

THE PERFORMANCE MANAGEMENT POCKETBOOK

2nd Edition

By Pam Jones

Drawings by Phil Hailstone

“In an ever-demanding and competitive world, OK and average simply aren’t enough – performance matters. If you want to get the best out of your people, then this book is packed with advice and ideas on how to do that.”

Lydia Hatley, Leadership Change Manager, Argos

“Very useful – a practical and comprehensive guide for all leaders who truly value their team.”

Claire Dobbs, Managing Director, Havas Life London.

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WHAT IS PERFORMANCE MANAGEMENT?

WHAT IS PERFORMANCE MANAGEMENT?

THE BIGGER PICTURE



What is your definition of performance management?

Most people associate it with concepts such as:

- Appraisal
- Performance-related pay
- Targets and objectives
- Motivation and discipline

Yet, performance management is much more than this.



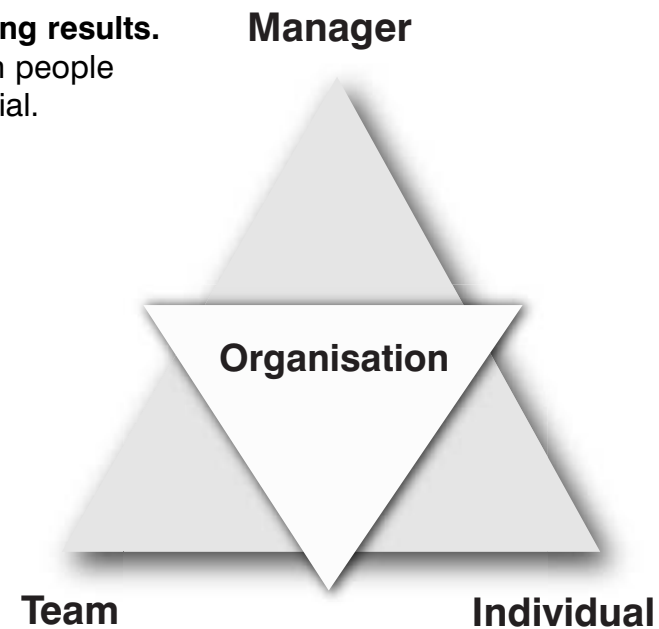
WHAT IS PERFORMANCE MANAGEMENT?



A DEFINITION

Performance management is about **getting results**. It is concerned with getting the best from people and helping them to achieve their potential.

It is an approach to achieving a shared vision of the purpose and aims of the organisation. It is concerned with helping individuals and teams achieve their potential and recognise their role in contributing to the goals of the organisation.

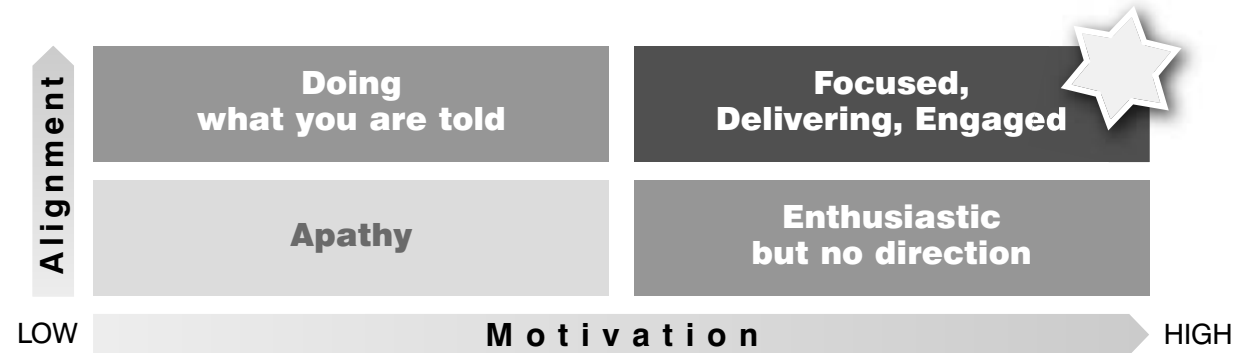


WHAT IS PERFORMANCE MANAGEMENT?

THE ROLE OF ENGAGEMENT



Employee engagement has an important role to play in performance management. It is the emotional commitment the employee has to the organisation and its goals. It is also about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job. Without engagement, getting the best from people is an uphill struggle. (*Chartered Institute of Personnel and Development 2009*)



Motivation together with alignment leads to engagement.

WHAT IS PERFORMANCE MANAGEMENT?

ENGAGEMENT – CASE STUDY



Situation: Tom is a promising employee, who works for a retail organisation as a junior manager. His boss gives him a list of tasks each day and monitors his work. Tom is always informed when something isn't right.

Tom does his job but feels bored and uninvolved. No one asks his opinion and he has no idea about how to develop in his role. As a result, he works to a good enough standard but always looks forward to the end of the day.

Question: How engaged is Tom? What are the consequences of his behaviour both for him and for the organisation?

Analysis: Engagement is about building motivation and an emotional commitment to the organisation. The fact that Tom is not being involved, coached, praised or developed is having a negative impact on his performance. He is just doing his job, but could do a lot more. The likelihood is that Tom will leave. The organisation will have missed getting the most out of him and will incur all the expense and disruption of recruiting and training a new employee.

WHAT IS PERFORMANCE MANAGEMENT?

ENGAGEMENT – CASE STUDY



Situation: Sunita works for a different organisation as a junior manager. Her boss involves her in team meetings and provides plenty of on-the-job coaching. Sunita receives regular feedback and is praised when she shows initiative. She is always trying to improve her performance and is happy to go the extra mile to help her colleagues and customers.

Question: What is different about Sunita's situation? What are the consequences for her and for the organisation?

Analysis: Sunita is very motivated. She feels valued and wants to do her best for the organisation. The organisation benefits from her energy and enthusiasm and this will impact on the overall results of the team.

WHAT IS PERFORMANCE MANAGEMENT?

ENGAGEMENT – THE PROOF



There is plenty of proof that engaged employees deliver improved bottom line results, are more creative, stay with their organisations, have less time off work and deliver higher levels of customer satisfaction.

- Engaged employees generate 43% more revenue (Hay Group)
- Engaged employees: 2.7 sick days per year compared to 6.2 days from disengaged employees (Gallup)
- Engaged employees are 87% less likely to leave (Corporate Leadership Council)
- 67% of engaged advocate their organisations; only 3% of the disengaged do (Gallup)
- 59% of engaged employees say 'work brings out their most creative ideas' – only 3% of disengaged agree (Gallup)

WHAT IS PERFORMANCE MANAGEMENT?

BUILDING ENGAGEMENT



The twelve questions below are used in many engagement surveys. They were developed by the Gallup organisation and their research shows that high scores for the questions correlate with improved bottom line performance. You can fill this questionnaire in for yourself or give it to your team to measure their level of engagement.*

	Score
1. Do I know what is expected of me at work?	<input type="text"/>
2. Do I have the materials and equipment I need to do my work right?	<input type="text"/>
3. At work, do I have the opportunity to do what I do best every day?	<input type="text"/>
4. In the last seven days, have I received recognition or praise for doing good work?	<input type="text"/>
5. Does my supervisor, or someone at work, seem to care about me as a person?	<input type="text"/>
6. Is there someone at work who encourages my development?	<input type="text"/>

WHAT IS PERFORMANCE MANAGEMENT?

BUILDING ENGAGEMENT



	Score
7. At work, do my opinions seem to count?	<input type="text"/>
8. Does the mission/purpose of my company make me feel my job is important?	<input type="text"/>
9. Are my co-workers committed to doing quality work?	<input type="text"/>
10. Do I have a best friend at work?	<input type="text"/>
11. In the last six months, has someone at work talked to me about my progress?	<input type="text"/>
12. This last year, have I had opportunities at work to learn and grow?	<input type="text"/>

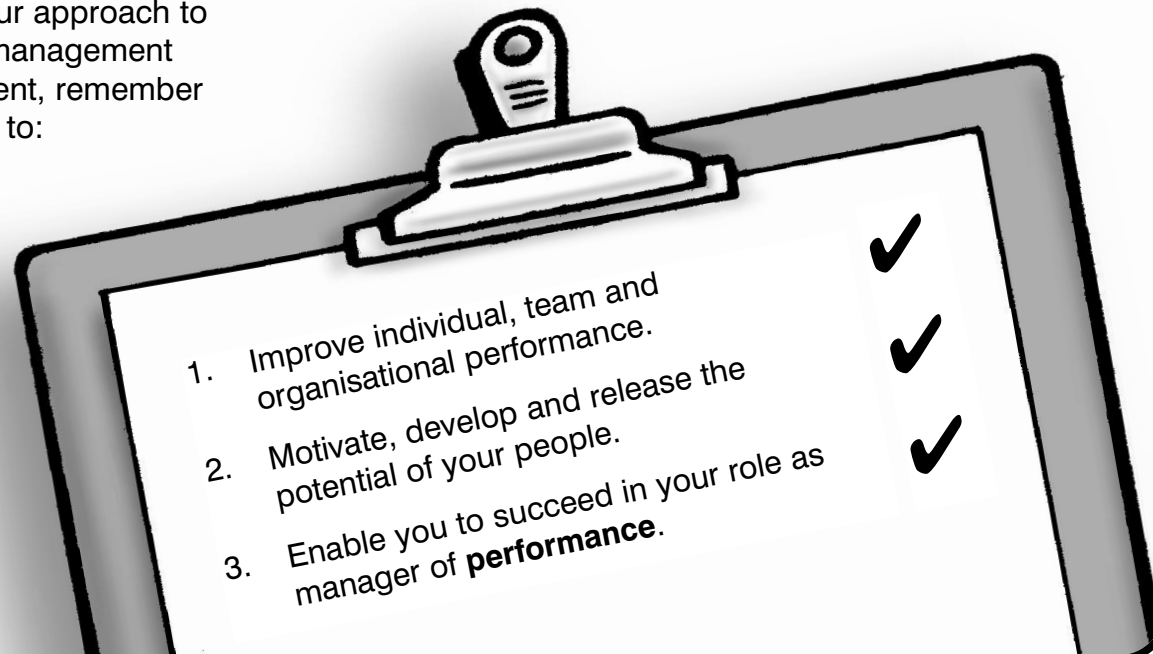
**M Buckingham & C Coffman, First Break all the Rules, Pocket Books 2005*

WHAT IS PERFORMANCE MANAGEMENT?

THREE GOOD REASONS TO GET STARTED



If you want three good reasons for developing your approach to performance management and engagement, remember that it will help to:



About the Author

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Pam is a member of Ashridge Business School's open programme management team with responsibility for a suite of programmes encompassing performance management, influencing, leadership and general management skills. She works internationally with a range of organisations to design and deliver development initiatives.

She has also worked for Hongkong Bank and Monash Mount Elisa Business school in Australia and is an accredited executive coach. She has written a number of books *Managing for Performance* (Prentice Hall 2007) *The Impact and Presence Pocketbook* (2004), and *Delivering Exceptional Performance* (Times Pitman, 1996).



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