



PERFORMANCE MANAGEMENT POLICY

Introduction

Managing employees' performance is a continuous process. It involves making sure that the performance of employees contributes to the goals of their teams and the business as a whole. The aim is to continuously improve the performance of individuals and that of the organisation.

Good performance management helps everyone in the organisation to know:-

- What the business is trying to achieve.
- Their role in helping the business achieve its goals.
- The skills and competences they need to fulfil their role.
- The standards of performance required.
- How they can develop their performance and contribute to the development of the organisation.
- How they are doing.
- When there are performance problems and what to do about them.

Where a performance management system is working well, employees are more likely to engage with the goals of the business.

The organisation recognises that performance management should be managed and implemented using tools, techniques and processes which are consistent with its values and comply with legal requirements. All employees are expected to participate in the Company's Review Meetings positively and constructively.

Scope

This policy applies to all staff. For employees who have been absent for the majority of the year (maternity, sickness), it may not be appropriate to follow the standard one-to-one meeting and Review procedures. When the employee returns to work, the Manager should hold a 'Return to Work' meeting with them to discuss what support is needed to reintroduce them to the workplace and to agree objectives. At this time, previous objectives should also be considered in the context of what was reasonable for the employee to have achieved whilst they were at work.

Line Managers are responsible for conducting Review meetings of their staff.

Purpose

Managing performance is central to the relationship between managers and employees. It can be a key element of good communication and foster the growth of trust and personal development. Managing performance is central to how well employees are engaged in their work and how well they will perform.

How does managing performance work?

There are three aspects to planning an individual's performance:-

Objectives which the employee is expected to achieve.

Competencies or behaviours – the way in which employees work towards their objectives.

Personal development – the development employees need in order to achieve objectives and realise their potential.

Agreeing, monitoring and reviewing these three elements usually happens as part of the Annual Review Meeting within our organisation.

The benefits of managing performance

Managing the performance of employees will enable the company to:-

Lead from the front - Management may have a clear idea of where the business is going, but do employees understand the vision and does it tie in with their daily activities?

Listen to employee's real concerns and pick up on their ideas – Employees will feel happier and perform better if they have a recognised system for talking to their line manager, getting feedback and getting help to improve and develop.

Understand – What makes the employees tick and how they contribute to the Company's success. This understanding can only really develop through the kind of regular and open interaction provided by performance management.

Achieve results – Employees need an ongoing system of reviewing and adjusting the way they work in order to continually improve.

Review Meetings

Review meetings will normally be held on an annual basis and will allow the company to monitor and record an assessment of an employee's performance, potential and development needs. The Review is an opportunity to take an overall view of work content, loads and volume. A typical Review will:

- **Look back:**
 - What was done?
 - How it was done?
- **Look forward:**
 - Identify any learning and development needs
 - What are the employee's plans/aspirations for the future?

Line Managers will meet regularly with employees to review their performance and conduct in this way by holding monthly one-to-one meetings. For the process to work effectively, Managers and employees will need to agree on the objectives and competencies for the job.

An effective review system aims to:

- Establish a channel for open, two-way communication between an employee and their manager.
- Set measurable standards and deadlines for the job being done.
- Motivate employees and encourage team-working.

- Respond to ongoing operational and personal needs by actively reviewing and adjusting objectives, goals and development opportunities.
- Be relevant, fair and objective.

Conclusion

The essence of performance management is the relationship between employee and manager. Both should know what needs to be done to meet their goals and contribute to those of the organisation as a whole.