Human Resource Management
Performance Management and Evaluation
Business Management & Administration

Lesson Plan

Performance Objective
Upon completion of this lesson, the student will be able to describe performance management and performance evaluation.

Specific Objectives
- Students will be able to define what performance management is and describe the importance of performance management.
- Students will be able to define what performance appraisal is and identify the uses of performance appraisal.
- Students will be able to describe the performance appraisal process.
- Students will be able to identify who may be responsible for performance appraisal.

Terms
- Performance Management– Performance management is the process of identifying, measuring, managing, and developing the performance of the human resources in an organization (Lussier & Hendon, 2012).
- Performance Appraisal– Performance appraisal is the ongoing process of evaluating employee performance.

Time
When taught as written, this lesson should take approximately 55-65 minutes to teach.

Preparation

TEKS Correlations
This lesson, as published, correlates to the following TEKS. Any changes/alterations to the activities may result in the elimination of any or all of the TEKS listed.

- **130.119 (c) Knowledge and Skills**
    (6) The student describes the need to develop and evaluate employees. The student is expected to:
        (A) explain why employees often need additional training such as learning new skills and technologies and complying with new laws and regulations; and
        (C) explain who should evaluate employees, including:
                (i) supervisors and managers;
                (ii) peers;
                (iii) customers or clients; and
                (iv) subordinates.

Interdisciplinary Correlations

English-English I
- 110.31(b) **Knowledge and Skills**

    (1) Reading/Vocabulary Development. Students understand new vocabulary and use it when reading and writing.

    (11) Reading/Comprehension of informational text/procedural texts. Students understand how to glean and use information in procedural texts and documents.

Occupational Correlation (O*Net – www.onetonline.org/)
Job Title: Human Resources Specialist
O*Net Number: 13.1071.00
Reported Job Titles: Human Resources Coordinator, Personnel Coordinator

Tasks
- Hire employees and process hiring-related paperwork.
- Inform job applicants of details such as duties and responsibilities, compensation, benefits, schedules, working conditions, or promotion opportunities.
- Address employee relations issues, such as harassment allegations, work complaints, or other employee concerns.

Soft Skills: Speaking, Writing, Social Perceptiveness

Accommodations for Learning Differences
It is important that lessons accommodate the needs of every learner. These lessons may be modified to accommodate your students with learning differences by referring to the files found on the Special Populations page of this website.

Preparation
- "Performance Management and Appraisal" Presentation software
- Internet
- HRM Assignment 1 – Case Study
- Rubric for HRM Assignment 1 – Case Study
- HRM Assignment 2
- Rubric for HRM Assignment 2

References
- Price, A. (2011). *Human resource management* (4th ed.). Stamford, CT: Cengage Learning.
- Rees, G., & French, R. (2010). *Leading, managing and developing people* (3rd ed.). London, England: Chartered Institute of Personnel & Development.
- http://www.hrmguide.co.uk
- http://www.cipd.co.uk/NR/rdonlyres/01F95685-76C9-4C96-B291-3D5CD4DE1BE5/0/9781843982579_sc.pdf

- http://www.shrm.org/Education/hreducation/Documents/09-0152%20Gusdorf_Instructor_Notes.pdf

Instructional Aids
- "Training and Development" Presentation software
- Internet
- HRM Training and Development Assignment 1 – Case Study: *A Sweet Employee Performance Appraisal System for Jellybelly*
- Rubric for HRM Training and Development Assignment 1 – Case Study

Introduction

Following a poor first-half year performance, the board of Company X tasked a senior manager to investigate what was happening on the factory floor, since the directors believed poor productivity was at the root of the problem. While walking around the plant, the investigating manager came upon a large warehouse area where a man stood next to a pillar. The manager introduced himself as the person investigating performance on the factory floor, appointed by the board, and then asked the man by the pillar what he was doing. "It's my job," replied the man, "I was told to stand by this pillar."

The investigator thanked the man for his cooperation and encouraged him to keep up the good work. Then, the investigator walked into a large packing area, where he saw another man standing next to a pillar. The investigator again introduced himself and asked the man what he was doing. "I've been told to stand by this pillar, so that's what I do," said the man.

Two weeks later, the investigator completed his report and duly presented his findings to the board members—who held a brief meeting to decide remedial action. The board called the investigator back into the room, thanked him for his work, and then instructed him to sack one of the men he'd found standing by pillars, since this was obviously a duplication of effort.

As hilarious as this story is—what does it tell us about performance management?

1. Write down the words "training" and "development" on the board.
2. Ask students if they think there is any difference between the two words.
3. Ask students if any of them have ever received any training, formal or informal.
4. Ask them why it is important to train and develop individuals in an organization.

Outline

MI	Outline	Instructor Notes
	I. Performance management (Mondy, 2011) A. It's a goal-oriented process directed toward ensuring that organizational processes are in place to maximize the productivity of employees, teams, and the organization. B. It plays a major role in organizational strategy—it involves measuring and improving the value of the workforce. C. In the business context, performance management systems are one of the major focuses. Although every HR function contributes to performance management, training and performance appraisal play a more significant role. II. Performance Appraisal (Lussier & Hendon, 2012) A. It is the ongoing process of evaluating employee performance. It is a review of employee performance over time. B. An effective appraisal system evaluates accomplishments and helps plan for future development, goals, and objectives.	Overall, for success, organizations need to take a strategic approach to performance management and appraisal. They need to integrate the company's mission, vision, and values into their performance management system. Performance appraisal is a formal system of review and evaluation of task performance. The primary goal of an appraisal system is to improve individual and organizational performance.

Multiple Intelligences Guide

Existenti	Interpers	Intrapers	Kinesthe tic/	Logical/ Mathema	Musical/Rhyt	Natura	Verbal/Ling	Visual/Sp

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MI	**Outline**	**Instructor Notes**
	III. Uses of Performance Appraisal (Mondy, 2011) Performance appraisal data is valuable for different HR functional areas including A. Human Resource Planning B. Recruitment and Selection C. Training and Development D. Career Planning and Development E. Compensation Programs F. Internal Employee Relations G. Assessment of Employee Potential IV. Performance Appraisal process consists of a series of events or steps: A. Job analysis– it is required to evaluate an employee's performance. The job itself needs to be based on the organizational mission and objectives. B. Develop standards and measurement methods, which are used to measure performance. C. Informal performance appraisal– coaching and disciplining – performance appraisal is an ongoing process, and so it should not solely be a simple annual or biannual formal interview. The ongoing process helps provide employees with sufficient feedback about their performance.	It is important for the organization to determine what needs to be accomplished specifically. Once the standards are set, these performance expectations should be communicated clearly to those concerned. Only then can the formal review take place to see whether or not employees have met these standards. The review helps determine how well the employees have met the standards, if there are any deficiencies, the reasons for the deficiencies, and a plan for future action to improve them.

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MI	**Outline**	**Instructor Notes**
🄰🄱🄲	D. Prepare for and conduct the formal performance appraisal – it is important to prepare for and go through the formal process by ways of an interview once or twice a year. V. Stakeholders in the performance appraisal process—several options exist in terms of who should evaluate the employee—the type of job determines which option to use. A. Supervisor– traditionally, this has been the most logical choice. The advantage is that the supervisor is in a position to observe the employee's job performance. The disadvantage is that bias is an inherent problem sometimes. Also, if the immediate supervisor is not in constant touch with the employee (because of frequent travel or distance), it becomes more complicated to evaluate an employee well. B. Subordinates– an excellent example of this is teacher evaluation. The caveat is that evaluators must be granted anonymity. Advocates of this approach argue that it leads supervisors to be more conscious of their duties and to manage the job better.	Give the students an explanation of the different evaluations. Ask them about the biases involved in each evaluation and for examples of each.

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MI	Outline	Instructor Notes
	C. Self– if employees understand their objectives and performance expectation that are laid out beforehand, they are in a good position to evaluate their own performance. The disadvantage is that evidence shows that individuals are not always accurate in the self- assessment of their abilities. D. Peers– The advantage in using peer appraisals is that they work closely with the employee, and this has an advantage— especially for team assignments. Again, bias is a major concern. However, if teamwork is a priority, then rewarding collaboration and including peer evaluation in the process is important. E. Customers– this is a good if the individual being evaluated has frequent contact with organizational customers, either internal or external to the firm. If employees interact routinely with customers, the organization needs to know how the customers feel about their interactions with the employees because they are the ones who ultimately pay the bills. It demonstrates a commitment to the customer, holds employees accountable, and fosters change. 360-degree evaluation– A well-rounded option is to use all the above-mentioned options. The 360-degree evaluation analyzes individuals' performance from all sides (360 degrees). It gives the organization the best possible analysis of individuals and their performance. It is, however, time and money intensive. It can be used for evaluation purposes as well as development purposes.	

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C. Refresher training– also known as retraining. Its purpose is to acquaint existing employees with the latest technological changes in the field so they can keep up with the pace of the job.

D. Off-the-job training– this occurs when employees are trained at a different facility away from where they work. These could include lectures, distance learning in conjunction with certain colleges/universities, sponsored courses in higher education, computer based self-paced training, technology based training amongst others.

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Application

Guided Practice

Using the presentation, the teacher will explain performance management and evaluation. Discuss what performance management and evaluation are and their significance.

HRM Assignment 1 – Case study: Ask students to read the case study and answer the questions.
Link: *A Sweet Employee Performance Appraisal System for Jellybelly*

Summary

Review

Performance management is a continuous process that helps identifying, measuring, managing, and developing the performance of the human resources in an organization. It differs from performance appraisal, which is the ongoing process of evaluating employee performance. There are a series of steps in the performance appraisal process. The performance appraisal can be completed by different stakeholders in the organization. There is no one right option; rather, it depends on the type of job.

Evaluation

Informal Assessment
1. Instructor will observe students during Independent Practice.
2. Instructor will assist students as needed.

Formal Assessment
Use the assigned rubric to evaluate the projects assigned for Independent Practice.

Enrichment

Extension
Invite a local HR professional to discuss his/her company's HR department and policies with students.

Answer the following questions related to the performance management and evaluation case study.

1. Define performance management and describe the importance of performance management.

2. Define performance appraisal and identify the uses of performance appraisal.

3. Describe the performance appraisal process.

4. Identify who may be responsible for the performance appraisal.

Answers:

1. Define performance management and describe the importance of performance management.

    Performance management is a goal-oriented process that is directed toward ensuring that organizational processes are in place to maximize productivity of employees, teams, and ultimately, the organization. Whereas performance appraisal is a one-time event each year, performance management is a dynamic, ongoing, continuous process.

2. Define performance appraisal and identify the uses of performance appraisal.

    Performance appraisal is a system of review and evaluation of an individual or team's job performance. Performance appraisal data are potentially valuable for use in numerous human resource functional areas. These areas include human resource planning, recruitment and selection, training and development, career planning and development, compensation programs, internal employee relations, and assessment of employee potential.

3. Describe the performance appraisal process.

    The identification of specific goals is the starting point for the Performance Appraisal process and the beginning of a continuous cycle. Then job expectations are established with the help of job analysis. The next step involves examining the actual work performed. Performance is then appraised. The final step involves discussing the appraisal with the employee.

4. Identify who may be responsible for the performance appraisal.

    People who are usually responsible for performance appraisal include immediate supervisors, subordinates, peers, the employee, and customers. The 360-degree feedback evaluation method might include all of the above.

NAME: _____

Criterion	A-level qualities (20)	B-level qualities (15)	C-level qualities (10)	F-level qualities (5)	Score
Completeness	Complete in all respects; reflects all requirements.	Complete in most respects; reflects most requirements.	Incomplete in many respects; reflects few requirements.	Incomplete in most respects; does not reflect requirements.	
Writing mechanics	Writing demonstrates a sophisticated clarity, conciseness, and correctness; includes thorough details and relevant data and information; extremely well-organized.	Writing is accomplished in terms of clarity and conciseness and contains only a few errors; includes sufficient details and relevant data and information; well-organized.	Writing lacks clarity or conciseness and contains numerous errors; gives insufficient detail and relevant data and information; lacks organization.	Writing is unfocused, rambling, or contains serious errors; lacks detail and relevant data and information; poorly organized.	
				Total:	