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# **Importance Of Performance Management System**

## **INTRODUCTION:**

In today's technology era the world of work changing all the day, and every time so employees has to update them self every day. Employee has to work with different generation and in different culture despite this changes employee remained to the competitive advantages of organization. According to the oxford dictionary, "performance management is the process of creating a work environment in which people are comfortable and give their best performance regarding to their abilities." HR department plays an important role in implementing and designing performance as well as the team of HR has main responsibility to ensure us the smooth implementation of the process. There is no such regulation that contains or recommends that employers conduct performance reviews. If so then the firm must have a solid reason. They can provide input, recognize good or bad performers, evaluate their behaviour, recognize the training needs and assist with planning and staffing. (Under Nick Van Dam)

## **MAIN BODY PARAGRAPH:**

To begin with the performance management process it is, it is about shared understanding of individuals contribution to a goal of organization and effective performance management and appraisal process focus on workforce, improving performance and development of employee. The advantages of a performance management program will include: more reliable selection of the right person for the right job at the right place for promotion, transfer or other action. The need for inspiration must be observed in every organizational hierarchy. The need for motivation to achieve the organizational objectives is needed. For an employee, direct and indirect encouragement is always important. Therefore, morality should be improved, the workplace should be made more comfortable, and productivity per hour worked should be increased, labour costs reduced. Many highly motivated workers are also likely to be more loyal, making management more effective in maintaining valuable employees even as the workforce of the nation becomes more mobile. An employer with an objective appraisal method will potentially have a basis to say that he has better employees than others in his profession. Those who underline human behaviour research will improve their maturity and responsibility if their contributions are correctly measured and rewarded. Education is a tool that ensures that our organizational objectives are accomplished with reduced risk and failure factors. ('Elaine Biech') While accurate assessment is most commonly advocated because of its role in enhancing' good employees,' it also has significant remedial value. Assessment will find workers in need of training-and not all of them will be re-entered hires. According to Times of INDIA, "reliance industry is the biggest MNC who focus more on performance management of employee in the sense the HR manager of this company always take feedback as well as think forward about performance management like he helps employees to understand what the business is trying to achieve and what is their role to achieving their goal. Education is an important instrument for increasing employee productivity skills. The author says the bigger risk gives us more benefit. Ultimately, under an evaluation system, workers who are too incompetent to be fired can be found with greater certainty. Perhaps more significantly, management may be more willing to dismiss an incompetent worker if an objective appraisal method can be defined as ineffective.

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First, each company has two main goals, and second, is secondary goals. Goals are the foundation of an efficient method for measuring output. Designing strategies have two key elements to remember. First, do priorities are explicitly and critically written? Second, do they contribute directly to the realization of the business strategy? Management in the company must implement SMART. (Smart Technique Of Case Study)

- S – Specific
- M – Measurable
- A – Achievable/Attainable
- R – Results-Oriented/Realistic/Relevant
- T – Time-Bound

Including the above requirements in SMART results is clear and easily visualized and measured. The unattainable goal is just that. An employee knows when he/she are unable to accomplish it and will be influenced by their efforts to achieve the goal. Having the target clear, measurable, and time-bound leads to achieving the goal and follow through on that improvement. Many managers choose to further identify milestones with a deadline between start and finish time. Often concentrating on the outcome of the objectives can overshadow the steps needed to achieve them. Furthermore, the goals must represent conditions under the control of the employee and the R'S (Results-oriented, realistic and specific) these conditions should definitely apply. Through establishing relevant goals, a manager emphasizes the importance of connecting to strategic goals and explaining why the target is significant.

The employee and manager should then periodically monitor progress toward targets using the information success plan as a reference guide, problem-solving road blocks, reassessing priorities, adjusting goals as business direction changes, and re-evaluating training and resource needs. This is where the dialogue is important, and where sometimes the follow-through fails. Performance planning and ongoing performance reviews are important as they promote continuous improvement and help open communication performance planning, as with all other steps, is a collaborative process between manager and employee, although some non-negotiable elements will always be present. Begin with the job description and describe key work expectations. The goal of defining goals can be weighted. Discuss specific information on how to measure progress against goals. The next steps include finding any challenges that might stand in the way of achieving such goals. If an obstacle is information, skills or behaviour a strategy to overcome, i.e. preparation, mentoring, etc., should be established (Elena paparizou)

Training management, including goal setting, success preparation, performance monitoring, and input and coaching, should be a constant and ongoing process, it is not an occurrence once or twice a year. Feedback provided when it is most appropriate improves learning and offers the opportunity to make the necessary adjustments to achieve the objectives. Daily target monitoring provides the opportunity to provide input when required, change success plans, overcome challenges and schedule missed deadlines for contingencies. Specific examples include insight and Potential Employees. In addition to completing the self-assessment, selected colleagues, subordinates are invited to provide input on pre-identified abilities or competencies and the final results are correlated with the self-assessment of the employee. This input sort improves self-processing. Most evaluations also include self-assessment of staff. Many documents that help identify an objective of success. Other documents helping to recognize performance artefacts include: past performance assessments, current departmental

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and organizational priorities, and recorded carrier goal requirements. (Said by Heather & Qualls).

Note-taking must be accurate and must include all important, positive or negative events. Documentation is important to support decisions about results, and notes should be written with the intention to share. The subsequent follow-up should be comprehensive as well as recording the specifics of an incident. This should be factual and focused on measurable work-related activities-including accomplishments, achievements and, where applicable, any disciplinary action reports. Managing another individual's success is not an easy task, and requires several skills. Training may be required to ensure that managers feel adequately prepared to execute all related tasks effectively. This is particularly true of newly promoted managers. Managers need to evaluate the situation, provide encouragement and recognize performance-impairing issues. In addition, administrators must consider the ease, skill and management of individuals at different levels. A manager who feels prepared to provide input and receive feedback, performs. It should also include an environment where workers can record their thoughts and inputs. All statements on the evaluation form must be job-related and up-to-date measurable behaviour. Main job tasks, current project work, relevant skills, goals and accomplishments should be included. Previously completed performance evaluations should be used as benchmarks.

## **CONCLUSION:**

Eventually, performance management is throughout a planning framework which is about those individuals, teams and the overall organization who knows what they should be doing, how they should be doing it and take a responsibility to achieve the goal and rectify the poor performance and learn from the past performance. There are the four key elements of a performance culture the first one is purpose, outcomes is second one and third one is accountability and the last is teamwork. The path to effective learning or talent and performance management is not always a simple one, but making step-by-step, measurable improvements can bring significant results. The following points serve as a reminder of some of the key elements of a productive operation. Assessment and holding a meeting on the performance evaluation will be a major contributor to a productive cycle. Review and holding a performance evaluation meeting would contribute significantly to the effective operation of the project. An evaluation or analysis of the results of the workers should be a description of everything addressed. The review should be a written clarification of the objectives addressed, based on up-to-date work requirements and key areas of performance and previously discussed objectives and evaluation methods.

## **RECOMMENDATION:**

There are some recommendations of to improve performance management strategies which are very effective,

- Define and communicate company goals and performance objectives.
- Company has to utilize performance management software.
- Employees have to offer frequent performance feedback.
- Company has to review peer reviews.
- HR manager has to set regular meetings with the employees to discuss outcomes and results.
- Company has to apply preemptive management and recognition.

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