



DEVELOPING EFFECTIVE PERFORMANCE AGREEMENTS

EMD's Focus:

Formulating business strategy & plans

Organisational restructuring

Commercial awareness skills development

Commercialisation

Performance measurement & management

Project Management

Remuneration options

Process re-engineering and continuous improvement processes

Team based work units

Consultative and bargaining processes

360° feedback

Training and learning processes

WHY PERFORMANCE AGREEMENTS?

When people know precisely what is expected of them in terms of outcomes, their work becomes more focussed. Monitoring progress also becomes easier when it is done against clear and agreed targets.

Developing Effective Performance Agreements will give your managers the tools to be able to write performance agreements that link it to the organisation's KPIs, and to coach their reports on how to do it.

Ideally, an individual performance agreement is an expression of that person's piece in completing the puzzle that is the strategic plan. It should spell out what their part is in making the corporate strategy manifest.

A good performance agreement will ensure that people have clarity of direction and alignment to the organisation's direction.

It will contain *clear objectives and clear performance measures*, and it will be linked to *the overall strategy, the divisional plan / the department's goals and the manager's performance agreement*.

For someone to *own* the objectives stated in the performance agreement, it should be based on a 2-way communication. This means, that people will have *agreed* to be measured against certain specific targets, and the ensuing feedback will be a monitoring of performance against these targets.

A performance culture starts with a clearly communicated direction, and that is what this workshop is about.

LEARNING OBJECTIVES

The objectives of Developing Effective Performance Agreements are to:

- Understand the purpose of Performance Agreements;
- Understand the organisation's Performance System;
- Be able to draft Objectives, KPIs and Performance Measures;
- Be able to write own Performance Agreement based on the Divisional Plan and the manager's Performance Agreement;
- Be able to coach reports in how to write Performance Agreements.

OUTCOMES

The key outcome of Developing Effective Performance Agreements is greater alignment across the organisation via corporate KPIs being translated to individual targets that are achievable, measurable, accepted and understood.

The session will ensure that participants know:

- How their KPIs are cascaded from the strategic plan,
- What their objectives are, and
- How a good performance measure is derived

CONTENT

The 3 steps to Effective Performance Management are:

1. Clearly communicated expectations through relevant KPIs that are cascaded through the organisation
2. Conducting regular appraisals using the coaching approach
3. Acknowledgment of contributions and successful achievement of outcomes (performance linked pay)

Our focus in Developing Effective Performance Agreements is on Clearly Communicated Expectations.

This session will take participants through:

- Purpose and outcomes of performance agreements.
- How does performance management tie in with vision and strategy; a model to ensure alignment.
- Objectives – the “what & why” rule.
- KPIs – what makes a good KPI.
- Criteria for performance measures:
 - Quality
 - Quantity
 - Timeliness
 - Cost effectiveness
- Procedure for drafting performance agreements – 8 steps
- Practical work: Drafting objectives using the “what & why” rule.
- Key questions to pursue.
- Practical work: Drafting measures using “key questions”.
- Teamwork: Coaching others on how to do this.

ACTION LEARNING

Participants will work in small groups on determining KPIs, targets and performance measures that relate to their department or work group.

DURATION

½ - 1 day.

WHO SHOULD ATTEND?

The program is tailored towards frontline managers.

WHAT NEXT?

If you are interested in more information about how Developing Effective Performance Agreements can work for your organisation, please give us a call on +61 2 8399 0011 and ask to speak to one of our consultants.

Alternatively e-mail us at info@emdgroup.com.au

We can also give you references to other organisations, whose managers have been through the program and are starting to see the benefits from applying the tools and processes outlined above.

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