

GUIDE FOR MANAGERS

Setting performance objectives and standards

The performance planning process enables you to help employees identify individual performance objectives that are linked to corporate objectives and strategy. The process helps all employees to understand how they contribute to helping the organisation achieve its objectives and where they fit in the organisation.

Specific

- Goals focus on results (for example, 'reduce customer waiting time' instead of 'provide customer service').
- Goals include imperative verbs (such as 'reduce', 'develop', 'maintain' or 'negotiate') so the employee knows that action is required.

Measurable

- Results are assessable either qualitatively or quantitatively. Assessable goals include words like 'on time', 'on budget', 'meets quality standards', 'required quantity' or 'to completion'.

Agreed

- One way to achieve this is for you to show the employee your own performance agreement, and for the employee to develop a set of objectives based on this and what they think meets the business's objectives. You and your employees then discuss these proposed objectives and come to an agreement. This also ensures that employees' objectives are effectively linked to yours and the corporate strategy or business plan.
- It is important to note that there may be non-negotiable objectives that are set by the agency or mandated by the Government and must be included in the performance agreement.

Realistic

- Objectives are designed to challenge employees but must be realistically within reach, otherwise they may not be motivated to achieve them.
- The objectives should cover areas within the control of the employee or that they have influence over.
- The objectives should not be set too far below the employee's capabilities, which can demotivate them.

Time-based

- Each goal has a completion date, so the employee can plan their work.
- Multiple deadlines are staggered.

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SETTING PERFORMANCE OBJECTIVES AND STANDARDS

Good performance indicators and targets are clearly expressed so they are easy to understand and work towards. They should also be easily measurable, and should contribute to the organisation's objectives by clearly linking to the corporate strategy or business plan.

You should formulate a development plan for each employee that identifies any areas where they need additional skills or knowledge, and states what the employee must do to develop these skills or acquire the knowledge. Development activities should be directly linked to helping the employee achieve their performance goals, and in some cases may also be linked to the employee's future career aspirations.

Each employee's performance objectives should be 'SMART'. This makes it easier to identify how achievement will be assessed and how the employee has performed against the objective