

LINKING INDIVIDUAL AND ORGANISATIONAL PERFORMANCE

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PRESENTATION AIMS

- ▶ Gain an understanding of Performance Management and High Performance Working Systems.
- ▶ Understand the link between individual and organisational performance.
- ▶ Gain an insight into the current academic theory on performance management and performance appraisal processes.
- ▶ Understand the importance of the line manager in the performance management process and;
- ▶ How line managers and HR can work together in performance management processes.
- ▶ Investigate how performance management can impact on employee capability and commitment and recognising and rewarding talent.
- ▶ Understand how High Performance Working systems can improve health and wellbeing

PERFORMANCE MANAGEMENT HISTORY

- ▶ Performance Management (PM) existed as far back as World War 1
- ▶ Credited to WD Scott
- ▶ PM has evolved since then with Goals and Measures added in 1960's
- ▶ Allows measurement against specific goals
- ▶ Impacts on employee engagement
- ▶ 360 Degree feedback (People HR)

Performance Management processes are a highly discussed and highly debated part of organisational process, which have existed in one form or another for over a hundred years. It is recognised that performance management existed as far back as World War 1, and was credited to WD Scott. Performance appraisals were officially established practise by the 1950's, however these early processes tended to focus more on the individual's personality and did little to review or address performance issues. Over the following 50 years, these processes have altered continually, with the introduction of measuring objectives and goals in the 1960's. Performance management processes have continued to evolve to present day, and have become more useful in managing specific performance against measures, employee engagement and more recently 360 degree feedback (Brooks)

WHAT IS HIGH PERFORMANCE WORKING (HPW)?

- ▶ UK Commission on Employment and Skills - "a general approach to managing organisations that aims to stimulate more **effective employee involvement** and commitment in order to **achieve high levels of performance**... designed to **enhance the discretionary effort** employees put into their work, and to fully utilise the skills that they possess." (*Industry Forum*)
- ▶ There is however no one definition of High Performance Working
- ▶ HPW – is a collection of HR policies and initiatives aimed to support high performance
- ▶ These must include sophisticated recruitment and selection process, investment in training, participation in decision making to ensure job satisfaction and job security. (*Taylor, 2016*)
- ▶ High Performance Working – Chicken or the Egg? (*Taylor, 2016*)

The UK Commission on Employment and Skills

(<https://www.industryforum.co.uk/resources/articles/high-performance-working-hpw/>), refers to HPW as 'a general approach to managing organisations that aims to stimulate more effective employee involvement and commitment in order to achieve high levels of performance... designed to enhance the discretionary effort employees put into their work, and to fully utilise the skills that they possess.'

There is, however, no one definition of what High Performance Working (HPW) is. This is best known as a culmination of different factors, which, when joined together form the perfect environment for individuals to perform to their best. It is a set of HR initiatives and practices that lead to the maximising of individual and organisational performance. This educes the discretionary effort referred to in the above quote.

These do so by ensuring the engagement of employees and allow for their performance to be actively and effectively monitored and assessed. These processes should be designed in a way that they support each other and create an environment where individuals are attracted to work for an organisation, then developed internally to ensure that they are retained and less likely to become disengaged and leave. This involves a number of different policies and practices to be in place, which are over

and above the usual performance management processes, including sophisticated recruitment and selection policies, investment in training, participation in decision making for employees, as well as a high degree of job satisfaction and job security (Taylor. 2016). Whilst a list has never fully been agreed upon, it is common for this to include such policy areas as:

- Flexible working
- Employee participation
- Robust grievance processes
- Effective performance appraisals
- High levels of investment in training

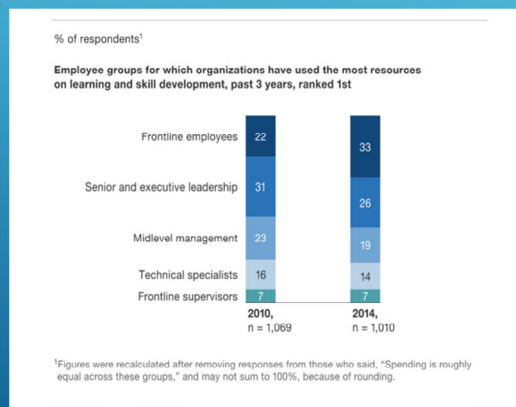
Amongst others.

However, whilst the above seems logical, there has been suggestion that the link between HPWS and high performance is not a direct causation of each other. It is feasible that an already successful organisation can then introduce a HPWS using its profit surplus and not the other way around. (Taylor. 2016). Others have suggested that organisations with high performance use HPWS to hide a culture of overwork and long hours. What is clear is that having the above HR policies in place cannot be a bad thing, but it may not be 100% possible to directly link the two.

HIGH PERFORMANCE WORKING (HPW) COMPONENTS

▶ HPW can be separated into several different elements:

- ▶ Clear Strategy
- ▶ Horizontal and Vertical Integration (*Armstrong M & Brown D*)
- ▶ Effective Leadership – 'It's the Manager' (*Gallup*)
 - ▶ Motivation, Workstyle, Initiation, Collaboration,
 - ▶ Thought process
- ▶ Employment Security (*Wang*)
- ▶ Judicious recruitment and selection
- ▶ Training and development (*McKinsey*)
- ▶ Employee involvement and participation (EIP) (*Havard Business Review*)
- ▶ Gallup research – 41% less absenteeism
- ▶ 17% higher productivity
- ▶ 21% higher profitability



HPW practices can be split into several different areas, which are required to offer the most suitable environment for high performance to be realised. These need to include a clear organisational strategy and to have effective management in place. There is a need for there to be a clear link between the organisational strategy any departmental strategies, which then help create individual objectives which are meaningful and which individuals are engaged with. This is referred to as horizontal and vertical integration. Horizontal integration is a term describing the linking of multiple parts of an organisation, or different HR strategies. (*Armstrong M & Brown D. 2019*). In terms of Human Resource Management and HPW systems, it is vital that all areas of HR policy have a clear link between each other and complement each other. This supports their effectiveness and increases the environment where improved performance is most likely to be achieved. Vertical integration differs to horizontal, as this focuses on the link between the HR policies and organisational strategy and vision. This ensures that the HR policies support and feed into achieving the goals of the organisation. For the best performance to be achieved there should be a blend of both horizontal and vertical alignment and integration.

Having these objectives is not enough however, as there is a need for effective leadership to ensure that employees are aware of their role in achieving these goals,

including a process of providing regular constructive feedback on performance. (CIPD. 2019). Gallup's book 'It's the Manager' discusses the importance of line managers, stating that the effectiveness of a line manager is the largest factor affecting performance in an organisation (Harter J & Clifton J. 2019). It states that the 5 biggest traits of a line manager include motivation, workstyle, initiation, collaboration and thought process, however found that only 22% of employees felt that their organisation had clear leadership.

In addition, job security, or insecurity can play a part in affecting individual and organisation performance. Wang (2015) states that a risk of job insecurity can impact on personal performance, however this has a greater impact when there is a perceived lack of organisational justice. This theory states that where an organisation is able to robustly manage individual concerns and has effective policies in place, then job insecurity itself is not enough to impact individual performance. Organisations must, therefore, seek to engage their employees and to listen to their concerns to ensure that these are managed thoroughly and therefore job security plays less of a pivotal role in affecting performance.

Learning and development and the training of staff, also plays a key part in ensuring job satisfaction and the improvement of individual and organisational performance. McKinsey (2015) suggests that organisations are now focusing more on the training and development of their 'front line' employees over their management counterparts, with half of executives rating training and development of their individual's capabilities as one of their top three priorities.

This theory was also tested by Tahir et al (2014), where research was conducted into the correlation between Learning and Development and individual performance. This study, whilst small in its scope and sample size, demonstrated a link between these two areas, citing that individual who were provided adequate and efficient training, gained skills in their role, which caused them to become more confident at their jobs and consequently this led to an improvement in their performance (Hashim M. 2014).

Another key area which promotes positive performance is the need for employees to feel valued and to be engaged in their organisation. A Harvard Business Review survey (Harvard Business Review) identified that the highest voted factor which affected engagement levels with employees was the relationship with their line manager or supervisor. This demonstrates the important role played by the line manager in this process. Additionally, their research showed that individuals who received regular feedback on their performance were more likely to perform better in their role. They were more likely to seek out feedback more regularly as a means of improving their ability, which ultimately would lead to organisation performance improvements. Gallup's research supported this with 'It's the Manager' reporting a clear difference in performance between those organisations where their employees were fully

engaged against those who were actively disengaged, showing 41% less absenteeism

INDIVIDUAL AND ORGANISATION PERFORMANCE LINK

- ▶ Links between HPW and individual and organisational performance.
- ▶ Seven Practices of Successful Organisations (*Pfeffer*)
- ▶ Unlocking the Black Box (*Purcell et al*)
- ▶ Ability, Motivation, Opportunity (AMO)
- ▶ Discretionary Behaviour
- ▶ Competitive advantage and sustained performance (*Berry*)
- ▶ Line Manager plays a critical role.

As mentioned earlier there has been discussion and disagreement about the ability to confidently link HPWS and individual/organisational performance. Pfeffer discussed seven practices which he felt all successful organisations had, which included some of the areas mentioned on the previous slide. He suggested that it was not just the case of having these in being, but that they linked with each other and supported an overall organisation goal or mission (Pfeffer).

Purcell et al (2003) also discussed this organisational vision in the 'Black Box' studies. This study echoed Pfeffer's view that organisations tend to perform better. This study recognised 11 HR practices that needed to exist for an organisation to have a higher chance of performing well, however this too was not enough. There needed to be a clear link to an organisation strategy or goal, which needed to be embedded into an organisation through all policies and practices (Purcell et al).

Purcell (2003) refers to the perfect conditions for employee growth as Ability, Motivation and Opportunity, or AMO. This suggests that organisations and individuals'

benefit, when individual's abilities are identified and built upon, as well as being motivated to work to the best of their ability for the benefit of the organisation. Finally, when skills and abilities are recognised and there is motivation to do so, employees will look for opportunities to demonstrate this in the workplace, thus improving organisation performance.

This is also noted when looking at an organisations ability to gain and maintain a competitive advantage over their competitors. A competitive advantage is the ability for an organisation to deliver its product in a more efficient or less costly way than their competitors. Berry (2017) identifies that this is split into two possible factors; firstly the cost position with the second being the ability to differentiate. This is possible when individuals seek to perform to their best, supported by efficient HR policies which underpin the values of the organisation. This is often referred to as a 'Big Story', which is a shared goal for the organisation which links the HR policies, creating an environment where employees seek to engage and perform more readily.

Purcells work also noted that the way in which HR practices are managed can play a key role in performance, with those being effectively managed improving performance and conversely, those being poorly managed having a detrimental impact on performance.

INDIVIDUAL AND ORGANISATION PERFORMANCE LINK (2)

- ▶ Huselid (1995) – 'The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance'
- ▶ Study based on 1000 organisations
- ▶ Two hypothesis; Reduced Turnover leads and improve productivity and reduced turnover would improve organisational performance
- ▶ Questionnaires were received from 968 senior leaders
- ▶ 7.05% decrease in staff turnover
- ▶ \$27,044 increase in sales per employee
- ▶ \$18,641 increase in market value per employee
- ▶ \$3,814 increase in profit per employee

In 1995, Mark Huselid from Rutgers University conducted a study of over 1000 national organisations to evaluate the link between High Performance Working Practices and organisational performance. His study was based on two hypothesis, which were that systems of HPW would reduce staff turnover and improve productivity and that this would act as a link with organisational performance. To do this he sent out questionnaires and received almost 1000 back from senior leaders. His results showed that there was a:

HPW AND EMPLOYEE WELL-BEING

- ▶ Employee Well-being and Organisational Health – 'Growing the health and well-being agenda' (CIPD)
- ▶ COVID-19 and Wellbeing – Contact, Contact, Contact ! (View HR)
- ▶ World Health Organisation – Guidance (WHO)
- ▶ Engagement – Gallup Studies
- ▶ Only 13% of employees worldwide are engaged at work (Gallup) and that line managers account for 70% of the variance in employee engagement.
- ▶ Top 25% of organisations are 20% more productive and 21% more profitable.
- ▶ Employee Engagement: An Examination of Antecedent and Outcome Variables' (Shuck)
- ▶ Strong relationship between engagement and a reduction in turnover, with individual feeling more committed to their workplace.

Employee wellbeing is a key factor for organisations, and has been a hot topic for recent years, with a link being shown between individual well-being and organisational health. The CIPD's report 'Growing the health and well-being agenda' identified the need for employee well-being to be in place to ensure employee engagement, which ultimately leads to organisation benefits. This, however, was reliant on the key factors to support it; culture, leadership and people management. (CIPD)

During the current pandemic, it is even more important for employee well-being to be at the forefront of line managers minds. A recent study by ViewHR showed that the highest voted means of maintaining employee well-being during the pandemic was maintaining contact (View HR). This topic is of such key priority for organisations that the World Health Organisation produced guidance for individuals on how to cope with the impact of the pandemic, which provide guidance on self care (WHO).

In addition to the financial link demonstrated by Huselid's work, there is also a benefit for organisations in respect of employee well-being, which contributes to the studies by Pfeffer and Purcell.

Gallup studies on engagement show that only 13% of employees feel engaged in their workplace and that the line managers account for 70% of the possible variance in whether or not employees engage. This again supports the clear link between the need for effective line management and the ability for an organisation to succeed. Their research also reports that organisations who featured in the top 25% of their results showed a 10% increase in customer loyalty, were 21% more profitable and were 20% more productive than those in the bottom 25% (Gallup)

Additionally, Shuck (2011) investigated a hypothesis that there was a strong relationship between employee engagement and their discretionary behaviour which results in a lower desire for turnover of the workforce. This reported that individuals who were more engaged in their workplace and had a more positive fit with their role, were more likely to demonstrate discretionary effort, leading to higher performance.

WHAT IS PERFORMANCE MANAGEMENT

- ▶ *"Performance Management is the continuous process of improving performance by setting individual and team goals which are aligned to the strategic goals of the organisation, planning performance to achieve those goals, reviewing and assessing progress, and developing the knowledge, skills and abilities of people" (Armstrong, 2016).*
- ▶ *"Performance management describes the arrangements that employers use to maintain, and to improve the performance of their workforce so that the organisation achieves its goals" (ACAS)*

The performance management process here is defined in two separate definitions, the first by Michael Armstrong from his book 'Armstrong's Handbook of Performance Management' and the second from ACAS.

Armstrong's definition, whilst long, covers all of the relevant areas that are relevant to performance management. It talks of the process being a continual one, which is supported by the CIPD, who states that performance management should not be an isolated event, but something which is part of day to day work (CIPD). Additionally, Armstrong talks of the link between organisational and individuals goals and ensuring these are linked. The Chartered Management Institute also recognise this in their review of performance management, where they identify the aligning of organisational and individual goals as one of the points on their managers checklist (Chartered Management Institute). Lastly, there is mention of developing knowledge, skills and abilities of people. The CIPD see this as one of the most important elements of the performance management cycle, ensuring that the process is a forward thinking one and not just a backward looking process. They support the need for organisations to focus on how to develop skills and abilities in individual's roles, which will assist in driving organisational performance (CIPD)

THE PERFORMANCE MANAGEMENT PROCESS

► CIPD recognise three key stages of Performance Management:

- Establishing Objectives
- Improving Performance
- Holding People to account

► Performance Management Cycle

– Plan, Act, Monitor, Review (Armstrong, 2006)

► Not just a “mechanical system based on periodic formal appraisals”

► Does it delay innovation? (Mind Tools)

► Clashes with “do do do” and “get on with it”

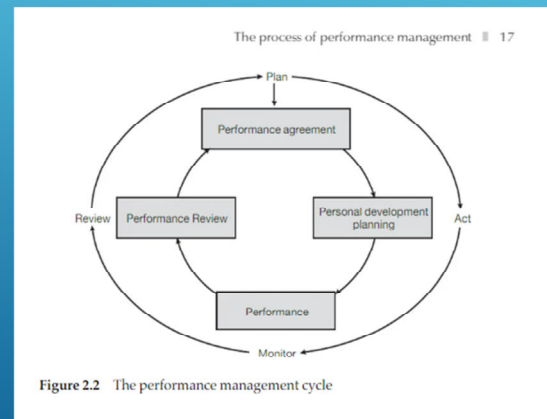


Figure 2.2 The performance management cycle

The performance management process, whilst having no definitive definition, has been described by the CIPD as being made up of three key stages:

- Establishing Objectives
- Improving Performance
- Holding People to Account

This process needs to be a continual process and not just one which is carried out as part of a formal performance appraisal process, however this of course has its place in the process.

This process fits with the performance management cycle, often referred to as Plan, Act, Monitor, Review (Armstrong, 2006). This outlines the sections as

Plan – decide what to do and how to do it.

Act – Carry out the work needed to implement the plan

Monitor – carry out continuous checks on what is being done and measure outcomes to assess progress

Review – consider what has been done and achieved and what needs to be done if performance is not in line with the plan.

This process fits with the ethos of continuous improvement, with the process being a cycle that repeats itself once completed. This allows it to be continually used to monitor objectives and performance. It also is a simple process, with limited elements, allowing it to be used across any team make-up, or for individual performance reviews. Armstrong argues the need for performance management to be an embedded part of an organisation which is a continual process and not just a “mechanical system based on periodical formal appraisals and detailed documentation. There is a need for a coherent organisational view on performance which is embedded

Conversely, however, it can be seen to delay any innovation due to the structure that it follows, sometimes being seen as an inhibitor to innovation (mindtools). This process can clash with individuals who want to ‘get on with it’ or who operate in a ‘do do do’ culture.

THE PERFORMANCE MANAGEMENT PROCESS

- ▶ Three key elements of PM cycle - CIPD
 - ▶ Establishing Objectives
 - ▶ Improving Performance
 - ▶ Holding People to Account
- ▶ Bloom et al (2012) – Three principles – Targets, recognition and monitoring
- ▶ Continual process - Cycle
- ▶ Plan, Act, Monitor, Review (Armstrong)
- ▶ Individual and Department objectives
- ▶ SMART Objectives / Learning Objectives – Need to be flexible (*Mind Tools*)
- ▶ Behavioural vs Output-based

The performance management process, whilst having no definitive definition, has been described by the CIPD as being made up of three key stages:

- Establishing Objectives
- Improving Performance
- Holding People to Account

Bloom et al (2012) echoed the above by suggesting a need for there to be three basic principles in place when it came to the performance management process, which included the setting of tough yet achievable targets, providing recognition to individuals for achieving their targets and then by regular monitoring of their performance

Whatever the process looks like there is a need for it to be a continual process and not just one which is carried out as part of a formal performance appraisal process, however this of course has its place in the process. This supports the performance management cycle, often referred to as Plan, Act, Monitor, Review (Armstrong)

There PM process is made up of a series of interlinked processes, which include the

setting of both team and individual objectives, ensuring that these are clearly discussed between line managers and their employee. These objectives are commonly referred to as SMART (Specific, Measurable, Achievable, Realistic and Timely) objectives and can include such measures as sales figures or percentages to be reached, however this should differ depending on the role in question. CIPD research suggests that this type of objective can work, however only if the work being conducted is of a simple nature and most organisations are now using a mix of both SMART and learning/CPD objectives, aimed at increasing employee knowledge. Whatever the objective is based on, these need to be flexible and able to be changed throughout the year. Organisations are now more fluid and the approach adopted for performance management needed to be the same. A 2017 survey (Chowdhury et al "Harnessing the power of performance management" McKinsey) reported that 68% of 1500 respondents stated that on-going coaching and feedback resulted in a positive impact of their performance.

The PM process itself is often based on one of two principles; one being a behavioural assessment and the other an output-based assessment process. These differ wildly in their approach with the behavioural assessment concentrating on how an individual conducts themselves in their role and how this translates into their performance. Data is often used to support how their behaviour impacted performance and is not the main driver of the process. This differs to that of the output-based approach where quantitative data is the main driver, however this is only feasible with roles where tasks are routine and individuals regularly carry out the same duties.

MEASURING & REVIEWING PERFORMANCE

- ▶ What is the appraisal process trying to achieve?
- ▶ Annual appraisal is not achieving its goals.
- ▶ Move to more regular, flexible feedback - Microsoft (*Personnel Today*)
- ▶ 360 Degree Feedback - Netflix(*Corporare Rebels*)
- ▶ Development needs to be the focus.
- ▶ Identifying training and development needs
- ▶ Evaluation
- ▶ Linking individual outcomes to team and organisational goals? (*Cappelli & Tavis*)

What is important for performance reviewing and appraisal is the clarity of what the process is set up to achieve. There are a number of factors which are often combined together and organisations use the performance management process to assess these. This can include performance discussions regarding performance, accountability, remuneration, training and development. Whatever the process is being used for it is vital that this is clear to the organisation and the individual, otherwise this risks being ineffective and not achieving what it set out to do.

There are on-going discussions regarding the performance appraisal process and how this should work, with suggestion that the annual appraisal process is outdated and lacks the ability to add value and improve performance. Schrage et al (2019 – Performance Management's Digital Shift') suggests that organisations need to adopt a more agile and flexible approach to reviewing performance and the appraisal method and that a one size fits all approach to reviewing performance is not fit for purpose and that this needs to be tailored to each individual, based on their role. A Clear Review report (The UK Performance Management Report) discusses the need for a shift towards performance management focuses more on development of individuals as the main driver of the process, with 52% of respondents agreeing that this should be the focus of the review process. Additionally, more organisations are

steadily moving away from the standard annual appraisal, moving to a more flexible process. Personnel Today reported in 2015 that large organisations are moving away from the set process, due to a lack of confidence in its ability to add value, with 90% of HR leaders feeling that the process doesn't create accurate data. Psychologists at Stanford University also found that the use of performance scales actually worsened individual performance. There is a view that more regular feedback could be the way forward, reducing the burden of time spent on a rigid process, whilst moving from individual to team objectives and goals, however there is a concern that this reduction in paperwork may lead to legal issues if performance becomes an important issue to address.

Netflix also took the decision to stop their annual appraisal process and in its place they introduced a 360 degree feedback process where employees were asked to identify something their colleagues could: stop, start and continue. These started initially as an anonymous process, however in time almost all of the individuals opted to give up their anonymity, with many providing face to face feedback. This demonstrates the shift in the review process as we previously knew it, to a more real-time, continuous process ([Corporate Rebels](#)).

Another part of the process should include the identification of the development and training needs of your employees, which lends itself to the performance review being a more forward looking process, rather than a retrospective look at previous performance, with organisations looking to focus on how to ensure their employees are skilled to carry out their duties in an ever changing world and not focusing on what they have done in the past (Cappelli & Tavis).

Lastly, there is a need to review whether you are able to link individual and organisational goals. This can depend on the role of the person and how quickly the organisational goals can change. There is a need for any performance measures/objectives to be flexible to allow changes to take place as quickly as the organisation changes its priorities (Cappelli and Tavis)

PM AND ENHANCING CAPABILITY AND COMMITMENT

- ▶ Key to success is ensuring that individuals are valued and empowered (Personnel Today).
- ▶ Line managers must create the right culture – 682% revenue growth
- ▶ Gallup – 70% of engagement variance is due to the line manager
- ▶ Carrot and Stick – Does it work?
- ▶ Dan Pink's – Intrinsic Motivation vs Extrinsic Motivation (Thomas)
- ▶ Covid-19 and a trust culture – Home Working Performance (Forbes)
- ▶ Maintain open contact, be social and focus on well-being!

A key part of making the performance management process a successful one, is ensuring that individuals feel valued and empowered within their roles and ensuring that this is achieved is not just a HR role but also something which line managers must be aware of and committed to (Personnel Today). Managers must set a culture where individuals feel engaged in their roles to truly unlock their potential. A survey of over 200 organisations showed that those with a culture which focused on enhancing performance showed an average of 682% growth instead of just 166% for those who did not have such a culture. In addition, Gallup research shows that line managers account for 70% of possible variance in engagement levels with employees. This demonstrates the very real impact that line managers can have on their team and their performance.

One of the key factors that has an impact on employee engagement is the level of autonomy that an individual has in how they carry out their role. There has been lots of research into what motivates employees to do a good job, with a lot of this research focusing on whether or not the 'carrot and stick' approach really work. Dan Pink's theory focuses 'Intrinsic Motivation' focuses on the need for three factors, which are Autonomy, Mastery and Purpose. His theory centres on questioning the effectiveness of using reward and punishment as an incentive to perform well and

suggests that a more effective theory is Autonomy, Mastery and Purpose. He refers to these as 'intrinsic' motivators in that they originate from a persons beliefs or work ethic, rather than 'extrinsic' motivators, where an individual is incentivised to perform by a financial reward (Thomas).

Additionally, since the commencement of lock-down and the requirement for so many individuals to work from home, with less supervision, there is an increasing requirement for individual line managers to create a trust environment with their teams. Forbes reports that individuals working from home over the period during March and April 2020 showed that individuals were 47% more productive working from home, with an increase in telephone calls, e-mails and chat messages (Business Wire). This dispels the myth that working from home leads to less productivity and a reduction in performance. What is important is that regular contact is maintained to reduce feelings of isolation, which could lead to a drop in engagement, resulting in a dip in performance. The HR Director reports there are 4 key areas for line managers to focus on, which are:

1. Maintain honest and open communication about the business
2. Create a learning and development plan
3. Book a consistent stream of socials – and stick to them
4. Encourage employees to focus on their well being

THE ROLE OF THE LINE MANAGER

- ▶ Setting clear objectives
- ▶ Aligning these to organisational goals and strategies
- ▶ Ensuring the team are aware of their responsibilities (MSG)
- ▶ What 'good' looks like.
- ▶ Highlighting performance issues.
- ▶ Importance of feedback – 94% want more feedback.
- ▶ McKinsey – “Harnessing the power of performance management”

The role of the line manager in the performance management process is simple in theory but not in practice. You as line manager are responsible for the setting of clear and constructive objectives; ensuring that these are understood by your employees and that they align and feed into organisational strategy and goals. It is important that individuals are aware of what their responsibilities are within their team and what good looks like and that when this standard is not met that this is highlighted and addressed, and by fostering an atmosphere where all team members share the same importance of the organisational goals. (Management Study Guide).

An important part of the line manager role is the reviewing of performance and the highlighting of performance issues and good work. Feedback is a vital part of the development of any individual and plays a vital part in either improving an individual's motivation and commitment to their role, or can have the counter effect when this is missing. 94.3% of HR (Clear Review report) state that people would benefit from more regular feedback, irrespective of how frequently this was conducted currently. Additionally, 30.9% of employees confirmed that they only met with their line managers to discuss performance once a year, whereas 60% wanted to meet at least quarterly. A 2017 survey (Chowdhury et al) reported that 68% of 1500 respondents stated that on-going coaching and feedback resulted in a positive impact of their

performance.

HR AND THE LINE MANAGER LINK

- ▶ How can HR and LM work together in PM process
 - ▶ Training and support; individual, group and role play sessions. (Clear Review)
 - ▶ Access to data
 - ▶ Advice on PM matters
 - ▶ Acting as co-ordinator

Whilst it is the line manager who acts as the pivotal role in the performance management process, there is a need for line managers to link with and work closely with HR. Line managers are often not trained in effective people management and performance management, which can impact on their ability to effectively manage the performance of their team. 92.2% of line managers felt that they were able to have the difficult performance based conversations with their team, however their employees didn't always agree with this (Clear review).

This makes it vital that line managers and organisations work with their HR to gain the relevant training in performance management and some of the softer skills required to have difficult conversations. It is also vital for line managers to work closely to get access to data to assist in the performance management process. This will assist in having more detailed conversations about performance with their teams (Personnel Today). This appraisal training can take the form of group training sessions, individual sessions or role play sessions, focusing on the management of difficult conversations. This will provide the necessary skills for line managers to put their teams at ease, stressing the importance of good performance and not just negative performance and the ability to support views with data.

HR will also act as the performance management experts able to provide advice and guidance on policy areas relating to performance management as well as assisting in the co-ordinating of more formal procedures, if these are necessary. There can often be a degree of complexity which comes with formal performance processes, with elements of law which managers can be cautious of, ultimately stopping some from proceeding with these processes. This is where the link with Hr must be maintained as this will allow these processes to be lawfully navigated (Hanley)

SUMMARY

- ▶ There is a need for the right mix of supporting HR policies to be in place, aimed at creating the environment for discretionary behaviour.
- ▶ Organisational, departmental and individual objectives and goals must align both horizontally and vertically.
- ▶ Individuals should be given the autonomy to carry out their roles and the opportunity for development, providing the environment for them to perform to their best.
- ▶ There is a need for line managers to provide regular and timely feedback to individuals on their performance.
- ▶ Ensure that objectives and goals are flexible appropriate to the specific role of the individual.
- ▶ Work closely with HR to gain data on performance and to seek advice and support on PM processes.
- ▶ Trust, trust, trust your employees and maintain contact with them.

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