

Communication can help businesses thrive

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As a business owner during these tough economic times, are you working extra hours in your business, trying to do more with less and taking on more duties yourself? These stressful times for you and your employees call for some action on your part if you are not only going to survive, but also enter the next cycle going strong and retaining your team when times improve.

According to the 2009 Society for Human Resource Management Employee Job Satisfaction Survey, employees selected job security for the second consecutive year as the most important aspect of job satisfaction. Not a surprise given our economic climate. However, a simple performance management system can lower the fear of the unknown by providing ongoing dialogue and information on how each employee can have positive impact on the well being of your business.

Performance management is much more than filling in the blanks of an employee appraisal form. A strong system effectively and consistently communicates business-aligned goals, skill development and pay-for-performance tools that demonstrate to your employees that they are truly a valued asset. Added benefits include increases in performance, productivity, employee morale and quality of work, plus a reduction in both turnover and employee relations challenges.

A performance management system may sound a bit daunting. You may think, "That's for big corporations, but not for my small business." Not at all. While establishing a performance management system is a significant undertaking, once the system is in place, the time needed to manage the system decreases while the results improve. Consider these components:

- Define the job's purpose, duties and responsibilities.
- Define the performance goals desired and include measurable outcomes.
- Communicate your performance expectations "clearly" for each component of the job. Include opportunities for questions, discussion and clarification of the key issues.
- Provide ongoing positive and constructive feedback to all employees about their performance. Continue to check with the employee that goals and expectations are understood and necessary tools are available.
- Maintain a record of performance by jotting notes about contributions, challenges and

opportunities throughout the year in an individual confidential electronic or paper file. Communicate anything recorded with employee no later than 3 days of the occurrence in order to be impactful and relevant.

-Develop a performance review document that supports the organizational goals and allows space for comments and specific examples of actual performance to support each performance rating. For best results, also incorporate a separate feedback form in order for the employee to have a voice and be empowered to provide examples about their own performance and development needs.

-Develop and manage a coaching and improvement plan for employees needing additional tools, skills and feedback.

It all comes down to communication. A performance management system is an important tool that sets your employees up for success. Your consistent willingness to value and appreciate each of your employees will pay dividends by creating a positive workplace, better two-way communication, higher productivity and, ultimately, a thriving business.

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