Performance and underperformance

Introduction

Effective performance management is fundamental to achieve outcomes and deliver productivity improvements. All managers are responsible and accountable for effectively managing performance within their organisation, including driving improvement in their own and their teams’ performance, as individuals and as a section. This also includes addressing any identified underperformance.

This chapter provides an overview of ways to manage performance as well as underperformance.

Managing Performance

As a manager you are responsible and accountable for the effective performance of your staff.

You must therefore take all reasonable attempts to improve, attain and sustain performance. This includes time and opportunity to integrate any learning or development outcomes into work, provide ongoing constructive feedback, monitor performance and recognise and reward the performance of your staff.

Key Principles and Objectives

The key component to enhancing employee performance is the manager/employee relationship and effective communication which is fundamental to fostering high performance. It is vital that each employee has a clear understanding of performance expectations and is given an opportunity to discuss and contribute to those expectations.

Managers are responsible for engaging employees in honest feedback discussions that focus on how to achieve work objectives, identify personal and professional development opportunities and how they will demonstrate behaviours and values that reflect the values and conduct.

Your Role

All managers are responsible and accountable for effectively managing employee performance. This includes:

- discussing and articulating performance expectations;
- driving improvement in their own and their teams' performance, as individuals and as a section;
- conducting regular and ongoing honest two way performance and developmental discussions with employees;
- conducting and documenting performance review discussions, and
- addressing identified underperformance.

In performance discussions managers should:

- clearly identify and measure the personal value-added contribution that employees bring to their roles;
- focus on how we achieve, not only what we achieve;
- assist employees in identifying personal and professional development opportunities;

In most organizations the Human Resources Section can provide advice and information to assist with performance agreement development.

Performance Assessment

Performance review discussions are a joint responsibility between you and your employees. In addition to performance review discussions and appraisals regular two-way feedback throughout the assessment period is essential.

Performance assessments can be organized in different ways. Essential elements are:

- making working arrangements;
- performance review discussions between manager and employee,
- and a written performance appraisal.
Performance review discussions are a vital element in performance assessment. During these discussions it is your responsibility as a manager to encourage feedback from your staff about your performance as a manager and leader, to help you continually enhancing your capabilities. Obtaining constructive feedback from your staff is an excellent example of good management practices, and a direct avenue for you to measure your performance as a manager/leader.

The following tips will assist you to conduct effective, constructive performance review discussions:

- review each employees performance against their performance expectations;
- use examples to demonstrate your assessment;
- praise achievements, comment on progress, and discuss development opportunities and future aspirations. Employees need to hear when they are effectively working towards their goals, and if they need to modify their performance in order to do so;
- feedback should not only cover the outcome of a task, objective or project; furthermore it should reflect the way it was undertaken, and what behaviours and skills were used and developed during the process;
- structure the discussion according to your management style and the communication style preferred by your employee. Remember, the discussion itself doesn't need to be formal just because it is a formal review;
- encourage your staff to prepare and provide you with feedback about your performance as a manager and leader, and provide them with your key deliverables for leading and managing a team to assist.

When making a formal (written) performance appraisal:

- write up your final review as close to the discussion as possible. This enables clear recollection of the discussion for a more accurate record.

Performance review time is also a good opportunity to review the continued appropriateness of the performance agreement, particularly where priorities may have changed.

In assessing performance a manager can (in general) identify three categories of employees:

1. employees with a good average performance
2. employees who perform exceptionally (above average)
3. employees with underperformance

For categories 1 and 2, see Chapter on Recognition and Rewards and Chapter on Capability and Development.

Managing Underperformance

Despite all efforts as mentioned in the above paragraph on Managing Performance, employees may not perform at the expected level. In that case as a manager you must undertake appropriate action either to improve performance or to find another solution (such as mobility to a more appropriate job).

Key Principles and Objectives

The primary aim of the 'managing underperformance process' is to improve the employees' performance to an effective or better standard. Employees and managers have a mutual obligation to ensure timely and meaningful participation in all performance management processes, including, where necessary, addressing underperformance.

The process for addressing underperformance is based on the following good practice principles:

- clarity of role and responsibilities;
- open communication and feedback;
- natural justice;
- transparency of process.

Your role

As a manager you will have to discuss the areas of underperformance with the employee, and provide reasonable opportunities to address the specific areas of underperformance, to attempt to reach and sustain an effective level of performance.
Underperformance process

If you are considering an underperformance process, you must contact the Human Resources section (or equivalent). They will provide advice in this (in most countries) highly regulated accountable process and are responsible for case managing underperformance processes. They will provide advice and support to all parties, and ensure all principles or natural justice, underperformance processes and feedback provisions are properly used.

The managing of an underperformance process in general consists of the following stages:

1. In stage one the line manager assesses employee performance (this may be in the regular performance appraisal review or during a specified period).
2. If the employee attains and sustains the required performance standards, no further action is taken, however if the employee has not satisfied performance standards stage two of the process is instigated. In this stage performance is closely monitored and assessed - and results of the assessment will be discussed and carefully documented. This assessment may be undertaken by an independent assessor over a specified period.
3. Depending on the specific situation of the employee, facts, circumstances and national working arrangements and conditions, formal or legal steps will be undertaken.

Tips

- Be proactive and address underperformance. Avoidance will not improve employee performance or team productivity.
- Be sure to follow the procedures and obtain assistance and support.
- Clarify work expectations and standards and maintain open, honest two way communication.
- Keep comprehensive records of meetings and conversations for procedural fairness and provide the employee with an opportunity to comment.