



# Performance Management

## Introduction

Human Resources are the key to competitive advantage in the modern company. Ensuring your company hires, develops and retains the best possible workforce is the most strategic function of the Human Resource Department. Although Human Capital does not appear on the balance sheet, it may be the most valuable asset a company has.

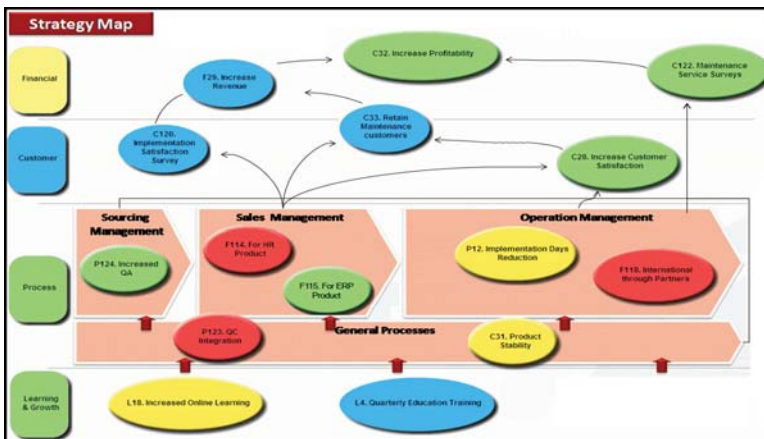
In medium and large companies, the task of building the ultimate workforce is not an easy one. As such performance management has become an essential tool in business management today as a means of creating a work environment in which people are enabled to perform to the best of their abilities. That includes activities of assessing that predetermined goals are consistently achieved in an effective manner, whereas its main purpose is to reconcile objectives of the individual with organizational goals in order to facilitate productivity and profitability.

SunFish HR understands performance management as a comprehensive, integrated process which involves determining performance objectives based on higher level corporate objectives, developing an understanding of the required abilities to achieve these objectives, measuring the compliance of both the objectives and the required abilities, developing and incentivising employees to focus on the correct achievements and developing the organization based on the outcome of the process.

Utilizing the concept of competency to measure and improve the quality of the workforce, the traditional appraisal process lies at the center of the performance management in SunFish HR in order to understand individual competencies and related determining gaps. It takes the performance concept to a new level by using these data to display employees in the performance-potential-matrix and from their respective positions in that graph drives individual development plans, future performance targets, training, interactive career planning, promotions, etc.

Additionally, SunFish HR links employee performance to corporate goals throughout the organization through the balanced scorecard tool. Corporate and departmental strategy maps and utilization of key performance indicators provide a systematic framework for the communication of corporate strategy broken down and assigned to all levels of the business. That allows employees to understand how their work contributes to the whole, and to take more pride in what they do.

The holistic Performance Management approach in SunFish HR supports an increase of employee motivation and engagement through perception of job importance, clarity of expectations, career advancement opportunities, regular feedback, perception of organization values and other factors, which ultimately will have positive impacts on employee confidence, sharing innovative ideas, levels of customer approval, service quality, absenteeism, loyalty and turnover.



| Performance Appraisal  |  | 01/01/2010             |           |           |
|--|--|------------------------|-----------|-----------|
| Question Name  |  | Score                  | Target    | Actual    |
| Performance Appraisal Questions                                    |  |                        |           |           |
| Does employee have good skill level?                               |  | 5                      | 5         | 5         |
| Is employee a good leader or manager?                              |  | 5                      | 5         | 5         |
| Does Manager make valuable contribution to department and company? |  | 5                      | 5         | 5         |
| <b>Total :</b>   |  | <b>15</b>              | <b>15</b> | <b>15</b> |
| <b>Average :</b>   |  | <b>15.00/15 = 1.25</b> |           |           |
| <b>Notes :</b>   |  |                        |           |           |

| Total Achievement Performance Appraisal |  | 01/01/2010 |             |             |
|---|--|------------|-------------|-------------|
| Performance Management Name             |  | Weight     | Average     | Achievement |
| Performance Appraisal                   |  | 50         | 1.25        | 0.63        |
| Performance Objective                   |  | 25         |             |             |
| Performance Competence                  |  | 25         |             |             |
| <b>Total :</b>                          |  | <b>100</b> | <b>1.25</b> | <b>1.25</b> |

| Performance Competence |  | Competency Evaluation 01/01/2010 |              |           |
|------------------------|--|----------------------------------|--------------|-----------|
| Question Name          |  | Score                            | Target       | Actual    |
| Distinguishing         |  | 5                                | 6            | 6         |
| Managerial             |  | 5                                | 4            | 4         |
| Hard Competencies      |  | 4                                | 4            | 4         |
| Soft Competencies      |  | 2                                | 6            | 6         |
| Law, Legal, Taxation   |  | 4                                | 5            | 5         |
| <b>Total :</b>         |  | <b>29</b>                        | <b>31.00</b> | <b>29</b> |
| <b>Average :</b>       |  | <b>31.00/29 = 1.07</b>           |              |           |
| <b>Notes :</b>         |  |                                  |              |           |

| Performance Management   Balanced Scorecard   StrategyM   |  |
|---|--|
| Period Code : <input type="text" value="bac2011s"/>   | Organization Unit : Marketing and Sales    |
| Organization : <input type="text" value="Project Implementation"/>  | Period : 01/01/2011 To 12/31/2011          |
| Period Date : From : <input type="text" value="2014-01-01"/> To : <input type="text" value="2014-12-31"/> |  |
| <input type="button" value="Print Preview"/> <input type="button" value="Print Preview Picture"/>         |  |
| Current Status View Mode  |  |
| <input type="checkbox"/> Financial  | <input type="checkbox"/> Customer          |
| <input type="checkbox"/> Process  | <input type="checkbox"/> Learning & Growth |

| List of KPI   | Target       | Actual     | Indicator | Trending |
|---|--------------|------------|-----------|----------|
| <input type="checkbox"/> Increase Revenue             | 1,000,000.00 | 300,000.00 |           |          |
| <input type="checkbox"/> New Sales                    | 750,000.00   | 300,000.00 |           |          |
| <input type="checkbox"/> AR over 90 days              |              |            |           |          |
| <input type="checkbox"/> % of AR >90 days             | 10.00        | 11.00      |           |          |
| <input type="checkbox"/> MCF signed                   |              |            |           |          |
| <input type="checkbox"/> Paperwork sign off full      | 100.00       | 90.00      |           |          |
| <input type="checkbox"/> Quotations Prep under 2 days |              |            |           |          |
| <input type="checkbox"/> Send Quotations under 2 days | 100.00       | 95.00      |           |          |

| Performance Management   Individual Development Plan   Edit  |  |
|--|--|
| IDP Code : <input type="text" value="IDP-11095"/>  | Employee * : <input type="text" value="Agnesia"/>                              |
| IDP Date : <input type="text" value="09/30/2011"/>   | IDP Review Date * : <input type="text" value="2011-09-28"/>                    |
| History Information : <input type="text" value="None"/>  |  |
| Name : <input type="text" value="Agnesia"/>  | Grade : <input type="text" value="1A"/>  |
| Date Of Birth : <input type="text" value="01/01/1990"/>  | Job Title : <input type="text" value="Junior Implementer"/>                    |
| Education : <input type="text" value=""/>  | Department - Division : <input type="text" value="Assistant Project Manager"/> |
| Amount : <input type="text" value="1"/>  |  |
| <input type="button" value="Add Mode"/> <input type="button" value="Update"/> <input type="button" value="Delete"/> <input type="button" value="Reset"/> <input type="button" value="Cancel"/> |  |

| Competence Being Reviewed                   | Method of Development                             | Note of Activity   | Due Date                                | PIC  |
|---|---|--|---|--|
| <input type="text" value="Graphic Design"/> | <input type="text" value="TRAINING"/>             | <input type="text" value="Abstracting &amp; Analyzing Information Toward Bed Query and Impact to Database"/> | <input type="text" value="2011-09-30"/> | <input type="text" value="Amira Wiruma [D013]"/> |
|   | <input type="text" value="COACHING/COUNSELING"/>  |  |   |  |
|   | <input type="text" value="FEEDBACK"/>             |  |   |  |
|   | <input type="text" value="EDUCATION"/>            |  |   |  |
|   | <input type="text" value="PROMOTION/BONUS/SAIA"/> |  |   |  |

# Performance Management

## Benefits

SunFish HR automates the evaluation process, providing an improved and interactive review and assessment of an employee's performance and skills in context with overall corporate goals. Specifically, the Performance Management Feature delivers the following benefits:

### Increased HR Department Efficiency

The HR department can be as involved as they like to be, or perform only an oversight role in the appraisal process. SunFish HR can be easily configured to automate the appraisal process and interface the final results. HR will no longer waste time in collecting, collating, standardizing and analyzing appraisal data. Additionally,

### Better Management Oversight With No Time Wasted

Managers at all levels can easily contribute, review or approve appraisals. With proper access rights a manager can review appraisal details of any employee, looking into how that person has been appraised by different supervisors, the person's competency, and their performance objectives.

### Improved Analysis

Managers and the HR department have a variety of tools to create reports and analyze appraisal data. Appraisal data can be reviewed independently or in combination with an employee's competency, HAV position, training, career, education, performance, psychological and other data. As appraisal data feed into many parts of the system, combined analysis tools help the user to develop a complete understanding of the employee.

### Standardization

SunFish HR allows the development of standard appraisal and assessment formats, and specific evaluation categories and questions for different job types. All appraisal items are mapped back to the central competency library. This standardization allows manager to more easily provide fair reviews of employees. The standardized review process also allows results to be compared against other employees in similar positions, or even against employees in completely different job functions. In combination with competency management and performance objectives, standard reviews help the company benchmark against its most successful employees, better understand what makes a successful employee and even offer pay for performance schemes that are fair and easy to implement across the entire organization.

### More Involvement

With SunFish HR, appraisals are so flexible and easy to use, that more managers and even employees become involved in the process. While traditionally, only an employee's direct supervisor would conduct their annual review, SunFish HR processes reviews so efficiently that all supervisors and managers who work with an employee as well as optionally the employee him/herself can provide input to their review. Also, because reviews are scheduled by the system and processed so efficiently, it is possible to give reviews more frequently, allowing employees a constant source of guidance in their career and competency development.

### Set and Automatically Track Performance Objectives

SunFish HR appraisals allow management to assign performance objectives to individuals or groups of staff. These objectives can be manually tracked by the manager, or interfaced to other systems to automatically determine if the employee has met their objectives. Objectives can be defined in many ways, and weighted so that more important objectives will count more towards and employees overall score.

### Happier Employees

Allowing transparency in the appraisal and performance review process gives the employee a more detailed source of feedback than they have had before. While some parts of the appraisal may be confidential, the employee is normally given access to review their own appraisal data, find out where they can improve, and even locate training or other comments that will help them improve over time. The SunFish HR appraisal system offers a fair and impartial method to review employees. Motivated employees will be happy to have access to this feedback and any suggestions for improvements it includes.

### Engaged and Aligned Workforce

SunFish HR aligns the organization directly behind the CEO's goals and increases the speed with which strategic or operational changes are communicated by simply introducing a new set of goals. Moreover, it facilitates a higher level of employee engagement as strategic and operational objectives are clearly communicated. Employees can not easily see how they are directly contributing to these high level goals but also monitor their related achievement progress. This helps them and their supervisors to jointly define professional development programs that combine both employee preferences, competencies, and achieving business level goals.

## Features

### View Job Match and Compare Employees

SunFish HR allows appraisal, assessment, competency and performance data to be combined and analyzed to learn how an employee fits their current position as well as prospective future positions. SunFish HR suggests training and other corrective actions that can be taken to help improve every employee's skill set. By comparing employees against each other, the user can develop a deeper understanding of what type of employee is needed to reach the corporate goals. This employee can be considered as a benchmark when targeting the growth of other employees.

### Multi-person or 360 Degree Appraisals and Work Flow

The appraisal system allows the flexible definition of appraisal data and the appraisal workflow. An unlimited number of items can be evaluated by an unlimited number of people. All appraisal items and appraisers can be weighted to automatically produce a weighted average score for the employee to be used in comparative analysis. Workflows can be created requiring that a review has many steps, and a final approval before it becomes part of the employee's permanent record. The system will automatically determine which people or positions are required for performance evaluations and send notifications about outstanding appraisals automatically by email.

### Human Asset Valuation

SunFish HR combines employees' actual performance data as indicated through balanced scorecard KPIs and the traditional performance evaluation process with competency based skill and ability data in the Human Asset Value (HAV) Matrix. The graph accumulates employee data in a meaningful way so as to determine an employee's fit to their current job and value to the company, and to validate top-performers while gaining insight into an effective talent management approach for each employee. Once potential development methods for employees are identified they can be assigned to individual development plans.

### Determine Training Requirements

Based on appraisal results, or other input from supervisors, SunFish HR will automatically assess training requirements and recommend a training schedule for the employee. Results from the training will automatically be fed back into the system and used to modify the employee's competency records.

### Performance Objective Management

The appraisal system includes a flexible module for the definition, tracking and analysis for performance objectives. Performance objectives can be defined for a variety of different measurement methods. Objectives can then be weighted, and if the performance data exists within SunFish HR or another application already, it can be interfaced to allow the system to automatically track the employee's performance.

### Individual Development Planning

SunFish HR takes into consideration that employees require different methods of development to achieve the best results. Therefore authorized users can determine various possible methods for individual developments including training, coaching, job assignment, etc. Based on an employee's position in the HAV Matrix supervisors can then plan, perform and monitor the most effective development method for each individual. Expected outputs of each development process are combined with specific appraisal methods in order to evaluate the overall effectiveness of various development methods and continuously fine tune the methods and processes.

### Analysis and Reporting

SunFish HR offers a variety of methods to view, analyze, and drill-down to specific details of employee appraisal and performance information. The system supports interactive analysis tools, online reports as well as standard printed reporting.

### Balance Scorecard

The balance scorecard feature in SunFish HR aligns employees with overall business objectives and engages them in achieving individual goals. It starts with the definition of strategy maps on a corporate or departmental level for the four perspectives or strategic objective groups: financial, customer, process, and learning/growth. Each objective can be measured through one or more KPIs, which in turn is configured with targets and related periods (monthly, quarterly, annually) as well as threshold to indicate positive or negative achievements and trend developments. Weighting of KPIs within one objective as well weighting the strategic objectives themselves allows for a more comprehensive performance analysis and trend indication. This way, managers have the insight into the organization's performance against strategic goals they need in order to continuously improve strategic performance and achieve organizational excellence.