Welcome to Our

theolsongroup
Benefits Team

advo CAT series

- Part 2: Improving and Maintaining Employee Performance
- Part 3: Continuous and Effective Employee Development
- https://theolsongroup.com/advocat/

A Current Look at Modern Performance Management

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A Current Look at Modern Performance Management

Historical Influence

How has the history of managing performance, impacted its future?

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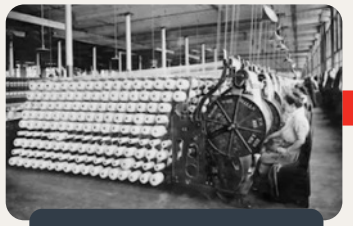
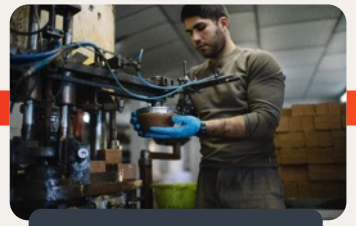
Performance Appraisal Evolution



18th Century

Industrial Revolution workers were evaluated & paid based on quantity output.



1911

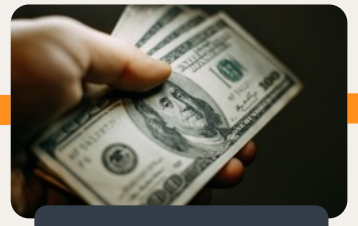
Frederick Taylor introduces value of individual worker and advocating for payment of individually based financial incentives to increase output.

1920

Elton Mayo (Father of HR) measures the relationship between productivity & work environment

1954

Peter Drucker introduces MBO. Shift in purpose of appraisals towards employee development & feedback.



1960's

Pay for performance introduced.

1960-70

Civil Rights Act & EEOC Guidelines created pressure/need on companies to formalize, validate, and organize appraisal systems.

2000's

Performance reviews go online.

Jobs Are Agile

With increase in “Super Jobs”, Job Crafting, and Job Matrixes, the lifespan of your Performance Management plan is 2-3 years.

76% **of companies surveyed have reinvented their performance management to be more continuous.**

https://www.15five.com/blog/employee-performance-management-trends-2019/

Multi-Generational Workforce

With 5 generations including, the Silent Generation, Baby Boomers, Generation X, Millennials, and Generation Z, getting to know your employees is more important than ever.

Today's employee is accustomed to immediate gratification and instant feedback.

84% **of leaders surveyed said analytics was one of the most important trends in defining the population and meeting the needs of a diverse workplace.**

https://www.15five.com/blog/employee-performance-management-trends-2019/

Balanced Manager and Employee Relationship

Today's workforce desires authentic relationships as well as opportunities for employee development.

- **A key strategy for modernizing performance management is a shift on focus that embraces the whole employee (physical, emotional, and mental well-being) and co-creation.**

Pay Transparency and Parity

Modern workers are looking for clarity and equality as it relates to pay scale.

Whether you include pay increases with your performance management plan or have ‘decoupled’ it, consider the value of maintaining open communication regarding pay rate information across your organization.

Modern Workplace

What does the modern employee want and how does that impact performance management?

They Want to Be Involved in the Conversation and Be Heard

Transparency

They also have a desire to be “in the know”

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Today's Employees Are Accustomed to on Demand 'Everything'

Curate a Custom Employee Experience

Drive alignment and employee expectations that meet your company's performance goals.

Goal Management Methodologies

MBO
Management by Objectives

- Balance is sought between the objectives of employees and the objectives of an organization.
- Objectives are formulated at both quantitative and qualitative levels with employee input.
- The basic principle is growth and development not punishments
- Daily feedback and status updates at the level of coaching and development instead of static management reports

OKR
Objectives & Key Results

- Measure what Matters.
- Define 3-5 key objectives on company, team or personal levels. WHAT is being achieved
- Under each Objective, define 3-5 measurable results. HOW is the objective attained.
- Quantifiable, achievable, lead to objective grading and should be challenging, but not impossible

SMART
SMART Goals

- SMART is a mnemonic/acronym: Specific, Measurable, Attainable, Relevant, Timely.
- SMART goal setting brings structure and guidance to goals and objectives
- This method is especially effective in helping employees set goals that align with company initiatives.

Which Method Is Right for Me?

They all are! Each concept offers its own benefits and challenges.

MBO

Sales: Achieve 50 new customer bookings each month

OKR

Objective: Increase Customer Satisfaction

Key Results:

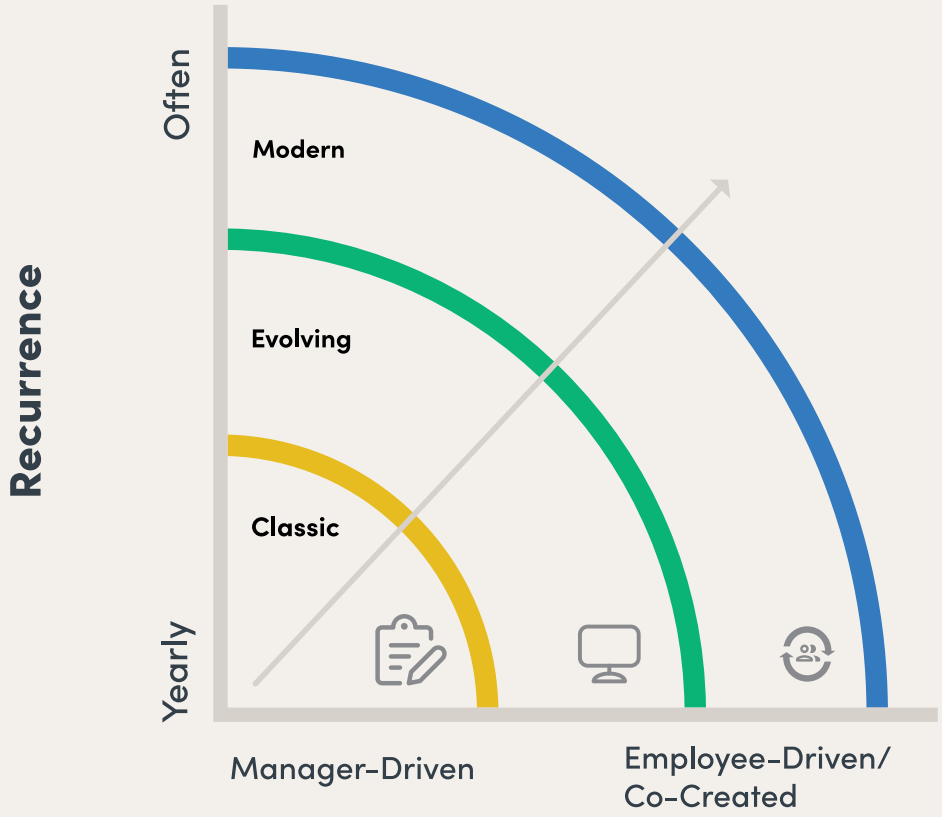
- Define score and increase it to 80%

SMART

Business: Reduce overtime in the department from 100 hours per month to 50 hours per month by the end of the fiscal year with no increase in escalation requests

Location Aware

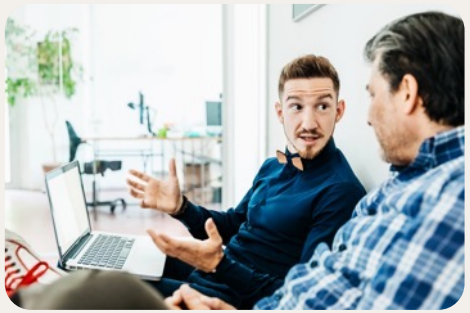
Identifying where you are will help you get where you want to go



Where Are You At Now?

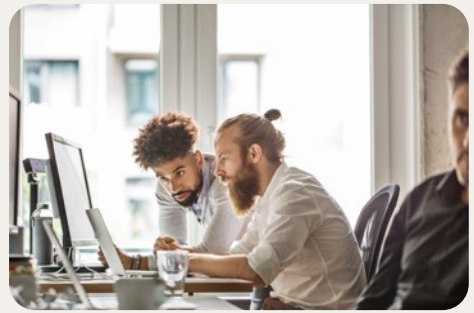
Classic

- Point in time, annual reviews
- Process driven
- One-Way Direction
- Manager Driven
- Service Awards
- Performance Improvement Plans (PIP)



Evolving

- Quarterly, intervals for reviews
- Cascaded
- Dual Career Pathing
- Feedback requested
- Public Recognition
- Coaching and Counseling



Modern

- Agile and flexible
- Development Objectives
- Stretch projects
- Feedforward
- Just in Time
- Manager and Employee work together to solution

Poll time!

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So, Now What?

Digital should meet the employee with consumer-like performance management experiences.

1: Recognize PM Is More Than Just Point In-Time Evaluation

Consider the 6 key areas that impact managing workplace performance and how leaders can gauge their company's level of modernization and concepts for reaching desired organizational results.

Classic Evolving Modern

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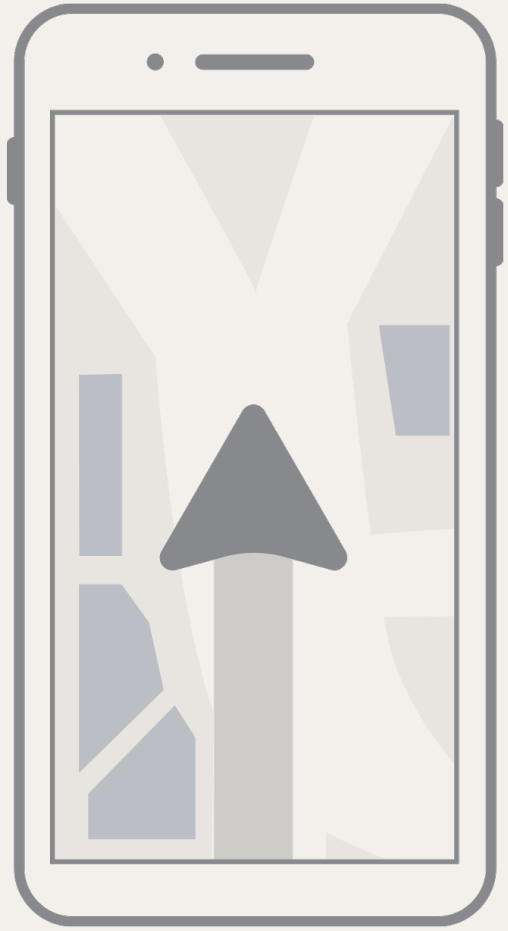
2: Consider That One Size Fits One

3: Try a Turn-by-Turn Approach to Managing Performance

The clearer the destination, the easier it is to determine the steps to get there.

Frequent and timely feedback will help employees stay on track.



Consider using real-time rerouting to provide guidance and support.

Capturing discussions along the way can create stronger performance plans, long-term.

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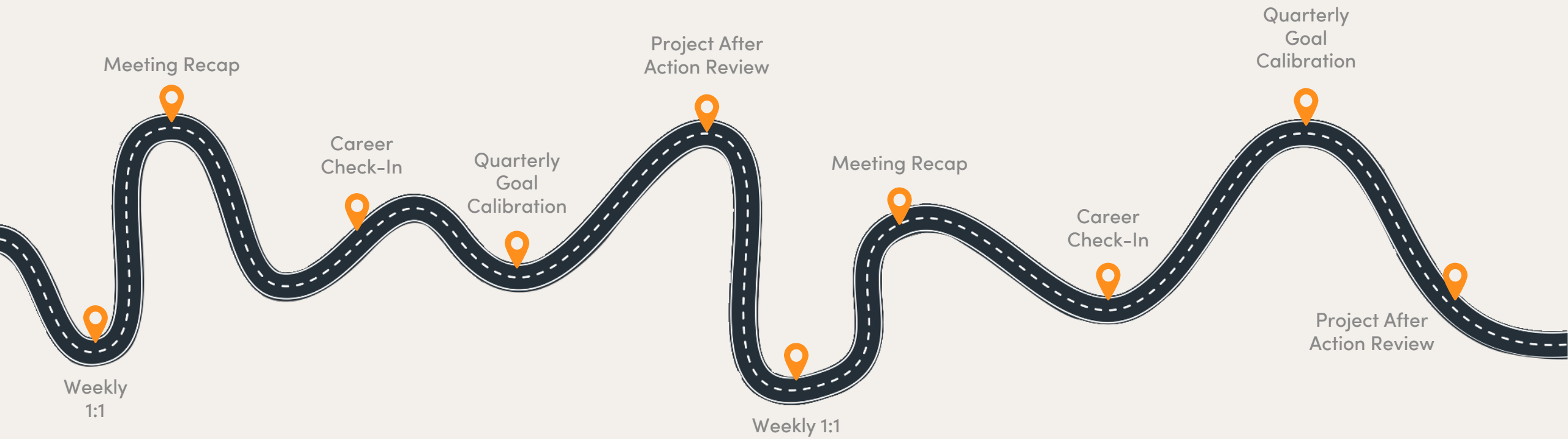
Performance Roadmap

Employee and manager conversations, activities, and milestones.



Annual Performance Review → **Annual Performance Review**

The Impact of Technology

How HR Tech can accelerate evolutionary progress.

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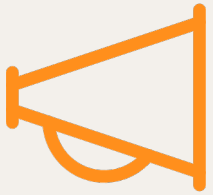
Technology Can Support Quality Dialogue

Enables goal management and career development to be more social and transparent, mobile, and digital.



Allows employees to deliver or request feedback and support continuous improvement loops.

Supports employee engagement with periodic team surveys.

Deploys data/ analytics and allows for easy integration.

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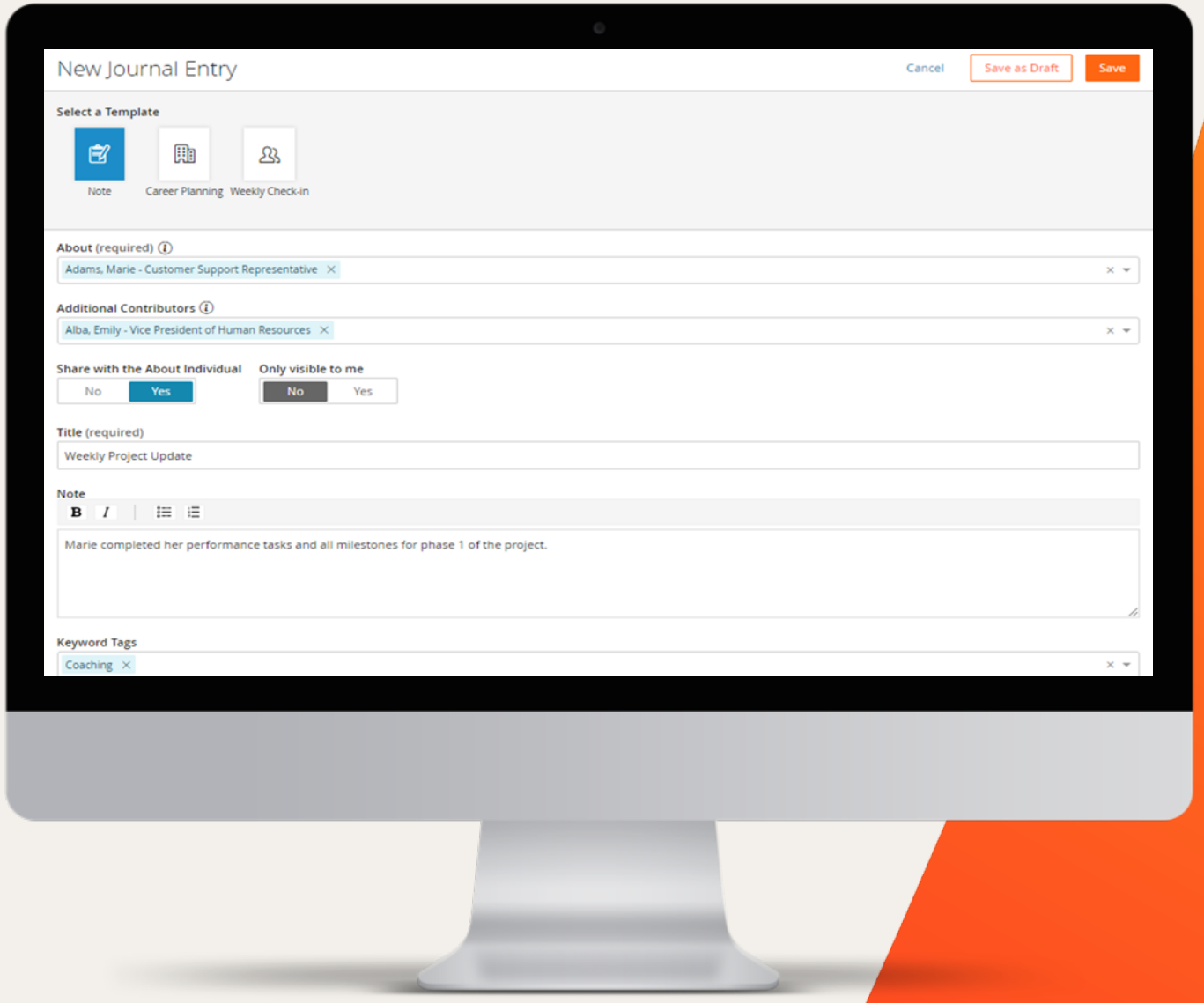
Performance Journaling

Make ongoing performance tracking the norm by noting employee progress all year-round

Tracking ongoing performance conversations between you & your team quickly and easily

Discuss and note employee projects, tasks, accomplishments, and career aspirations

Invite others to participate in conversation using threaded commenting features



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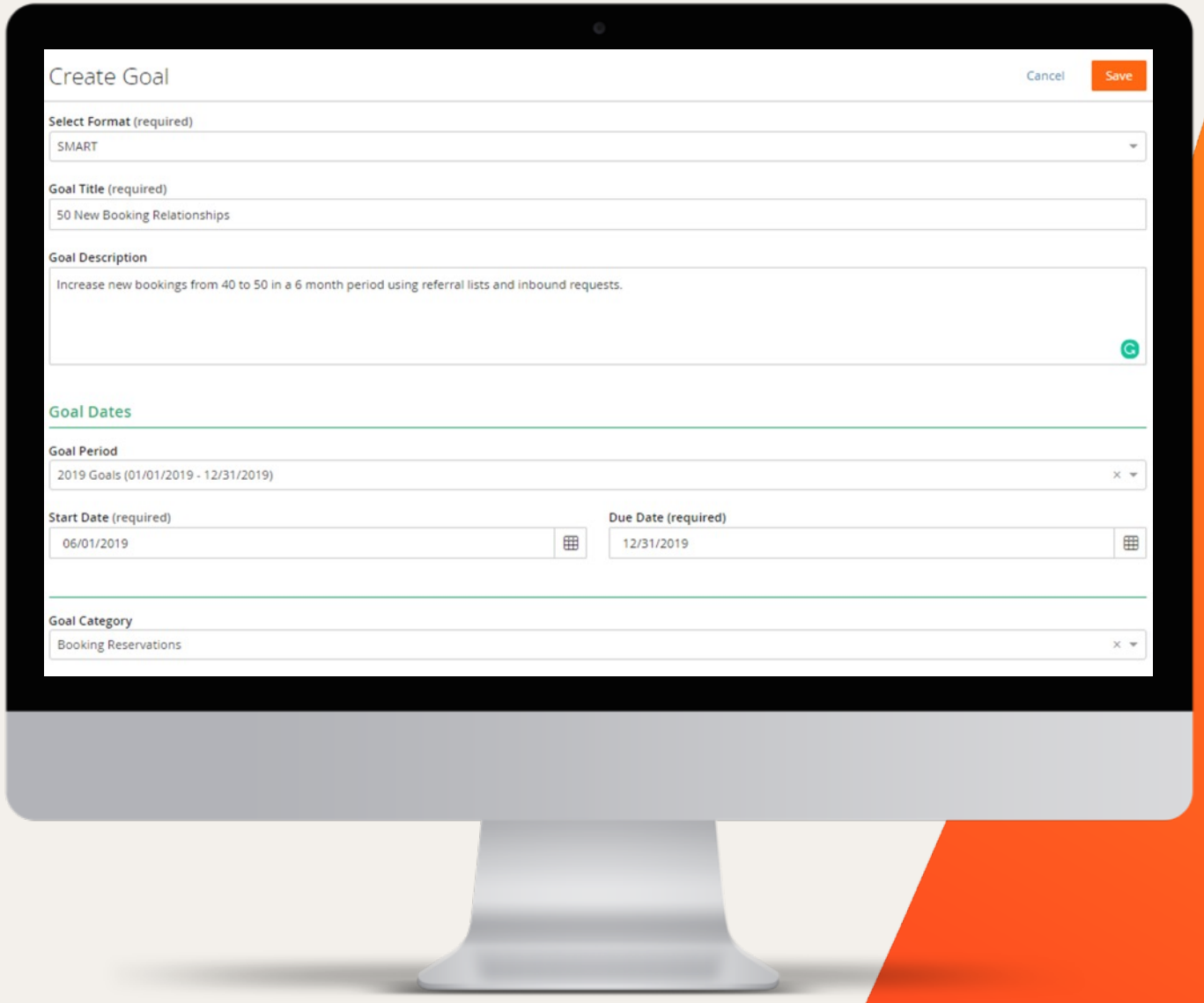
Goal Management

Send and manage employees' goals & appraisals in a single location

Help managers & employees clearly define & agree upon goals & objectives

Motivate employees by setting goals for them to actively work towards accomplishment

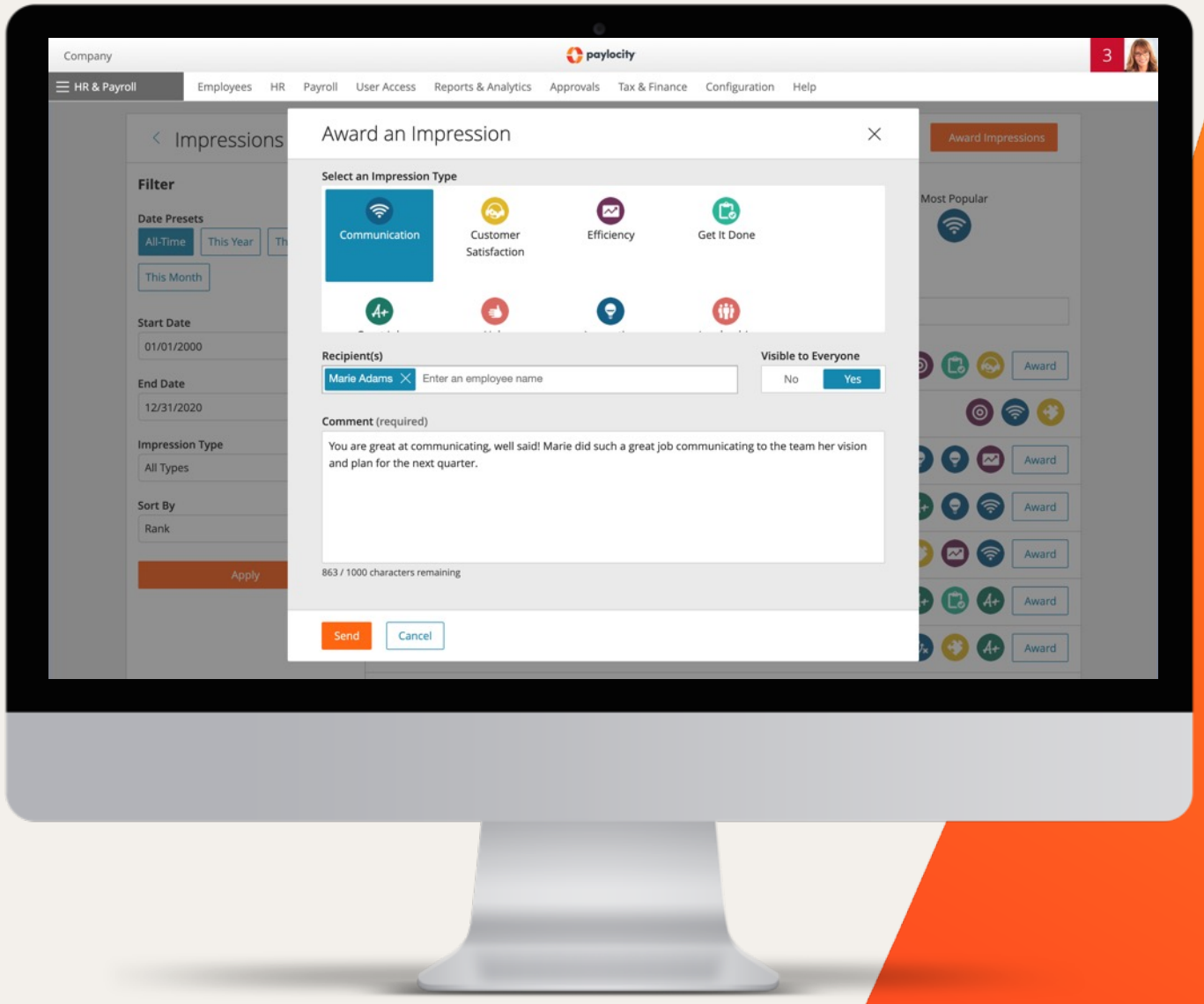


Employee Recognition

Impressions badges can be awarded via desktop and mobile devices

They can be included on the performance review form to support ratings and comments

Use default badges or create custom ones, specific to your industry or workspace

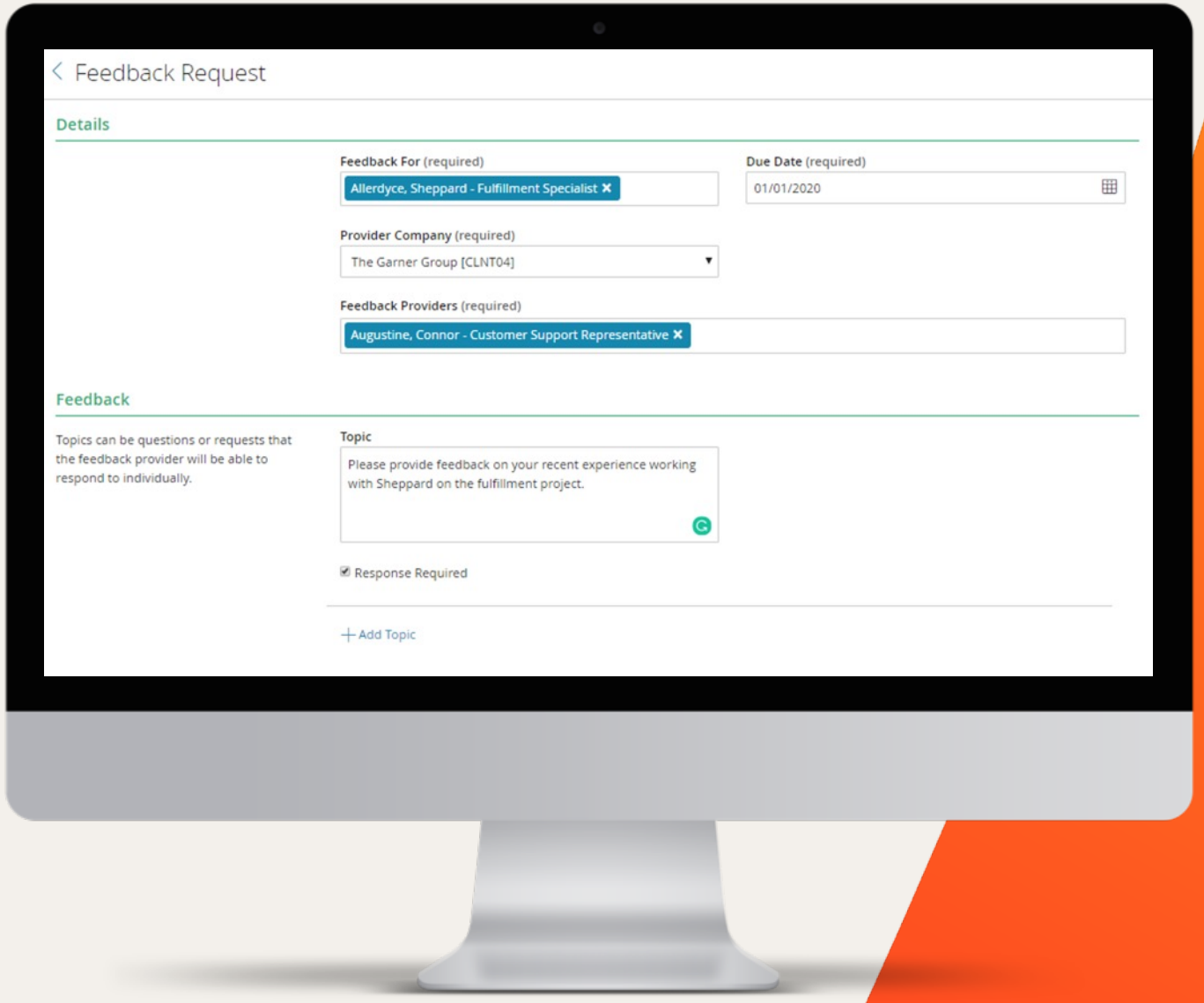


360 Feedback

Request feedback from multiple personnel to receive input on employee performance and accomplishments

Choose whether or not employees are able to view their 360 feedback in the tool

Incorporate recognition given to employees via impressions



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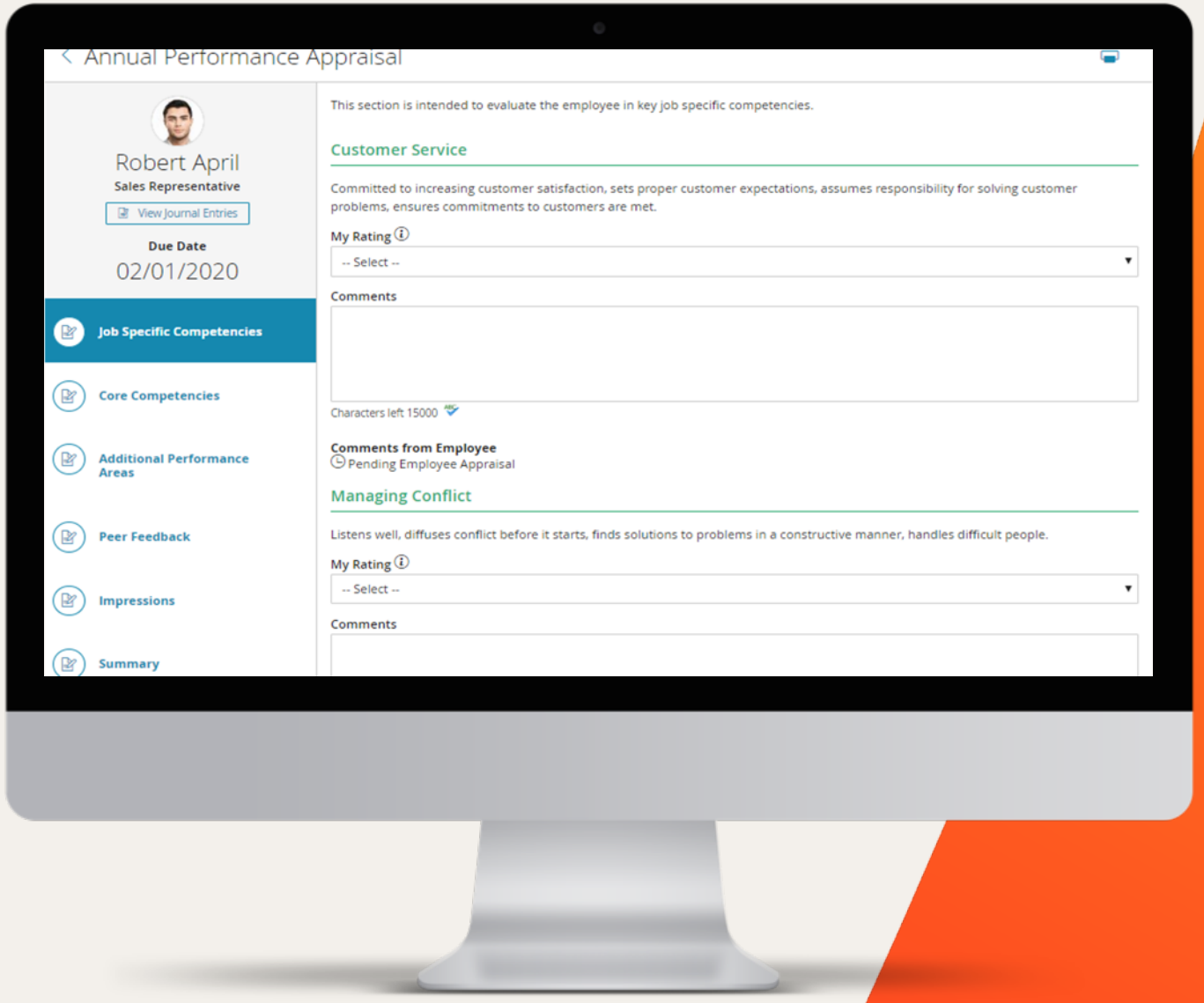
Performance Reviews

Allow employees to actively participate in the performance review process with self-service functionality

Build custom review forms that incorporate as many questions as you need to assess employees

Create & define success factors & scoring options unique to your organization



Technology Is Only The Half Of It

At It's Core, Modern Performance Management Starts With the Value of The Conversation.

Where Are You On The Continuum?

Classic

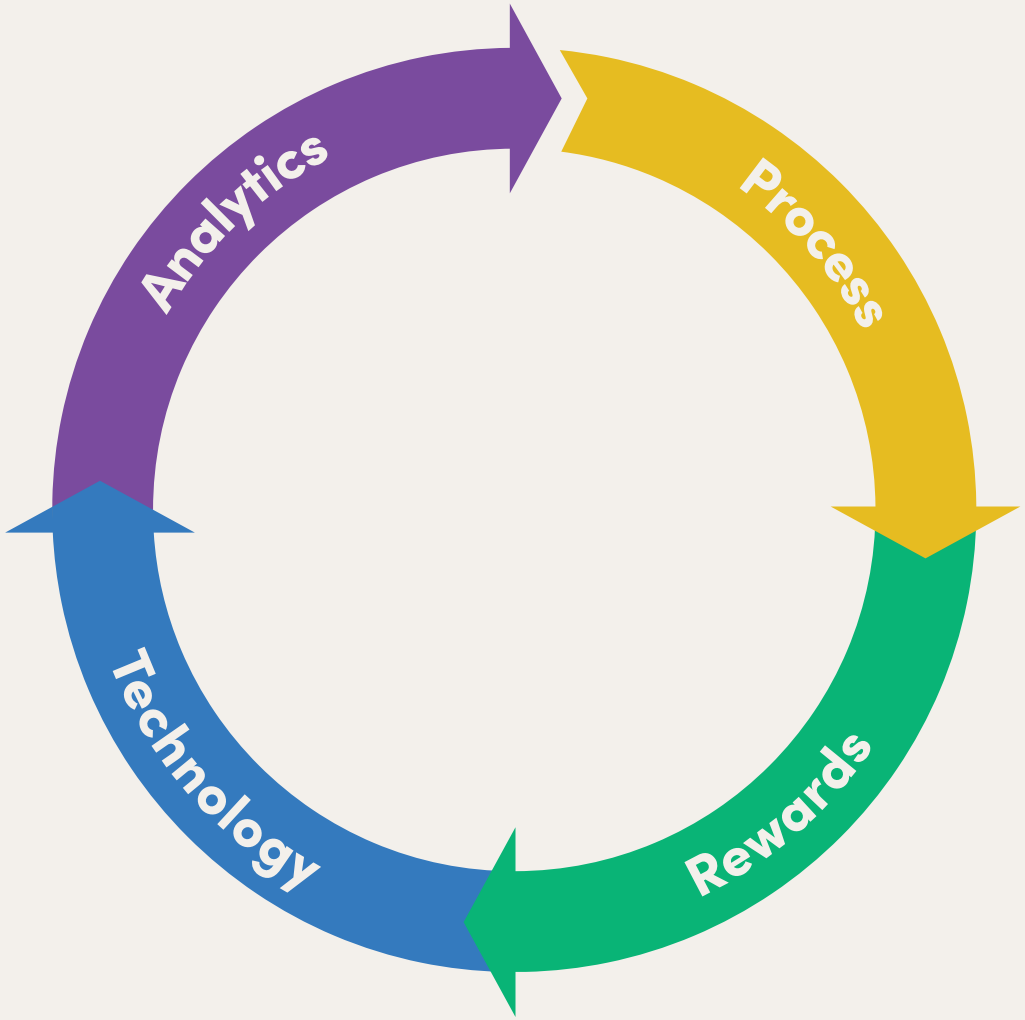
Point-In-Time, Reactive, Manger Driven, Paper Based Processes.

Evolving

Timeframes Slightly More Flexible, Expanded Beyond Manager and HR Driven, Computer-Based Processes.

Modern

Frequent, Online, Multi-Directional, Collaborative, Cultural, HRIS Software Utilization.



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Questions & Answers

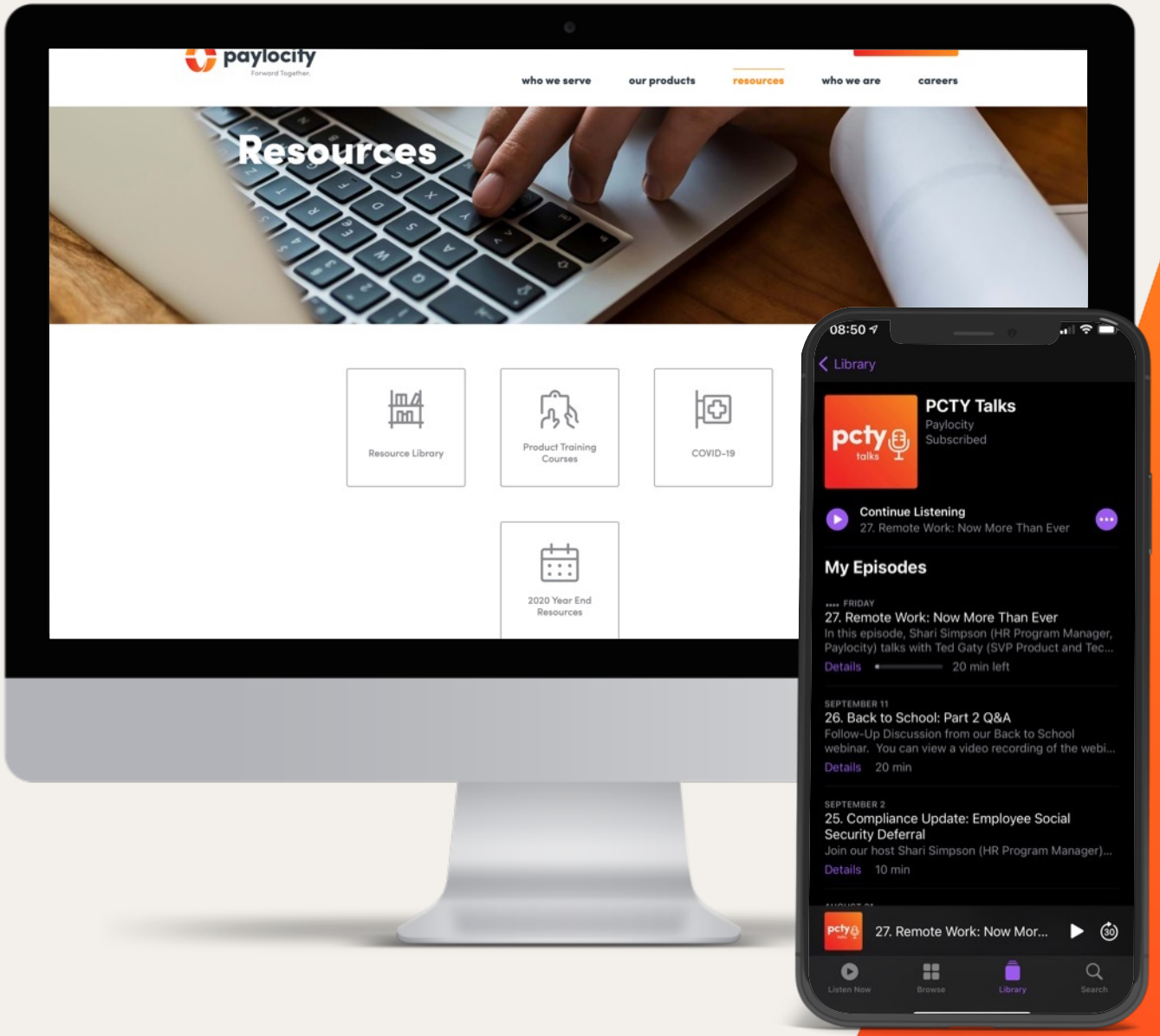
Resources

- Paylocity.com/resources
- Webinars
- Podcasts

pcty talks

Listen on Apple Podcasts

Listen on Google Podcasts



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Upcoming Content

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- HR Nebraska Conference
  - Virtual August 24th – 27th
- Part 3: Continuous & Effective Employee Development
  - Next Speaker
    - Andrea Fredrickson with Revela
    - Date: September
    - More Details to Come

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Giveaway Winner