

# performance standards

A performance standard is a statement of a condition that will exist when a job is being performed satisfactorily.

The sample performance standards which follow have been prepared to guide you in establishing your own. While they are representative and typical, they are by no means all encompassing and do not pertain to every position. Your own work function will best be described by performance standards which state in specific, qualified, measurable goal-orientated and time phased terms the condition which will exist when your job is being performed satisfactorily. SMART GOALS.

The underlined portions of these performance standards will of course vary in different circumstances.

If you preface your performance standards with the statement, "The job of General Manager in the area of 'Production' will have been satisfactorily performed when:" and have your performance standards complete that statement, you will less likely make the common error of confusing tasks and action programmes with performance standards.

## Key Result Area: **ADVERTISING**

1. An advertising plan that includes an annual budget by month has been established no later than 15<sup>th</sup> April each year.
2. An agency brochure has been produced by the last day in each quarter.
3. All advertising plans have been carried out on schedule.
4. Each advertising plan has been maintained within monthly budgeted figures.
5. Budget actual opportunity value is recorded.

## Key Result Area: **BANKING**

1. Any financial information required by the bank has been made available within one week of the request being received.
2. No less than two credit references have been taken up for every new customer prior to verifying any new account.
3. Short-term lines of credit of at least £50,000 have been available at all times.
4. Interest paid on loans has been no more than 1.5% above the prime rate at any time.
5. The bank manager relationship is valued and you stay in regular touch.

## Key Result Area: **CREDIT CONTROL**

1. The average debtor days of all outstanding accounts does not exceed 60 days.
2. No more than one case of incorrect allocation of received cash has been apparent in any 3 month period.
3. The percentage of bad debts outstanding in excess of 3 months has not exceeded ?% of the total debt.
4. When each account that has become more than 3 months overdue has been placed in the hands of the company solicitors for legal action to be taken within 7 days of that time.
5. Late payment is notified back to sales for action within 4 weeks of late payment.



## Key Result Area: **CUSTOMER SERVICE**

1. All customers of over £10,000 value per annum have been contacted at least every six months with some expression of thanks for their business (or any in the top 125 client list).
2. No more than one justified complaint has been received in any calendar month in respect of mistakes, late delivery or poor handling of their order or the relevant paperwork.
3. All customer complaints have been handled within 2 days to the satisfaction of the customer.
4. All information that has been requested by a customer, or potential customer, has been despatched on the day of the request being received.

## Key Result Area: **HEALTH AND SAFETY**

1. All safety checks and audits have always been carried out in accordance with the health and safety policy.
2. All safety violations notified to the Safety Officer, or found during audit checks, have been rectified within 2 weeks.
3. All fire detection equipment has been serviced to agreed standards within the approved time scale.
4. A fire practice drill has been carried out at least once in each quarter and a report supplied to each manager on its effectiveness within 2 days.

## Key Result Area: **MAINTENANCE**

1. Usage time on all mechanical equipment exceeds 98% in each month.
2. The spare parts stock has been maintained between agreed min/max levels at all times.
3. Work processes down time has never exceeded more than 3 hours for scheduled routine maintenance.
4. All maintenance has been completed to the three monthly schedule.

## Key Result Area: **MARKETING**

1. Marketing expenses have always remained within established monthly budgets.
2. There has been a published press release in each calendar month that has reflected positively on the company.
3. A customer satisfaction feedback survey reflects no less than an 85% satisfaction rate quarterly.
4. A six month Marketing Plan has been established, agreed and reviewed each year by 30<sup>th</sup> April and 31<sup>st</sup> October.

## Key Result Area: **NEW ACCOUNT DEVELOPMENT**

1. At least 25 potential customers have been investigated by a sales person and had promotional material mailed to them each week.
2. There have been at least 10 active accounts established from promotional mailings each month.
3. New accounts have generated at least £10,000 in each calendar month.
4. Contracts have only been developed with clients who have met or exceeded the company's barriers to entry established criteria.

## Key Result Area: **PERFORMANCE REVIEW**

1. Each team member has received a half year and end of year annual performance review by 30<sup>th</sup> April each year.
2. Each individual has been given at least 5 working days notice of their review meeting.
3. Any PRD amendments agreed have been made to the document within 7 days.
4. Each person within the department has achieved all set objectives within the defined time scale.



5. Performance review is directly linked to bonus income of 5% of individual salary.

## Key Result Area: **PERSONNEL**

1. No hourly job vacancy has existed for more than 2 weeks.
2. Turnover of staff below managerial level has not exceeded 10% in any financial year.
3. A performance review has been conducted with each employee within the company twice a year by 31<sup>st</sup> October.
4. All disciplinary matters have always been dealt with in accordance with the companies Disciplinary Procedure with the utmost priority.

## Key Result Area: **PLANNING**

1. When a 3 year rolling Strategic Business Plan has been formulated by September 30<sup>th</sup> each year.
2. When a budget has been formulated each year for all aspects of the business by start of the final quarter.
3. When a training plan has been developed to incorporate necessary development needs to meet the Business Plan by end of each year.
4. When an organisational structure chart has been drawn up by end of year and amended within one week of any changes taking place and circulated accordingly.

## Key Result Area: **PROCEDURES**

1. No procedure introduction can be made without establishing a measurable on-going commercial benefit.
2. A procedure has been established for all new processes prior to the use of the process and a copy circulated to all department heads within 24 hours of completion.
3. Any notification of change to a process or procedure has been notified to all managers within 2 days.
4. All procedures have been submitted for authorisation by the relevant Director prior to implementation.

## Key Result Area: **PRODUCTION**

1. All changes to production procedures have been carried out within 24 hours of notification.
2. Faulty products rejected by inspection do not exceed 0.5% of monthly production.
3. Corrective action has commenced to correct production failures within 2 hours of notification.

## Key Result Area: **QUALITY CONTROL**

1. Customer returns have not exceeded 1% in any month.
2. 100% testing has been initiated within 6 hours of a bad run being detected.
3. All equipment calibrations have been completed within the periods designated in the calibration log.
4. No major non-conformities have been highlighted during any particular third party assessment.

## Key Result Area: **SALES**

1. The overall sales targets have been achieved in each month.
2. Each Sales Executive has achieved no less than 95% of budgeted sales in each month.
3. All quotations have been despatched to the customer within 2 working days of the request having been received.
4. All customers who have not ordered within 6 months have received a verbal enquiry within 4 weeks of that time to regenerate business.



## Key Result Area: SELF-DEVELOPMENT

1. Each individual has a clear training and skills improvement objective.
2. At least one business related magazine has been read each month.
3. At least one business related exhibition or competitor has been visited in each six-month period.
4. A speed-reading course has been completed by 21<sup>st</sup> December 1999.

## Key Result Area: STOCK CONTROL

1. There has been a daily check of no less than 10 stock items to confirm inventory.
2. All delivered items have been checked to ensure the correct reference has always been shown on all goods.
3. No more than one error per month has been highlighted due to the incorrect placing of goods within the stores.
4. Goods have always been stored within designated areas to ISO9002 standards to allow free movement of the forklift and avoid accidents.

## Key Result Area: SUB-CONTRACT PROCUREMENT

1. Responsibilities for each stage of the procurement have been established at least 2 days prior to seeking sub-contractors.
2. At least three current sub-contractors have been identified to provide competitive quotes within the agreed time scale.
3. No contractor has been unable to provide pricing details on time due to any delays in despatching of packages by the Project Manager.
4. The sub-contractor has been appointed within the agreed time scale indicated in the project plan.

## Key Result Area: TRAINING

1. A Training Requirement Form with clearly defined objectives has been completed and authorised by the manager for each individual for any desired training prior to training being booked.
2. Any course attended requires an employee to devise 10 learning points to share with the rest of the team. Applying 3 improvements to the business.
3. A final probation report has been completed with each trainee within 1 month of completion of a training programme or on-the-job training.
4. All training has been recorded on the training file within 7 days of completion.

Each member of the team must have clear folders of all correspondence kept confidentially in a secure environment.

