Implementing performance management feedback

Overview

An organisation which is seeking to review performance amongst its employees and work teams is interested in improvement - in identifying performance gaps, potential savings and opportunities for expansion, in improving quality and in increasing cost-benefit outcomes. However, the findings of a performance review will be worthless without appropriate action being taken.

This learning resource will help you understand the importance of feedback and how it can be used to identify and determine intervention strategies for under-performance, sub-standard performance and non-compliant performance, as well as improve performance, further career development and link rewards and incentives to performance. Manage performance feedback

Performance feedback

You have already started to manage performance feedback as you moved from the review process to make plans for providing feedback to teams and individuals on their performance.

As you manage performance feedback, consider the following points:

- impact of feedback on individuals
- impact of feedback on teams
- impact of feedback on the organisation
- reinforcement of feedback

The following Case Study at Desiree illustrates the impact that performance feedback can have on an organisation, and on its teams and individuals.
DESIREE DELI

Staff in the twenty family-owned Desiree delicatessen stores throughout South Australia knew that they did not have enough room in their cold rooms to hold cooked meats over long periods. Under normal circumstances and during extended breaks, like long weekends, they crammed the meats from the shop serveries back into the cold rooms, then wondered why they didn’t seem as cold as usual when they took them out again.

The company was unaware of this practice, because staff didn’t voice their concerns, despite complaints from customers that food from the shops didn’t keep long these days.

Then, a new general manager was appointed to manage the business for the family, whose members were getting old and tired of running the business. A management committee was soon formed to develop a strategic plan. Six months later performance management systems were developed and introduced by an external human resources consultancy.

Most of the stores had enthusiastically implemented, or were on their way to implementing, their team performance management systems by the end of that year.

It was during the first series of team and individual performance reviews that a pattern seemed to emerge from the feedback: performance was being compromised by limited cold storage space in some of the stores. By this time, a human resource professional was employed as a full time staff member at Desiree.

In its resolve to have open and transparent business practices, management reviewed this feedback and provided a summary of facts. In recognition of the fact that there appeared to be long standing problems needing to be addressed, the HR manager proposed that the summary be released to the teams to obtain feedback.

Consider the performance management systems that you have progressed through so far, and the implications of the feedback for the future success and viability of this business and its employees.

The impact of this feedback on the organisation is that health and hygiene problems are evident. This means that customers are put at risk. They will eventually go elsewhere, and litigation could ensue. The company needs to consider changes to work practices, and organisational processes and procedures. It needs to:

- review and set standards
- make material resource investments in new equipment
• possibly invest in a store reconstruction

• budget for and organise staff development

The impact of the feedback on the teams at Desiree is that teams in some stores have performance problems. There are issues that these teams (and possibly all teams) must now address, regarding the management of their performance management systems to address the performance problems.

To do this, teams need to meet and review their KRAs (Key Results Areas), KPIs (Key Performance Indicators), targets and objectives. They will need to review their performance monitoring and measuring procedures and tools. The fact that the problem has now emerged possibly means it is their performance management systems that have acted as the catalyst for bringing the problem into the open.

The impact of this feedback on individuals and teams is that jobs are at risk if the problems at Desiree are not addressed. Individuals, as partners in the enterprise, need to learn from past instances of under-performance and failures, so they can alert the company of shortcomings in the storage facilities, and focus on goal achievements.

Team members need to first review their role and job responsibilities, as stated in their job descriptions, to identify areas for feedback. Individuals will need to set their objectives to address new team targets, then develop new action plans to meet individual performance objectives.

Performance feedback has the potential to advance people beyond their current level of performance, even exceptional levels of performance. This could be the case if the recipient of the feedback is empowered to grasp opportunities for learning and development, and these opportunities are capitalised upon by the organisation.

Performance feedback also has the potential to remedy and halt unacceptable performance, if necessary.

You have explored the impact that performance feedback can have on individuals, teams and the organisation. You have also considered how this can be managed in a variety of situations. Now consider the reinforcement options that evolve from feedback.

Reinforcement of feedback

Feedback provides the opportunity to reinforce:

• the improvement and development of individual performance

• the empowerment of a team with responsibility for achieving set goals

• the identification of cases for offering incentives and giving rewards
• the identification and determination of intervention strategies for under-performance, sub-standard performance and non-compliant performance

The following is an example of a performance and development plan designed by an organisation. This plan allows for individuals and supervisors to work together to give direction and obtain evidence for feedback on the progress and achievement of performance. This tool can in turn be used to reinforce feedback:

Source: Open Learning Institute FM-A147.01 Personal Performance and Development Plan. 02/02/02.
Try it

Develop your own personal performance improvement and development plan.

Set your objectives for achieving a job-related goal, to help you develop a performance improvement and development plan. Ideally, work with your team leader or supervisor on this.

Complete a plan using the preceding format, or a similar format that you use in your own organisation.

Career development

Career development is one aspect of individual performance and improvement that can emanate from feedback. During the performance feedback process, you may take the initiative to discuss career advancement of individuals in relation to organisational development (OD), as part of your role as a human resource professional.

On the other hand, employees may indicate to you that they have career aspirations. These opportunities must be addressed. Give individuals the chance to identify and plan for their career development. Depending on the relevance and value of their plans to the organisation, determine the degree of assistance that can be offered to help them pursue these opportunities.

There may be a need to seek specialist advice, such as career counselling, or a career management program. Or, you may be able to facilitate their progress, for instance with enquiring or applying for entry to a tertiary course.

Read

Recommended additional reading on career development can be found in Human Resource Management by Kramer, McGraw and Schuler, on pages 227–243. The extent of this reading is indicative of the importance that human resource management is attributing to performance improvement.
Performance feedback reinforces team achievements. Teams that are empowered have organisational encouragement and support for accepting responsibility for their own goal achievements.

Regardless of the composition, structure or function of a team, an empowered team will work to set and meet its own targets in line with identified organisational goals. The Desiree Deli team is still in the process of responding to being empowered.

Performance rewards and incentives

Feedback provides the opportunity to link rewards and incentives to performance. Pay, shares in the company, merit points, gold stars, tickets to events and holiday attractions are some of the rewards and incentives offered by organisations for people whose performance is considered excellent or exceptional.

To have a fair and equitable system for awarding merit and justifying incentives, details need to be overtly stated and advertised. The conditions for awarding these points must be detailed and linked to a level of performance achievement. In this way teams and individuals know what is being offered, and what has to be done to gain merit.

When employee pay is contingent upon the number of sales, or bonuses are paid as sales are exceeded, then that individual must be made aware of these performance conditions as part of the employment contract.

The specific terms of rewards and incentive offers need to be spelt out before the awards can be attributed. Performance management systems enable this to be done, for they have performance measures, goals and targets that can be used as a judgement during performance review and feedback to reward exceptional performance.

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