## Performance And Reward Management Prof. Susmita Mukhopadhyay Vinod Gupta School of Management Indian Institute of Technology, Kharagpur

## Lecture - 21 Role of performance management in employee development, addressing performance management skills and team reward management

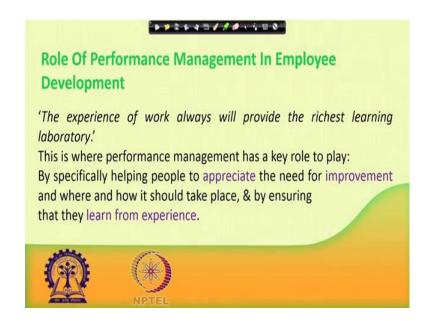
Welcome to the module of the 5th week's topic, the topic covered in this week will be Role of performance management in employee development, addressing performance management skills and team reward management.

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The concepts that will be covered today are performance management and employee development, learning opportunities, and personal development planning.

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So, we have discussed many times from the start itself like the basic philosophical difference or extension or from performance appraisal to performance management is like the. It performance management focuses more on the development of the individual as a person and increasing the competency of the person equip making the person more equipped.

So, that and the person develops the self efficacy regarding that the person how good the person can answer to the problems at hand while performing his or her job and becomes a better performer. So, because work will always provide the experiences in work will always provide the richest learning laboratory.

So, this is where the performance management has a key role to play, so it helps people to appreciate the need for improvement and where and how it should take place like and by ensuring that they learn from experience. So, the work experience that they have the gap analysis that they do from where they actually are and where they actually are and what is expected of them, so that helps them to that experience itself help people to learn.

(Refer Slide Time: 02:33)



So, a performance management can also help to identify as specific training needs that can be satisfied by formal courses on and off the job. So, but the most important contribution is because is it in develops the climate for learning, so like Google is known for the growth culture.

So, it is whenever we are talking of performance management the setting of organizational goals which is an aligned with the vision, mission of the organization. Getting it aligned with the individual's and the departmental goals are important and equally important is developing an organizational culture which will given facilitating environment to practice this ways of sharing knowledge. Then becoming more like proactive motivated to learn to grow and to like enjoy the work that we are doing and contribute positively towards the growth of the organization. And in the process the person himself or herself grows also, so, the creating of a proper climate for learning is important.

(Refer Slide Time: 03:57)



So, performance management like helps to guide people through their work challenges giving some increasingly difficult goal to achieve. And once they achieve it setting the targets in such a way which is difficult, but yes achievable which gives them a sense of fulfillment need for achievement is fulfilled. And they have the motivation they get intrinsically motivated to try for harder levels.

So, but for this it needs to be ensured like they have time and resources required to learn like crucially giving them the feedback and support that they need to learn. So, if you want people to explore, if we want people to explore and learn and grow from the mistakes and then try out. Like newer ways of doing things which is going to do value addition to the performance and also to the organizations growth. Sufficient time and resources required to be given to them, because learning takes time to happen and also proper feedback been given to them and support when they need to learn.

(Refer Slide Time: 05:29)



So, performance management actually provides this learning opportunities during its three main stages. Like when we talking of performance agreement and planning, performance management of performance throughout the year and performance review.

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When we talk of performance agreement as a frame of learning what we find like these are based on the initial activities in the performance management to cycle as a part of the planning cycle. So, because when there is a joint analysis of the individual's role, so that

and from both the individuals perspective and from the like maybe the superior's perspective.

They can do a joint role analysis to find out what changes may need to be incorporated in this role, so it well fits in to the purpose of the organization. And so when this regular review when is done and it is all the steps actually are very connected to each other, here for the sake of understanding maybe we are considering it as in silos. But, when we are taking a proper review from there we understand where role is able to understand is able is like well defined enough to answer to the objectives a time. Where it needs to be updated the role profile needs to be updated, so that a new things need to be brought in, so that it becomes like it does not become redundant it is timely and it is efficient and effective enough.

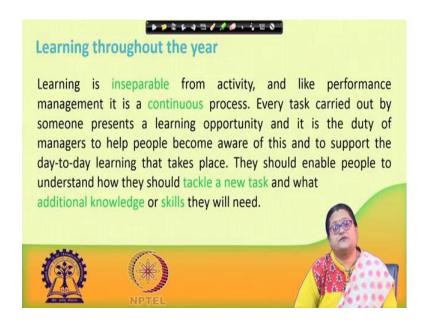
So, why the joint analysis of the individuals role is done, so that a new or updated role profile can be produced, which needs to have maybe a relook into what results are to be achieved and what competences are needed to deliver these results. So, this joint discussion itself is a frame which provides a framework for learning because when we are discussing and what are the roles and what they are able to do and what they are; where they are finding some blocks. And what new things need to be incorporated into it is itself a process of learning and of newer things and understanding the connectivity of those things with the objectives of the organization.

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So, based on this what happens areas where performance needs to be improved or identified and the learning required to achieve these improvements is agreed upon.

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Next when we are discussing about learning throughout the year. So, this is a very important way of looking at the process of performance management, because we have defined performance management if you remember as a continuous process.

So, why this is so, because and why you have discussed over here is learning throughout the year. Actually learning is an inseparable part from any activity, so like as we told performance management is a continuous process. So, any tasks carried out by anyone every of those tasks, it provides a learning opportunity and it is somewhere the duty of the managers to help people to understand to be aware of this. Like, what are you learning from this, it is not only how you are executing it and carrying your orders. But whether you understand what are the processes that you are done if given in similar situations what kind of things you are going to do and what are you take care is from this.

So, the manager must make have the people to become aware of this and do support the day to day learning that are taking place. So, they should help people to understand like how they are going to tackle a new task and what are the and if they are facing with a new task then what are the additional knowledge and skills that they are going to be; that they are going to need.

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For this is actually important is like we were talking of the mentor mentee relationship coach and team relationship. So, one of the important aspect of this is the feedback throughout the year rather than during an annual performance reviews, so because it is important to means of helping people to learn.

Once you get a feedback about how what things you are doing good and what things you need to improve on. It helps you to make your plan for learning, describe your timetable fix up your routine. So, feedback throughout the year is a very important feature and which helps in facilitating the learning process in the organization.

So, people can be asked to like analyze their performance and find out where it can be improved and come up with the ideas of any coaching training or any other experience that they need. So, like the organization will try to give you exposure to this and which may in the long run improved on your performance.

(Refer Slide Time: 11:49)



Performance reviews are also learning events as whether it is conducted formally or informally it can be taken as learning events. So, learning opportunities are generally provided before, during and after the formal meeting. So, before the meeting people are generally encouraged to think on like what are those things they feel that they want to learn maybe the new skills like they want to acquire and the directions in which they want to develop.

So, why this is again taken with the purpose we told like alignment of the goals of the individual with the goals of the department and that of the organization. So, before a performance review is done. So, with the person should be the before a performance review is done, the prior to going for a meeting the people should be encouraged to have a self introspection of his or her strengths and weaknesses interests. And find out like given that the organizations vision and mission is this and in this is the like possibility of the future growth of an organization in a particular direction.

So, and given my specific background, strength and opportunities and weaknesses et cetera these are the domains in which I would like to develop these are the in myself. So, that I can do maybe multiple tasks in future or shift to a different roll all together, because the new ways that the organization is getting defined as a point of interest area for me also and to do that you may need to brush up certain skills or acquire some skills in new direction. And this is where the employee chalks out that idea, this is where they

want to develop in which way they want to develop and what are the kind of supports that they require for it.

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So, during the review the individuals can present to the reviewer their views about what they have learnt and what they need to learn. So, whenever you are talking of reviews it is generally like what you have done in past like what you are like evaluated for your past performances, but you can tell, but you can tell your future aspirations also. So, based on a dialogue that takes place between the appraiser and appraisee we people can decide on the learning areas of interest for the person and like decide on the agreed areas of priority.

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So, individuals like should be encouraged to take responsibility of their own learning and for implementing the outcomes. So, the outcomes of their review could be the personal development plan, following the review the learners and the managers can monitor progress against agreed tasks. So, based on this implementation of the outcome, so what will be the future plans development plans and how can monitor their progresses against these targets. These needs to be there what they should be decided at the time of the meeting and individual should take responsibility of their own learning.

And because so as a performance management system we should motivate people to become self learners, because as adult people based in the philosophy of andragogy, we cannot always push people to learn. The people have to be self we can tell you like these are the avenues or we can create opportunities for you, but it is up to you whether you want to utilize those opportunities or not. So, motivated being motivated self learners taking responsibility for all learning is by the individual is a very ingrained feature of performance management system.

So, the employees should be motivated to learn, motivated to take responsibilities for their own learning and implementation of the outcomes. So, these will lead to personal developmental plan and developments plan and, so and they there should be a way for monitoring their progress against the agreed targets and both the learners and their managers can see it.

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Personal development planning; so in personal development planning it aims to promote learning, and to provide people with the job knowledge and portfolio of transferable skills that will help them to progress in their careers. So, if you get training on some skills like we tell like those who maybe knows how to cycle, also knows to how to swing, those who knows how to play to typewriting, also knows how to play piano. So, these are like which you call transferable skills, so that that will help people progress in their careers.

So, to provide knowledge about a portfolio of transferable skills, so that they become more equipped with competencies which they can do like the transfer of training as when they face some new situations. Try to find out the degree of commonness between whatever presently they are doing and a new system that they are introduced into and transfer some of their skills from skill sets from here to the new situation and function effectively over there also.

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So, it provides a self organized learning framework indicating the actions required by the individuals managers and their organization. So, again it serves as a point of reference for monitoring and reviewing the implementation of the plan. So, when everybody becomes self motivated learners setting their own targets that I have to do this and have to learn this and enjoys the process of learning itself. Then it becomes very intrinsically motivated to learn, so based on this, so the target of performance management is to facilitate people in their learning process.

And encouraging them to become self motivated learners where really they do not have to be pushed from outside to become better learners. But they will start learning because of the joy of learning and they because they feel like with this new knowledge they are getting to get themselves more equipped and aligned with the purpose of the organization.

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So, when you talk of the planning process plans are always related to work and the capacity to carry it out efficiently, so it is not just about identifying training needs and suitable courses to satisfy them. So, training courses may form a part of the development part, but it is a plan, but it is very small part, but more other importance are of ,points are of course, coaching.

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And adapting a role model observing and analyzing what others are doing extending the role that is job enrichment, involvement in the other work areas action learning, elearning.

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What we find over here is like we can tell like go these courses are important for you, but again how people learn, what facilitates learning depends on many things. So, coaching is a relationship interpersonal relationship between the superior and the team, where the superior is seen to be an expert in the learning process.

And we from whom people can learn many in like tips of how to solve like the practical issues at hand what things they need to learn more. So, coaching adopting a role model where like a mental you are guiding people and people are learning by observing you, so next that is why a connected part is observing and analyzing what others do.

Then extending the role what all other things can I do based on the competences and what more difficult things can I do then involvement in other work areas. How can I contribute in a interdisciplinary work or a multidisciplinary work, how do I learn from, how do I learn by doing certain things and how to e-learning, learning from the digital platforms.

So, when you are talking of action planning like how to define things and how to set, how we should be doing things, then the first is understanding the learning needs of individuals based on the target that they have to reach. So, outcomes expected like what are the outcomes expected of learning and what next is to be defining, what are the learning activities required to meet the needs.

So, next is who is responsible for learning, so what employees are, will do, what support they will require to perform their work. So, this kind of information will come from the HR department to other people. So this is a like again when you talk of responsibility for learning, so they will require some support. So, definitely we cannot just tell that the person you are just responsible for learning we have to understand our role also in what the person wants to learn.

And this is very important like support when you talk of support that they require from the managers, the HR departments or other people. The support that they are going to require from their managers, HR department or other people, because if there is no hand holding support in the organization it is very difficult for the people to learn just alone.

So, timing when is the learning activity expected to start and completed everything is based on time. Because with their rapid pace of development, rapid pace of development knowledge is our skills are becoming obsolete very quickly. So, when is the learning activity is expected to start and to be completed is a major issue of discussion while we are doing the action planning means what things we need to do.

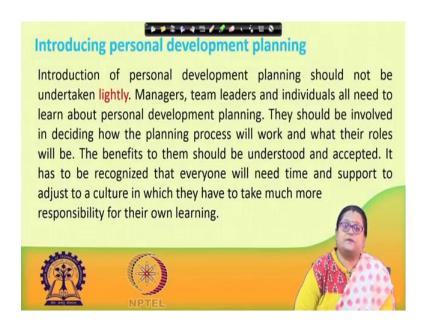
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So, the plans should be recorded in on simple forms with 4 columns like, covering, development objectives and outcomes expected, actions to be taken, when support is required, and evidence required to show that the planned learning activity has been undertaken successfully. So, development objectives to reach that objective what are the actions required to be taken. So, if these development activities and actions need to function well, what are the support that are required for this and ultimately how it has affected the learning process which can be proved from evidence only.

So, the evidence required to show that the planned learning activity has been undertaken successfully. So, when was this activity done, how many people successful, when was it implemented like, how many people have reached the level where proper feedback given or not. And like a mention of all these things will work as evidence to show that the planned learning activity has been undertaken successfully.

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Next is introduction of personal development planning is also an opportunity to learn in the organization. So, it should not be taken lightly because everyone managers, team leaders and individuals all need to understand about the personal development planning.

So, they should be involved in planning; in the planning process how it will work and what were their roles will be. So, the benefits that are going to come to them should be understood and accepted ok. So, it has to be recognized that everyone will need time and

support to adjust to a culture, so if were they need to take much more responsibility for their own learning.

So, the environment can be facilitated, but we cannot force people to learn until and unless they are self motivated. So, taking responsibility for own growth also doing some background check and survey to find out these are my interest areas and this is where I need to see myself. These are the present set of skills that I have and this is where I need to learn and if given an opportunity I will ensure like I will do justice to the new course that I am going for, so these are like responsibilities people they need to take it.

So, and only if they do it the benefit is going to come to the individual as well as to the organization. So, how you chalk your personal development plan is both function responsibility of the organization it has to provide you a facilitating mechanism, facilitating environment, good coach or mentor. But it is more, so of the responsibility of the individual in order to understand how the person wants to progress in life.

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Next because we are talking of individual development plan, coaching is a very important phenomena, concept which is connected to it. So, it is a specifically personal one to one job approach to help people develop the skills and level of competence.

So, the need for coaching may arise from formal or informal performance review, but the opportunities way of coaching will emerge during normal day to day activities. So, in

while you are doing the performance reviews it can become very evident like the sometimes coachings are required.

So, but you know how you do it like on the field it arises when in normal day to day activities are done, people are stuck somewhere in doing implementing certain processes. They need a hand holding support, they need a guidance how to come out of that and like how to solve the problem and their coaching you get a scope for coaching people.

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So, every time a feedback is given to the individual after a task has been completed every manager there itself do have an opportunity to help the individual to do better next time. So, when you are talking of giving a feedback, the feedback should not end with this is how you perform now.

It should continue to showing the way in future telling this is how you have done now this is the level that you have achieved, but you can do further better also because I believe in your capability and they understand that you can do also. But then again you have to do it in these ways and avoid these mistakes and like develop on certain points and improve on certain points not just some other things. So, what all combination of things a person can do, so that the person will do better next time is also a part it should also be a part of the feedback that the manager provides to the individual.

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In the coaching process what it is very important to understand how to give coaching in a coaching process it is important to make people understand how well they are performing. So, controlled delegation; so slowly controlled delegation, so that people understand not only what are expected of them. But what also they need to know and be able to do the complete the task satisfactorily. So, it is a hand holding support to increase the competency of the person, but the coaching should not be such like the employee becomes dependent on the coach and waits for the suggestion every next time.

So, when to give that support, when to gradually withdraw from it because by that time I have made that person grow become more self efficacy has developed. The person knows how to do things; the person has gained self control over the parts of uncertainty, so these are certain things the ways that the coaching should be done. So, and we should like try to give examples from every situations not only from successes, but again from blocks hindrances failures and use every situations as opportunities to promote learning. It is very important to go through certain may be disappointments failures block.

So, that it gives you a clear idea like this was done this time and this led to this. So, next time when we try out we are not going to come into the same kind of mistake and that is an important learning for performance management because that is how you decide, how to grow.

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These are the references taken for this and again we will be happy to discuss more on this based on the queries that you post in the forum, we encourage you to post your questions on the forum. Because as we are in the discussion of the performance management and reward management system and we believe it is a continuous process of learning. And we believe like you are self learners also; obviously, we expect there could be many questions in your mind which you need to get clarified. And they will put the forum that we have is an opportunity for you where you can post your queries and we are there to help you with your learning process.

Thank you.