Why Performance Management is Important

Five benefits to committing to a full performance management process

Every year, as performance management season approaches, it is common to hear, “Why do we even bother with performance reviews? They don’t actually mean anything do they?” Performance Reviews are just one part of the entire performance management process. The process is good for individual, teams, and even departments. We'll discuss some of these positives below.

• **Working toward common organizational and departmental goals.** Individual performance drives team, departmental, and ultimately, organizational performance. It’s important that the whole team understands the mission and vision their own team as well as that of their department. Ultimately, tying individual performance to organizational performance increases employee engagement.

• **Builds accountability.** Accountability means being responsible for whether or not a job duty or goal is accomplished. Sometimes people associate accountability with negative consequences. However, when accountability is built and executed correctly, it can improve performance, increase employee involvement, garner feelings of competency, and encourage creativity and innovation.

• **Clear understanding of specific job duties/responsibilities, goals, or previously determined developmental needs.** Clarity eliminates any uncertainties in individual employees and within the department. Supervisors and employees working together to set clear goals and expectations helps employees to clarify their role at Auburn. When people know what is expected of them, they are much more apt to perform at a higher level.

• **Regular feedback.** Regular feedback facilitates communication and builds relationships. If supervisors and employees aren't talking throughout the year, the performance management process is ineffective. Giving and receiving feedback is a great motivational tool that must be employed throughout the year for it to work. Regular feedback fosters better communication which increases the chance of reaching a successful outcome.

• **Preparation for and developing career goals.** It’s a manager’s job to help develop their people. Employee development is a wonderful benefit to having a clear performance management process. Effective performance management helps employees and supervisors identify ways to enhance performance. It provides the opportunity to discuss career direction and prospects. If supervisors and employees are not setting objectives and planning together to further develop an employee’s career, then the performance management process is missing opportunities. Good performance management will help employees gain additional training or mentoring that can act as a basis for developing future professional plans.

For more information, contact us at autrain@auburn.edu or at aub.ie/quickdive.