

Performance Management System

A Process Approach to Managing Employee Performance



HUMAN RESOURCES DEPARTMENT
City of Madison

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No Performance Appraisals?

- Deloitte—2 million hours per year
- Atlassian—Caused disruption and anxiety



- Netflix— “Building a bureaucracy and elaborate rituals around measuring performance usually doesn’t improve it”

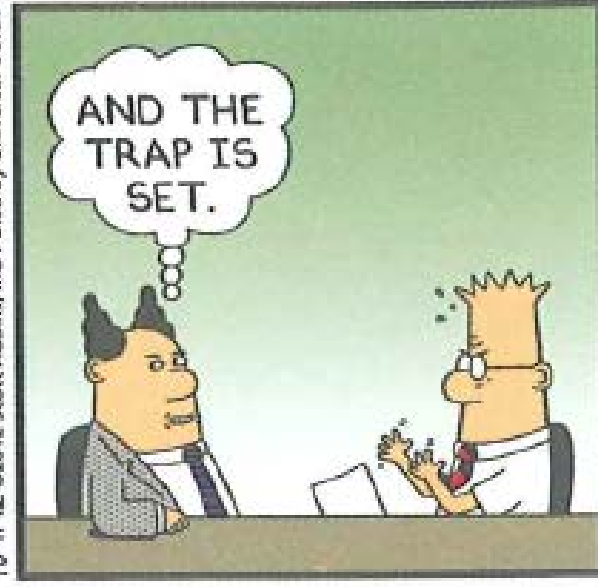
You Don't Want This!



Dilbert.com DilbertCartoonist@gmail.com



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Objectives

- Learn a process approach to managing employee performance
- Engagement and Performance Management
- Learn the role of a Position Description in performance management
- Learn a method of providing feedback to employees
- Understand when to impose Discipline or implement a Performance Improvement Plan

Advantages of a Process Approach to Managing Performance

- Provides consistency in managing performance
- Employees are aware of expectations
- Addresses problems when they happen, not at an annual review
- Provides roadmap for supervisors on how to address problems when they occur

**“I’m glad that Michael is getting help.
He has a lot of issues and he’s stupid”**

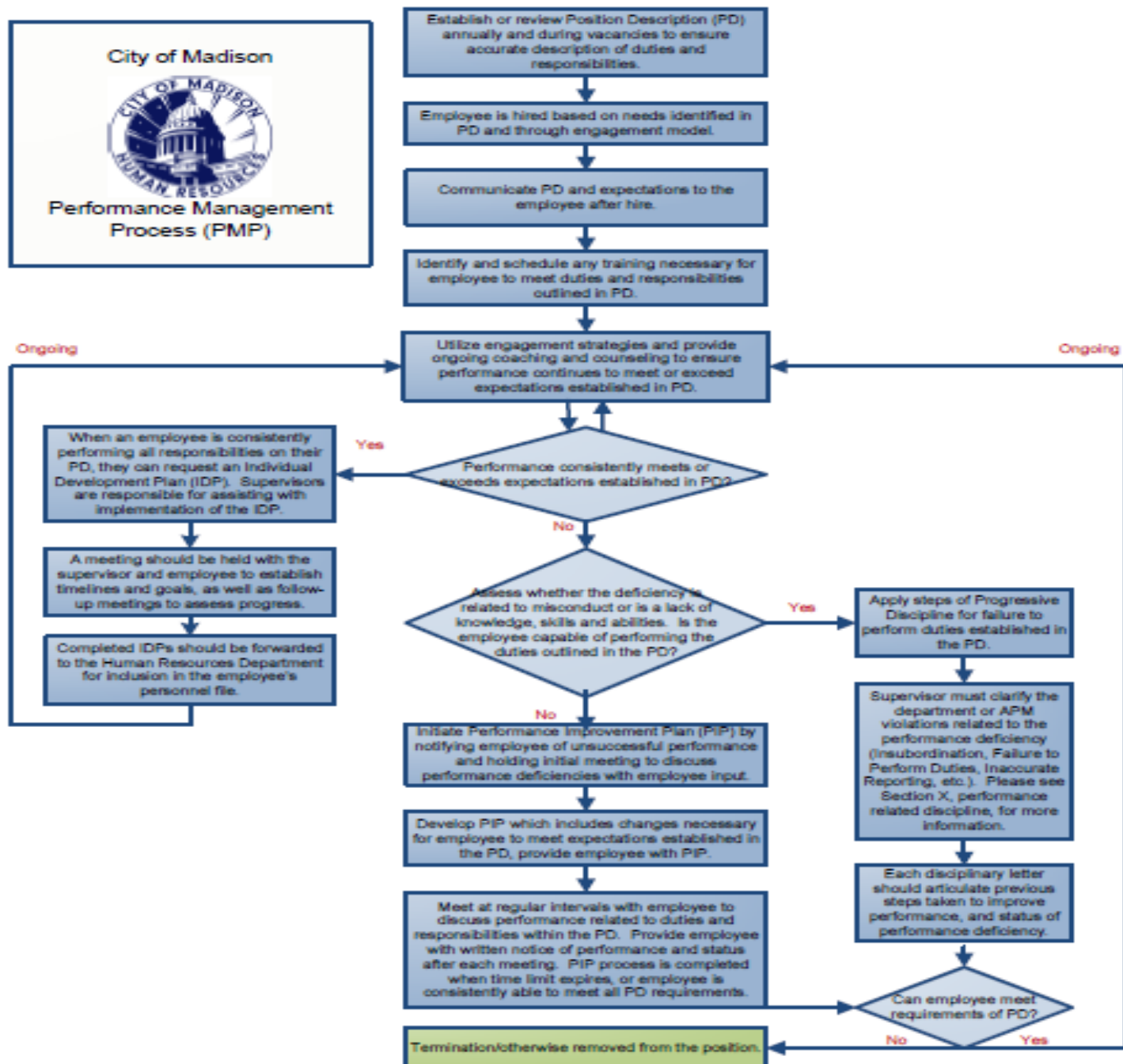


- Phyllis, The Office

City of Madison



Performance Management Process (PMP)



Employee Engagement and PM



The background is a vibrant green with a repeating pattern of small, semi-transparent circles. Overlaid on this are several large, glowing spheres in various shades of green and yellow, creating a sense of depth and movement. A horizontal green bar with a slight gradient and a thin black border spans the width of the slide, serving as a backdrop for the title.

Setting the Stage

Performance Management

Position Description (PD)

Purpose

- Describes specific tasks and an estimated % of time spent on tasks
- Defines jobs based on the needs of the organization
- Allows supervisors to create performance expectations
- Used to classify positions
- Used to create job announcements



Establishing Expectations

- In general, people need to know:
 - ❖ What is expected of them
 - ❖ How they are going to be measured
 - ❖ How they are progressing
- Created based on tasks in PD
- Supervisors are responsible for establishing tasks (PD) and creating related expectations



Clarifying Expectations

- Expectations can be defined by four standard elements -
 - ❖ **Quantity of Work**
 - ❖ **Quality of Work**
 - ❖ **Dependability**
 - ❖ **Interpersonal Relationships**



Communicating Expectations

- Hold a meeting:

- ❖ Review PD as soon as the employee is hired, when performance issues arise, and when PD changes.
- ❖ PD is how employees will be measured.
- ❖ Acknowledge need for feedback.
- ❖ Be descriptive.
- ❖ Discuss potential training needs.
- ❖ Document the meeting.

- Remember PD is the foundation for discussions about expectations.

Identify Training

- Review needs based on expectations established for the position
 - ❖ Formal Certification
 - ❖ On the Job Training
 - ❖ Employer Sponsored Training
- Assess training needs as PDs change
- Discipline is never appropriate for performance issues due solely to a lack of training



The Model Employee

- By developing a PD, hiring based on the PD, communicating the expectations of the position, and providing required job training to meet the expectations, supervisors are then able to help develop a model employee.



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Feedback Regarding Expectations

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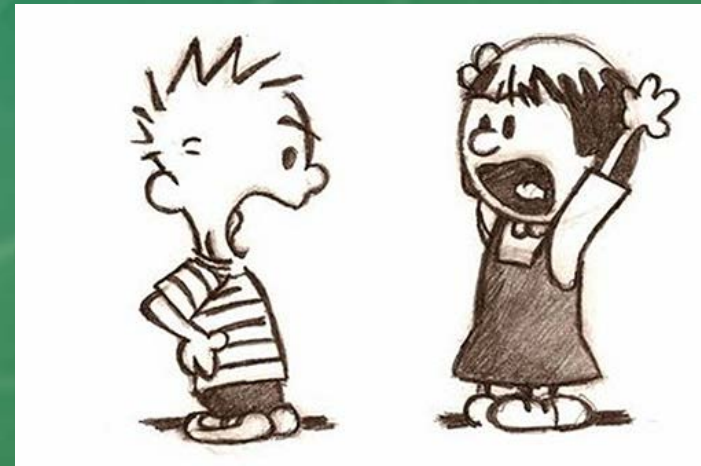
Coaching and Counseling

- Even model employees need consistent coaching and counseling
- Essential with new employees
- On-going process
- Negative feedback requires 1-on-1 meeting with employee
- Several coaching and counseling models exist



SBI Model (Situation-Behavior-Impact)

- Situation
 - ❖ Describe the situation
- Behavior
 - ❖ Describe observed behavior.
- Impact
 - ❖ Describe impact of behavior.



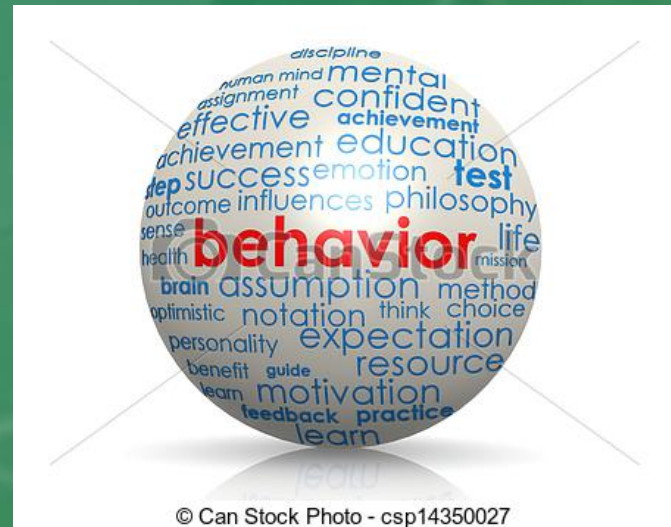
Situation

- Describe the specific situation in which the behavior occurred
- Give specifics regarding the incident to provide context
 - ❖ Location
 - ❖ Time
 - ❖ Behavior



Behavior

- Can be difficult to identify and describe.
- Don't use judgments that describe the person, but not the person's actions
- Include observations of the following:
 - ❖ Body language
 - ❖ Tone of voice
 - ❖ Speaking manner
- Be aware of your words



Impact

- Impacts on department, other staff, customers, processes, and you.
- Describe your reaction
- Communicating the personal impact asks the person to view the behavior from your perspective.
- Use the classic feedback phrasing, “When you did (behavior), it caused (impact)...”

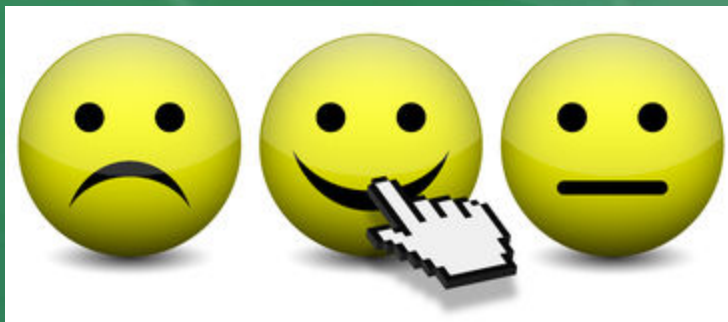
Coaching and Counseling Meeting

- Preparing for a coaching meeting:
 - ❖ Mutually agreed upon time
 - ❖ Private
 - ❖ Do your homework and think about next steps
 - ❖ Be aware of your own emotions and motivations
 - ❖ Power imbalance
 - ❖ Hear the other side
 - ❖ Document the meeting



Positive Feedback

- Key in building trust
- Employees need to know the good as well as the not-so-good
- Timing is critical
- Doesn't have to be in a 1 on 1
 - ❖ Know how your staff will respond in advance



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Handling Performance Problems

Performance Management

Even After All of This....

- After :
 - Creating the PD...
 - Making the hire...
 - Developing and communicating expectations...
 - Providing training...
 - Consistent coaching and counseling...

Performance issues can and do exist!

Reasons We Avoid Dealing With Performance Problems

- Lack of training
- Fear of retaliation
- All alone
- Guilt
- Loss of friendship
- Time loss
- Knowledge that employee has personal problems
- No one has bothered to take care of it before



Reasons to Resolve Poor Performance

- Over-all unit efficiency.
- Morale of staff.
- Setting a standard for other employees.
- Reduces potential liabilities of poor performance.
- Saves time in the long run!

Assessing Performance Deficiency

- Prior to identifying a means for improvement, assess how, when, and why the employee is not meeting expectations.
- Identify specific examples of *when* performance fails to meet expectations (Situation)
 - ❖ Establish frequency of performance issues.

Assessing Performance Deficiency (cont.)

- Next define **how** performance is not meeting expectations (Behavior)
 - ❖ Quantity of work
 - ❖ Quality of work
 - ❖ Dependability
 - ❖ Interpersonal relationships
- Finally, outline the **impacts** of each incident
 - ❖ On the department
 - ❖ On other staff
 - ❖ On the customer
 - ❖ On processes
 - ❖ On you!

The Critical Question



WHY is the employee
not meeting expectations?

Is the employee ***capable*** of performing
at an acceptable level?

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Performance Related Discipline

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Is the Employee Capable? YES!

- Common indicators:
 - ❖ Little to no effort
 - ❖ Expectations were previously met
 - ❖ Explicit refusal
 - ❖ Personal business on duty
 - ❖ Violations of other work rules
- If the employee *is* capable, proceed to performance related discipline.

Performance Related Progressive Discipline

- First identify the rule violated
 - Insubordination
 - Negligence
- Notice is provided in initial expectation meeting and follow-up letters.
- Letter of Instruction



Performance Related Progressive Discipline

■ Steps of discipline

- ❖ Gather information (Investigatory Meeting)
- ❖ Pre-determination Notice and Hearing
- ❖ Ensure 7 elements of just cause:
 - ❖ **Notice (1)** of a **reasonable work rule (2)**.
 - ❖ Reasonable **level of discipline (3)** related to severity and with **equal treatment (4)** for all violators.
 - ❖ An **investigation (5)** is done which is **fair (6)** and unbiased.
 - ❖ You have adequate **proof (7)** of the violation.
- ❖ Issue discipline—Consult with HR/Labor Relations

The Critical Question



WHY is the employee
not meeting expectations?

Is the employee ***capable*** of performing
at an acceptable level?

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Performance Improvement Plans

Performance Management

Is the Employee Capable? NO!

- Common indicators:

- ❖ Adequate effort
- ❖ Rarely demonstrated capability
- ❖ Training is ineffectual
- ❖ Difficulty with related tasks
- ❖ Work innovations difficult to grasp

- If the employee ***is not*** capable and discipline would be counterproductive to improvement, proceed to a PIP.

Performance Improvement Plans

■ PIP Implementation

❖ Notice of unsatisfactory performance:

- ❖ Statement of problem
- ❖ Previous activities
- ❖ Impacts
- ❖ Initial meeting information
- ❖ EAP information

❖ Hold an initial meeting.

- ❖ Explain the performance deficiency and provide related expectations
- ❖ Ask clarifying questions
- ❖ Develop ideas for improvement



PIP Implementation

- Create PIP and issue with follow-up letter including:
 - Meeting information (typically every two weeks)
 - Issues identified
 - Previous activities and impact of poor performance
 - Consequence of failure to improve

DATE	Tasks	Status	Expectation/Progress	Deadline
Aug. 28, 2010	Timesheets.	Inc.	Excessive errors on each timesheet. Should have no more 1-2 per year.	2/28/11
	TARGET		No more than 1 error per payroll.	9/10/10
Aug. 28, 2010	Payroll.	Inc.	Payroll >1 day late 75% over prev. 2 months, should be 1 day early.	2/28/11
	TARGET		Payroll on time.	9/10/10
Aug. 28, 2010	Call Duties.	Inc.	Avg. of 20 dropped calls per week. Should be 1-2 dropped per week.	2/28/11
	TARGET		Avg. of 10 dropped calls per week.	9/10/10
Aug. 28, 2010	PPC (Payroll Processor Certification)	Inc.	Have not received Payroll Processor Certification.	2/28/11
	TARGET		Pass PPC Exam	9/10/10

PIP Implementation

- Hold follow-up meetings and issue follow-up PIPs and letters.

DATE	Tasks	Status	Expectation/Progress	Deadline
Aug. 28, 2010	Timesheets.	Inc.	Excessive errors on each timesheet. Should have no more 1-2 per year.	2/28/11
Sept. 10, 2010	TARGET		Had 6 errors in last payroll. No more than 1 error per payroll by target deadline.	9/24/10
Aug. 28, 2010	Payroll.	Inc.	Payroll >1 day late 75% over prev. 2 months, should be 1 day early.	2/28/11
Sept. 10, 2010	TARGET		Payroll completed on time. Complete payroll 1 day early	9/24/10
Aug. 28, 2010	Call Duties.	Inc.	Avg. of 20 dropped calls per week. Should be 1-2 dropped per week.	2/28/11
Sept. 10, 2010	TARGET		Avg. of 14.5 dropped calls per week. Avg. of 10 dropped calls per week.	9/24/10
Aug. 28, 2010	PPC (Payroll Processor Certification)	Inc.	Has not received Payroll Processor Certification.	2/28/11
Sept. 10, 2010	TARGET		Failed PPC Exam Passed PPC Exam	9/24/10

PIP Conclusion

- Satisfactory performance
 - ❖ Employee is provided notice that they are no longer on a PIP
 - ❖ Revert to constant coaching and counseling
- Unsatisfactory performance
 - ❖ Employee is terminated or otherwise removed from the position
- Often takes approximately 6 months from start to finish
- ***Involve Human Resources throughout the performance improvement process.***

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Questions???

Performance Management