

Ofqual unit number L/616/3201

RQF level 5

Guided learning hours 25

Total unit time 50

Aims of unit Managing the performance of staff is essential to the smooth running of an organisation. This unit evaluates the reasons for managing performance and the approaches that can be used. It explores methods of rewarding the performance of individuals who exceed expectations, and analyses ways of managing under performance in a professional and supportive manner. This unit focuses on the way performance management, when used effectively, is able to impact on individual and organisational achievement.

Keywords Organisational and legal framework, performance management, individual needs, approaches, formal, ethical, organisational and legal frameworks, exceeding expectations, ethical.

Learning outcome 1

Understand the rationale for managing performance within organisations

Assessment criteria

1.1 Justify the **rationale** for managing performance within organisations

Indicative content

1.1 **Rationale** may include but is not limited to improving and sustaining organisational performance, productivity, driving quality, high performance working, organisational agility, well-being, work-life balance, identifying talent and potential, individual needs and capabilities, preventing poor performance from escalating, problem resolution.

Learning outcome 2

Understand frameworks, diagnostic and evaluation tools used for performance management

Assessment criteria

2.1 Examine the impact of **legal** and **organisational frameworks** on performance management

2.2 Evaluate the **diagnostic and evaluation tools** which support performance management

Indicative content

2.1 **Legal** may include but is not limited to Equality Act 2010, Health and Safety Act 1974, Working Time Directive 1998, National Minimum Wage Act 1998, National Living Wage Regulations 2016, Immigration Act 2016, Trades Union Act 2016, Working Together to Safeguard Children 2013.

Organisational frameworks *HR systems and processes* including performance management, disciplinary and grievance, conduct and capability, recruitment, learning and development, reward, induction and on-boarding, talent management, dignity at work, absence and time management, workforce planning, payroll, performance management standards.

Policies and standards including health, safety, well-being and security, equality and diversity, data protection, communication, procurement, quality, customer service charters and policies, quality standards.

2.2 **Diagnostic and evaluation tools** may include but are not limited to personal development review (PDR), performance improvement plan (PIP), 360° appraisal, peer review and self-review, psychometric profiling, ongoing and periodic review, assessment centres, skills audits, performance data, key performance indicators (KPIs).

Learning outcome 3

Know how to manage performance

Assessment criteria

- 3.1 Discuss good practice **principles** for managing performance
- 3.2 Examine the use of **formal processes** for managing performance
- 3.3 Analyse the relationship between **signs** and **causes** of underperformance
- 3.4 Evaluate approaches to respond to **challenges** when managing underperformance
- 3.5 Recommend **techniques** for developing and managing individuals who exceed expectations

Indicative content

3.1 **Principles** may include but are not limited to ethical approaches, evidence based judgements, use of theoretical models (e.g. Appreciative Inquiry, Cooperrider and Srivastva, 1980's), fairness, impartial, rational, listening, confidentiality, maintaining records, employee engagement, application of legal and organisational frameworks, seeking advice and guidance, proportionate response (Armstrong, 2008; ACAS, 2014).

3.2 **Formal process** may include but are not limited to performance improvement plans (PIP), disciplinary, capability, suspension, redeployment, termination (ACAS Dismissing Employees).

3.3 **Signs** may include but are not limited to failure to achieve set targets, sickness absence and lateness, behavioural change (e.g. quiet and withdrawn, aggression, conflict, chaotic), loss of enthusiasm, demotivated.

Causes may include but are not limited to work related issues (e.g. capability, lack of agility/resilience, relationships, change of role, change in strategic direction, bullying, whistle blowing, restructure, changes to management/structure) and/or changes to personal circumstances (physical health, mental health, family care issues, bereavement).

3.4 **Challenges** may include but are not limited to lack of confidence, knowledge of process, time constraints, dealing with denial, managing stress, expectations from senior management, lack of support, targets, maintain business continuity, staff morale, anger, alienation of colleagues, threats of bullying or harassment.

3.5 **Techniques** may include but are not limited to identify potential, share potential within the organisation, motivate, engage in a breadth of activities, signpost to learning and development, intrinsic and extrinsic reward and recognition, development of work role (e.g. champions or super users, leader or technical experts), job redesign, job enrichment and enhancement, promotion, secondment, talent management

Recommendations for assessment

Learners may approach the assessment in a number of ways. All assessment criteria must be met. To enable this to be achieved effectively the unit has been written in the sequence in which performance management is carried out. The following opportunities are recommendations for guidance purposes only.

1. The learner may be asked to write an **account** or **assignment** on the principles of managing performance.
2. The learner should draw upon their **own experience** either from their current work role, paid or voluntary. Performance management is not constrained by being in a particular role and can include planning for a future role.

3. If not in employment, learners can refer to organisations they are familiar with e.g. a past employer or as part of a **scenario or case study**.
4. Learners may present **work based evidence** accompanied by reports or reflective accounts to meet each of the assessment criteria.

Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the assessment. The learner is encouraged to select and present well chosen information and examples to evidence they sufficiently understand the assessment criteria.

Relationship with other frameworks and occupational standards

This unit is mapped to the following requirements of the Apprenticeship Standard for Operations/Departmental Manager ST0385/01:

- D. Leading People
- E. Managing People
- G. Communication

Suggested reading/web resource materials

Reading/resource materials available on ManagementDirect

External Web links

- [ACAS: Dismissing employees](#)
- [ACAS: Managing underperformance](#)

Relevant Theories, Frameworks and Models

- ACAS (2014)
- Armstrong (2008)
- Cooperride and Srivastva (1980s)

Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive. The content of the list is liable to change. The content was checked for accuracy at the time of unit development.

Please note: all references to legislation may be subject to subsequent changes, deletions and replacements. ManagementDirect resources require CMI membership and a username and password.