



Performance Management: An Employer's Guide

LOCH



An effective performance management process is crucial for both employers and employees. For employers, it ensures alignment between organisational goals and individual contributions, fostering a high-performance culture. For employees, it provides clarity, motivation and opportunities for development, ultimately enhancing job satisfaction and providing career progression pathways.

This guide outlines key steps for conducting reviews and setting objectives, helping employers and managers to facilitate meaningful discussions.

Why are reviews important?

A well-structured performance management framework makes it easy to provide feedback, ensure goal-setting, and monitor professional growth, all aspects which are important in creating a productive and engaged workforce.

Complementing your annual reviews with a mid-year check-in will help to ensure that progress stays on track, issues are identified before they cause delays and motivation remains high.

Skills for an Effective Performance Review



To conduct an effective performance review, managers must possess the following key skills:

- **Active Listening:** Demonstrating genuine interest in the employee's feedback and concerns to foster an open and constructive discussion.
- **Clear Communication:** Articulating expectations, providing constructive feedback, and ensuring employees understand their performance and development goals.
- **Objectivity and Fairness:** Evaluating employee performance based on evidence and avoiding biases to maintain credibility and trust.
- **Empathy and Emotional Intelligence:** Recognising employee challenges, motivations, and emotions to support their growth effectively.
- **Coaching and Development:** Identifying opportunities for improvement and providing guidance, resources, and encouragement to help employees reach their potential.
- **Decision-Making:** Assessing performance outcomes and making informed decisions on recognition, development, and potential career progression.

Overview



A well-structured performance review process can enhance employee engagement and career growth. Instead of relying on traditional appraisals, consider adopting a proactive and holistic approach to individual development. This method encourages open discussions about career progression, defines career success, and empowers individuals to take ownership of their professional growth.

Practicalities and Timings

To ensure meaningful discussions, employees should take responsibility for scheduling their performance review conversations, ideally lasting around an hour. It is recommended that employees share their completed review documentation with their manager 2-3 working days before their meetings.

For consistency, performance review meetings should be held quarterly, aligned with business quarters. The ideal timing is within the first few weeks following the end of the previous quarter, but flexibility is encouraged to suit both the employee and the manager.

In addition to quarterly reviews, regular monthly check-ins are advisable to monitor progress and ensure objectives remain on track. These informal meetings can help address challenges early and maintain alignment with broader goals.

The three pillars of a good performance management process



1.

Catch-up Meetings

Regular work-related discussions (weekly, fortnightly, or as agreed) help maintain alignment and address immediate concerns.

2.

Check -Ins

Informal touchpoints to assess progress toward objectives. While documentation is not required, taking notes can be beneficial.

3.

Quarterly Reviews

Structured sessions using a formal review framework to assess progress and set future goals.

Structuring the Review Process



Reward

A transparent and well-communicated rewards system can reinforce motivation and commitment. Ensure that employees understand the benefits and incentives they receive in exchange for contributing to the business, meeting role expectations, and delivering excellent outcomes.

Role Description

Clearly defining roles while allowing flexibility can support evolving business needs. A role description should be treated as a living document that can be updated as responsibilities and priorities change.

Career Plan

Encouraging employees to think about their long-term career goals fosters engagement and growth. Individuals should reflect on their current career position and where they want to be in the next year.

Objectives might include seeking a promotion, expanding their skill set, or deepening expertise in a particular area. It is beneficial to outline both business-aligned and personal development goals. Business objectives should align with the company's vision and team strategy, while personal goals can focus on professional qualifications, new interest areas, or soft skills like communication and leadership.

Effective Feedback is Central to Success

Feedback is a valuable tool for continuous improvement.

Employees should be encouraged to document feedback received throughout the quarter, whether through conversations, emails, or other interactions. Managers should also support employees in obtaining constructive feedback on projects and tasks.

Regular discussions about feedback can help reinforce strengths and identify areas for further development.



Making Quarterly Reviews Effective

Successes: Employees should identify key achievements, wins, or accomplishments during the quarter.

Reflections: Encouraging honest self-reflection can highlight areas for improvement, learning points, or experiences to build on.

Development actions: Setting actionable goals ensures continuous growth. These should align with broader career and business objectives.

What can Loch do for you?



LOCH | LEGAL

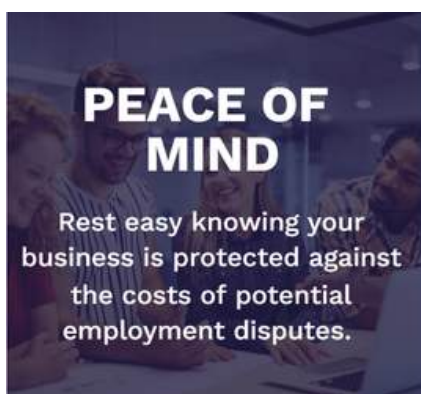
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How can we help?



As an extension of your team, Loch Associates Group connect the dots between leadership, compliance, people strategy, and business growth when partnering with ambitious organisation leaders to solve complex challenges.

Our integrated approach provides commercially focused, pragmatic solutions that help you when you're faced with a decision that will protect, grow, or secure your future. By covering every angle, we give you the confidence to move forward for long-term success.

Contact Us

Contact us at hello@weareloch.com or 0203 667 5400, and to receive more updates like this, visit our website www.weareloch.com and sign up to our newsletter.



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