

HOW TO LINK PERFORMANCE MANAGEMENT WITH ORGANISATIONAL PERFORMANCE TO DELIVER SUCCESS

Peter Gray explains how learning technology can be used to strengthen organisational and individual performance and improve ROI.

Gap assessments, 360 appraisals, managing under-performance, objective setting, reviews, links to pay and bonus, personal development discussion...the list goes on. In their CIPD textbook, Armstrong and Baron define performance management as: 'a process, which contributes to the effective management of individuals and teams in order to achieve high levels of organisational performance.'

As such, it establishes shared understanding about what is to be achieved and an approach to leading and developing people which will ensure that it is achieved.'

The authors stress that performance management is 'a strategy which relates to every activity of the organisation set in the context of its human resource policies, culture, style and communications systems. The nature of the strategy depends on the organisational context and can vary from organisation to organisation.'

Whew! I don't care what anyone says, this turn of phrase increases the mystery around process rather than demystifies it. So, I'm going to interpret their definition as follows: 'If you want your organisation to perform better, you must pinpoint what you can do to help your people perform better.' Fair? Good.



ENGAGEMENT BRINGS IMPROVEMENT

It is crucial to engage people in their work in order to see real and measurable performance gains. Organisational improvement arising out of effective individual and team management, simply will not happen unless people are engaged with both the process and the organisation. So, can technology strengthen the links between organisational performance and performance management?

Research and experience repeatedly confirms that people prefer to create their own specific goals. When they've sorted their personal development plans they like to get feedback on how they're doing. So what can technology contribute to this journey? In its simplest sense, technology facilitates three key contributors to successful performance management: 1) sharing; 2) organisational alignment; 3) documentation.

And so our performance management process, using technology, is involved in cross company communication and collaboration, in order to share performance and development goals with line management and other key stakeholders. We will return to 'key stakeholders' later but let's not lose sight of how technology will support the sharing aspect of the process.

COLLABORATION BRINGS PROGRESSION

Technology will record all of the discussions, outcomes and proposals for development going forward. It will record progress, achievements and results. It provides an online location to monitor progress and, crucially, it can be quickly deployed to assist with organisational change.

The key to all of this is that within the performance management process there is (among other interventions) face-to-face collaboration between line managers and individuals. Technology provides ongoing linkage and support to the individual once this 'live collaboration' is over. Linking personal development and personal goals to organisational goals is crucial. Performance management is not a standalone process. Neither is the support platform of technology a standalone solution.

Every part of the process is inextricably linked in a dedicated space called a virtual organisational development environment (VODE). This is a single login, fully integrated environment, which links the current and future technologies into five key processes: Communication, Learning and Development, Succession Planning,

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Personal Development and Performance Management. The processes are all linked to one common theme – the organisational goal.

Where does the organisational goal emanate from? Where *should* it emanate from? The answer is the Boardroom. And technology can play a massive part in delivering the Board's desired outcome. This will happen only if this goal filters down from the executive team and makes credible links with the goals of individual employees. This linkage is well recognised.

IDENTIFY PRIMARY STAKEHOLDERS

What is less well known, is how strong the links can become when technology is used effectively. This relates back to the key stakeholders mentioned earlier. An organisational strategy is made of three separate strategies: technology, process and people. Organisational performance and individual performance management must have the clear support of four key stakeholder groups. These stakeholder groups are: the business, HR/L&D, the line manager and the end user. Any technology solution deployed in support must serve these primary groups while being measurable.

If we accept that performance management calls for personal development, which in turn calls for learning, it follows that learning content forms an important element of the people and performance strategy. Today, learning content, in its many and varied forms, is increasingly supported by systems and technology. The contribution of technology is creating new opportunities for organisations to do much more for less and take advantage of the digital dividend.

The learning technologies of today and tomorrow make far more use of communication and collaboration – in some ways challenging the intranet – in their ability to provide a truly engaging environment. When a portal solution today combines L&D, performance management and personal development, users increasingly engage with the technology available to them. This leads to a likely learning portal usage figure of 80% which is far better than the more usual 20 or 25%.

It's not difficult to see that if we can increase the usage of learning technologies, organisations will reap the digital dividend in the form of improved business performance. But how do we engage our users more? We must empower them and accede ownership of their development journey. Alongside this, we must ensure that their personal development goals align with the organisation's goals.

RESPONSIBILITY TO ACT

We are increasingly seeing a positive correlation between employee engagement, workforce productivity, business and financial performance – and customer satisfaction. In short, organisations perform better when their people are engaged. This squarely places the responsibility, to build a level of trust with its people, on the organisation. It's all very well putting development in the hands of the user, but the user must be motivated to respond to the opportunity being offered.

If used correctly, technology gives firms the opportunity to build on a person's natural desire to progress. In many ways it is our duty to use new learning technologies to build an effective user-friendly environment. The picture for the end user is frequently complex; all too often personal development interventions result in silo content and multiple logins.

Momentum is gaining towards technical solution integration, creating a single login for users, allowing them to access wide and varied content and different technologies from one place. The VODE brings performance, learning, development, planning and communication into one single engaging environment.

This is simple to access, intuitive and straightforward to manage. Organisational development portals are beginning to be recognised as a major resource that strengthens the links across varying processes. There is an increasing understanding that they underpin, enhance and facilitate a joined-up approach to organisational and personal success.

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