

Ernst Enterprises Newsletter



Implement a Performance Management Program

10 Steps To Create An Effective Program

Many business owners and top executives would like to implement a more formal performance management program to help spur high productivity within their business. This program would also move weak performers more quickly to acceptable levels of performance **or** to exit the business.

Yet perceptions of performance management programs are that they can be bureaucratic, complicated and poorly run. It is these perceptions that has created cynics of the work force, and are the fodder for Dilbert® cartoons.

Unfortunately, many mid-sized businesses do not have the expertise within their company to guide them through the process of determining what type of program would work best for their business. We believe an effective Performance Management Program ("PMP") can be tailored to fit your business and produce the effect of recognizing and reinforcing the desired performance, while identifying and discouraging poor performance and unwanted employee behaviors.

Many owners search for the "magic bullet"; the one thing that is easy to do and will improve employee performance and productivity. They typically invest in newer, faster equipment or look for some newer employee motivation program but forget about the power of effective people management.

We have found that the formula for successful performance management programs is:

EXPECTATIONS + FEEDBACK + (+/-) CONSEQUENCES = RESULTS

HOW DO YOU GO ABOUT SETTING UP A PERFORMANCE MANAGEMENT PROGRAM (PMP) IN YOUR BUSINESS?

Ernst Enterprises has developed 10 steps to help you implement an effective PMP:

1. Assess your current method of evaluating performance.
 - a. Which parts work and which don't?
2. Determine why you want a formal PMP.
 - a. To recognize and reward higher performance and to discourage and document poor performance.
3. Identify a senior level "champion" for the implementation of the PMP.
 - a. The sponsor must be a senior manager or the CEO which communicates the importance of the PMP.
4. Obtain outside assistance if you do not have sufficient in-house expertise.
 - a. Without experienced and capable advice, your success will be much more elusive.
5. Conduct management training before attempting implementation of a PMP.
 - a. The keys to a successful implementation are trained managers who can set clear and objective performance expectations, to be able to give timely and frank feedback, and to conduct effective performance evaluation meetings.
6. Involve the management team in setting the PMP expectations.
7. Develop performance based job descriptions.
 - a. Focusing on performance/results versus activities will drive achievement of performance expectations.
8. Develop or modify performance evaluation forms that can work in your environment. Don't buy an off-the-shelf evaluation form and think that will be the foundation of your PMP.
9. Develop PMP policies that you intend to follow and test the procedures to make sure that they will work in your business.
10. Communicate the PMP details to all employees so that they know what to expect.

The benefits of a well managed Performance Management Program cannot be overstated. Call now to find out what it would take to put an effective performance management program in your business. Call Dawn Bremer today at 847/456-6334 to schedule your appointment---the first step in improving your workforce performance. We have the expertise and experience to assess your current practices and implement a practical and effective performance management program.

To read more, see some of our earlier [Newsletters](#). We invite you to follow us on our new blog, [Be a Better Manager](#).

What keeps entrepreneurs up at night? Take our newest [SURVEY](#) and see how you compare.

How secure are your systems? Take our [systems security quiz](#) to learn more.

Sincerely,

Mark

Mark Ernst
Ernst Enterprises, LLC

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