

## ***History***

Historically, performance management systems have failed individuals and organizations on four fronts:

### **Failure #1 - Results but not behaviours**

Many systems focus exclusively on achievement of business goals without taking into account the behaviours that make achievement sustainable. We can all recall managers who get things done but for whom none of us would ever want to work.

### **Failure #2 - Too many goals**

Performance management and development processes have more impact when directed at a small number of goals or development activities that have significant impact.

### **Failure #3 - Balance between appraisal and development**

The nature of appraising performance in the past is only of value if the outcomes emphasize the opportunities for development or improvement. We cannot manage the past - only the future.

### **Failure #4 - Ownership by senior management**

Many performance management and development processes become Human Resource initiatives, with emphasis on HR following up to collect reviews and report on trends. Systems need to have line management valuing the time and effort required meet and engage with staff. HR or other managers can help with reminders and use exception and change reporting to support the sourcing of training or the resolution of performance concerns but leaders must want to make this activity work.

## ***Principles***

### **Purpose**

The primary uses of performance management are to clearly communicate expectations to employees, to listen to their concerns about their employment experience, to share knowledge and coach them through their performance challenges, to plan their development and to reward their achievements. If at the end of any performance meeting these activities were not discussed and agreed then the process is falling short.

### **Accountability**

This process, while it needs some accountability on the part of the employee to engage, is the managers' accountability for execution and quality. In addition, senior managers are expected to be accountable for ensuring that the indirect staff under them are being engaged in this process by their own managers to an acceptable level of quality.

## **Practice**

### **Meetings**

On a scheduled day, at least once in a two month period, a manager and employee are to meet face-to-face to conduct a coaching meeting. The standard agenda and topics of this meeting are known in advance and follow a basic outline provided below. A short version to supply to an employee ahead of the meeting is also attached. There are a few additional elements to the meeting agenda for coaching discussions with people who are managers versus individual contributors. Meetings should rarely be shorter than 20 minutes and should increase in length for complex roles or when the process of discussing topics requires greater time. These meetings should never feel “rushed” from an employee’s point of view as some topics take time for employees to achieve comfort.

### **Note-taking & Documents**

Managers are expected to keep notes from their meeting and may even wish to share copies of the notes with the employee. These notes are not expected to be centrally shared (to reduce bureaucracy) but must be kept in an organized location and accessible if ever needed. The specific details of initial employee development goals including skills training needed should be shared with Human Resources following the first performance meeting. Human Resources is also available to help flesh out these plans and make them practical and achievable.

### **Exception Reporting and Compliance**

With the notable exception of the first development activity plan, most of the notes and personal documentation of these meetings are to be kept by the manager. On an ongoing basis, managers are expected to report exceptions to the normal conversations in the performance meeting or changes to plans for development. Examples of exceptions include:

- Comments or statements by employees of dissatisfaction or concern regarding the terms of their employment (i.e. compensation, promotion, job satisfaction, etc.)
- Information shared that indicate concerns in the employment of other employees or in other aspects of the firm and its operations
- Managerial concerns about employee performance or abilities

Exceptions are to be reported in writing by email or other approved methods to the senior manager and Human Resources.

Whether exceptions are present or not, each month, managers are expected to confirm by a simple statement to their senior manager and Human Resources that they have:

- Completed the performance coaching meetings scheduled for that month to the quality standards laid out in this document
- Raised and given opportunity for the employee to discuss each topic area in the standard performance meeting agenda
- Reported any pertinent exceptions, changes or concerns raised by the meeting
- Deemed the employee’s performance satisfactory to date unless otherwise noted
- Verified and ensured that performance meetings have taken place for all indirect employees under their responsibility

## **Accountability & Audits**

Managers are accountable for meetings taking place in a timely manner and with the required bi-monthly frequency. They are required to create a climate of openness and confidentiality. When a manager provides their simple monthly confirmation of the completion of performance meetings (including any exception reporting), they are taking personal accountability for the completeness and quality of their direct reports performance meetings.

For the purpose of improvement and quality assurance, occasional audits may take place by either senior managers or Human Resources to ensure that employees perceive the same level of completeness, openness and quality were achieved in their performance meetings.

# Performance Coaching Meeting Agenda & Assessment

Name: \_\_\_\_\_

Date: \_\_\_\_\_

## Opening Questions

Set up the meeting for success by ensuring that you are addressing issues that both of you wish to discuss. Demonstrate that you are listening as well as speaking. Example questions include:

What is the most important topic you feel we should discuss today?

Is there anything that's happened since our last meeting that causes you significant concern?

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## Feedback For Me

Before beginning to discuss the employee's performance, ask for feedback on yours. Try asking:

How timely am I in responding to you?

Do I provide you the freedom to act?

Am I providing you enough challenge?

Do I recognize your contributions in ways that you value?

Am I clear on expectations and goals?

Are there behaviours or activities that I should start doing, stop doing, continue doing or do differently?

Do I keep you informed about the things you need to know to do your job?

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## Past Performance

Look back on past performance to recognize good work and analyze unsatisfactory work. Let the employee do some of the heavy lifting on this review by asking questions like:

Name two things you are doing well or are proud of achieving?

Is there anything about the expectations of you in your job that you aren't clear on?

➤ Review Key Performance Indicators

➤ Review agreed goal, project and activity progress since last meeting.

### **Goal Setting**

This meeting is the right time to assess progress against specific job performance goals, make changes to goals based on new circumstances and create new goals as needed. In discussing goals, consider asking:

- What new goals or goal adjustments should we set?
- What should be accomplished in the current goals before we meet again in two months?

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### **Coaching**

These meetings are opportunities to share knowledge and provide guidance, often on topics that aren't strictly about job performance. Prime the conversation with questions like:

- What are the top 2 things that you set out to do this year, but did not achieve? Why do you think that happened?
- If you could have one decision back, made in the last month, which one is it? Why would you want it back?
- What is the biggest decision you have to make in the next month?

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### **Engagement Check**

You may have a sense of the level of engagement and satisfaction of the employee but meetings like this are an opportunity to ask direct questions and get direct answers. Don't be afraid to ask specifically:

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|---|---|
| <input type="checkbox"/> How do you feel about the rewards of working here? | <input type="checkbox"/> If a friend asked you if you are satisfied in your job what would you say? |
| <input type="checkbox"/> What are your thoughts on your compensation?       | <input type="checkbox"/> Are we making best use of your talents?                                    |
| <input type="checkbox"/> Are you getting recognition for good work?         | <input type="checkbox"/> Have you had any thoughts about staying with or leaving our firm?          |

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### ***Development Plans***

In addition to performance goals there are goals for personal improvement, learning and growth. This is the time to paint a picture of where the employee could go in the firm. Be clear on what's needed to get to the next step and encourage the employee to think beyond that next role. Make sure you have a plan to take action (you and the employee) to close the identified gaps in their knowledge and abilities.

➤ Review past discussions on agreed development activities.

Developing the plan can be assisted by questions like:

- What knowledge do you wish you had? What can I share with you that you need to learn?
  - What skill or ability should we be developing in you that we aren't already working on?
  - Do you have aspirations to be a manager?
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### ***Additional Topics for Managers***

If the employee is also a manager, with a manager's account abilities for performance discussions with their employees, you need to ensure that you are doing due diligence to know that the team below them is receiving the same performance management practices. Ask questions like:

- Have you completed all of the performance meetings with your staff you were scheduled to have since our last meeting? If no, why not and are you catching up? Have you asked the same of managers below you?
  - Are there any performance changes, concerns or exceptions with your staff that have arisen since we last met?
  - Is there anyone who we should be considering promoting or removing based on their performance? Would you re-hire everyone you have if you had to rebuild your team?
  - Are there any concerns we should be addressing to ensure the retention of any member of your team?
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### ***Housekeeping***

Don't leave a meeting without scheduling the next one.

## ***Managers Assessment and Exception Reporting***

After completing a quality performance discussion, you as a manager have two important duties to execute:

1. **CONFIRM** that your meeting has taken place and met the standards outlined in this guide.
2. **INFORM** your manager and Human Resources of any exceptions, changes, red-flags or concerns arising from the meeting.

***When you confirm to your manager and HR that your meeting has taken place, it is assumed that you have reviewed the checklist below and unless you provide specific notes or flag concerns, that all aspects relating to the employee are satisfactory and require no assistance.***

### ***Checklist for Managers***

#### ***The Meeting***

- Your meeting took place approximately 2 months after the last meeting.
- You covered the topics above (opening, feedback for you, past performance, goal setting, coaching, engagement check, development plans, and management due diligence).

#### ***Risk Assessment***

Based on this meeting, you have assessed the risks associated with this employee and reported any exceptions including:

- Performance Failure      A possible significant or costly shortfall in performance
- Job Dissatisfaction      Growing lack of fulfillment in the current role
- Marketability      Current skills or experience is in high demand
- Compensation      Perceived or real uncompetitive compensation
- Cultural Disconnect      Evidence of disconnect with our values or culture

#### ***Development Assistance***

- You have requested any needed assistance in further planning for this employee's development.

#### ***Performance Improvement***

- You have engaged Human Resources in creating a performance improvement program or exploring other options for addressing any performance shortfalls.

## **Performance Meeting Agenda**

### ***Employee Prep Sheet***

*In preparation for our next meeting, please consider and prepare to discuss:*

- Topics you'd like to make sure are on our agenda.
- Any feedback you have for me on my performance as manager.
- How you feel your performance has been since our last meeting.
- How clear you are on expectations of you in your role.
- The progress you've on your goals.
- Any new goals or changes needed to existing goals.
- Areas where I can assist you or share knowledge with you.
- How satisfied you are with your job and with working at our firm.
- Your plans for the future, roles you want to aspire to and development you need to get there.