

On the job training

- If you are already familiar with your organisation's approach to performance management, evaluate whether or not your organisation's approach needs a review, based on your reading of current trends.

Managing employees' performance is a continuous process and should involve making sure that the performance of employees contributes to the goals of their teams and the business as a whole (Ecigarette Direct, 2018b). This is supported by the CIPD stance that performance management should be effective, strategic and integrated, therefore linking the business, people management, individuals and teams (CIPD, 2009, p. 3). Good performance management helps everyone in the organisation to know; their role in helping the business achieve its goals; the skills and competencies needed to fulfil their role; standards of performance required and how they can develop and contribute to the development of the organisation (Ecigarette Direct, 2018b).

At ECD I feel that we need to review and improve communication of organisational strategy in order to link individual outcomes back to team and organisational outcomes. The CIPD outline that performance management should be effective, strategic and integrated so it links various aspects of the business, people management, individuals and teams (CIPD, 2009, p. 3). In light of shifting external factors, our organisational strategy needs to be reviewed, agreed, and then communicated to the rest of the organisation. A study by Purcell et al found that organisations with a 'Big Idea' with a formal mission statement supported by company values, embedded in policy and practice, provided stability and an integrated organisation (Purcell, Kinnie, Hutchinson, et al, 2003). As a company, we have strong values which should be promoted further in order to embed it into our policies and procedures. This is currently under review with a revamp of our retail competencies which should be finalised by the end of 2020.

As part of our ongoing commitment to the development of our employees, we have a system to conduct performance reviews using PeopleHR (PHR), a cloud-based HR software system. This allows managers to review performance, as well as set, track and update development goals with their team (Ecigarette Direct, 2018b).

Following recruitment, we have a thorough induction programme for new starters. Their first day is a welcome day during which we introduce them to the company, complete basic system training and also set expectations in regards to performance. Marchington explores the importance of an induction on performance, noting that employees can be left feeling confused and lead to low commitment and morale due to them being uninformed of expectations (Marchington, 2012, p.228).

During the 6 week induction programme, new starters meet with their line manager and team. Their role profile, objectives and competencies are reviewed, which ties in with research by Hearne (2017).

After 6 weeks the line manager will have scheduled a 'Mid term' performance review with the new starter. This is in the form of a performance template on PHR, where performance to date is reviewed against their induction training programme, goals are set as well as any training gaps are identified and recorded. I feel that we currently do this well, as Armstrong (2020) believes that strengths/weaknesses, should be identified and goal progression, performance issues, training and development gaps are discussed.

Managers then regularly review goals and employees can update their progress on the system which can be reviewed and recorded. We also encourage in the moment feedback to offer praise but also to nip any incorrect or negative behaviour in the bud.

Although we invest time in training our managers to plan and complete performance reviews thoroughly we could look to further support and train line managers in effectively giving 'in the moment feedback' and the setting of short, medium and long term SMART goals. Observation has been that line managers are reluctant to give honest feedback. This is something that Armstrong (2017) deems important as well as agreeing on sensible priorities.

Towards the 3 month mark, an end of probation review will be scheduled. Goals from the mid-term review are considered and progress over the probationary period is assessed, with the review concluding in an overall

rating and a declaration as to whether the employee has passed probation or if we intend to extend probation or terminate employment. In regards to extending or potentially terminating employment, managers are advised to contact HR if they have any performance concerns during the probationary period, so we can provide advice and support.

Potential to review the probationary performance review templates on our system to streamline them as feedback from managers has been that they are too long-winded and time consuming, Research also suggests that performance ratings, competencies and links to reward should not hinder the quality of actually managing performance but should instead focus on actionable feedback, coaching and growth (Armstrong, 2017).

If a manager raises poor performance issues we often encourage a performance improvement plan (PIP) in order to clarify specific issues, set objectives, success criteria, any additional support required and a review date for each objective (Ecigarette Direct, 2018a). If following this implementation of the PIP performance remains poor we would trigger the company Capability Procedure sets out a framework within which managers can work with employees to maintain satisfactory performance standards and to encourage improvement where necessary (Ecigarette Direct, 2017).

Performance management is a cycle which involves performance being managed throughout the year (Armstrong, 2015). In line with this ECD runs annual performance reviews in order to set departmental and individual objectives, measure and review performance and also to identify training and development needs. We could look to review the annual performance review as research suggests that dynamic organisations are abandoning them completely. The Harvard Business Review looks at how annual reviews focus on financial incentives and accountability at the expense of actually improving performance (Cappelli and Tavis, 2016) and supports regular conversations about performance and development in order to build a resilient workforce. In place of an annual review, we could train and encourage managers to instead hold these regular conversations with their staff in order to open honest communication and feedback to nurture positive performance. This is further supported by the 'Five Conversations Framework' where managers have five separate conversations with their staff over a 6 month period (Taylor, 2019, p.213).

References

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