Performance Management is about improving Statewide performance by improving team and individual performance

It is:

- A process that links people and jobs to the strategy of the Agencies
- A process for establishing a shared understanding of what has to be achieved and how
- A process of managing self and others so that people do achieve
- A process for ensuring that people are doing the right things in the most effective ways to the best of their ability
Improving Performance Management Improves Business Results

Move to superior performance

One standard deviation = 20% - 120% improvement in productivity

Optimizing the performance of your people will have a positive impact on Statewide performance
Performance Management Steps

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<th>Performance Appraisal</th>
<th>Performance Management</th>
<th>Performance Ownership</th>
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<td>Report Card (retrospective)</td>
<td>Barometer of progress (periodic)</td>
<td>Dialogue (Continual)</td>
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<td>Role of Employee</td>
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<td>Focus</td>
<td>Manage poor performers</td>
<td>Manage the tails of bell curve</td>
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<td>Emphasis</td>
<td>“Check the box” compliance-oriented</td>
<td>Evaluation reward emphasis</td>
<td>Strategic clarity, coaching, dialogue</td>
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<td>Ownership</td>
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<td>Employees, managers, and leadership</td>
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The performance management model is not new, but the way in which leading organizations do it is very different.
Planning - understanding what good performance is

- Performance planning is a core business process
- Translates strategic intent into understood goals/actions
- All aspects of performance are considered
- Objectives include behaviors in addition to results
- Employees play a strong role in the performance planning process
- Obstacles to good performance are identified and dealt with
Best Practices - Coaching

Coaching - ensuring good performance

- Managers are selected for and held accountable for effective coaching
- Managers and employees are trained in and good at coaching
- Modeling of coaching behaviors is critical (this includes the executive levels)
- Managers create the climate for superior performance
- Interim reviews are done (formally)
- Coaching interventions are frequent and focused (less formal)
Best Practices- Reviewing

Reviewing - assessing how good/poor performance was

- Initial self-assessment is critical
- Open, two-way communication is critical
- Discussions include both performance evaluation and development opportunities
- The role of Human Resources is value-added vs. controlling
- No more than a four-point rating scale is necessary
- People are rewarded for results
Best Practices- Rewarding

Rewarding- reinforcing good performance

- Salary discussion is separate from performance/development discussion
- Increased clarity regarding how performance is rewarded
- Distinctive rewards for different aspects
- Use of both monetary and non-monetary rewards
Achieving Performance Excellence

Results (the WHAT) + Behaviors (the HOW) = Performance Excellence
Upon completion of the development of an effective performance management plan, the State as a whole and each Agency will have:

- A consistent performance management process that meets the Agency’s objectives and links to the business results of the Agency;

- The means by which to plan and communicate performance expectations to all employees;

- An objective means by which to link performance and reward; and

- Trained supervisors and managers with enhanced skills, capable of implementing a performance management process that sets performance objectives, holds employees accountable for performance, and provides regular and meaningful feedback and review.
The proposed steps for development and implementation of this plan are:

1. Formation of Steering Committee and Design Team (to consist of a cross-section of employees and representatives of key stakeholders): Jan 2008