

## AN OVERVIEW

A performance management system provides a vehicle for common understanding of the organisation's purpose and of the requirements and management expectations in relation to each individual's work. The system recognises the importance of the work of each employee to the success of the organisation. It promotes open communication between the manager and the employee by providing regular discussion on expectations and progress. It allows for identification of skill development needs and assists the organisation in career development and succession planning. It provides management with a mechanism for the early turnaround of unsatisfactory behaviour, for assessment of performance, for appropriate employee recognition and the equitable distribution of reward.

Performance management is a point of entry into wider programmes for improving public service performance, and performance appraisal is the key to sound performance management. But it is important to remember the large picture. Performance management systems must be integrated with other systems – a lack of integration and strategic alignment will lead to ineffectiveness and overload.

Individual performance management begins with the strategic plans and objectives of the organisation and work unit, and the budget allocation. It is assisted by effective management – consultation on work plans, coaching and feedback – and by providing employees with information and sufficient freedom to allow them to be fully effective. It is supported by appropriate training and development. Pay and reward systems should be developed with considerable caution and need to be consistent with the particular performance management system and its objectives.

Good design of organisations and jobs will considerably assist successful performance management. This is also helpful in identifying the required underlying competencies so that the best people are selected in the first place. In the dynamic environment of the 1990s, organisations are increasingly adopting generic structures such as broadbanding job levels and job categories. This shifts the focus to the competency set of the team, rather than on detailing the duties and qualifications of individual jobs which have to be frequently adjusted. Sound performance management will, in turn, allow for more flexible arrangements to be

“Employee performance and productivity is best supported through effective communication and organisational goals and combined with the career aspirations of employees.”

*(Explanation of the context of performance review policy for the Canadian Public Service)*

adopted, as it forces consideration and reform of many of the traditional requirements of the organisation.

Performance management is becoming increasingly important in the public service. It provides a strong and flexible management framework originating at government level and sets the context for better management at the level of the work unit and the individual.

Performance planning and review will help to ensure that the right things are being done. It will provide for continuous improvement and, when radical change is warranted, good performance management will aid its implementation.

Performance management requires a change from a culture based on inputs and control to a culture based on commitment and results. It is about planning, communicating, providing feedback and on-going adjustment. Above all, performance management emphasises the key theme of public service management in the 1990s – performance management is about leadership not control, and it requires leadership by demonstration rather than leadership by instruction. This is a tough challenge, but the pressures for improvement in public service will not allow it to be avoided.