The planner must review with the employees, both the expected results and the expected outputs during the

performance management cycle. These behavioral and results expectation must be tied to the organization's strategic goals and objectives (Pulakos, 2004).

Observation and Feedback (Coaching)

After the managers have set objectives and standards and communicated to all the employees. Their next role is observing how the employees put the set guidelines into practice and providing feedback. The managers should reinforce strong performance by an employee, identify, and encourage improvement where it is needed. Coaching is one method that the managers can use in improving employees' productivity. University of California (n. d) explains, " Coaching sessions provide you and the employee the opportunity to discuss progress towards meeting mutually-established standards and goals" (para 4). According to the University, coaching is important because; it strengthens communication between the manager and the employee, it helps the employees to attain performance objectives, it improves employee motivation and commitment, it maintains and increases the employees' self-esteem and provides support to employees especially, in their areas of weakness (Pulakos, 2004).

Employee Input

This is where the management seeks for employees opinions on how to improve the organization performance. This can be done by asking performance standards self-ratings from each employee, then comparing the self-ratings with the managers' ratings, and any differences discussed (Pulakos, 2004).

Performance Evaluation

This is the use of competency models in measuring the performance of the employees. Competency models articulate the abilities, skills, knowledge, and other characteristics that are considered to be most instrumental for achieving positive organizational outcomes. Organization identify between five to ten key competencies that are linked to their strategic objectives and critical success factors and link with its employee performance and acts on any differences (Pulakos, 2004).

Performance Review

This is a recap of what has occurred throughout the rating period. The managers discuss with the employees their ratings, narratives and rationale for the evaluation given. During performance review sessions managers plan developmental activities with employees.

Implementation

This is where the managers execute or put the above performance standards and practice into action. Effectiveness of performance system depends on how seriously managers and employees take it (Pulakos, 2004).

References

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