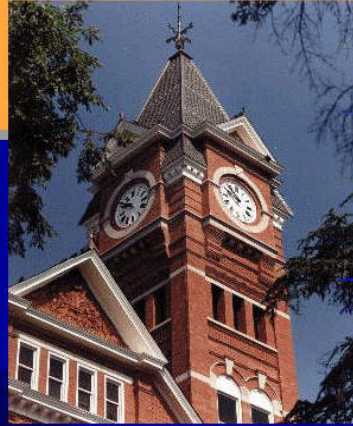
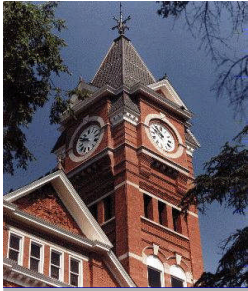


AUBURN UNIVERSITY

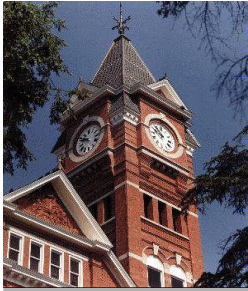


Supervisor's Introduction to the
Performance Management Process:
Pre-Class Study Materials





Welcome to the Performance Management Process Overview

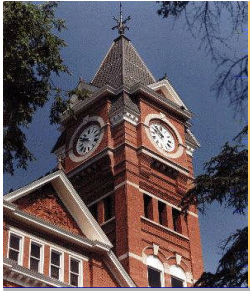
This brief overview of the Performance Management Planning and Review Process will serve to introduce you to the importance of performance management at Auburn University; provide you some of the background and history on the performance management process; and serve to provide a further introduction to the more complete classroom explanation that you are scheduled to attend. Please go through this material with care and prepare yourself for the more complete discussion in the classroom.




Performance Management Overview

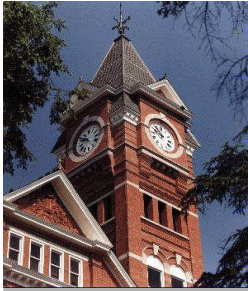
We will introduce you to the Performance Management System by covering three points:

- **The Importance of Performance Management at Auburn University**
 - Why does Performance Management matter?
 - Performance Management's guiding principles
 - How we designed the Performance Management Process
 - AU's Performance Management Goals and Objectives
 - How Performance Management supports our employees
 -  Think about it...
- **What Is the Performance Management Process**
 - Performance Management model, process, and timeline
 - Performance Management Process enhancements
 - Defining and managing the “What and How” of performance
 - Performance Management forms described
 - Rating Scales
- **Understanding Your Role in the Performance Management Process**
 - Typical Performance Management Process timeline
 - Supervisor and Employee Roles and Responsibilities
 - Purposes of the classroom training session
 -  Think about it....



I. The Importance of Performance Management at Auburn University

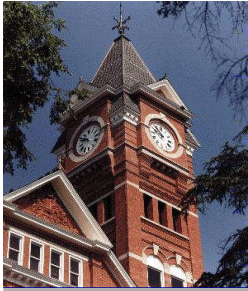
- Why does Performance Management matter?
- Performance Management's guiding principles
- How we designed the Performance Management Process
- AU's Performance Management Goals
- AU's Performance Management Objectives
- How Performance Management supports employees
-  Think about it



Why Does Performance Management Matter?

- 95% of the 100 Best Companies to Work for in America have a consistent, cyclical performance management process, along with strong pay and development programs*
- Organizations with strong performance management practices are 50% more likely to outperform other organizations. (DDI, 2003)
- Existence of a performance management program is positively correlated with organizational performance including higher profits, better cash flow, stronger market performance, greater stock value, and higher productivity. (*The Impact of Performance Management on Organizational Success*, Hewitt Associates)

*Source: "Are the 100 Best Better? An Empirical Investigation of the Relationship Between Being a Best Employer and Firm Performance." Hewitt Associates and Vanderbilt University, June 2000

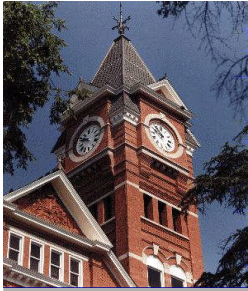


Why Does Performance Management Matter?

- High performers add value.
 - Top talent at all levels will deliver two to six times the return of median talent (*Top Grading*, Bradford Smart)
 - Differences Between Average Performers and Top Performers
 - Top performers are more productive:

Job Type	Difference in output/productivity of Top Performers
Low-complexity jobs	38%
Moderate-complexity jobs	64%
High-complexity jobs	96%

(Hunter et al, *Journal of Applied Psychology*)



Performance Management's Guiding Principles

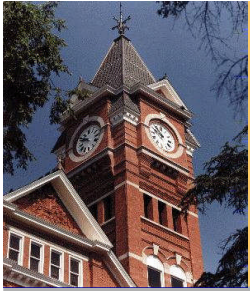
Align individual results with the mission, values, and culture of the University

Promote behaviors that encourage development and individual achievement at the highest level

Support the acquisition of key skills and movement of talent (lateral and vertical) throughout the University

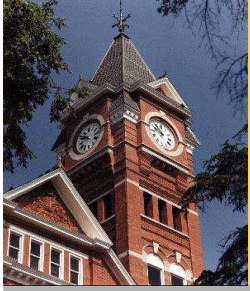
Be legally compliant, easy-to-use for supervisors and employees, openly communicated, and supportive of the needs of each department

Support compensation decisions



How We Designed the Performance Management Process

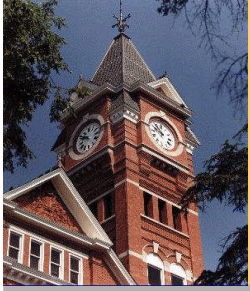
- History
- Project Team
- Project Activities
- Key Findings
 - Emphasis
 - Design
 - Implementation



How We Designed the Performance Management Process

History

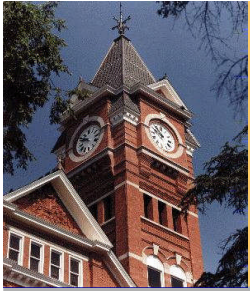
- The redesign of our performance appraisal system is a key part of the overall Classification and Compensation Project, begun in January 2004 with the assistance of Hewitt Associates.
- Feedback from the Project's Focus Group Meetings, during the early part of the project, indicated that few employees felt that the current performance appraisal system was working effectively.
- This Focus Group feedback guided the Project's Performance Management Team throughout the design of the new system.



How We Designed the Performance Management Process

Project Team Composition

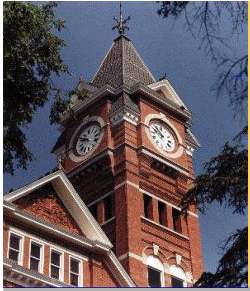
- Representatives from both the Administrative-Professional and University Staff governance groups,
- Human Resources experts in various fields and from various organizations on campus, and
- Consultants from Hewitt Associates



How We Designed the Performance Management Process

Project Team Activities

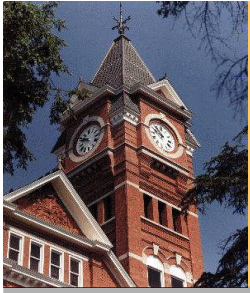
- Reviewed feedback and ideas from Focus Group meetings;
- Reviewed what was and was not working with the old system;
- Reviewed best practices from other educational institutions and organizations;
- Developed guiding principles for direction from these reviews; and
- Developed project goals



How We Designed the Performance Management Process

Key Findings of Project Team

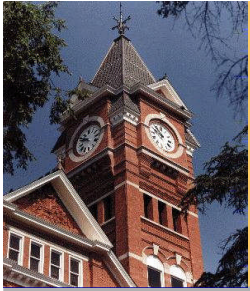
- A new system should **emphasize**
 - Both “what” employees do as well as “how” they do it;
 - Total performance management not just annual performance appraisals; and
 - Continuous planning, communication, development, and employee involvement throughout the performance period.



How We Designed the Performance Management Process

Key Findings (continued)

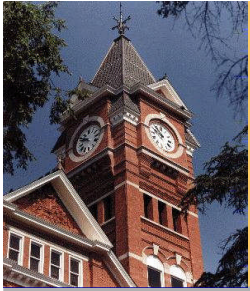
- The **design** should
 - Provide additional tools to assist both employees and supervisors;
 - Include position specific job duties;
 - Operate on a calendar year;
 - Enhance communication between employees and supervisors; and
 - Emphasize professional development and career planning.



How We Designed the Performance Management Process

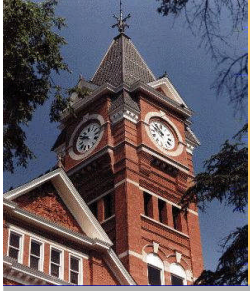
Key Findings (concluded)

- **Implementation** will include
 - Supervisory training on procedures, processes, and principles using distance learning and traditional classroom presentations;
 - Employee training by supervisors;
 - A calendar-year cycle; and
 - Communications (emails, website, etc.) to keep supervisors and employees up to date



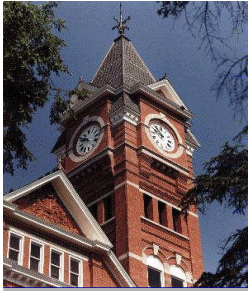
AU's Performance Management Goals (Growing out of the Design)

- Ensure meaningful performance management based on **position-specific, job related** criteria;
- Provide supervisors and employees with **additional tools and resources** for successful performance management;
- Create a **consistent process** for managing, measuring, and developing individual performance;
- **Align individual performance with** the **values** of the University;
- Measure **what** individuals achieve and **how** they achieve it;
- **Enhance linkages** to career development and career paths, where appropriate; and
- Make performance management **a process not an event**



Performance Management Objectives (To Implement the Goals)

- Foster a philosophy of joint (employee and supervisor) ownership of an employee's performance
- Place greater emphasis on planning accomplished by both the supervisor and employee
- Provide an opportunity to align the employee's performance with the work unit's and University's goals and objectives
- Include both the "what" and "how" of performance
- Use only one performance planning and review form
- Provide optional forms to assist the process
- Give development a greater role in the process
- Provide more opportunities for communication between the supervisor and employee
- Fit the review cycle more closely to the budgeting cycle
- Decrease HR's involvement with the administration of the system



How Performance Management Supports Our Employees

Uses one common form

Leverages newly created job descriptions

Measures behaviors, values, and job expectations

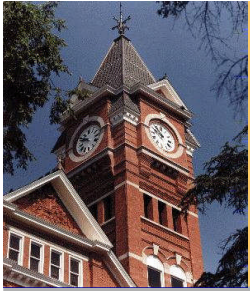
Collaboration between supervisors and employees

Resources for supervisors and employees

High performers engaged and committed

Strong performers energized, not disenfranchised

Underperformers managed fairly and expeditiously



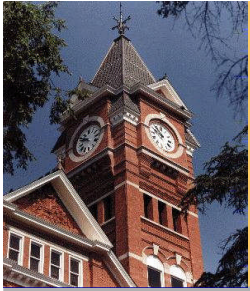
Think About It....

Think about performance management at AU based on your own experiences either at AU or other organizations. Consider the following components of performance management:

- Performance Planning
- Coaching and Feedback
- Performance Review

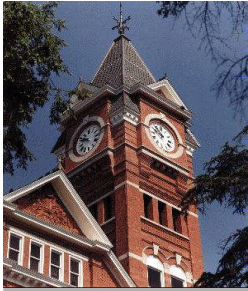
Of these components, what has worked well for you?

What has not worked well?

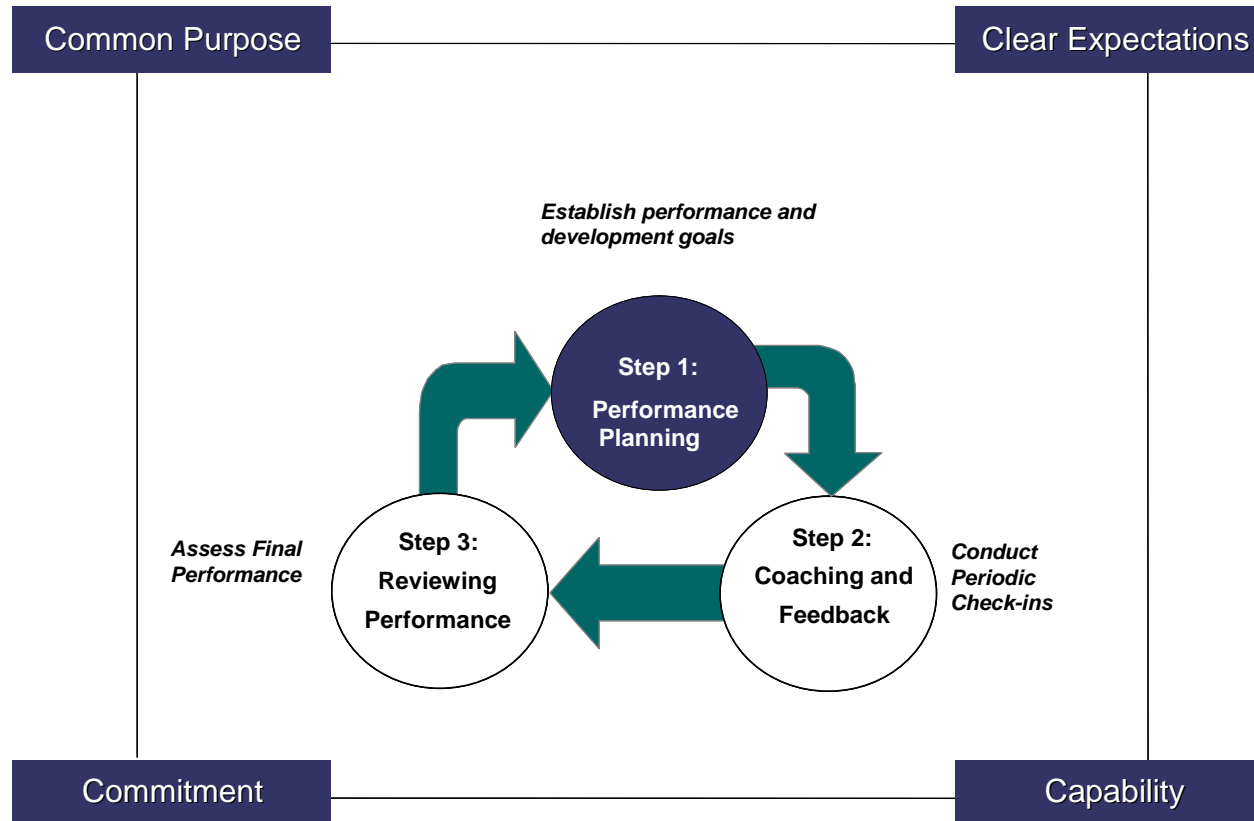


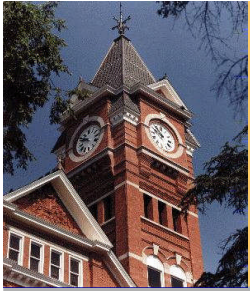
II. What Is AU's Performance Management Process?

- Performance Management Model, Process, and Timeline
- Performance Management Process Enhancements
- Defining and Managing the “What and How” of Performance
- Performance Management Forms Described
- Rating Scales

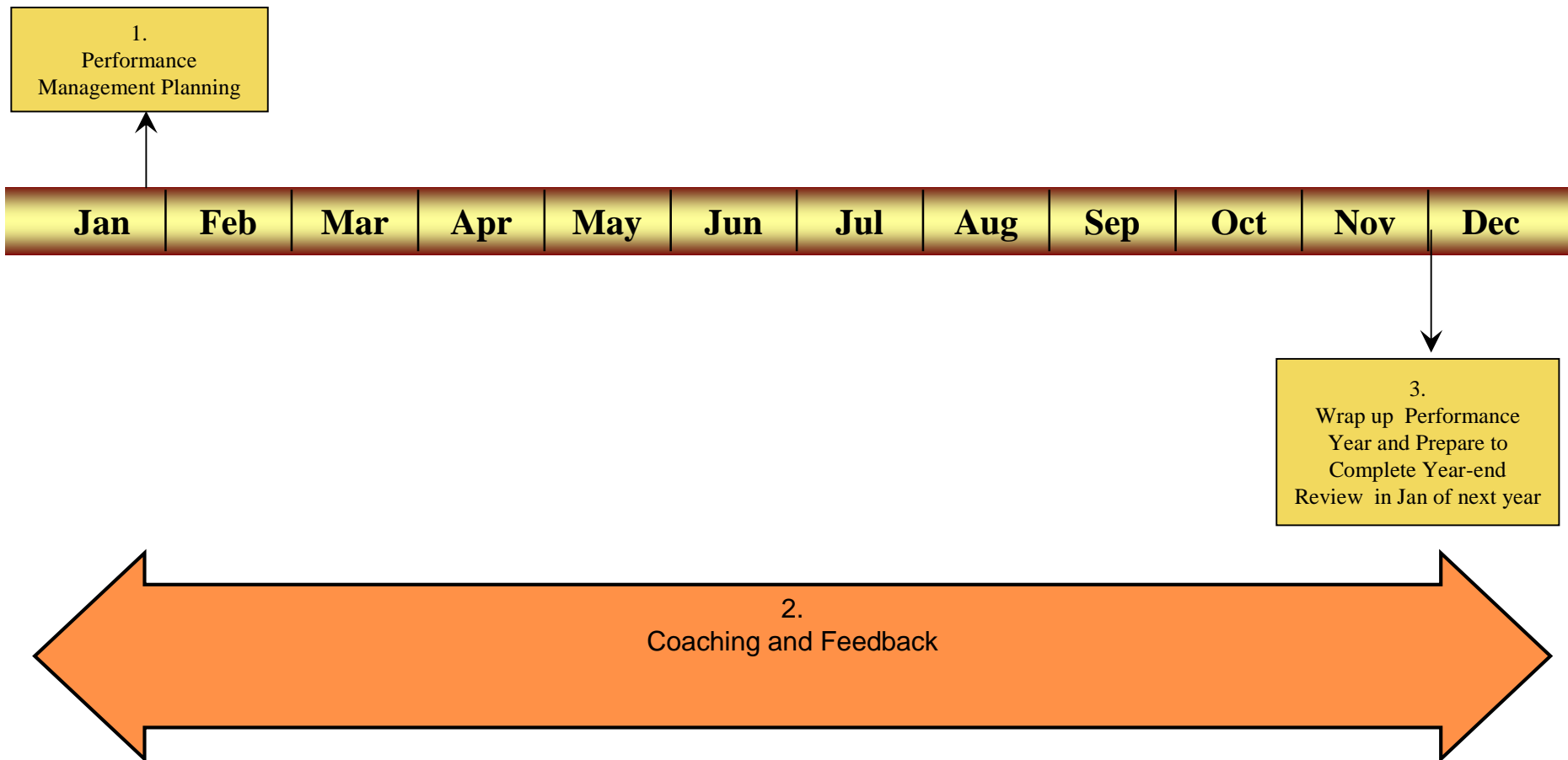


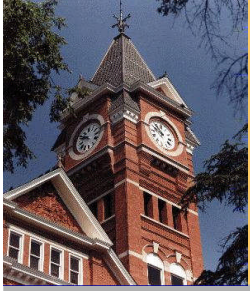
Performance Management Model





Performance Management Timeline and Process (Model adapted to Calendar)





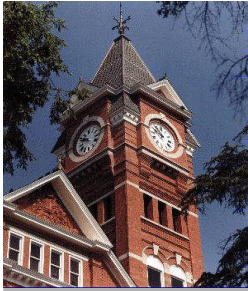
Performance Management Process Enhancements

Standardized Auburn Performance Management Process at Auburn University, to include

- One performance management form—**“Performance Management Planning and Review Form.”**
- **Supplemental performance management forms** to support the Performance Management Planning and Review Form (completion of these forms is optional)
 - Performance Management **Log** (used by supervisor and employee to record achievements/demonstrations/outcomes)
 - Performance Management **Progress Review Form** (used by supervisor and/or employee to foster discussion of the performance outcomes)
 - **Employee Self Appraisal Form** (gather input prior to performance review)
- Leverage of newly created job descriptions
- Measurement of demonstrated behaviors, values, and job expectations
- Increased collaboration between supervisors and employees

New performance management process will support all levels of performers at AU

- High performers: More engaged and committed to their job
- Strong performers: Energized, not disenfranchised
- Underperformers: Managed fairly and expeditiously



The “What and How” of Performance

Competencies Comprise the “How” of Balanced Performance

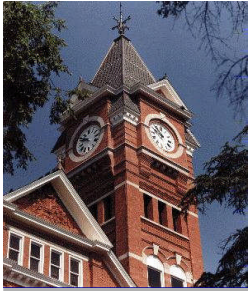
The “What”

- Job duties
- Time-bound projects/outcomes
- Team or individual

The “How”

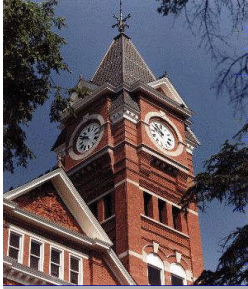
- Behaviorally focused
- Development oriented
- Emphasize organization values and/or individual abilities

- *Competencies are the skills and abilities described in behavioral terms that are coachable, observable, measurable, and critical to successful performance*
- *The pieces of the puzzle that form a common language about success*



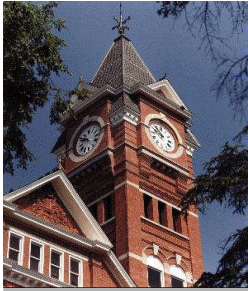
Managing the “What and How” of Performance in the System

WHAT	Job Duties	<ul style="list-style-type: none"> • Suggested 3—7 job duties with clearly defined outcomes. • The job description is a resource for the job duties. Duties can be either ongoing job responsibilities OR non-recurring, project-based accountabilities. • Each will be rated on a 4-point scale.
HOW	Universal Performance Dimensions	<ul style="list-style-type: none"> • Five Universal Performance Dimensions. • All employees will be rated as Consistent/Inconsistent on each.
	Job Specific Competencies	<ul style="list-style-type: none"> • Ten pre-defined competencies will be provided to supervisors and employees. • Suggested 2—4 will be selected to be included in the performance plan, dependent on job responsibilities. • Employees will be rated as Consistent/Inconsistent on each.



Performance Management Forms

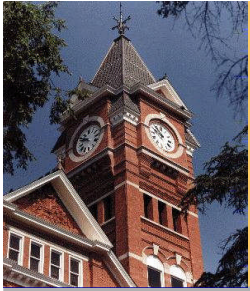
- **Performance Management Planning and Review Form**
Used for
 - Performance Planning
 - Performance Development
 - Performance Review
- **Additional Tools (all optional)**
 - **Performance Management Log** (used by supervisor and employee to record achievements/demonstrations/outcomes throughout the planning and review period)
 - **Performance Management Progress Review Form** (used throughout the period by supervisor and/or employee to foster discussion of performance outcomes)
 - **Employee Self Appraisal Form** (gather input from the employee prior to performance review)



Rating Scale

This rating scale is used for Job Duties and the Overall Rating

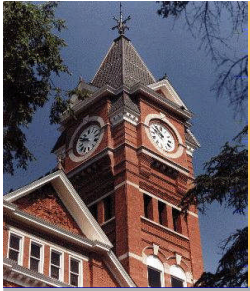
Leading Performance	<ul style="list-style-type: none">• Exceeded targets• Performance surpassed requirements• Work served as an example for others
Strong Performance	<ul style="list-style-type: none">• Met targets• Consistently demonstrated solid performance• Consistently effective
Building Performance	<ul style="list-style-type: none">• Near targets• Inconsistently demonstrated satisfactory performance• Additional experience/development would be beneficial
Improvement Essential	<ul style="list-style-type: none">• Missed targets• Performance failed to meet required levels• Additional experience/development is necessary




Rating Scale

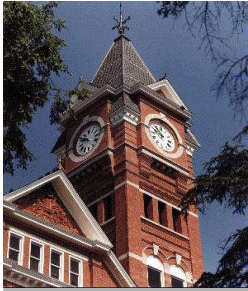
This rating scale is used for Universal Performance Dimensions and Job Specific Competencies

Consistent	<ul style="list-style-type: none">• Consistently demonstrates behaviors representative of universal performance dimensions or job specific competencies• Consistently effective
Inconsistent	<ul style="list-style-type: none">• Demonstrates behaviors effectively, in some, but not all situations• Specific experience/development is necessary

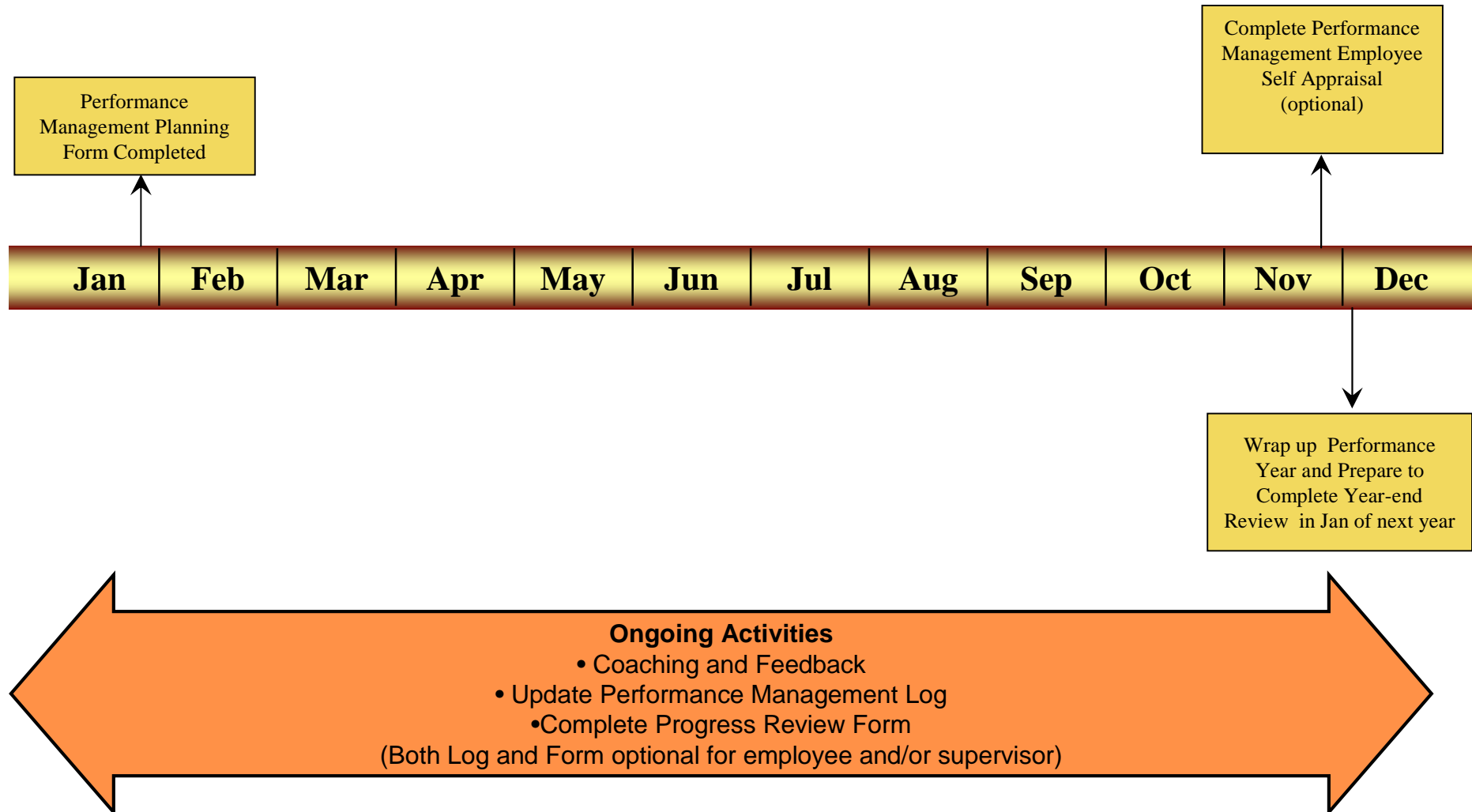


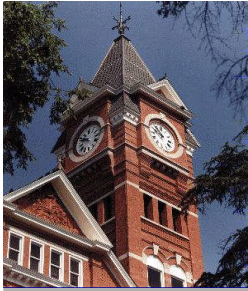
III. Understanding Your Role in the Performance Management Process

- Typical Performance Management Timeline
- Roles and Responsibilities
- Purposes of the Classroom Training
-  Think About It



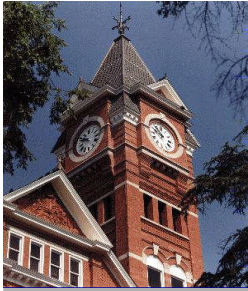
Typical Performance Management Timeline (Calendar Year)





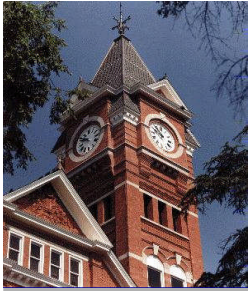
Supervisor and Employee Roles and Responsibilities

Supervisor	Employee
<ul style="list-style-type: none">• Complete Performance Management Planning Form with employee• Provide ongoing performance feedback to employee• Complete Performance Management Log (optional)• Complete Performance Management Progress Review Form (optional)• Complete Performance Management Review Form	<ul style="list-style-type: none">• Complete Performance Management Planning form with Supervisor• Complete Performance Management Log (optional)• Complete Performance Management Employee Self Appraisal Form prior to annual performance appraisal (optional)



Purposes of the Classroom Training Session

- Familiarize supervisors with the performance management process and tools so that they can use the system
- Enable supervisors to describe and explain the performance management process to employees under their supervision
- Underscore the supervisor's involvement in improving performance at Auburn University



Think About It...

Preparation for “The Supervisor’s Introduction to Performance Management”:

Participants in “The Supervisor’s Introduction” will have an opportunity to discuss the three key components of performance management and apply principles learned by practicing use of the performance management tools and tips

You should **select a job or position** in your unit to consider during the training session. **Collect and bring** to the training session **a job description**, an example of **a performance review** for an employee in that role, and any **other relevant data** that will enable you to practice your skills in a situation much like you will encounter as a supervisor.

You will need these materials in order to practice the process.