Performance Management – Instructions for Leaders

The performance management process is a cycle, NOT an annual one-time event. The cycle involves four phases or components: Planning, Coaching, Reviewing, and Rewarding. This guide will help you move through the annual performance management cycle so that it provides a meaningful, value-added experience for both you and the employee.

These instructions include specific references to the Performance Management and Development form (Parts A, B, and C), but please keep in mind that the key to success in performance management is two-way communication – not paperwork! Let the form serve as a tool to facilitate and document the conversation between you and the employee.

PLANNING

At the beginning of each performance year, you will work with the employee to establish a measurable action plan (Part A), to ensure a shared understanding of organizational values and behavioral expectations (Part B), and to identify specific learning/growth opportunities and resources that will support the employee's efforts during the year (Part C).

<u>Cover Page</u>

- For planning purposes, only complete the "Employee Information" section at the top of the page. Skip the questions about interim reviews and periodic coaching sessions for now. Be SURE to enter the review period start and end dates.

<u>Part A</u>

Note: Part A may require more than one page. Feel free to use whatever space is required. At the beginning of the performance year, the supervisor and employee should collaborate to establish clear expectations.

- First, discuss Part A with the employee. Provide copies of the Enterprise Balanced Scorecard and Core Service Business Plan, including the Business Process level and/or Process Activity level and, if possible, the Employee level reports from GovMax. Identify those objectives the employee will actively contribute to during the performance year, and discuss specific actions they will be expected to perform. Also discuss how success will be measured for each of those actions, and establish appropriate targets. After you and the employee have talked this over, complete Part A of the form to reflect your conversation, as follows:

Performance Management - Instructions for Leaders

- Since most of the employee's goals in Part A should be tied directly to your business plan, you should be able to copy most of the information from GovMax. The column headings match the terminology used in GovMax.

  Employee Objective – What specific objective will this action help the employee or team achieve? (Note: More than one Employee Action may support the same Employee Objective.)

  Scorecard Perspectives – Which perspective(s) of the balanced scorecard does this action address? (Customer, Finance, Internal Process, Learning & Growth) The purpose of this column is to help link the employee's actions to the big picture of the overall organization.

  Employee Measure – How will the supervisor and employee determine whether the employee is successful in performing the Employee Action? What criteria will be used to measure achievement? What data must be tracked? How? For example, if the employee action is to build widgets, will success be based on the quality of the widgets, or the number built, or the time it takes to build them, or some other measure?

  Employee Target – What is the desired level of performance? In the widget example, if the measure is number of widgets built, how many is enough to consider the employee as achieving expectations?

  Employee Action – A specific action/task/project the employee will perform during the year.

  End of Performance Year Results – This column will NOT come from GovMax. Instead, the supervisor will enter here the actual results of the employee's performance during the year for each Employee Action. So it should be LEFT BLANK during the planning phase.

  Rating – Based on the results at the end of the performance year, the supervisor will indicate whether the employee exceeded or achieved expectations for each action, or whether they need improvement in that area. This will also be LEFT BLANK during the planning phase.

- After you fill out Part A of the form, review it with the employee to ensure it accurately reflects your shared understanding. Provide the employee with a copy to refer to throughout the year, and keep a copy on file for your reference.

Part B

Part B documents the employee's behaviors that do – or don't – demonstrate the organization's values and core competencies. The values include: Customer Service, Cooperation and Teamwork, Honesty and Integrity, Quality, Stewardship, Innovation, and Accountability. Print the core competency wheel (available on the TPM website) and incorporate the listed performance expectations into Part B. Keep in mind that Part A focuses on accomplishments (deadlines, accuracy, quality, volume, etc.); Part B describes behaviors (communication skills, conflict resolution, willingness to change, effective collaboration, contributing to a positive/motivational work climate, serving as a role model, etc.). It is very important to ensure a shared understanding of these expectations at the start of the performance year. You won't need to write anything in Part B during the planning phase.

Part C

Part C is the Individual Development Plan. The employee should offer ideas and suggestions along with the supervisor when completing the IDP.

- Employee Development Goals. What does the employee need/want to learn about? What skills or abilities do they want to develop or enhance? Often these goals relate to a goal for the coming year (Part A) or an opportunity for behavioral development (Part B). It may also relate to the employee's longer term career goals. NOTE: Each employee should have at least one (1) and no more than three (3) development goals.

- Learning Plan/Resources. How might the employee achieve each learning goal? Options could include classes, workshops, seminars, conferences, books, videotapes, CDs, audiotapes, on-line research, site visits, discussions with subject matter experts, mentoring, etc. You may want to list several options for achieving a goal, and encourage the employee to take advantage of the option(s) best suited to the topic and their learning style. *Remember, the purpose of the IDP is to encourage the employee to develop their skills, knowledge, and abilities – NOT to require them to attend a certain number of classes.*

- Supervisor Support Plan. Will you need to budget funds for travel or continuing education? Provide coverage while the employee is on a site visit? Review proposed process changes the employee suggests based on what they have learned? Offer additional sources of information? Write here the role you will play in the employee's development during the year.

NOTE: The employee is not evaluated on Part C; rather, it is a tool to help equip the employee for success in Parts A and B.

COACHING

Once the plan for the performance year has been established, it is time for the coaching phase of the cycle. This can be accomplished through a combination of brief, informal conversations along with more formal scheduled discussions.

Performance Management - Instructions for Leaders

You are required to meet at least once near the middle of the performance year; however, you are strongly encouraged to meet **quarterly** to discuss:

- Have priorities shifted during the last few months? Does the action plan (Part A) need to be adjusted? (Items can be added, deleted, or revised as needed.)

- What is going well? What does the employee feel good or excited about?

- What obstacles has the employee encountered? How will these be overcome to ultimately achieve success?

- Has the employee been following the IDP (Part C) for the year? If so, what has s/he learned and how has s/he applied that learning to the job? If not, what has prevented participation so far, and how can any obstacles be overcome?

- Provide feedback to the employee about both their accomplishments to date (Part A) and their demonstration of organizational values and behavioral expectations (Part B). Be specific and clear, and engage the employee in brainstorming solutions for any concerns.

- Request feedback from the employee. What could you start doing, or stop doing, or continue doing that would be helpful in the coming weeks/months?

HELPFUL HINT: Keep a file throughout the year documenting the employee's accomplishments. Note specific results information on your copy of Part A, and specific observations of demonstrated behaviors on your copy of Part B. At the end of the year, much of your summary work will be done already!

REVIEWING

First, if you plan to use a multi-rater panel to gather additional feedback regarding Part B, work with the employee to develop a mutually agreeable list of panel members, and send out the multi-rater form well in advance. You'll want to receive and summarize that feedback before holding the annual review discussion.

If you've completed coaching discussions throughout the year, the annual review should go smoothly – and relatively quickly. Those periodic conversations should have provided you with good information/data to use for the annual review process. However, **BEFORE** COMPLETING THE RESULTS SECTIONS OF THE FORM, meet with the employee to discuss their perspective on the year's accomplishments. Listen carefully, receive any additional data/information, and respectfully share feedback (your own and that from the multi-rater panel). THEN you'll be prepared to complete the summary sections of the form, as follows:

Part A

- After your discussion, complete the "End of Performance Year Results" column on Part A. Summarize the employee's specific accomplishments related to each Employee Action.

- For each objective, determine a rating. Your choices include:

    - (E) Exceeds = Performance that significantly surpasses the job function/goals.

    - (A) Achieves = Performance that completely accomplishes the job function/goals. This is a solid performance; most employees will earn this rating.

    - (N) Needs Improvement = Performance fell short of expectations and needs significant improvement.

NOTE: Nothing in the summary or ratings should be a surprise to the employee – you've already discussed this.

Part B

Both multi-rater feedback and your own observations may be used to summarize demonstrated behaviors and results for Part B. You MUST refer to the core competency performance expectations. Cite specific examples. Use the same ratings as listed above. Keep in mind, it is possible to be technically skilled and still lack interpersonal skills. Sarasota County Government expects employees to demonstrate behaviors consistent with its organizational values while working to accomplish job tasks and goals. Therefore, Part B is just as important as Part A.

Part C is NOT evaluated during the annual appraisal, although you may wish to discuss which learning options the employee completed and which were most helpful.

Cover Page

After completing the rest of the form, determine the overall rating.

(E) Exceeds = Performance that significantly surpasses the job function/ goals, and consistently demonstrates the core competencies and organizational values.

(A) Achieves = Performance that completely accomplishes the job function/ goals and demonstrates the core competencies and organizational values to a fully acceptable level. This is a solid performer. Most employees will earn this rating.

(N) Needs Improvement = Performance needs significant improvement for job functions/goals and/or core competencies and organizational values. An action plan must be developed to address the needed improvements.

NOTE: The rating should not be calculated as a mathematical formula. Rather, the supervisor should consider all aspects of the employee's job performance (accomplishments, behaviors, demonstrated values) in order to arrive at an overall rating.

- After reviewing the evaluation, the employee should sign and date the form. The signature indicates simply that the employee has read the form, not that they agree or disagree with it. Space is provided for the employee to add comments if they wish; comments are not required.
- The evaluator should add comments in the designated space to summarize the key points of the evaluation and rating, and sign and date the form.
- The evaluator's supervisor must also sign and date the form.

REWARDING

Determine the merit increase, if any, the employee will receive. Consider the employee's current compa-ratio, overall performance, internal equity, and non-monetary motivational factors. Use the tools and information available on the TPM website to determine an appropriate increase. Keep in mind that you may want to use a combination of options (such as a base pay increase plus a lump sum or a value-added bonus) to reward performance. For more information about available options, consult with your TPM Service Advisor or with Human Resources.

NOW THAT YOU'VE COMPLETED THE CYCLE… be sure to start over immediately! Print a new form and work with the employee to develop a plan for next year, including all 3 parts (A, B, and C).