



BOTILMS

Module 1: Introduction to Performance Management

As a manager, how do you help your staff develop and improve their success rate? Whether it's planning, monitoring, or reviewing an employee's work, there are certainly a lot of moving parts to consider. But all of those elements will fall under the umbrella of performance management.

Click on the first lesson below—or the “*Start eLearning*” button above—when you're ready to begin.



What is Performance Management?



The Performance Management Cycle



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Lesson 1 of 6

What is Performance Management?



Performance management is at the heart of employee and business development. It involves sharing expectations, setting objectives, and offering feedback. And it's a means of helping employees grow their skills, knowledge, and abilities.

When done right, performance management reaps numerous rewards both for your employees and your business. But what exactly does it mean to manage performance and how is that done? In this lesson, we'll unpack those answers. First, you'll learn what performance management is and what steps are involved in the cycle. Then, you'll learn why the cycle is an ongoing process that's critical to success.

 **YOUTUBE**



What is Performance Management?

Watch the video to learn what performance management is, what steps are involved in the cycle, and why the process is critical for business and employee success.

VIEW ON YOUTUBE >

Performance Management is People Management

Simply put, performance management is **people management**. It's how you lead, develop, and communicate with employees so that their work connects to your strategic company goals.

Strictly defined, we can break down this term by describing it as an **ongoing** process that involves **planning** a person's performance, **monitoring** their results, and **reviewing** their progress.

Performance management is a continuous process that takes an all-encompassing approach to people

management. Its goal is to develop, correct, sustain, and improve individual performance—thus benefiting your staff and your organisation.



Complete the content above before moving on.

Lesson 2 of 6

The Performance Management Cycle



The Performance Management Cycle

Performance management follows a clearly defined process. It's an ongoing cycle that can be broken down into three core steps: **plan**, **monitor**, and **review**. Click through this step-by-step interaction to learn more.

Step 1

Plan

The first step of the performance management cycle involves **creating a strategic development plan** to improve the skills, knowledge, and competencies of your staff. The purpose of this step is to help employees understand where they should spend their time, where they can improve, and how they can achieve the desired results.

During this phase, hold a one-on-one meeting with each staff member and cover three things:

1. **Review your expectations.** What level of performance do you expect employees to achieve?
2. **Establish future targets.** These targets should align with the individual, their team, and your organisation as a whole, and they should be SMART—which stands for specific, measurable, attainable, relevant, and time-bound. Also, before moving forward, be sure to map out the steps it will take to reach those targets.
3. **Update an employee's role.** Based on the goals you've set, update an employee's role, if necessary. Do they have new responsibilities? If so, make that clear.

Tip: While you can look out as far as needed when making these development plans, it's often best to set near-term targets (such as three months out) since business needs and staff capabilities may change over time.

Step 2

Monitor

Next, employees are expected to **act** and deliver on the planned performance. As a manager, your responsibility during this stage is to **track** and **monitor** development so that you can provide helpful coaching and feedback.

Through formal and informal check-ins, you should arrange regular progress meetings to ensure each staff member is carrying out the agreed-upon objectives. These ongoing discussions are an opportunity to cover the status of the work, whether your staff needs additional education or training, and if the performance plan requires any revisions.

Your goal during this stage is to create a supportive coaching environment. So, take the time to understand what your employees need. And, if there's an issue, discuss solutions, agree on the next steps, and identify possible learning opportunities.

Tip: Keep track of the performance highlights and challenges discussed during these meetings, as those notes will be helpful when moving on to the final stage.

Step 3

Review

The final phase of the performance management cycle is to hold one-on-one formal review meetings. This is an opportunity to look back at each employee's results and compare their performance against the objectives laid out during the planning stage.

When reviewing an employee's performance, you'll need to cover two key points:

- What went well and how that success can be replicated.
- Where this staff member fell short and how they should make improvements.

Many managers will also use this opportunity to rank an employee's performance from exceptional to unsatisfactory. And, depending on that rating, you may use this final stage to offer a reward—such as a salary increase or promotion.

Finally, to close out that review meeting, bring the performance management process full circle by once again moving into the planning stage—this time, by planning out new future-focused objectives for the next performance period.

Tip: As annual reviews are being displaced with ongoing accountability, you can hold these formal reviews several times throughout the year—rather than just annually or semi-annually.

Summary

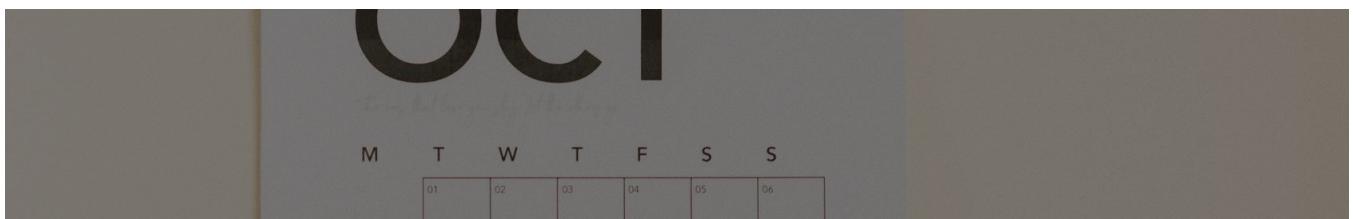
The performance management cycle is at the foundation of employee progress and development—and it follows three primary steps.

First, communicate your expectations by creating a plan and setting SMART objectives. Then, continue to monitor and check in with your staff to ensure they're on track. And, finally, review employee results, offer feedback, and begin the cycle again.

An Ongoing Process

Rather than creating plans and reviewing results as isolated events, quality performance management takes place throughout the year. It's an ongoing process, and the various stages—**plan**, **monitor**, and **review**—should be continuous and happen in a self-renewing cycle.

Consistency is critical to success because it creates reliable communication and real-time feedback, which allows you to stay in touch with your staff, share your expectations, understand their needs, and boost overall performance.



“ To be effective and yield results for your business, performance management must be a year-round process with no end.

Teala Wilson



Complete the content above before moving on.

Benefits of Performance Management



So, what are some of the benefits of a year-round performance management process? Performance management is critical for several reasons. Namely, it:

- 1 Ensures job clarity.** With a strong performance management system in place, employees understand their roles and objectives. Regular discussions eliminate job ambiguity and employees know what they're supposed to do. Plus, with clearly defined plans, employees also understand how to perform those daily activities. Simply put, staff members know what success looks like, and they know how to get there.
- 2 Builds accurate employee assessments.** A well-established performance management system helps create an atmosphere of equality. Rather than basing rewards and termination decisions on hunches, managers can accurately track employee progress, objectively understand performance, and make fair and impartial decisions.
- 3 Boosts engagement and motivation.** Regular performance management creates an atmosphere in which employees feel encouraged, supported, and involved. Staff members learn how their goals align with company goals, which boosts engagement and shows them that their work means something. Plus, with a system of ongoing feedback, employees are likely to feel motivated to reach their maximum potential.

4

Promotes staff development. Consistent performance management provides staff with real-time feedback and support. Employees understand their strengths, and they know what competencies require improvement. These discussions give employees direction for how to develop and stretch their abilities—thus helping staff members reach their maximum potential.

5

Improves overall workplace results. The primary goal of performance management is to improve employee results. And, with each employee's goals aligning with your overall business objectives, that means as your staff develops, so will your workplace as a whole.

CONTINUE

Role of Managers in Performance Evaluation



Effective performance evaluation is a multifaceted process that relies heavily on the active involvement of managers. As stewards of organisational success, managers play pivotal roles in shaping employee performance, growth, and overall engagement. Let's explore the key responsibilities that managers should shoulder during this critical process:

Orientation

Job Descriptions: Managers kick off the performance journey by providing new employees with their specific job descriptions. This initial orientation ensures that team members grasp their roles, responsibilities, and performance expectations right from the start.

1 of 4

Skill Enhancement: Managers are instrumental in identifying

Training and Development

training needs and facilitating skill development. They ensure

Feedback Champions

Constructive Feedback:

Managers are the conduits of constructive feedback. Regularly, they offer guidance, encouragement, and candid assessments to team members. Effective feedback helps employees recognise their strengths and areas for improvement.

Performance Appraisal Gatekeepers

Formal Appraisal

Process: Managers lead the formal performance appraisal process. They assess individual performance against established goals, standards, and organisational expectations.

Remember, managers wear multiple hats—they are not merely evaluators but also coaches, mentors, and partners in fostering employee success. Their active

involvement shapes a culture of continuous improvement and drives organisational excellence.



Complete the content above before moving on.

Summary



Whether you're disclosing job responsibilities, giving feedback, or helping employees grow, performance management is at the cornerstone of business and employee success. It's an ongoing process that involves three steps:

1. Creating a strategic development **plan** and setting SMART goals
2. **Monitoring** staff through regular check-ins and coaching
3. **Reviewing** employee results and offering feedback

When that cycle is consistent and ongoing, you can develop, correct, sustain, and improve individual performance. That leads to job clarity, accurate employee assessments, and boosted staff engagement and motivation—benefits that promote both staff development and overall workplace results.



A year-round activity. Life gets busy, and it's easy to place your performance management system on hold—delaying or cancelling meetings and saying: “We’ll chat soon.” But to achieve long-term results, ongoing check-ins and coaching sessions are necessary. So, keep that cycle consistent and stay in touch with your staff, regardless of what else is happening.

CONTINUE

Lesson 6 of 6

Knowledge Check



Module 1: Review Questions

Question

01/10

What is the primary purpose of performance management?

- To set objectives and expectations
- To monitor employee progress
- To develop individual performance
- To improve company profits

Question

02/10

Based on what you've learned, how many of the sentences below are true? Select all correct statements.

- Performance management includes planning, monitoring, and reviewing an employee's work.

- Performance management involves connecting an employee's work to their individual goals.

- Performance management involves connecting an employee's work to your company goals.

- Performance management works best when employees receive annual, one-on-one reviews.

Question

03/10

How would you define performance management?

- A one-time evaluation process
- A continuous cycle involving planning, monitoring, and reviewing
- A method for setting company goals
- A way to communicate with customers

Question

04/10

What does performance management encompass?

- Only setting objectives
- Only monitoring results
- An all-encompassing approach to people management
- Strictly financial aspects

Question

05/10

What is the purpose of the first step in the performance management cycle?

- To evaluate employee performance
- To create a strategic development plan
- To track and monitor development
- To review past achievements

Question

06/10

What is the manager's responsibility during the "Monitor" stage of the performance management cycle?

- Set future targets
- Evaluate employee performance
- Provide coaching and feedback
- Update an employee's role

Question

07/10

What is one of the key benefits of a year-round performance management process?

- Ensuring job clarity
- Providing financial rewards
- Reducing employee workload
- Enhancing workplace aesthetics

Question

08/10

How does a well-established performance management system contribute to employee assessments?

- By relying on hunches for rewards and termination decisions
- By accurately tracking employee progress
- By creating job ambiguity
- By ignoring performance data

Question

09/10

What impact does regular performance management have on employee motivation?

- Decreases motivation due to excessive feedback
- Has no effect on motivation
- Boosts motivation by aligning goals with company objectives
- Decreases motivation by creating workload pressure

Question

10/10

What role do managers play in facilitating employee skill enhancement?

- Ignoring training needs
- Identifying training needs and providing resources
- Discouraging learning opportunities
- Focusing solely on performance expectations