

Track Performance, Improve Productivity

Organisations that track the performance of their employees on a periodic and consistent basis will tend to outperform those that adopt a laissez-faire attitude or who wait for the dreaded annual performance review.

Many organisations are very good at planning and setting goals for the Company, for Business Units and for Employees. These plans are usually made using a sound and structured thinking process. In many cases the plans do not get achieved and there is likely to erupt a blame game with Shareholders holding management to blame and Management holding employees to blame. Just because it is planned and documented does not necessarily translate into results. Performance tracking is important in bridging the gap between planning and results.

One of the ways of ensuring that Performance is in line with set plans and objectives is the use of dashboards. The dashboards can be standardised and be able to track organizational or departmental performance along key dimensions or indicators. The dashboards will usually contain a number of metrics, which are derived from the set objectives. These objectives will have been identified during the planning stage. The dashboards should focus on all aspects of the business or departments for which superior performance is required. Dashboards for example should not only focus on the Financial performance of the business but should also include other elements such as Customer Satisfaction.

Performance reviews are carried out in many organisations two times a year. This practice allows Managers to get a feel of how well the organization or department is doing in terms of its objectives for a given period. This method is based on the belief that the overall organizational performance is the aggregate of individual performance. Therefore by addressing individual performance gaps one is able to align individual performance to organizational performance. There are many arguments for and against performance reviews or performance appraisals and no matter which view one holds it is important to have a forum in which the performance of the department, of the unit or of the individual is discussed with a view to acknowledging progress or taking remedial action. For certain indicators waiting for a period of six months before having a discussion on them seems like a long period of time therefore organisations should hold managers accountable for having review meetings or sessions periodically even if on an informal basis.

Another important method of tracking performance is through peer assessments. Peers will usually have opinions about the performance of their coworkers. Some of these peers usually interact in the pursuit of organisational or shared objectives. Tracking the performance of coworkers through peers in such cases is important, as a chain is as strong as its weakest link. In order to eliminate possible bias from peer reviews managers should be able to request for feedback in a structured manner so that the feedback is not personal but intended to improve the job performance of the coworker.

Tracking complaints is important for quality assurance, which is why many companies track the voice of the customer. Tracking mechanisms differ but can include Excel spreadsheets or databases designed to capture product or service failures. Tracking customer complaints and preferences allows business leadership to adjust operations and meet the needs of clients. Just like with the reviews of employee performance, an organization should not wait until the end of the year to find out what customers think of their products or services, by then it might be too late and the customer may have already moved to a different

service provider. For this reason, many organisations now build in customer feedback into consumption which allows them to receive feedback as soon as possible after service delivery and to act on it on time.

In order to make sure that the organisations productivity is always increasing you need to put in place mechanisms to track performance throughout the year. This is very important as some areas of concern cannot wait for a whole year before action is taken and this is why certain Key Performance Indicators are measured and reported on weekly or monthly.