

## Top Ten Tips for Measuring Performance in Your Business

1. **Know your business vision, your values and your strategic goals** – without these how can you really know if what your team are doing is in alignment with the direction you aim to take the business i.e. if your vision is to be the best carrot seller in New Zealand, having your team work on selling tomatoes is not going to help you achieve your goal
2. **Communicate your vision** - let your team know how their contribution is valuable to the business. If your team currently don't have job descriptions, get the team involved in creating these – they can tell you what they are doing at an operational, hands on level. You as the business owner and their managers can then determine if what they are doing is appropriate for realising the business vision

It has happened more than once when we have worked through the job analysis process with employers, that they have been astounded by what their employees are actually doing day-to-day because they have never been told otherwise

3. **Review your job descriptions and focus on your business objectives** - each job function should have an accountability and there should be key performance indicators in each job description – all of which should be focused on helping you achieve your business objectives
4. **Induction plans and follow ups** – all new employees should have a full induction process ([refer to Julys newsletter](#)) and follow up at the end of the first day, first week, first month, second month and third month. Review the new employee's performance in line with their job description, targets and expectations. Give feedback to the employee and address poor performance immediately
5. **Have weekly catch ups** with your team members or team leaders/managers. If you are meeting with your team leaders, they should be meeting with their teams. These meetings should be focused on what the employee is working on, barriers/challenges, assistance they may need, any issues that they have encountered since the previous catch up
6. **Quarterly reviews** are a good opportunity to set goals with your team, helping them to work on new challenges and helping you to get to know them better professionally and on a more personal level – set challenges that are professionally focused i.e. learning a new system, mentoring a more junior team member; and personally focused i.e. organising a baby shower, training for a half marathon etc
7. **Annual appraisal and performance development plans** – these could take place at a specific time each year or on the anniversary of an employee's employment with the business; either way, they should give feedback on position competencies and key

performance areas. Details from the quarterly reviews will support the completion of these documents. It is often at the time of review that negotiations will occur on pay rises and performance bonuses – as you will have been keeping an accurate record of performance throughout the year, it should be easy to identify who has performed exceptionally, average or poorly

8. **Poor performance** – monitor it and don't ignore it. If an employee is performing poorly it may be for a number of reasons, they are experiencing personal issues which are impacting on them in the work place; they are struggling to do a particular task and need further training; or they may not have the capability to actually do the required job function.... whatever the reason, they should be addressed, thus enabling you to support the employee and find the best solution depending on the circumstances
9. **Review your business objectives** on quarterly basis and ask yourself how you are performing as a business in relation to these, and if something needs tweaking with your team to help you better achieve these goals, make the necessary changes – be guided by your goals and results relating to performance, productivity and profitability
10. **Remember ' what gets measured, gets done'** – knowing what is measured gives you and your employees direction, give yourself and your team accountabilities, then constantly measure and review these