

Management Systems

What are the important elements of a detailed management system?

Prepare a good business plan and compile a set of milestones.

Develop sub-milestones and project plans. Make sure you have clearly defined responsibilities and deadlines.

Establish agreed performance goals for all employees. These should include goals of the following nature:

Activity goals: Goals related to quantity of work achieved such as "make 35 debtor calls each day".

Outcome goals: Goals related to the outcome of activity such as "generate \$60,000 in sales each month".

One off major tasks and action goals: Goals or tasks related to the follow up of an action plan such as "purchase a computer by the 25th December".

Regular system goals:

Goals related to activities that need to happen on a regular basis such as "write a month-end sales report".

Ensure that the goals become systemised by doing the following:

Have new employees sign an employment form that states the goals.

Ensure existing employees sign-off on agreed targets after consultation.

Send all employees an update of your policies and procedures manual. Ensure that they understand that it is a requirement of employment that they fill in a weekly action form that specifies how they progressed towards their goals and what their priorities over the next week are.

Divide your organisation up into teams and appoint team leaders.

Implement a system to ensure the goals and activities are automatically updated each week.

Have your team leaders conduct a weekly team meeting with each team member.

During this meeting, discuss the priorities for the week, what was performed in the previous week and what will be performed in the week to follow. Use this as a communication exercise to praise and motivate as well as encourage under achievers.

Management Systems:

Have regular competitions, incentive programs and bonus schemes. Publish staff performance and praise high achievers.

Conduct formal half-yearly and yearly reviews that measure both activity and goal performance as well as the more intangible and non-quantifiable performance elements.

How a performance management system will help YOU!

A performance management system will help you to plan, delegate and track tasks and goals. It will lead to improved business performance, employee productivity gains and better communication throughout your organisation.

A performance management system can help you achieve a number of objectives.

Plan and Monitor Tasks and Projects:

Operating a business successfully means planning and monitoring the various activities and projects in which the business is involved. It is not enough simply to plan the direction the business is heading. Each project should be treated as a separate entity that needs to be effectively planned. Time schedules should be set and costs budgeted on an ongoing basis. This is crucial to ensure your resources are being used effectively and that each employee, including yourself, has a clear idea of what needs to be done and when.

Prepare Working Business Plans:

Research suggests that businesses with a working business plan are likely to achieve a 63% higher revenue growth than those businesses that do not plan. Furthermore, it has been shown in studies that the key element to successful planning is the actual implementation of the plan. A performance management system will help you to take the business plan out of the drawer and implement it effectively through better delegation and focus.

Improve Marketing Performance:

The higher the number of well-targeted marketing activities you engage in (e.g. sales calls, direct marketing, newsletters, product development), the more revenue your business will generate. A performance management system can be used to plan these activities and ensure they actually happen.

Breaking down major objectives into individual weekly priority reports will help focus on getting that newsletter, direct marketing campaign or new product launch out on time.

Manage Teams of Employees:

It is easy to keep control of one or two people. However, as the team grows in size, it is important to have a system to help manage team activities. The common symptoms of poor management are lack of deadlines, reduced communication with employees, low morale and loss of control. Performance management systems are designed to help overcome these by providing staff and employees with clear objectives and constant feedback.

Management Systems:

Improve Customer Service:

A performance management system can be used to remind you to call your major clients at the beginning of each week, month or quarter.

Increase Productivity:

Most organisations have difficulty focusing on the priorities of the business. This is common from management right through the entire hierarchy of an organisation. Assigning team leaders within groups and conducting better planning at the beginning of each time period (e.g. week, month, year) will lead to a clearer understanding of priorities.

Avoid Legal Litigation:

Firing employees can be expensive! Research indicates that 32% of businesses are subjected to unfair dismissal claims, regardless of size. To avoid litigation, you must be able to show accurate documentation of the reasoning behind your decision. A performance management system can keep track of your employees' achievements and your comments on their performance on a weekly and/or monthly basis.

Develop Incentive Programs:

Many organisations have seen the value in offering incentive programs to their employees. These programs can lead to a marked increase in performance. A performance management system will help you to easily administer almost any reward scheme.

Prioritise Departmental Objectives:

A performance management system can be used to monitor the key milestones of an organisation. A weekly or monthly departmental priority schedule can be printed out to enable teams to focus on the key priorities of the business.

Improve Time Management:

Each employee will be able to effectively manage and coordinate their most valuable asset - time. A performance management system should be designed so employees are able to formulate daily, weekly and monthly plans with clear outlines of priorities and objectives. As part of these plans, each employee should be able to quantify his or her goals and deadlines at the click of a button. This instills a new sense of urgency in the completion of short-term plans as well as saving hours of lost productivity.

Improve Communication:

Most organisations do not communicate effectively. A performance management system will encourage the development of teams and effective communication between team leaders and team members. Team members will be encouraged to focus on organisational objectives.

Management Systems:

Motivate your staff and third Party Service Providers:

A performance management system provides visual re-enforcement of achievement levels. See the Human Resources Management section of this web site for more details.

Contact Us Today

Call **1300 – 4 TODAY** (1300 – 486 – 329) or email info@supplytoday.com.au to discuss your management system needs.

Supply Today Pty Ltd
ABN: 33 081 861 770
Level 9, Avaya House,
123 Epping Road,
North Ryde
NSW 2113