

# CONSULTING SOLUTIONS



## PERFORMANCE MANAGEMENT SYSTEMS

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“Hire for attitude, train for skill and reward for performance”. If you agree with this saying, then you will likely agree that a fair and robust performance management system should be the basis for rewarding employees on their performance.

At EcoMan Training & Consulting, we practice what we preach when it comes to performance management systems. That is why, the solution we recommend is the same one we use ourselves and the same one which we have helped hundreds of organizations implement. Based on a top down approach, the system uses the organization’s strategy as a starting point and then follows the 5-step process illustrated below to determine the performance criteria for both organization and employee:



**1** Analysis of organizational vision, mission and strategic goals

**2A** Extraction of organizational Critical Success Factors (CSFs)

**2B** Identification of Key Performance Areas (KPAs)

**2C** Identification of core competencies

**2D** Identification of organizational values

**3** Development of Key Performance Indicators (KPIs)

**4** Development of behavioral indicators and code of conduct

**5** Consolidation and design of components of performance management system and criteria for reward

# THE PROCESS - EXPLAINED

## 1 Analysis of organizational vision, mission and strategic goals

In Step 1, EcoMan analyzes the organizational strategy by performing a thorough review of the vision, mission and strategic goals which the organization has in place for its current strategic cycle.

## 2A Extraction of organizational Critical Success Factors (CSFs)

## 2B Identification of Key Performance Areas (KPA's)

## 2C Identification of core competencies

## 2D Identification of organizational values

In Steps 2A-2D, EcoMan extracts the organizational Critical Success Factors (from the strategy) and sorts them into Key Performance Areas (KPA's), core competencies and organizational values.

## 3 Development of Key Performance Indicators (KPIs)

In Step 3, EcoMan conducts training workshops for each business unit in the organization to help its stakeholders develop the right set of Key Performance Indicators. During these workshops, each of the developed KPIs is subjected to an x-ray process using a tool called the KPI ID Card which was designed by EcoMan for such purposes. The tool ultimately ensures that each of the developed KPIs is both valid and reliable. Although the duration of these workshops largely depends on the size and complexity of the business unit, we can safely state that most workshops last between 1 and 2 days.

## 4 Development of behavioral indicators and code of conduct

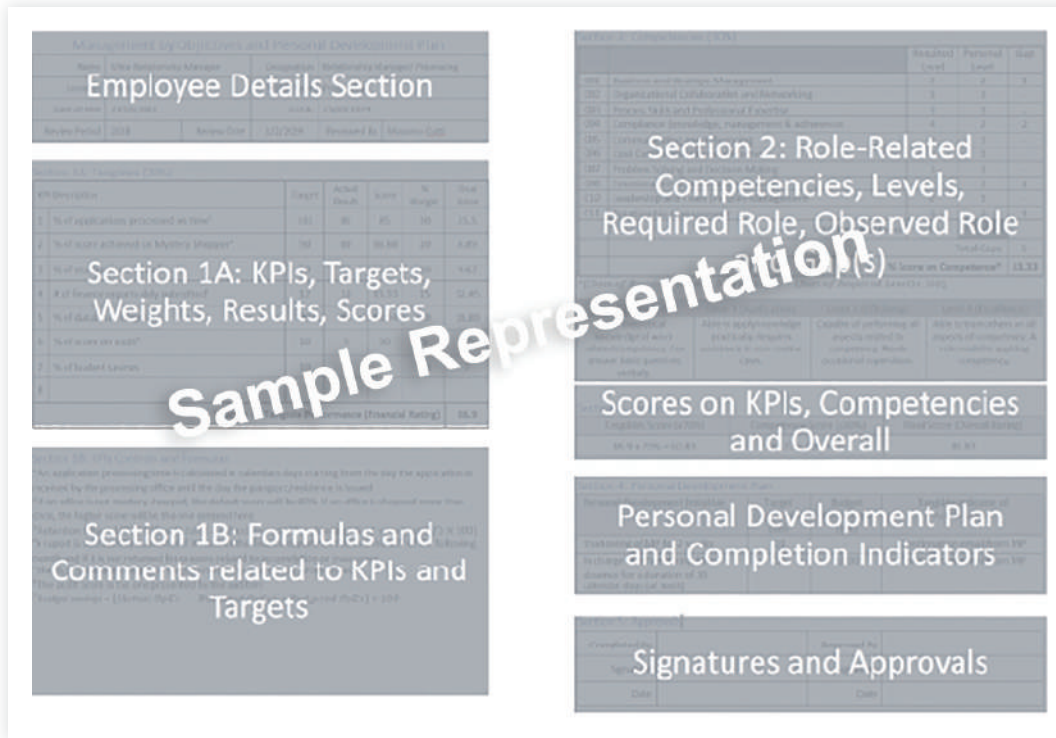
In Step 4, EcoMan uses its competency subject matter experts to produce a set of behavioral indicators (3-5) for each of the competencies and values extracted from the strategy. Along with the KPIs developed in Step 3, these behavioral indicators are then used as additional inputs for the performance management system being designed.

## 5 Consolidation and design of components of performance management system and criteria for reward

In Step 5, EcoMan compiles all the inputs from Steps 1-4 and uses them to produce the performance management system for the organization.

# THE DELIVERABLE

The Performance Management System which will ultimately be designed and delivered by EcoMan Training & Consulting consists of 1-sheet of paper (2-sided) which includes the following sections:



## IN PREPARATION FOR OUR CALL

We strongly recommend that you have as many of the following inputs ready as possible:

1. An up-to-date vision, mission and/or strategic goals for the organization OR
2. Access to the senior leadership team for 1-1 interviews with EcoMan experts
3. A willingness to allocate 2 days for the HR unit and 1 day per business unit for training on the use and implementation of the system

The availability of the above will expedite the process of creating a custom fit proposal for your consulting need.

### Email us

info@ecomana-uae.com