CONTENTS

Acknowledgements vii

01 What is performance management? 1

Defining performance management 3

The historical context 4

Activities of performance management 7

The goals of performance management 8

Who is involved with performance management? 10

Approaches to performance management 13

02 Why is it important? 20

Delivering performance 20
Motivation 22
The psychological contract 26
The employer brand 29
The legal and ethical framework 30
Employee well-being at work 35
High-performance working 39
Talent management 39
Conclusion 43

03 How does it fit with organization and HRM strategy? 47

Strategic performance management 47 An integrated approach 57 The organization 66

04 How does it work? 76

The performance management cycle 76
Principles of good practice in performance management 80
The performance review 85

O5 How do you do it? 105

Leading the process 105

Development: planning and analysis 109
Development: design 115
Implementation 119
Barriers to success 126
Monitoring and evaluation 127

O6 Planning and action 129

The performance agreement 129
Objective setting 133
Competencies 136
Feedback 145
Development, coaching and mentoring 154

07 Measurement 159

Obtaining data for measurement 160 Ratings 164 Dealing with underperformance 171 Managing absence 178

08 Conclusion 188

Monitoring and evaluating performance: why? 188
Monitoring and evaluating performance: what? 189
Monitoring and evaluating performance: how? 193
Conclusion 202

References 205 Index 209