



# Performance Management: The Mistakes to Avoid



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## Introduction

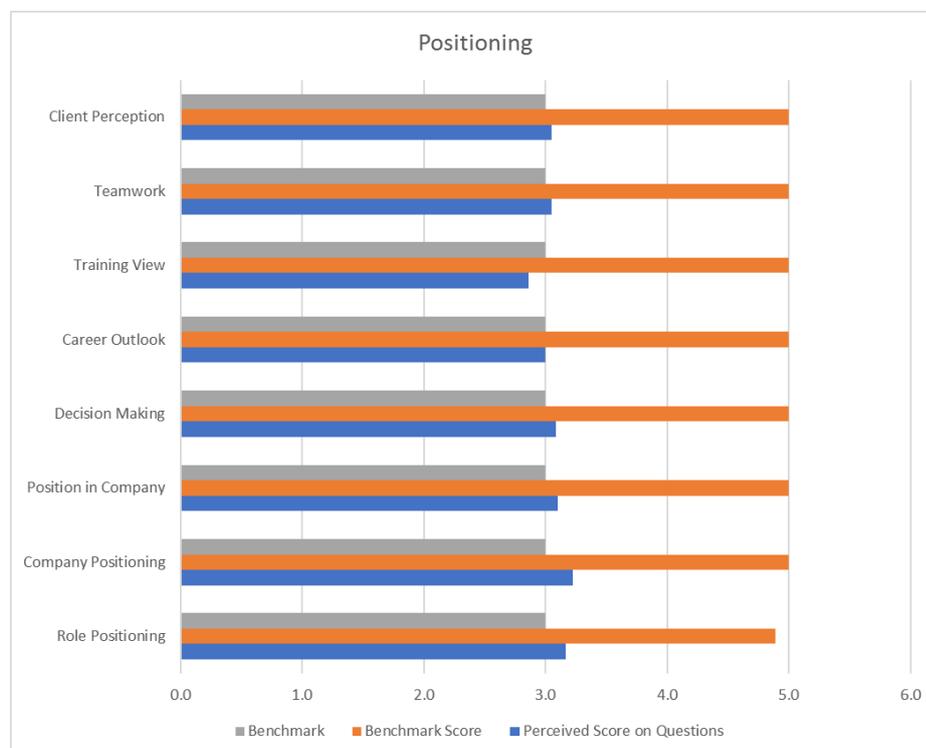
Every company has different methods when it comes to performance management and the expected outcomes thereof. For many, it has become a necessary 'evil' that managers slog through every 12 months.

Where it started as a useful tool, it has become a routine. The worst part is that employees start viewing it in the same light. It is no surprise then that companies feel it does not work. To them it seems as an exercise that requires a lot of time and effort with no result.

The fact is that, when done correctly, the performance management system is an invaluable tool for both the employer and employee. It makes for a great platform to establish good two-way communication and collaboration, define goals and measure previous goals in terms of measured outcomes.

Apart from that, it also allows the opportunity to identify issues, the reasons they exist and the ability to set specific actions to rectify them. This is what performance management should be all about. It should never be used as an opportunity to focus on everything the employee did NOT achieve.

There are several systems available to employers and, at times, this is where it starts to head south. Any system used must be designed to meet the exact requirements of the company using it. It must be aligned with the company's overall beliefs, specific to the industry and based on desired outcomes.



## Common Mistakes

### 1 *Not Being Prepared*



This is a pretty common mistake we make when sitting down with the employee for the 'interview'. It is important to have gone through the previous appraisal, identified actions that were agreed upon and review their progress prior to the 'interview'. You don't want to just repeat what was said during the previous appraisal, draft yet another action list and then shake hands and think that is it done for this year.

Have the facts ready and prepare notes for yourself if needed. Also, give the employee sufficient time to also prepare for the 'interview' if you hope to get anything constructive from the process.

### 2 *No Agreed Actions Implemented*



Another critical mistake. If you expect the performance appraisal system to work, you must DO the work. Any actions agreed upon must be clear, have target dates, responsible person and review dates assigned. Then, make sure these are actioned, monitored and adjusted where needed. Not only does this add value in terms of performance, it also shows your employee you are serious about helping him/her achieve higher levels.

### 3 *Using Performance Management to "Punish"*



Nothing will get employees resisting the process quicker than having it being used to focus on everything negative. The whole aim of doing performance appraisals is to help individuals improve not just their performance, but also their skill, levels of contribution and their sense of achievement. If your performance management system is not achieving this, maybe you need to change it.

### 4 *Being Biased*



The big issue for managers. You may have a specific employee that tends to drive you up the wall at times and now you can have your "revenge". Digging up issues from the last performance period and using them to 'score' the employee below standard or, at best, average.

The issue here is that you are not achieving anything the performance system has been designed for. The aim is to support improvement and not let persona issues cloud your judgement. If there were issues during the past performance period, why were they not addressed and resolved? The performance appraisal is not the place to dig up past issues!

#### 5 No Employee Involvement



How many managers would 'conduct' the performance appraisal without the employee being present? Only once they have 'rated' the employee, will they call them in and discuss their findings. Sound farfetched? Unfortunately, there are still managers doing this and believing it is the best way to do it. They do not see the need for the employee being involved in the process.

There will be no positive discussions, identifying of issues and buy-in from either party. A perfect opportunity missed!

#### 6 Used to Substantiate Annual Salary Increase



In this case, the entire performance management system is used only to determine the percentage of the salary increase. There is no definitive method for improvement or identifying issues. It comes as no surprise then that there is very little support from employees.

#### 7 Inexperienced Manager



It is vital to ensure the manager conducting the appraisal has the skills to do it. To better explain, let's make use of an example:

The topic is "Meeting Deadlines" and the employee continues to miss them. The manager discusses this and ends the discussion with "you need to work on hitting those deadlines over the next 12 months"

What has been missed here?

If the employee continues to miss deadlines it points to a problem. We can all agree on that. The point the manager missed was that he/she was supposed to dig deeper and find the reason(s) for it. Is it a case of the employee struggling with time management or maybe even lacking specific skills? These are the issues that should be addressed and not the "meeting of Deadlines". If you do not fix the problem, the result will be the same.

Ask questions, find out how you can help to achieve the desired outcome and put actions in place to do it.

## Summary

The Performance Management or Appraisal system creates the perfect opportunity to have an open conversation, identify needs and put specific actions in place. This is what it is all about. Finding ways to not only improve performance, but also involve employees in the process and get them to embrace it as a tool to improve their skills.