

# Employment TOOLKITS



## THE PERFORMANCE REVIEW TOOLKIT

How to get the best from your staff

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# ABOUT THIS TOOLKIT

This toolkit is designed to help you support your employees to perform better at work. It does this by showing you how to create a performance review process that identifies, assesses and improves employee job performance.

An effective performance review system will do many things for your business, such as:

- Helping you meet strategic goals and the business bottom line
- Making expectations clear
- Identifying areas for professional development
- Aligning your organisational goals with career paths
- Identifying factors that help or hinder performance
- Building staff commitment so you can keep your employees longer.

There are two parts to the toolkit;

## THE TOOLKIT GUIDE

The guide is an overview of performance reviews. It includes:

1. An overview of performance management systems
2. How to define KPIs and KRAs and use them
3. Documentation

## TEMPLATES

The information here will give you a framework to implement a performance review system that works for your business. You can use, adapt and tailor the templates to your needs.

If you get stuck, don't forget our custom design service is always available.

# HOW TO MANAGE PERFORMANCE AND WHY YOU SHOULD

## WHAT IS PERFORMANCE MANAGEMENT?

Performance management is the process of identifying, assessing and improving the job performance of employees. It's done for the following reasons:

1. **Businesses perform better** when their employees are engaged with the business and performing well.
2. **Employees perform better** when they have the opportunities and resources to do so. E.g. career development, skills development, job satisfaction, recognition, rewards and feedback.
3. **To find out what is causing problems** and to fix them.

## HOW OFTEN SHOULD YOU REVIEW EMPLOYEE PERFORMANCE?

Performance reviews historically take place annually, between a manager and an employee. They're used to evaluate performance and set career goals for the next 12 months. Nowadays, businesses are shifting to a more informal but frequent approach. The good news? You have a choice.

This can seem like a lot of work for a small business, so it's important to design a simple, effective system.

You have two main options:

1. **The annual review.** The downside of this choice is that you risk only speaking about performance and giving feedback to your employees once a year. If you want this system to work well, you need to back it up with conversations that take place throughout the year and use the annual review to sum them up and document them.
2. **Ongoing and frequent conversations.** We live in a fast-paced world with employees changing jobs more frequently, so having regular conversations works well to keep employees engaged. As in the annual review, you may formalise and document these conversations.