PERFORMANCE MANAGEMENT

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Human Resources Management

https://leservicesinc.com/our-solutions/

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HRM Process

Human Resource Management is a multidisciplinary subject.

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What is the role of a Human Resource Officer?

Evaluation criteria

Results	Quantity of work, quality of work, timeliness of execution
Behaviour	Access to work, presence at work
Abilities	Fitness to work
Motivation	Satisfaction and willingness to work
Conditions	Working hours, working environment, health and safety
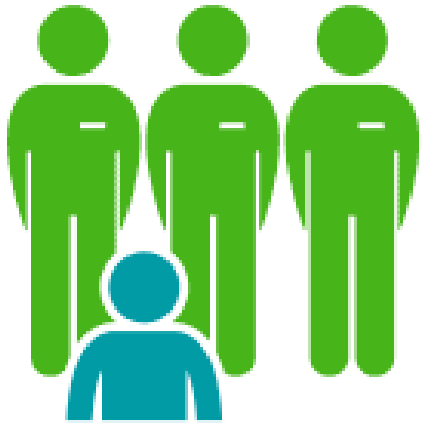
What is 360 degree feedback?

https://www.cognology.com.au/learning_center/360whatis/

Evaluation interview

Boss ⟷ **Employee**

- ✓ What happened?
- ✓ Why did this happen?
- ✓ How to proceed?
- ✓ Mentor or coach?

Formal evaluation

1	

Matrix diagram:

- Y-axis: **Expected Behavior** (from 0 at bottom to 1 at top)
- X-axis: **Desired Results** (from 0 at left to 1 at right)
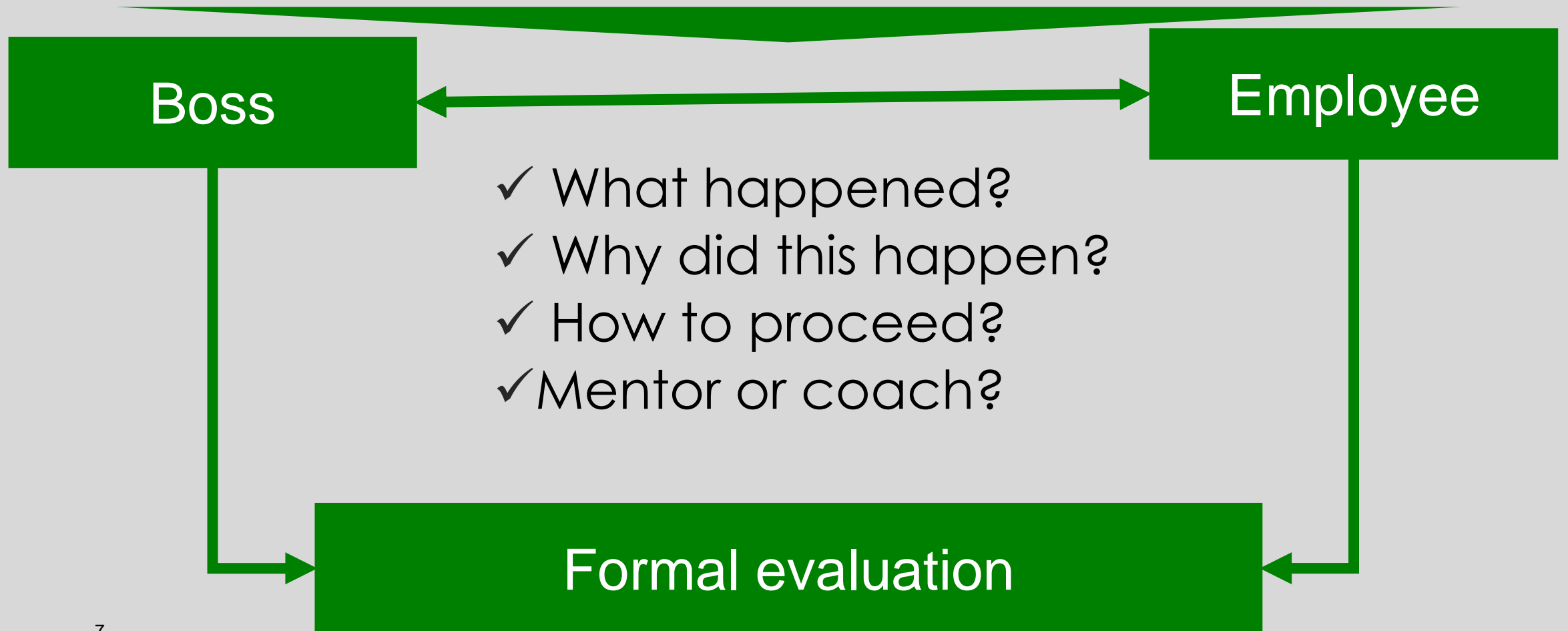
Top-left quadrant: The individual achieves the expected behavior but does not achieve the desired results

Top-right quadrant: The individual is doing an excellent job

Bottom-left quadrant: The individual has both behavior and performance problems

Bottom-right quadrant: The individual achieves the desired results but does not achieve the expected behavior

Expected behavior

1

Second change | Bright future

Short process | ?

0 — Desired results — 1

The Five Stages of Performance Management

Planning Phase

Work is outlined and expectations are set

STAGE 01

STAGE 02

Monitoring phase

Managers track employee performance and progress

Learning and Development Phase

Employees and managers fine-tune their knowledge & approach to better suit the project needs

STAGE 03

STAGE 04

Feedback Phase

Happens parallelly with the monitoring/learning phase

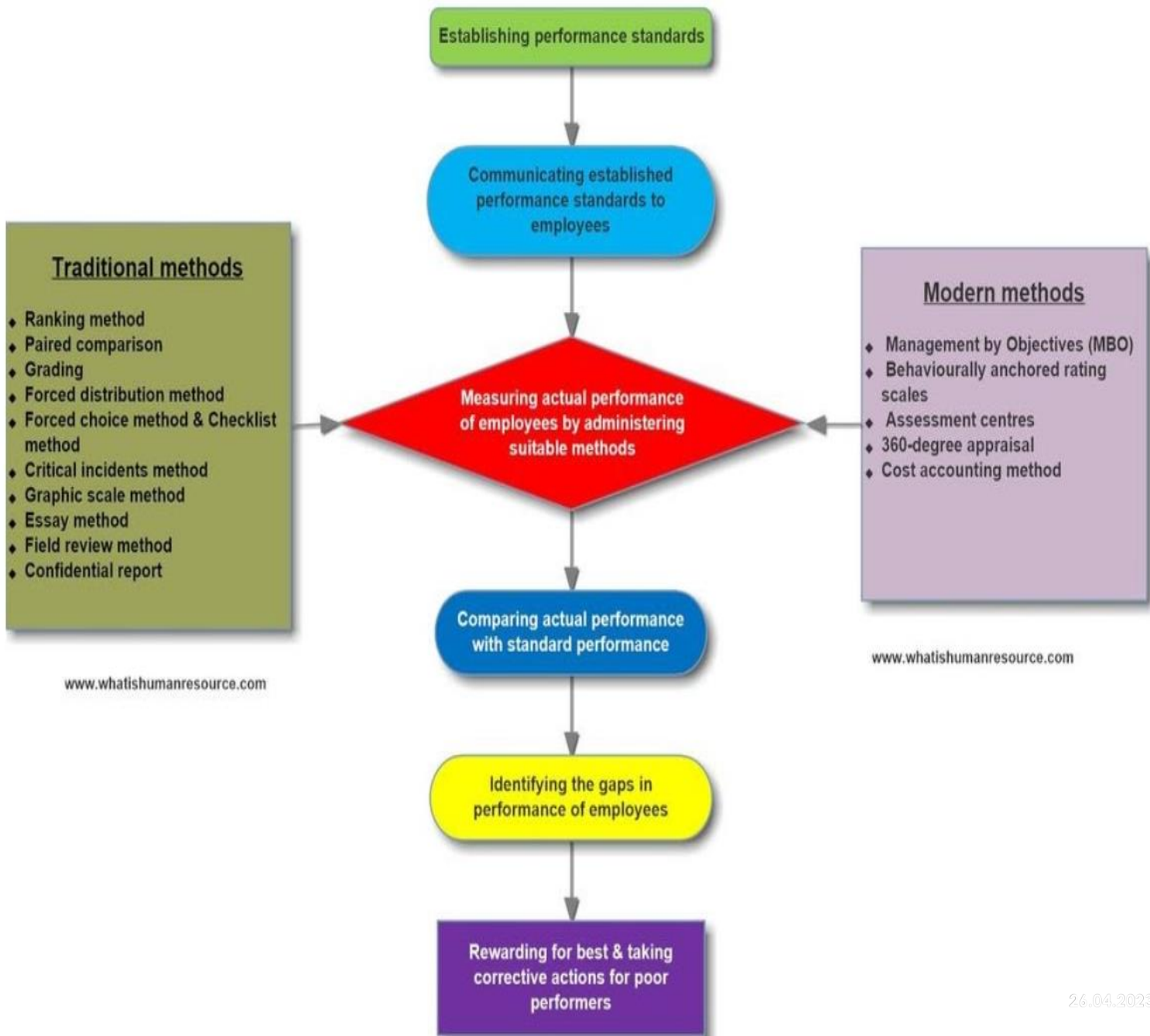**Rewards Phase**

Happens after project completion

STAGE 05

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https://upraise.io/blog/everything-you-need-to-know-about-performance-management/

Performance appraisal process

Workforce Analytics and Planning

Who is at risk of leaving next?

Are we retaining our best talent?

Where can compensation costs be saved?

Where do I source my best talent?

Why are people leaving?

Workforce Analytics

Do we have a pay for performance culture?

What training is most effective?

What does our current and historical workforce look like?

How can I compare different scenarios to save compensation costs?

How will turnover impact our future workforce?

How do I capture and communicate changes to the workforce?

Workforce Planning

What will these skills and resources cost us?

What skills and locations do we allocate people to support the business?

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HR Analyst is a challenging job generally appointed by huge orgnanisations where magnitude of HR issues are high.

Organizations Want to Improve Performance Management

Traditional Performance Management

Activity Level (High / Low), Begin Cycle to End Cycle
- Goals
- Reviews
- Decisions
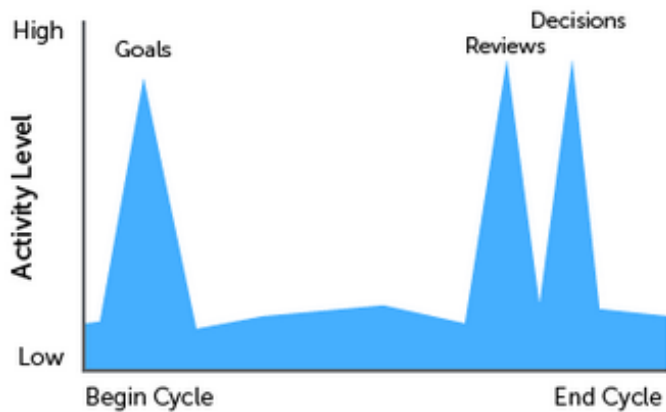
- Focus on process not people
- Formal and event-driven
- Separate from work
- 3-5% impact on performance

Everyday Performance Management

Activity Level (High / Low), Begin Cycle to End Cycle
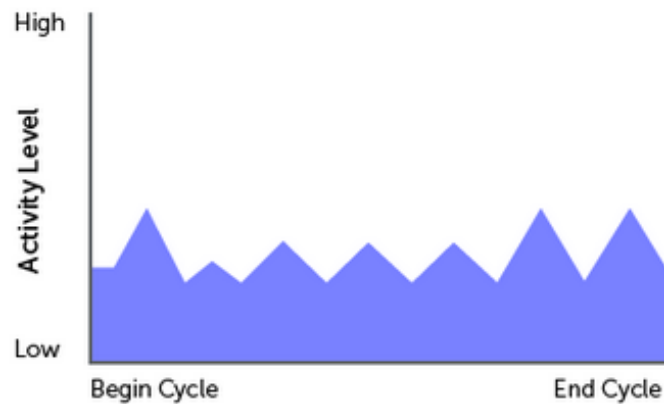
- Focus on people not process
- Informal and ongoing
- Integrated with work
- Up to 39% impact on performance

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Engagement of employees is a focus of any management team. In a yearly appraisal system, goals would be given at the beginning of the year and then revisited 12 months later to see if they had been met. This long stretch of time without feedback or check-in is an almost certain engagement killer.

In fact, 94% of employees would prefer their manager gives them feedback and development opportunities in real-time, and 81% would prefer at least quarterly check-ins with their manager, according to the Growth Divide Study.

https://www.valamis.com/hub/performance-management#why-is-performance-management-important
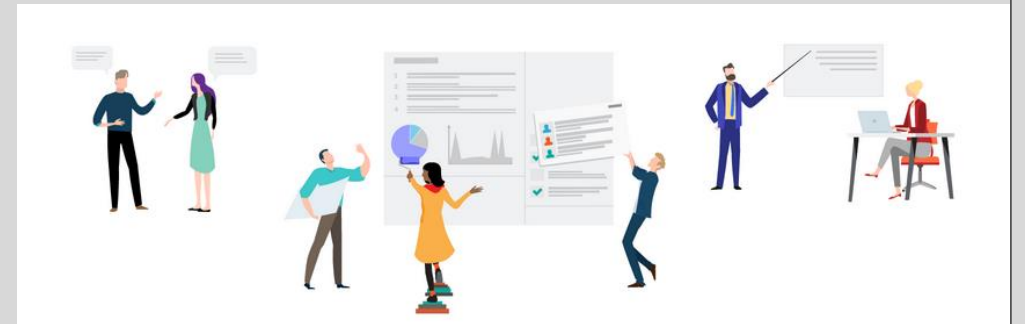
Main objectives of performance management:

1. Develop clear role definitions, expectations and goals

2. Increase employee engagement

3. Develop managerial leadership and coaching skills

4. Boost productivity through improved performance

5. Develop a performance reward program that incentivizes accomplishment

These performance management goals show a clear path from the developing of goals to the rewarding of increased accomplishment. If one of these performance management objectives is not done well, then the others will suffer as a result.
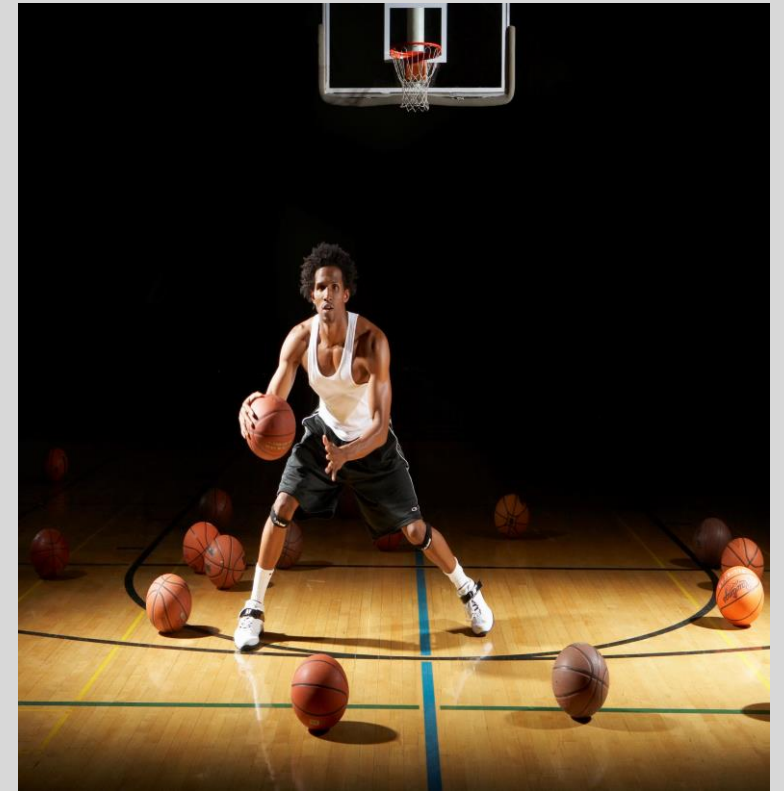
The benefits of performance management

•Having well-defined roles and performance standards makes hiring an easier process, as candidates know what is expected of them, and HR can more easily understand if a candidate is a right fit for the role.

•Those well-defined roles and standards make training easier, as trainers know exactly which areas need to be covered, and which information is nonessential.

•Consistent developing and revisiting of goals ensure that the organization keeps up with changing market forces easily, and reacts quickly as a whole, regardless of the size of the organization.
•Clear expectations and roles set employees up for achieving goals from the start, providing a springboard to success.

•Employees who feel that their company is invested in their success stay with their companies,
•increasing employee retention.

The benefits of performance management

•Consistent feedback and coaching from managers lead directly to increased engagement from employees while developing the ability to provide good coaching and feedback leads to more skilled managers.

•As employees become more skilled, they can move up through the company, creating
•a leadership pipeline.

•Productivity will increase thanks to increased engagement, clear goals and upskilling of employees.

•Employees remain incentivized to perform long-term, as they are properly rewarded for their hard work.
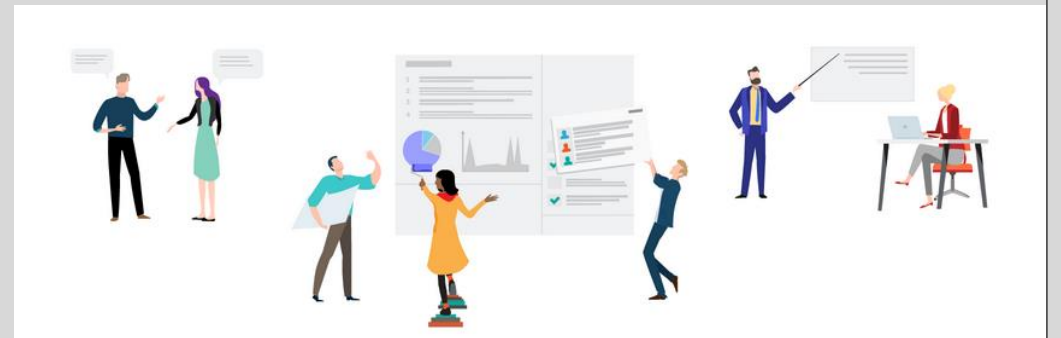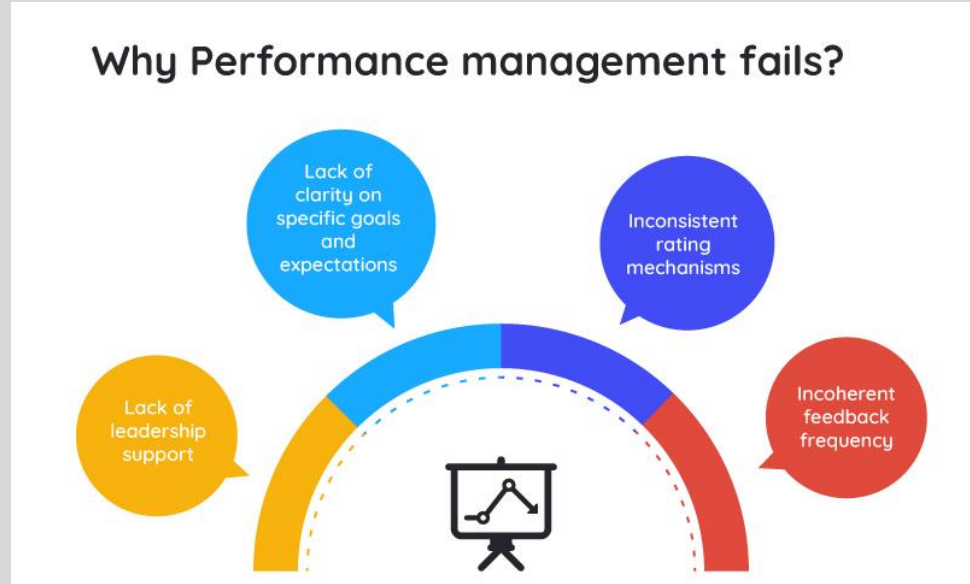
Employee performance management

- ○ **1. Identify the goals of your performance management initiatives**

- ○ **2. Define and describe each role**

- ○ **3. Pair goals with a performance plan**

- ○ **4. Monitor progress towards performance targets**

- ○ **5. Coaching should be frequent**

- ○ **6. Use guidelines to your advantage**

- ○ **7. Build a performance-aligned culture**

- ○ **8. Organize cross-functional workshops**

- ○ **9. Management should offer actionable feedback**

- ○ **10. Keep it professional, not personal**

Employee performance management

11. It's not only employees that need training

12. Take advantage of multiple-source feedback

13. Don't depend only on reviews

14. Problems are not always employee-based

15. Recognize and reward performance publicly and frequently

Where do things go wrong?

- Poor metrics

- Poor targets

- Lack of transparency

Where do things go wrong?

- Lack of relevance

- Lack of dialogue

- Lack of consequences

- Lack of management engagement

Rewarding Employee Performance

Major Myths About Rewarding Employees

Myth #1: "Money is the best reward."

Myth #2: "Employees are professionals. They should just 'suck it up' and do their jobs."

Myth #3: "If I reward every time they do something useful, I will have to reward all the time."

Myth #4: "We're working to address critical problems, not to make our workers happy."

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Rewards should support behaviors directly aligned with accomplishing strategic goals.

Rewards should be tied to passion and purpose, not to pressure and fear.

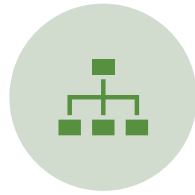Workers should be able to clearly associate the reward to their accomplishments.

Rewards should occur shortly after the behaviors they are intended to reinforce.

Guiding Principles of Effective Reward Systems

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Reward employees by letting them hear positive comments from customers about how the employees' activities benefited the customer.

Understand what motivates each of your employees. You can do this by applying the "Checklist of Categories of Typical Motivators" in the previous subsection about supporting employee motivation on page 199. A major benefit of this approach is that each employee is afforded the opportunity to explain what motivates him or her.

Present gift certificates to employees who have made major accomplishments. Guidelines for determining who gets this reward should be clearly explained in your personnel policies in order to ensure all employees perceive the practice as fair and equitable. Allow employees to recommend other employees for awards.

Occasionally have a Board member come to an employee meeting to thank them. This usually means a lot to employees, almost as much as having customers provide positive feedback about the employees' activities.

In each monthly staff meeting, take a few minutes to open the meeting by mentioning major accomplishments of various employees.

Probably the most fulfilling for employees is to be able to do useful work. Be sure that each employee understands the mission of the business and how his/her work is contributing to that mission. Post your mission statement on the walls. Discuss the action-planning section of your strategic plan with employees so that they see how their activities tie directly to achieving the strategic goals of the organization. 26.04.2023

Guidelines to Rewarding Employees

https://management.org/employeeperformance/rewarding.htm

https://upraise.io/blog/everything-you-need-to-know-about-performance-management/

Best Practices-Performance Management

Frequent one-on-one meetings

Adopting an agile goal-setting process

Recognizing efforts and enabling a culture of kindness
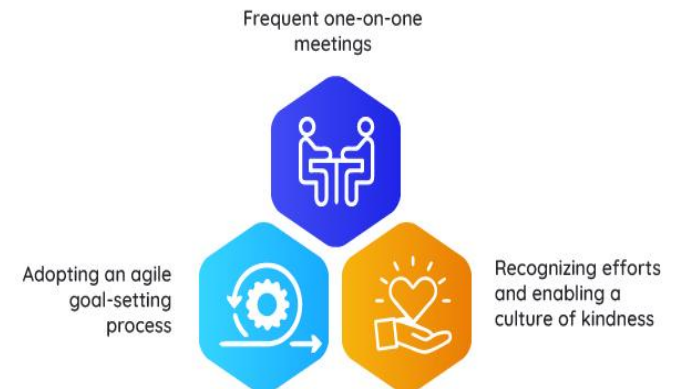
Performance management - analysis

Analysis of the components of the performance management system

Component	Contents	Considerations
Performance planning and agreement	• Agreeing role profiles • Agreeing objectives (see also goal setting) • Agreeing performance measures • Agreeing development needs (see also personal development planning) • Agreeing areas for performance improvement • Recording decisions in an agreement	• Format of role profiles • Methods of preparing and updating role profiles • Choice of measures • Format of agreement
Goal setting	• Identifying key result areas • Identifying key performance indicators • Agreeing targets and standards of performance	• Methods of goal setting • Ensuring 'SMART' goals are agreed • Selecting appropriate measures
Personal development planning	• Deciding areas for development • Planning methods of development	• Format of development plan • Approaches to development • Emphasis on self-directed development
Feedback	• Provision during year • Provision during formal review	• Developing feedback skills • Use of informal and formal feedback

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ARMSTRONG, Michael a Stephen TAYLOR. *Řízení lidských zdrojů: moderní pojetí a postupy : 13. vydání*. Přeložil Martin ŠIKÝŘ. Praha: Grada Publishing, 2015. ISBN 978-80-247-5258-7.

Please state the extent to which you agree or disagree with the following statements about human resource management in this organization by placing a circle around the number which most closely matches your opinion.

|		Strongly agree	Agree	Disagree	Strongly disagree
1.	I think this organization is a great place in which to work.	1	2	3	4
2.	I am happy about the values of this organization and the ways in which it conducts its business.	1	2	3	4
3.	I get plenty of opportunities to learn in this job.	1	2	3	4
4.	I get good advice on how I can develop my career.	1	2	3	4
5.	I am given plenty of opportunities to achieve in my job.	1	2	3	4
6.	I get ample opportunity to use my skills in my job.	1	2	3	4
7.	I have been properly trained to do my job.	1	2	3	4
8.	My contribution is adequately rewarded.	1	2	3	4
9.	My performance is recognized properly.	1	2	3	4
10.	The performance pay scheme encourages better performance.	1	2	3	4
11.	I understand how the job evaluation scheme works.	1	2	3	4
12.	Pay increases are handled fairly.	1	2	3	4
13.	I get good feedback on my performance throughout the year.	1	2	3	4
14.	I am kept well informed about changes that affect me in the organization.	1	2	3	4
15.	I feel that management is prepared to listen to employees.	1	2	3	4
16.	The organization treats me fairly.	1	2	3	4
17.	The organization makes every effort to achieve job security.	1	2	3	4
18.	The organization makes every effort to ensure the well-being of its employees.	1	2	3	4
19.	The organization is committed to ensuring the health and safety of its employees.	1	2	3	4
20.	The working conditions in my department encourage good work.	1	2	3	4

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Human resource management attitude survey

| Effective high performance work system in place | | 1 | 2 | 3 | 4 | 5 | 6 | | No systematic attempt is made to encourage high performance |

Integrated talent management programmes are operating effectively — Talent management, if it happens at all, is haphazard or ineffective

Sophisticated techniques are used to recruit employees — A traditional approach is adopted to recruitment

Focus on using blended learning and development processes — Reliance on the delivery of traditional training courses

A total reward approach is used successfully — Reward programmes limited to financial incentives

Employees given a voice on all matters that concern them — Only lip service is paid to employee participation and involvement

Employee well-being given the close attention of management — Little or no concern by management for employee well-being

Mark on the scale X for current, 0 for desired - eg:
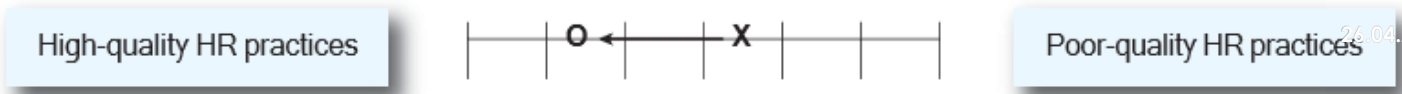
High-quality HR practices — O ← X — Poor-quality HR practices

Strategic HRM gap analysis

ARMSTRONG, Michael a Stephen TAYLOR. *Řízení lidských zdrojů: moderní pojetí a postupy : 13. vydání*. Přeložil Martin ŠIKÝŘ. Praha: Grada Publishing, 2015. ISBN 978-80-247-5258-7.

KPI vs MBO

Metrics that can be used to evaluate employee performance

1. Productivity: measures how quickly and efficiently an employee can complete their work.

2. Work quality: measures how well an employee's work is done, including accuracy, creativity, and the ability to meet set goals.

3. Attendance: tracks how often an employee shows up to work on time and how often they are absent.

4. Team collaboration: evaluates how well an employee can contribute to team projects and what value they bring to the team as a whole.

5. Problem solving ability: measures how effectively an employee can solve problems and overcome obstacles that arise in their work."

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Employee	Productivity	Work Quality	Attendance	Team Collaboration	Problem Solving Ability
Jana Nováková	90%	85%	95%	80%	90%
Petr Svoboda	80%	75%	90%	85%	80%
Markéta Černá	95%	90%	95%	95%	95%
Tomáš Vlk	70%	80%	80%	75%	70%

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Key Performance Indicators

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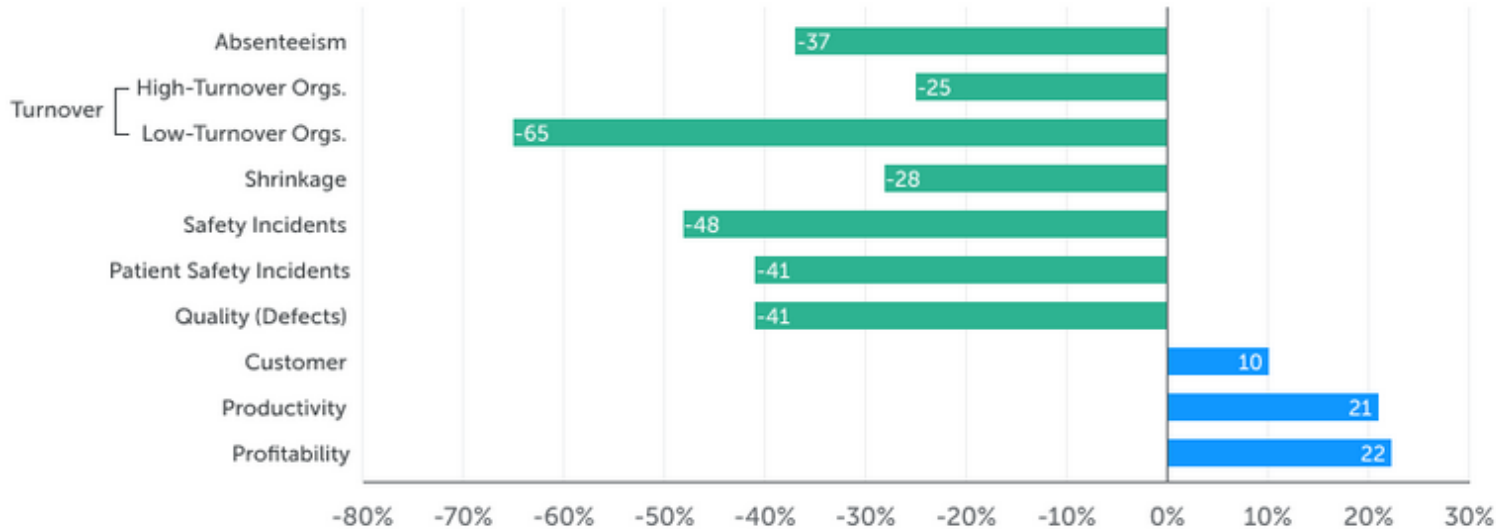
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Engagement's Effect on Key Performance Indicators

Median outcomes between top- and bottom-quartile teams

Indicator	Value
Absenteeism	-37
Turnover — High-Turnover Orgs.	-25
Turnover — Low-Turnover Orgs.	-65
Shrinkage	-28
Safety Incidents	-48
Patient Safety Incidents	-41
Quality (Defects)	-41
Customer	10
Productivity	21
Profitability	22

-80%   -70%   -60%   -50%   -40%   -30%   -20%   -10%   0%   10%   20%   30%

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When surveyed, employees had some negative feelings about a yearly appraisal system:

•62% of employees feel that their performance review was incomplete

•48% did not feel comfortable raising issues with their manager in between performance reviews

•61% feel that the process is outdated

•74% feel that they would be more effective with more frequent feedback

•68% of executives don't learn about employee concerns until the performance review

All of this adds up to a lot of missed opportunities to solve problems and increase employee performance and engagement.

https://www.valamis.com/hub/performance-management#why-is-performance-management-important

Objectives and Key Results

1. Sales goals: Setting a sales goal as the Objective, such as "Increase product sales by 20% in the last quarter." Key results may include measuring the number of new customers, increasing the sales volume of existing customers, increasing the average purchase value, and more.

2. Marketing goals: Setting a marketing goal as the Objective, such as "Increase website traffic by 30% by the end of the year." Key results may include measuring website visits, increasing the number of newsletter sign-ups, increasing social media interaction, and more.

3. Technological goals: Setting a technological goal as the Objective, such as "Improve website loading speed by 50% by the end of the quarter." Key results may include measuring website loading speed, optimizing code and images to improve loading speed, and more.

4. Educational goals: Setting an educational goal as the Objective, such as "Improve employees' UX design skills by 50% by the end of the year." Key results may include measuring the success rate of completing educational programs, increasing the number of projects completed in the UX design field, and more.

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Employee Benefits, Rights

GROWING CAREER
- Career maps & paths
- Performance review process
- Coaches

IMPROVING SKILLS & CAPABILITIES
- Learning Stats
- Courses
- Lunch & Learns
- Skills Directory
- Assessments & Quizes

ORIGINAL RECIPE FOR A

Great HR Portal

ORIGAMI SOFTWARE (C) 2020

ESSENTIALS
- Deadlines
- Onboarding
- New Hires
- Benefits & Payroll
- Policies & Procedures
- FAQ's

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three categories of employee needs

Strategic
- Identifies HR department contributions in the company
- Makes the HR function business-driven and reveals ways to strengthen its impact on achieving Company results.
- Ensures objective data and information needed for the Company strategic planning

Operational
- Helps align HR goals to corporate strategy and goals
- Develops and improves professional image of the HR department
- Clarifies the HR department's roles, duties and responsibilities, finds critical HR problems and reasons for low productivity
- Encourages greater responsibility and professionalism among members of HR department, and more imperativeness in HR function realization;
- Stimulates identity and alignment of HR policies and practices within the Company
- Reduces HR costs, through encouraging function for more effective forecasting and planning

Administrative
- Provides specific, measurable and verifiable data of the current state of the function
- Ensures timely compliance with legal requirements, company and mandated regulations, and professional standards.
- Reviews employees files, records, registers and information
- Reviews HR information system

The main benefit of the HR audit is that it takes the HR to the next level – aligned with the company goals, strategy and business results.
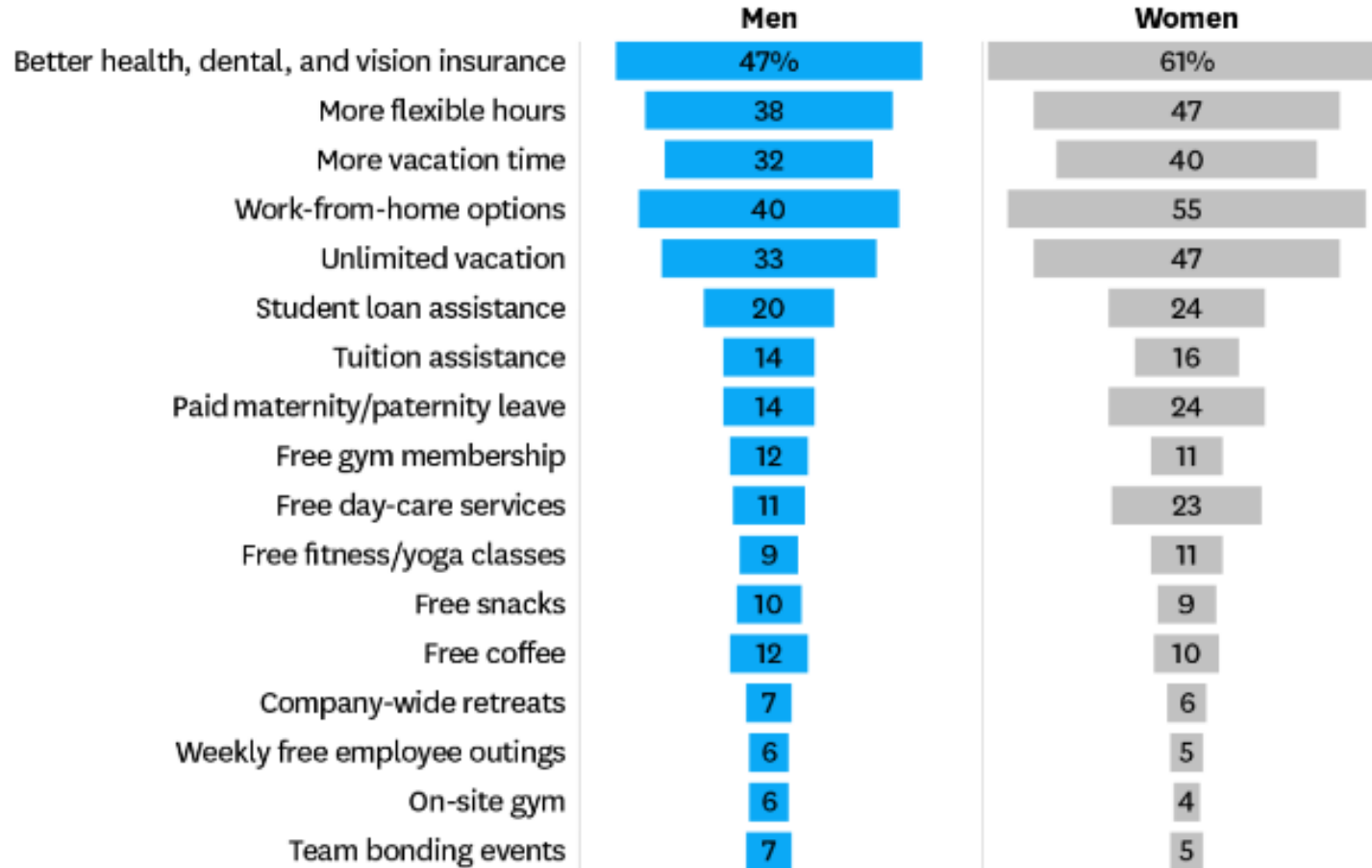
Employee Rights

Which Benefits Do Men and Women Prefer?

When choosing between a high-paying job and a lower-paying one with better benefits, men and women differ in how much various perks might sway them.

PERCENTAGE OF RESPONDENTS WHO SAID THE BENEFIT WOULD BE TAKEN INTO HEAVY CONSIDERATION

	Men	Women
Better health, dental, and vision insurance	47%	61%
More flexible hours	38	47
More vacation time	32	40
Work-from-home options	40	55
Unlimited vacation	33	47
Student loan assistance	20	24
Tuition assistance	14	16
Paid maternity/paternity leave	14	24
Free gym membership	12	11
Free day-care services	11	23
Free fitness/yoga classes	9	11
Free snacks	10	9
Free coffee	12	10
Company-wide retreats	7	6
Weekly free employee outings	6	5
On-site gym	6	4
Team bonding events	7	5

SOURCE FRACTL SURVEY OF 2,000 U.S. WORKERS

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The Most Desirable Employee Benefits

https://hbr.org/2017/02/the-most-desirable-employee-benefits

10 AMAZING BENEFITS OF PHYSICAL ACTIVITY AT WORKPLACE
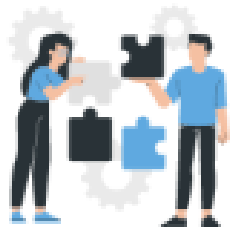
Reduced Absenteeism

Lower risk of being ill

Highly energetic

Boosts self-confidence

Better bonding with organisation

Boosts Morale

Better productivity

Helps maintain a positive work environment

Promotes team bonding

AANYA WELLNESS

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While companies are resuming work from office, majority of employees are starting to find it tough to find time for their fitness regimes.

Thank you for your active participation in the lecture