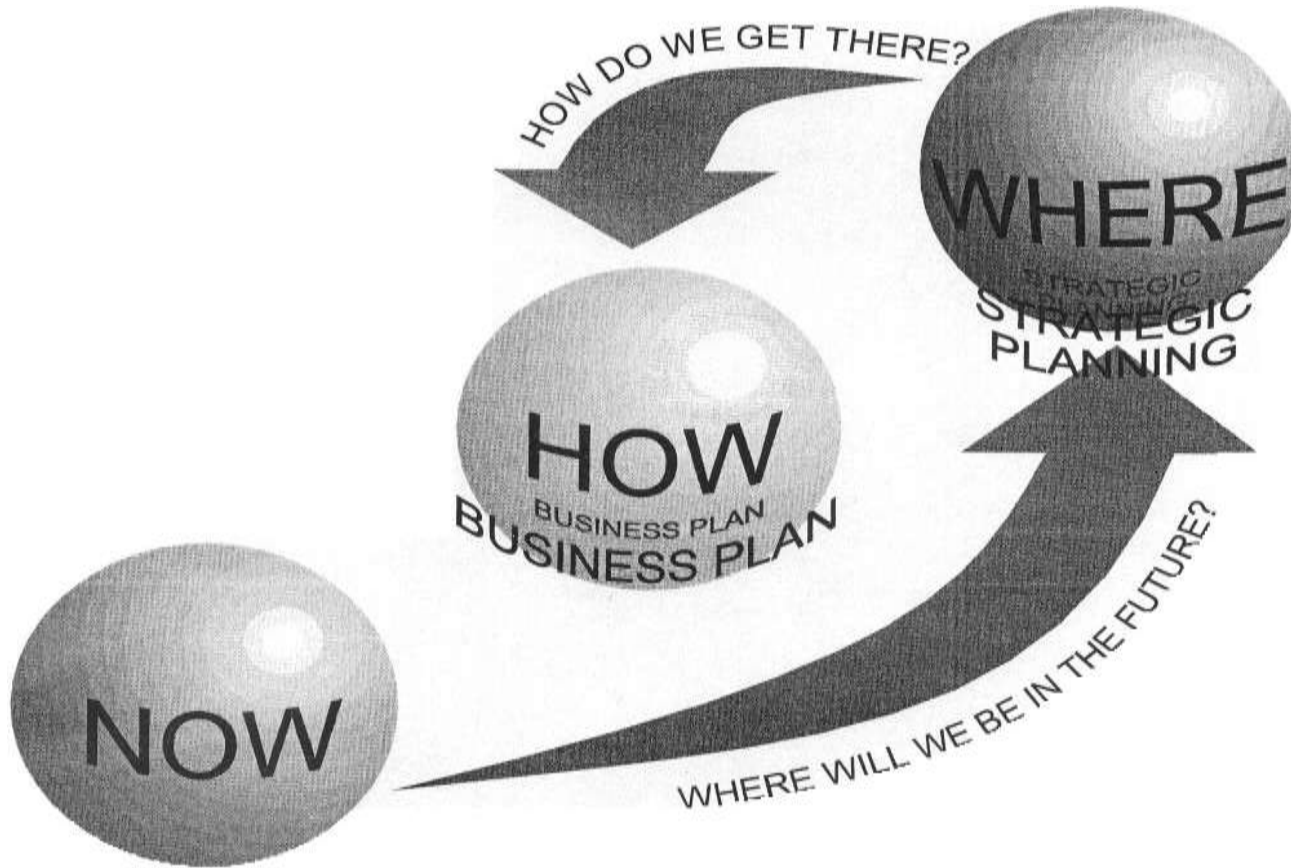# A SIGNATURE GUIDE TO PMS

INTRODUCTION

READY TO GO?

PRESENTATION GOAL

Bring you closer to our group's Performance Management System

To help you & your team achieve success through:

- Setting measures and targets
- Monitoring achievements
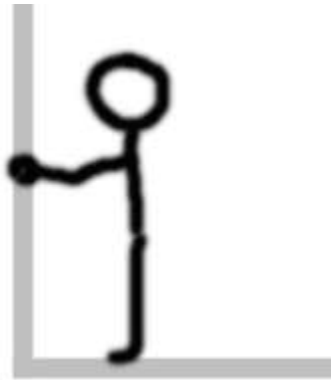
Accountability

HOW ?

BY...

- Doing business and doing good business

- Focusing on good practices - see a new pattern. Create a new picture or future in your mind.

- Any new initiative calls for urgency, speed and stamina all at once !

- No stereotyping

Success does not come by

- Trying and Trying the same thing and expecting different results.

"PRACTICE DOESN'T MAKE IT PERFECT, BUT PERFECT PRACTICE DOES"

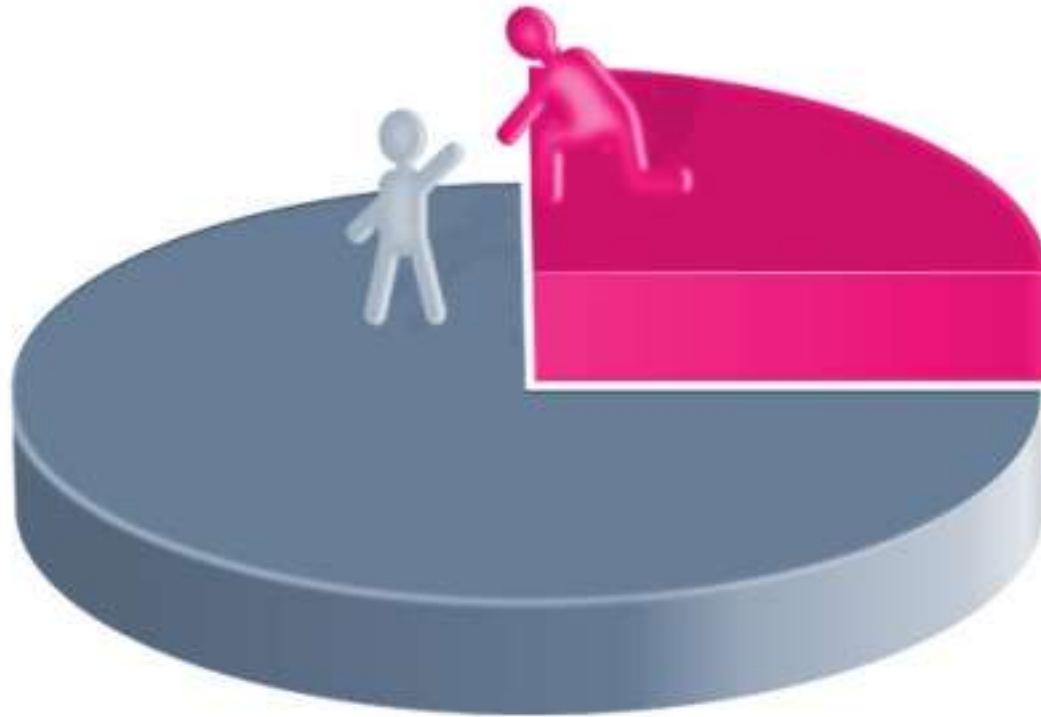# WHO REALLY IS RESPONSIBLE?

Y-o-u

SAY,

I am responsible for my doings or wrongdoings – nobody else, not the governments, not my parents, not the society, not my boss, not my customers, nobody but ME.

Value has a Value only if its Value is Valued.

PERFORMANCE MANAGEMENT

ATURES OF PERFORMANCE MANAGEME

- A Clarification of Expectations

- A Sincere Discussion of Opportunities for Skill Development

- A Way to Focus on Behavior That Will Have the Most Impact on Organizational Results

- Working Smarter… Not just Harder

OUR GOALS - for Performance Management

To create a climate of shared understanding about what is to be achieved, and then developing people to increase the chance that it will indeed be achieved.

- Enhance Performance in the Competitive Environment

- Formalize People Development Planning

- Maximize Current Talent in the organization

What is Performance Appraisal ?

What is Performance Management ?

A 'SHIFT' IN FOCUS

Performance Appraisal Vs Performance Management

Performance Appraisal	Performance Management
Focuses on judging after the fact	Focus is on planning and managing
Emphasizes the form	Emphasizes the process
Fault-finding	Problem solving
Evaluation factors are subjectively identified	Performance expectations are linked to the business plan
A human resource department procedure	A line management process
Threatening	Motivating

VALUE OF PERFORMANCE MANAGEMENT
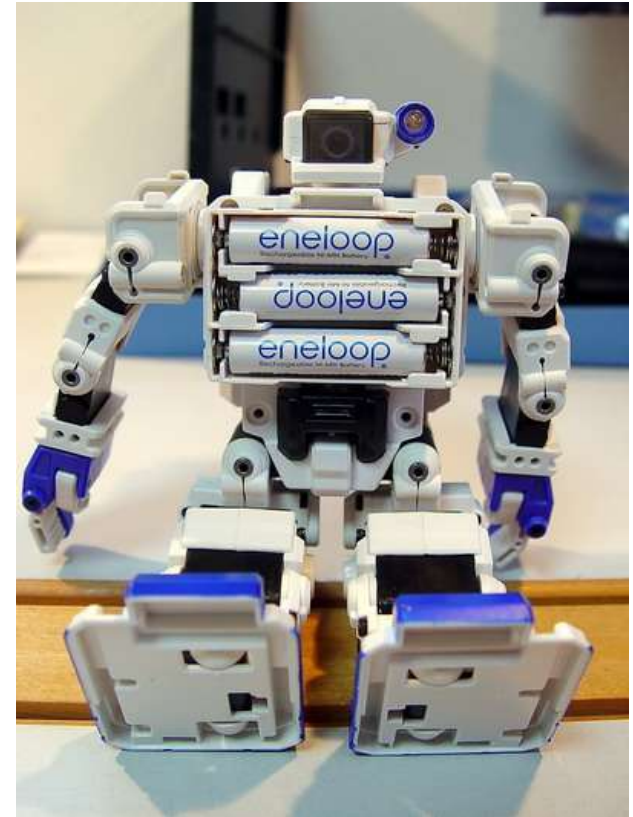
IS NOT....

- The Form

- Administrative

- Writing Perfect Objectives

- Not another Meeting

IS...

- The Process

- Clarifying Expectations

- Providing Feedback

- Motivating People to Excel

- Meaningful 2 way Communication

THE JOURNEY AHEAD

Sensitizing The PMS

car journey…..

PLANNING YOUR JOURNEY

- Determining your trip

- Who gets on board

- Mapping the territory

DETERMINING THE BEST ROUTE

- Opportunities and the anticipated threats

Clouds and Sunshine

- Focus on the map for the best route

  – Can we get some other interesting stop-overs along the way?

- Managing Your Time in Travelling

- Staying within the budget - fuel & in between stops

- Problems with the engine

- Flat tyre

WHO ALL ARE TRAVELLING ALONG?

- Ensure that all relevant people are on board

- Employees, Customers, Shareholders?

- What are other's expectations from the trip?

u11132897 fotosearch.com

THE GUARD RAILS FOR YOUR CAR JOURNEY

GUARDRAILS - Our guide to keep us focused!!

What are these Guard rails ?

- Keeps us on our path

- Focused on the road

- Prevents us from straying

Performance Management System

- They keep us focused in our journey as we move towards our destination

- They give us direction and clarity in our journey

THE CAR JOURNEY

JOURNEY TOWARDS THE GOAL

PERFORMANCE MANAGEMENT SYSTEM (PMS)

+

KEY RESULT AREAS (KRAs) … The What

+

PERFORMANCE BEHAVIOR REVIEW (PBR) … The How

IS PERFORMANCE SIGNIFICANT?

YES !...

Results are the <u>reason</u>

organizations exist

WHAT DOES THE COVER?

presentation

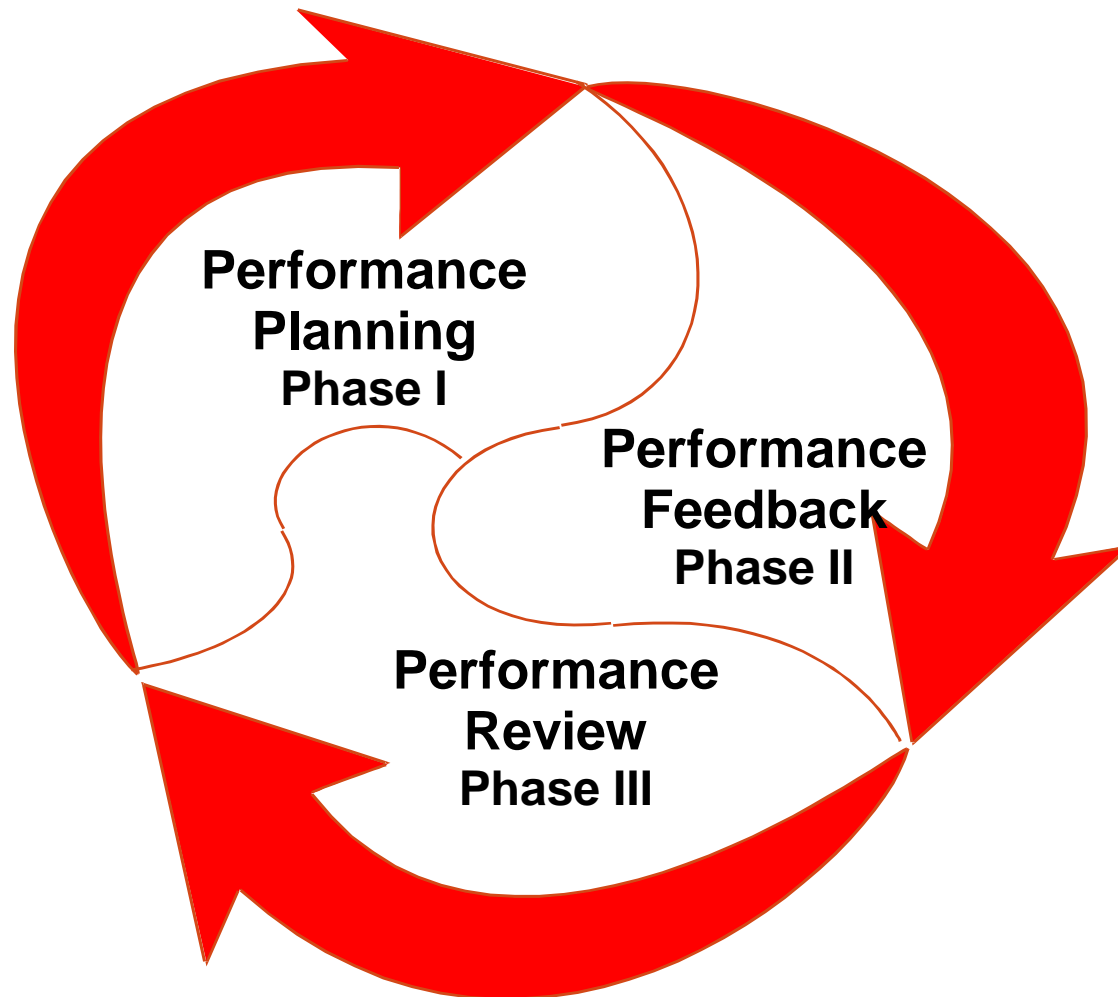story

- **The 3 Parts of Performance Management:**

    - Performance Planning
    - Performance Feedback
    - Performance Appraisal

- **The Appraisal Interview – Video**

- **Role Plays**

THE PERFORMANCE MANAGEMENT MODEL

Performance Planning
Phase I

Performance Feedback
Phase II

Performance Review
Phase III

THE TWO PLAYERS OF THE PUZZLE

- Roles in Performance Management

THE MANAGER

THE EMPLOYEE
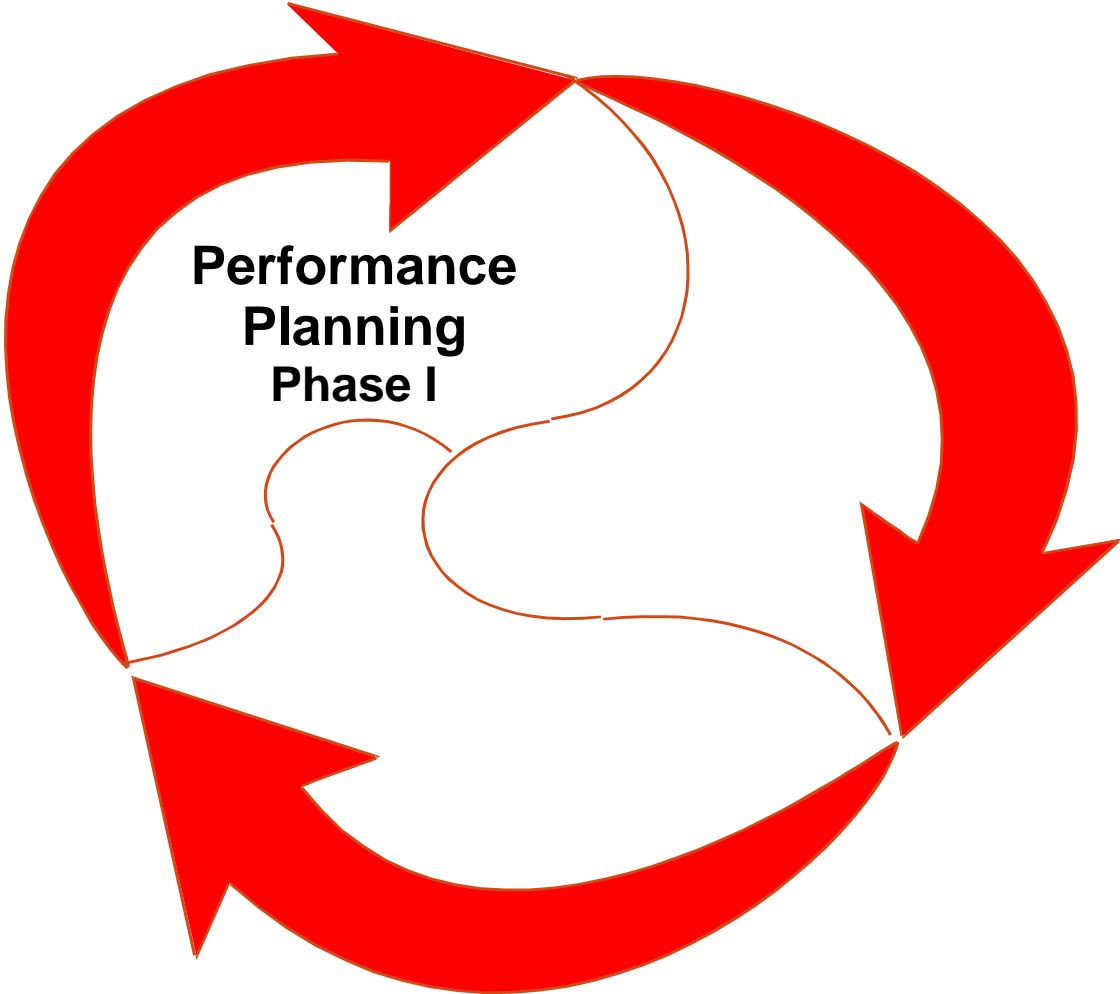
- Shared Accountability
- Coach and Mentor
- Clarify Business Goals
- Provide Resources
- Identify Obstacles

- Shared Accountability
- Proactively Provide Input
- Continual Self Assessment
- Take Personal Ownership for Development

**Performance
Planning**
Phase I

PHASE I: Performance Planning

– **AOP/ Functional Objectives/KRAs**

  - Clarify job requirements and annual goals/Objectives/KRAs

  - Link KRAs to organizational goals

– **Behavioral Assessment**

  - Review PMS values and clarify expectations

  - Provide constructive feedback to focus future behavior
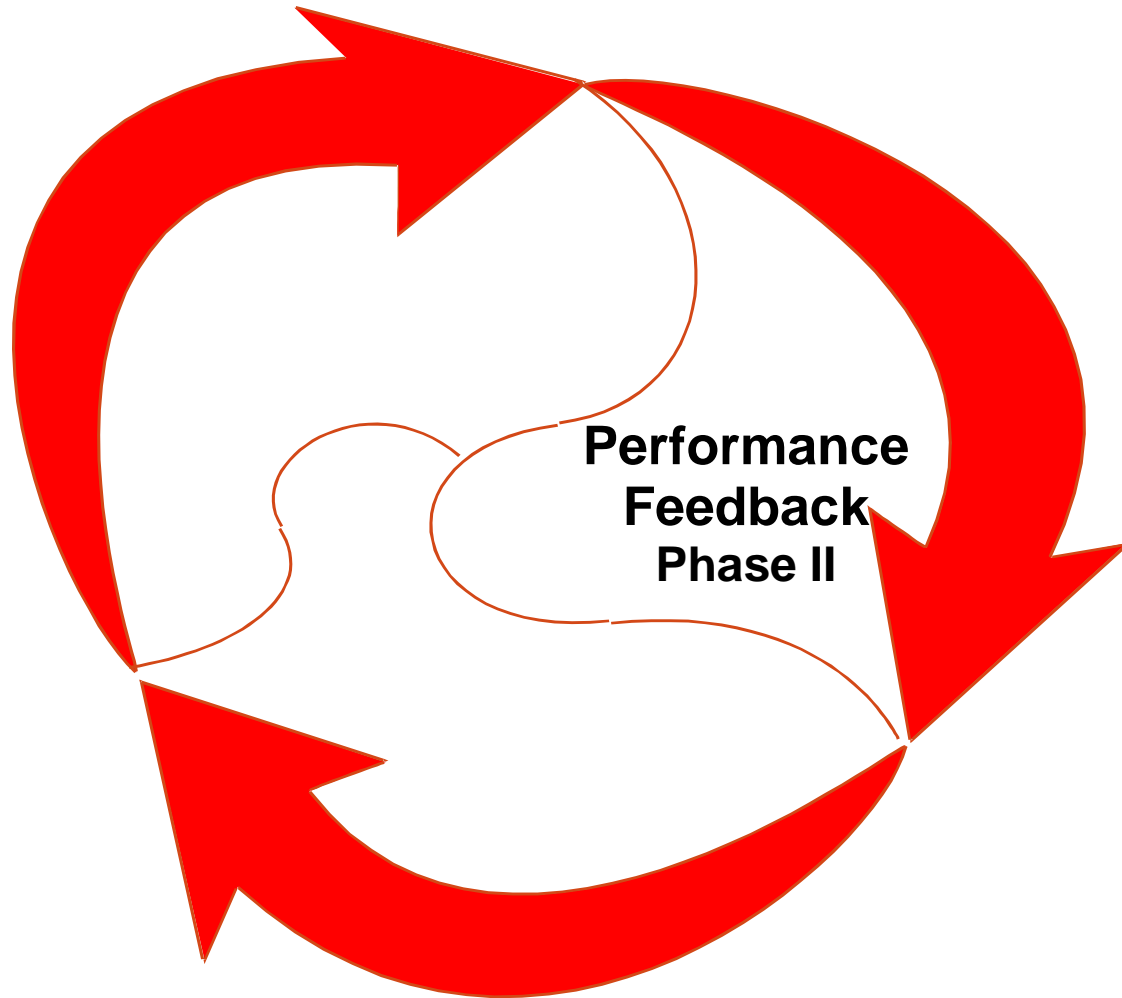
Performance
Feedback
Phase II

Performance Review
Phase III

PHASE III: Performance Review

– **Formal End of Year Meeting**

- **Summarize KRAs, Results achieved & reviewed in MPR & in the Mid-Year Consolidation**

- **Evaluate the Demonstration of behavioral aspects against the expected behavior**

- **Establish Overall Summary Rating based on Performance Achieved throughout the Year**

PHASE I – PERFORMANCE PLANNING

Desired Outcome

with measures

Critical Inputs

with measures

Clarify Job Requirements and Goals

- Represent *WHAT* the Employee Should <u>Focus</u> on
- Critical Targets and <u>Priorities</u>
- <u>Linkage</u> to Accountabilities / KRAs and Organizational Strategy

VISTAGE
WORKSHOP
SAN DIEGO, CA

CASCADING EFFECT

PURPOSE

↓

GOALS

↓

KRA/Targets

BUSINESS PURPOSE

What each of you could have done to succeed in defining the purpose?

Are Failures and Mistakes The Same Thing?

To be the…

POSITION PURPOSE

- Why does the role exist?

- What would happen if my role did not exist?

- How does the role contribute to the success of my team?

THE SCIENCE OF SETTING KRAs

The S.M.A.R.T. KRA

S *pecific* –Think Micro, Not Macro. An Objective That Is Too General Will Require More Action Steps Than Are Effective.

M *easurable* –You Should Be Able to Monitor and Gauge Progress in Objective Terms.

A *ttainable* –It's Frustrating to Have an Objective That You Don't Have Control Over or That Can't Be Achieved in a Reasonable Amount of Time. Be Realistic and Consider Obstacles and Resources Needed.

R *elevant* –The Objective Should Relate Directly to organizational Objectives.

T *ime-Based* –You Should Be Able to Track Your Progress Against Specified Timeframes.

IS THIS A SMART OBJECTIVE ?

HOW DO I FIND OUT?

– Demonstrate Teamwork and Cooperation on a Consistent Basis

– Better: Attend another Department's Regular Staff Meeting at least four times during the year to share Information and explore opportunities to lend assistance

ASSIGN WEIGHTAGE

- Prioritize your KRAs based on importance and time spent on each of them

- Assign weightage as a % for each KRA

- Discuss the same with your appraiser

KRA

Construct Measurable scores/ metrics to check the quality of the delivery

GOAL

Timely delivery of products to Customer

PURPOSE

On time delivery

OBJECTIVES may be:

- **Focus on good KRA definition - Simple and aligned**
  - A good manager must have written goals.
  - If the goals are not written down, there probably won't be any striving to reach them, or any evaluation.
  - Most goals are not met, not because they are difficult, but because they were never set in the first place.

KRA-1 - Fixed Cost reduction with 10% vs. last year actual

- **Detailed plan in place by Feb 15**
- **Renegotiate contracts for ……..**

MEASUREMENTS
- **Details of how to get there**
- **Makes the objective SMART**
- **Top level plans , to be used as 'List of evidence' to be discussed at End Of Year**
- **Each KRA to be tagged with measurable target**

RESULT AREAS
- **Crisp 'Taglines'**
- **Ideally top-down**
- **Alignment with functions**

🏋 EXERCISE : Writing KRAs &Targets

– Form Small Groups of 2-3

– Review your Goals and Determine Fit to S.M.A.R.T. Criteria

– Revise as Necessary

– Individually Practice Writing Actual KRAs and Targets

– Share in Small Groups

WB: Accountabilities/KRAs/Targets

KRA

- Which of the KRAs of my Appraiser flow into mine?

- Summarize them as you are responsible for

- Categorize them into 3 – 7 points

Quantity

Quality

Timeliness

How many

ow well

ow soon

ow much

Cost

BEHAVIOURAL COMPETENCIES.....

matrix.exe

PRIORITIZE...

- Which of these behaviours are important to SIVA Group?

- Canada Geese

- Native to the arctic and temperate regions of North America

- Black head and neck, white patches on the face, and a brownish-gray body

- Migrate from Canada to most of the United States during winter

- Fly in V-shaped formation

GEESE HAVE A STORY TO TELL.. LET'S EXPLORE!!

Video

COMMUNITY & TRUST.....

TEAM WORK.........

TAKING TURNS WITH HARD TASKS.........

TRY SOME ENCOURAGING HONKS........

WHEN THE GOING GETS TOUGH.....
STAND BY YOUR TEAM!

HOW DO YOU IMPLEMENT THE 'LESSONS FROM GEESE' IN YOUR WORKPLACE?

The next time you see a formation of geese, remember their message …

"IT IS INDEED A REWARD, A CHALLENGE AND A PRIVILEGE TO BE A *CONTRIBUTING* MEMBER OF A TEAM"

JOURNEY TOWARDS THE GOAL

PERFORMANCE MANAGEMENT SYSTEM (PMS)

+

KRAS (What)

+

PERFORMANCE BEHAVIOR REVIEW (PBR) … The How

THE RATING SCALES

5 SEE	4 EE	3 ME	2 PME	1 NME
Substantially Exceeds Expectations	Exceeds Expectations	Meets Expectations	Partially Meets Expectations (Meets some job requirements; falls short on others)	Not Meeting Expectations (Falls well below most requirements of the job)

OVERALL PERFORMANCE RATING DISTRIBUTION

	NME - 1	**PME - 2**	**ME - 3**	**EE - 4**	**SEE - 5**
Achievement against Objectives **Values based behavioral Indicators**	• Performs below the minimum requirements for the role relative to peers. • Has difficulty demonstrating the Core competencies. • Significant improvement required in order to sustain in current role	• Does not yet demonstrate full capability for the role • Requires greater degree of direction and coaching • Acts sufficiently in line with the Core competencies.	• Performs to expectations relative to peers • A solid contribution, which demonstrates full capacity for all requirements of the role. • Acts solidly in line with the Core competencies	• Consistently achieves at a high level of performance relative to peers. • Has delivered on all expectations and exceeded many • Clearly embodies Core competencies and consistently demonstrates the same.	• Consistently performs at an exceptional level relative to peers. • Has exceeded a stretch objective • Acts as a role model for others with regard to the demonstration of values and behaviors.
	Below Performers	**Contributor/ Performer**	**Achievers**	**Champions**	**Super Champions**

MPR

- **Continuous Monthly Review process**

- **Report is submitted for the previous month**

- **Purposeful activities performed during the month**

- **Focus activities planned for the next month**

MPR Template

FULL YEAR APPRAISAL

Processes	Cycle
Self Review	07-15 Apr
Supervisor Review	16-20 Apr
Reviewer Review	21-25 Apr
Supervisor Feedback with Employees	26-30 Apr
Final Rating to be sent to P&C	02-05 May
CEO's Approval	15 May

CALIBRATION MEETING

- A **common distribution standard** for performance ratings **applied consistently** across the group.

- **An assessment of performance relative to peers.**

- **Distribution doesn't have to be strictly achieved in small teams – if all team members* achieve a "5" or "1" it should be examined for rater errors.**

- **Final rating is communicated to the employees.**
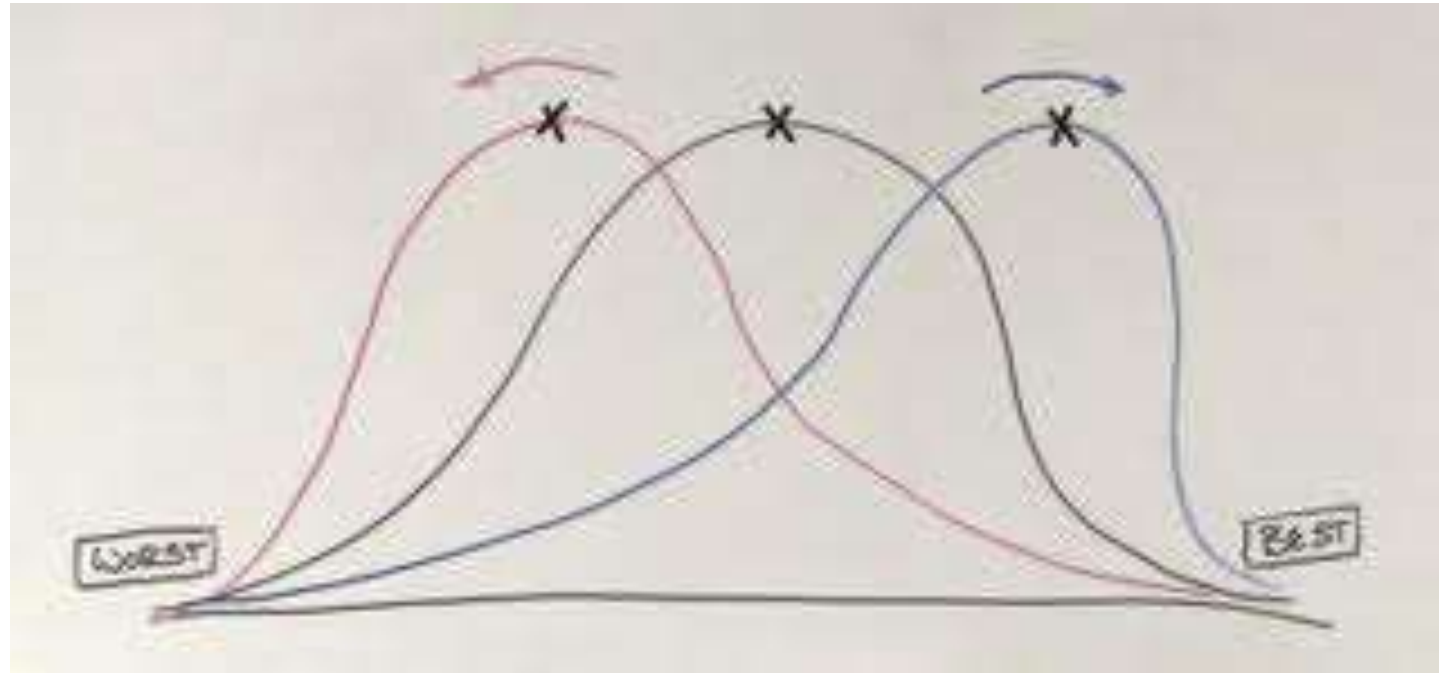
PHASE II PERFORMANCE FEEDBACK

WHY IS FEEDBACK ESSENTIAL TO GOOD PERFORMANCE MANAGEMENT?

– Affects Individual Performance by Encouraging (or Discouraging) Specific Behaviors

– Gives individuals an Opportunity to Express Their Needs, Concerns, Expectations

– Can Enhance people's Motivation and Commitment when Delivered Constructively

– Progress Review Re-Focuses Employee and Manager Efforts

– Offers the Opportunity to Make Modifications to Job Requirements/ Goals Given Company's Needs

WHY IS FEEDBACK ESSENTIAL TO GOOD PERFORMANCE MANAGEMENT?

- ---

- ---

- ---

- ---

- ---

WHAT DOES A FEEDBACK PROCESS DO?

- Assess how well each employee is working. This assessment relates to their expected KRA , behavior and performance targets

- Assess how well they are developing new skills and their personal development plan.

- Identify any area of improvement or concern, issues or skills that the person needs to work on in the next twelve months in order to improve their performance.

- These factors will be used in setting the performance targets and personal development plans for the next year.

POSITIVE FEEDBACK

What Is It?

– Reinforcing Performance Through an Active Effort to Praise by using Particular Skills or Actions
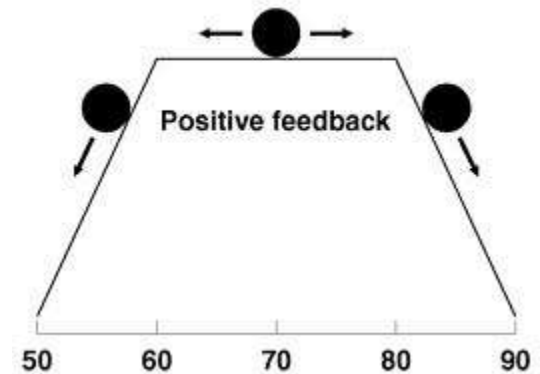
Positive feedback

CORRECTIVE FEEDBACK

What Is It:

- Providing Instruction, Direction, Guidance or Encouragement as the Person Works Toward Achieving an Objective or Capability Expectation

- Ongoing — Not Just When a Person Makes Mistakes

TIPS ON GIVING FEEDBACK

- Providing Positive and Corrective Feedback —Give It in "BITs"…

  - Describe the *B*ehavior

  - Explain the *I*mpact of What Was Done/Not Done

  - Discuss How It Could Be Done *T*omorrow

TIPS & TOOLS

PHASE III PERFORMANCE REVIEW

GOALS OF THE PERFORMANCE REVIEW

- – Identify and Document Trends in Performance

- – Compare Actual to Expected Performance

- – Identify Key Developmental Needs for the Next Performance Period

Goals

DESIRED OUTCOMES

– Mutual Understanding and Agreement of Annual Performance Evaluation Against Expectations

– Employee Is Not Surprised, and Feels Evaluated Fairly

– Employee's Self-Esteem Is Supported

– Working Relationship Is Maintained or Improved

DOCUMENTATION

Elements:

– *Context* in Which the Behavior Took Place

– *Action* (or Inaction) Which Took Place

– *Outcome* of Action

Example:

– "At the November 10 Staff Meeting…
  Context

– …Bill Had Not Prepared His Presentation…
  Action

– …Which Caused a Delay in our Planning."

THE ART OF REVIEWING THE KRAs

1. Learn how to prepare for an effective appraisal interview

2. Recognize and be able to create the right structure for your appraisal discussions

3. Learn how to use appropriate behaviors at appraisal interviews, particularly those of listening, questioning and influencing

4. Improve your ability to put these skills to work by taking part in exercises and role plays

THE APPRAISAL INTERVIEW

Part 1

video

THE APPRAISAL INTERVIEW - WHO'S WHO

ZZZZZ

XXXXX

YYYYY

ADMINISTRATIVE ARRANGEMENTS

- **Paperwork**

- **Notice & Preparation**

- **Location**

- **Physical setting**

NONVERBAL COMMUNICATION

Voice level

Intonation

Speech rate

Vocabulary/jargon

Breathing

Body posture

Facial expression

Eye contact

Eye movements

Size of pupils

Territories

Gestures

Dress

Status symbols

COMMUNICATE DIFFERENTLY

8 WAYS TO RUIN A PERFORMANCE REVIEW

1. The Halo Effect
2. Stereotyping
3. The Central Tendency
4. The Recency effect
5. Length of Service Bias
6. The Initial Impression
7. Lack of Documentation
8. The Competitive Evaluator

WB: Rater error

THE APPRAISAL INTERVIEW

Part 2

video

IMPROVED LISTENING

Get surroundings right

Concentrate and persist

Judge content not delivery

Test understanding

Take notes

I Try To Listen Better Now.

INFLUENCING STYLES

PUSH

- Giving information
- Making suggestions
- Giving orders
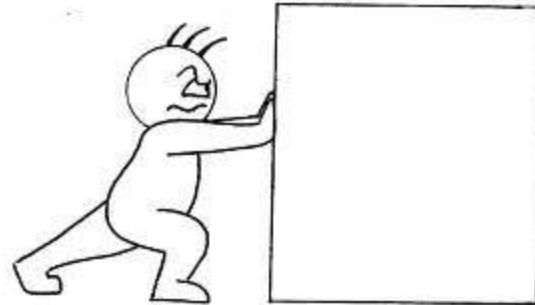
PULL

- Asking for information
- Testing understanding
- Asking for ideas

THE APPRAISAL INTERVIEW

Part 3

GIVING & RECEIVING FEEDBACK

TURN ON

- Paraphrasing what the other person is saying

- Requesting Clarification

- Listening without interrupting

- Summarizing what you have heard

. Speculating as to examples of behaviour

- Thanking the giver for the feedback provided

SHUT-DOWN

- Justifying your behaviour

- Apologizing many times

- Building a case to "explain away" your behaviour

- Accepting too quickly without understanding and/or promising not to do it again

- Over internalizing the feedback

GIVING & RECEIVING FEEDBACK

HELPING

- Describing specific behaviors-what was said or done

- Providing examples both recent and old

- Conveying feelings of concern- intending to be helpful

- Conveying equal power- the recipient controls as much as you do

- Being descriptive & non-evaluative

- Describing your own feelings as a consequence of the other's behaviour

- Revealing your underlying assumption (why you believe the behaviour occurred)

HINDERING

- Making general/vague statements

- Not providing examples or Providing old examples only

- Finding fault, accusing or blaming

- Evaluating or judging the other person

- Conveying a power edge

- Attributing negative motives for the behaviour

- Bringing up behaviours that others can't change

APPRAISEE'S SUMMARY

- Prepare properly

- Review last time's objectives

- Ask colleagues for assessment

- Use the past to shape the future

- Set tough but achievable objectives

- Review your job description

- Think about what you want to achieve

WB: Key Messages

"ONE ON ONE SESSIONS" based clarifications

Appraisal for the Direct Reportees

DR team members are rated on a their year-long performance, which is again supported with the continuous feedback , outcomes & various metrics

Appraisal for the DR with team members(IDR)
IDR is your skip level reportees under the control of your DR. Care need to be exercised to examine the actual performers against the outcome of the collaborative projects (Vs) the various rating of the IDRs awarded by your DR.

Appraisal for positions with Matrix reporting relationship:

It is the responsibility of the concerned Functional Reporting Manager to do the appraisal, after taking inputs from the respective Administrative Manager (Location head) and send the duly completed Form to HR. ***However, it is recommended that the location head has a "PBR discussion" with these colleagues and shares his feedback in a one-one one meeting.***

"ONE ON ONE SESSIONS" based clarifications

Guidelines on promotion:

Promotion should not be seen as a reward for high performance. Promotions can be recommended only when positions exist as per organization structure and the person has the potential for taking up higher level responsibilities.

Communication of ratings:

Should not be done at the time of PBR discussion but only while handing over the Compensation revision letter.

ROLE PLAY

FIVE STEPS TO COMPLETE A PERFORMANCE APPRAISAL

Focus & Pick to Focus

1. Get surroundings right
2. Concentrate and persist
3. Judge content not delivery
4. Test understanding
5. Take notes

From - PBR ➡️ **PIP** **(Performance Improvement Process)**

UNSATISFACTORY PERFORMANCE-PERFORMANCE IMPROVEMENT PLAN

•Employees who have scored PME or at the bottom 5% of the forced ranking will be
covered under Performance Improvement Plan(PIP) for 45 days

•After 45 days of PIP communication to the employee, the employee is assessed
against agreed performance deliverables as in the PIP.I the objectives are achieved successfully, the employee is removed from the PIP.

•Employees who are not successful in their PIP and have scored NME are considered as low performers and will become part of the outplacement process.

PROMOTION RECOMMENDATIONS

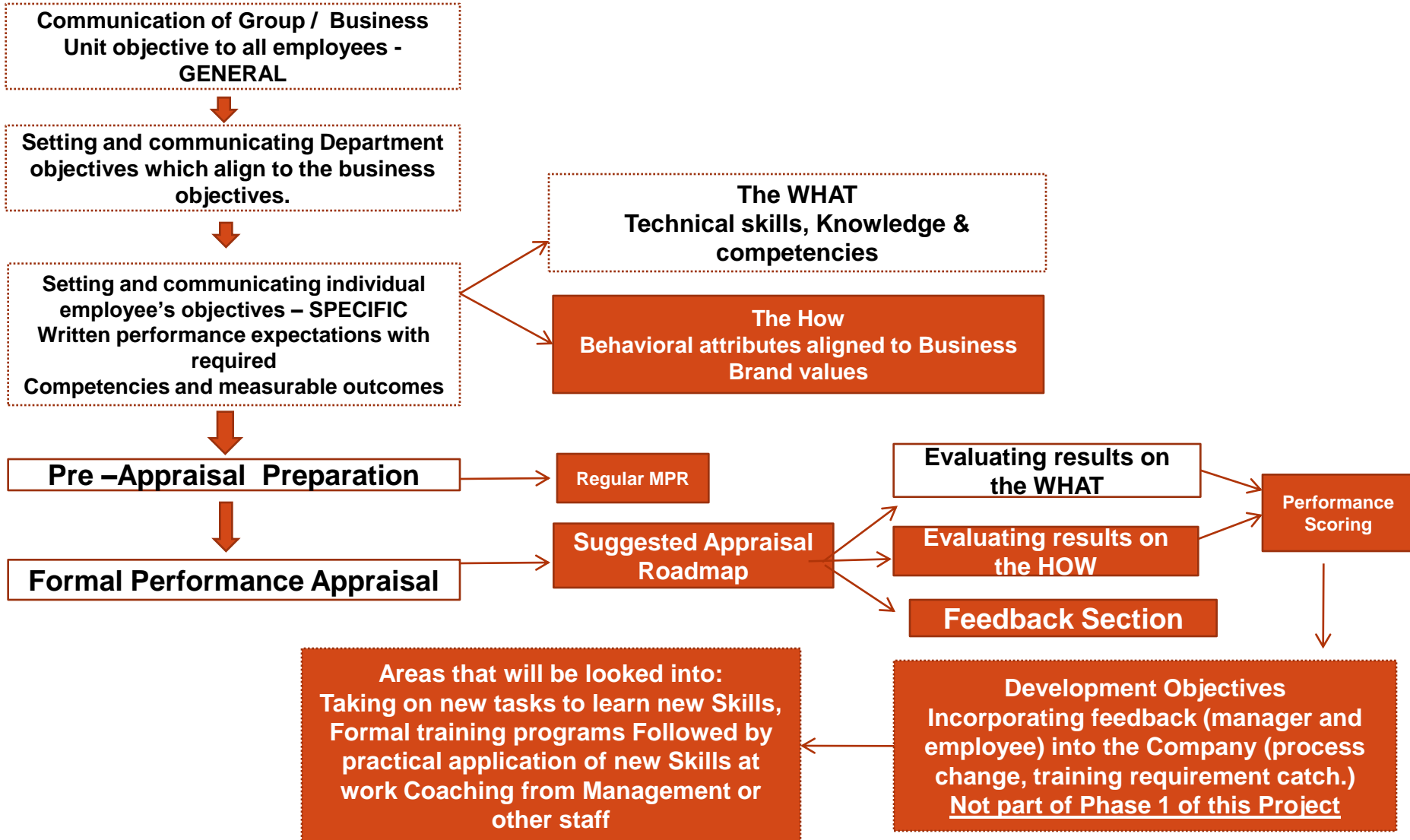Promotion is not a reward for performance, it is based on the vacancies available for next higher position

REWARDS & RECOGNITION

THE RESULT

WHERE DOES THIS APPRAISAL GUIDE ASSIST IN THE APPRAISAL PROCESS

Communication of Group / Business Unit objective to all employees - GENERAL

Setting and communicating Department objectives which align to the business objectives.

Setting and communicating individual employee's objectives – SPECIFIC Written performance expectations with required Competencies and measurable outcomes

The WHAT Technical skills, Knowledge & competencies

The How Behavioral attributes aligned to Business Brand values

Pre –Appraisal Preparation

Regular MPR

Formal Performance Appraisal

Suggested Appraisal Roadmap

Evaluating results on the WHAT

Evaluating results on the HOW

Performance Scoring

Feedback Section

Areas that will be looked into: Taking on new tasks to learn new Skills, Formal training programs Followed by practical application of new Skills at work Coaching from Management or other staff

Development Objectives Incorporating feedback (manager and employee) into the Company (process change, training requirement catch.) Not part of Phase 1 of this Project

" WINNING COMPANIES

have

SIMPLE GOALS

with

CLEAR TARGETS

&

STRONG FOLLOW – THROUGH