

Performance Management- Various Steps, Methods and Benefits.

What is Performance Management?

In business world, we set goals and plan the methods to achieve goals. The performance management deals about the steps involved in achieving the pre-determined goals. The company might have set individual small targets to achieve and there may be long term goals. The performance management concentrates on achieving short term goals and linking them properly to achieve long term goals. The main motto of an organization is to get profit. The performance management is the ladder to achieve the goal. It helps for the development of individual skills as well as for the improvement of the organization. In simple words, we could call performance management as pruning of four activities, cutting the unwanted things, polishing the required activities and cultivating the new wanted methods. The HR activities are made more simple by applying performance management.

Steps in performance management:

The first step is planning. The performance planning sets and emphasizes the goals to be achieved within the given timeframe. The performance training helps to clear doubts and directs in the right path. Performance measurement is a subsection in performance management which helps to measure our achievements, in between, while proceeding

to achieve goals. Every individual involved in a project has to give performance appraisal with full documentation of the work done by him. We may get hurdles and our work may get delayed due to some unavoidable reasons. The difference between the desired performance and the actual performance is called as performance gap. The network performance management deals with the evaluation of functioning of network elements and the related data. The effective use of manpower, material and finance is known as business performance management. The recognition of good performance is the last step in performance management.

Methods of performance management:

The popular method of Balanced Business Scorecard is being followed by many companies successfully. The six sigma is a valuable tool for data analysis and measurement of performance and improvement. The employee rating system and the employee ranking systems are used by some companies. The employee recognition system helps for motivating employees and makes them involve in more responsible projects.

Benefits of personal management:

The application of personal management reflects immediately in sales. There would be definitely an increase of sales due to proper functioning of personal management. The time management helps for reducing unnecessary costs and achieving the goal quickly. Since we are measuring the progress in between, it helps for improvement, diversion

in right path and application of short cut methods. The management could have easy control on man and material. The performance management helps for getting the desired result related to legislative and audit purposes. The correct documentation helps for preserving data for future reference. If the business is already established well, they could set incremental goals to show improvement of performance in every year. If it is a developing company, benchmarking and step by step progress are essential.

In the competitive business field, it is essential to know where we are, what to do to move further and faster, how to establish ourselves and how to enter national, international market. Making global business would be the final level in business field. The constant monitoring of activities, time management, risk management, coordination and documentation are to be implemented well to get good performance results. All our activities should be accountable and well planned. So, the performance management is a helpful tool for business people and organizations, to achieve the goals set.