

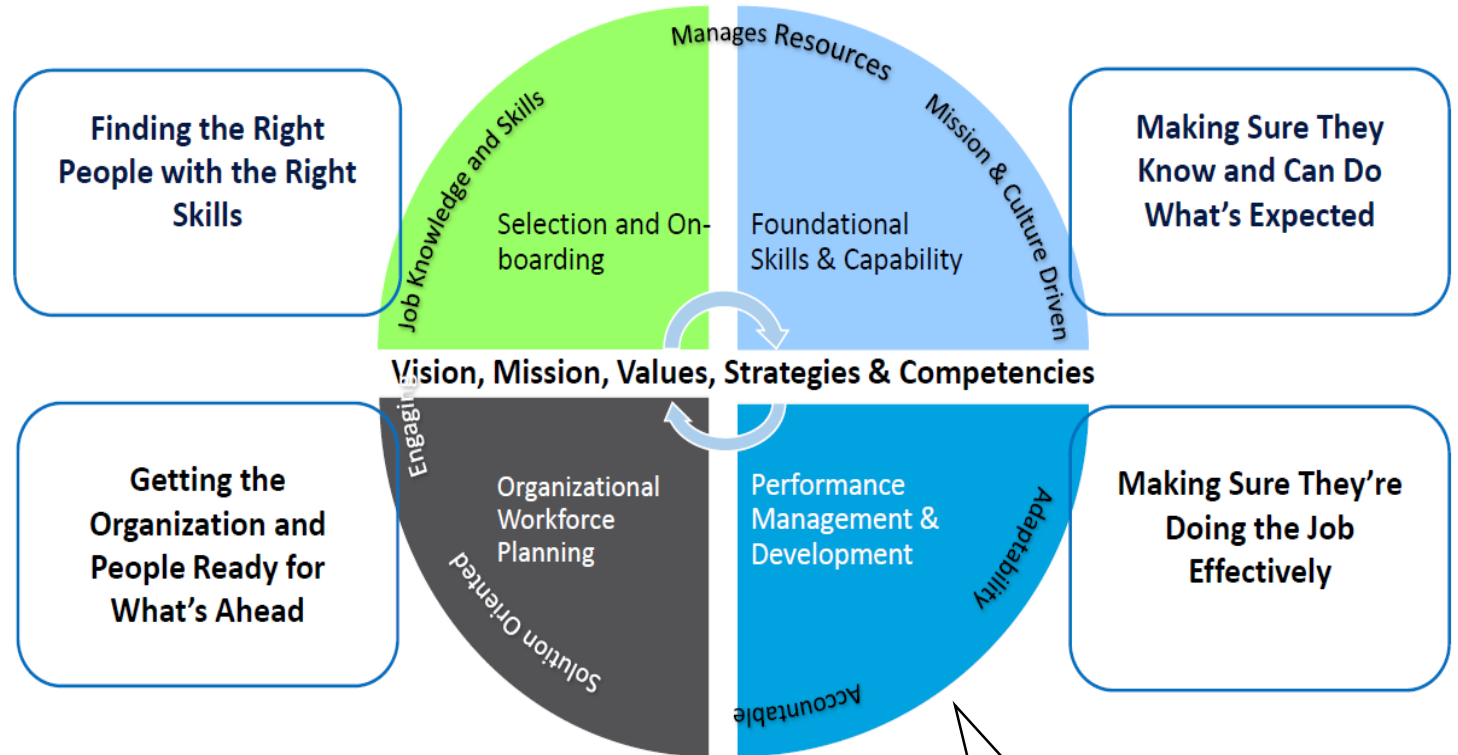


# Management Essentials: 2022 Performance Management: Updates & Mid Year Check-In (July 2022)



# Agenda

- Essential’s Approach to Performance Management
- The Process, Timeline, and Tools
- Manager Role and Accountability
- Delivering Feedback through
- Union Employee Participation  
(for supervisors of employees under a CBA)



**We are here for today's topic!**

# Daily, honest feedback makes managing easier.





# Essential's Approach to Performance Management

*Employees are accountable for demonstrating competent performance and seeking support.*



*Management is responsible for being transparent in outlining clear expectations, providing necessary support and objectively evaluating performance.*

## Why do we have a Performance Management Process?

- Ensure the Company achieves necessary outcomes
- Reinforce required behaviors, productivity/quality expectations, and capability requirements
- Differentiate performance feedback based on employee commitment, capability, competence, and outcomes
- Identify and develop employees for advancement
- Provide specific coaching and correction to obtain commitment and accountability
- Support employment decisions involving salary administration and continued employment for non union employees

## What do we Measure?

- Goals/Metrics
- Behavioral competencies

# Reviewing “What” (Goals & Metrics) and “How” (Competencies)

|  |  |
|--|--|
| <b>Goals &amp; Metrics</b>               | <i>Example Specific to Utility Operations Hourly:</i> Metrics Achieved (safety, productivity, attendance, training, etc.)  |
| <b>Essential Competencies</b>            | <b>Essential Competency Definitions (varies by job title):</b>   |
| <b>Job Specific Functional Knowledge</b> | Demonstrates and applies proficient knowledge and skills in the job being performed and area of responsibility to consistently produce quality work.   |
| <b>Manages resources</b>                 | Ensures resources are maximized and used effectively to reduce/eliminate waste, abuse and/or fraud.  |
| <b>Mission &amp; Culture Driven</b>      | Behaviors function in service of organizational mission, goals, and values to bring about a collaborative culture. Creates and supports the internal conditions to drive innovation, collaboration, growth and risk in order to advance the company forward.   |
| <b>Adaptability</b>                      | Reacts flexibly to the needs of the situation. Adapts approach and make necessary changes based on circumstances. Understands the organizational norms to effectively accomplish the appropriate outcome.  |
| <b>Accountable</b>                       | Demonstrates initiative in recognizing issues and opportunities. Accepts ownership and personal responsibility for achieving expected outcomes and delivering on commitments.  |
| <b>Solution Oriented</b>                 | Thinking, actions and decisions reflect understanding of the business model and organizational strategy from a customer, financial and regulatory perspective. Applies logical reasoning in new or different circumstances.  |
| <b>Engaging (leadership roles only)</b>  | Maintains an inclusive, actively engaged workforce by developing and maintaining effective relationships with employees through communication, involvement, and removing barriers to employees' success. Recognizes and capitalizes on individual's unique skills and abilities by supporting development plans. |



# Documenting Performance Progress & Accomplishments

## The Rating Scales:

| <u>Mid Year Progress Rating:</u>                                      |
|---|
| <b>On Track</b> for Successful Performance at year end.               |
| <ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul> |

| <u>Year End Performance Rating</u>  |
|---|
| <p><u>S - Sometimes meets standards/requirements</u> – performance sometimes meets the standards required to achieve outcomes. There is room for improvement in consistently achieving necessary performance, productivity, and quality. Frequency and level of disciplinary history should be considered.</p>            |
| <p><u>U - Usually meets job standards/requirements</u> - with a little more attention, the performance needed to demonstrate the required quality and productivity on a regular basis can be achieved. Frequency and level of disciplinary history should be considered.</p>  |
| <p><u>M - Consistently meets job standards/requirements</u> - performance is steady, reliable and competent and is maintained with minimum supervision. Based on individual's level, experience and tenure, productivity and quality standards are routinely maintained because employee is attentive and consistent.</p> |
| <p><u>CE- Clearly exceeds job standards/requirements</u> – in addition to maintaining consistent, reliable productivity and quality, employee performs non-routine assignments competently and thoroughly. Practically all measures for success are exceeded.</p>   |
| <p><u>SE - Substantially exceeds job standards/requirements</u> - far exceeds all job requirements and all goals and targets; consistently demonstrates and promotes core values; continuously seeks out opportunities and makes improvements.</p>  |



## Process: The Mid-Year Check In – What You Need to Do

- ✓ Review the 2022 Performance Review format with ALL employees – there are updates for everyone to simplify and integrate the process across Essential. These updates apply to ALL Employees – management, front line, union, and non-union.
- ✓ Use the correct form. Going forward, based on the type of job, the behavioral competencies on the form will be defined to reflect the kind of job the employee is performing: (In Workday, it will automatically be assigned based on job title)
  - Manager/Supervisor
  - Professional/Admin/Call Center Individual Contributor
  - Utility Operations Hourly Individual Contributor
- ✓ Ensure the employee knows the goals/metrics and/or personal development needs they should be working on in 2022.
- ✓ Hold a brief Mid Year Check In discussion take place with each employee to preview progress and their needs so that they are successful for year end.
- ✓ For employees who had fair or poor performance reviews in 2021, and/or who have demonstrated less than adequate performance or having disciplinary issues this year, meet with the employee using the formal mid-year process and forms.
- ✓ ***If you directly supervise cross – company employees, you MUST use the tools provided by the company in which the employee originates.***
- ✓ Evaluation forms are available on PeoplesPlace/On the Job/Managers or Workday
- ✓ **Compete the above tasks between July 18 to August 19.**



# 5 Steps to the Productive Mid-Year Employee Check-In Discussion

**Step 1** – Give the employee advance notice to hold the mid year discussion, providing them the opportunity to reflect on accomplishments. Share a copy of the performance indicators with them.

**Step 2** – Complete the Mid Year Check-In against scorecard goals/metrics and behavioral competencies.

**Step 3** – Create the environment for a discussion that is free of distraction. Set aside a minimum of 20 minutes.

**Step 4** – Participate in the Mid Year Check-In discussion by being forthright and honest. Use the form/system as your Talking Points to mutually share progress and encourage employee self-assessment and accountability.

**Step 5** – Document the Feedback:



On Track for Success for Year End?

Yes!

No.



# Manager Role and Accountability



... Helping you avoid being “that” manager.



# Leadership Accountability for Managing Performance



1. Model the behaviors you expect from others.
2. Hold everyone accountable - use the same standard for reinforcing, improving, and developing capabilities.



3. Look for opportunities to specifically let employees know if they're tracking in the right direction.
4. Be honest about expectations. Don't overpromise, but let people know what they have to do achieve success in their own career goals.



5. Don't take solid and good performers for granted – find ways to publicly recognize them – it sends the employee a message about what leadership and Essential values. A positive side effect - it also sends a message to lower performing employees.
6. Take personal responsibility for supporting employees' efforts to achieve, develop, and/or improve.
7. ***At least once a week, ask: "What are your working on? How can I help you?"***

## Use “D.I.S.C” and the Review Form as Your Talking Points



- **DESCRIBE** the behaviors and/or progress that you want to see changed, with examples. Transparency is critical to clear understanding.
- Explain the **IMPACT** it’s having on you, the employee and/or others (e.g., team, customers, etc.). Be forthright in sharing facts and examples.
- **SPECIFY** what you want or need to change, if correction is needed.
- Clearly state the **CONSEQUENCES** of the change for you, the employee and/or others.

# Performance Feedback Examples

- As you consider what you would like the employee to do, you may be tempted to think in terms of attitude or general qualities...

*“I want Sue to show a more positive attitude.”*

*“Bill hasn’t learned the inventory system.”*



- **INSTEAD**, state your expectations in terms using the DISC method – Describe, Impact, Specify, Consequences to quantify results and behaviors.....

*“Sue, I need you to come to work by 8:30, and follow up on your coworkers’ requests information in a more timely manner by responding to them within 2 hours of a request.”*

*“Bill, I would like for you to work with Chris to learn the inventory management system. After that, you can provide us with weekly reports of our backordered items, and follow up to get our supplies in the system within a week so we are not delinquent on payments.”*



# Tips for Performance Coaching

## Do's

- Meet with the employee privately.
- Set aside a minimum of 20 undistracted minutes.
- Evaluate ALL competencies on the form or in Workday.
- Provide comments if performance needs to get back on track.
- Talk in a respectful, courteous, professional manner.
- Tell your good performers how much you appreciate something specific.
- Continuously reinforce and recognize improvement – even small steps/changes.
- Provide the employee with a completed copy of the form or visibility in Workday

## Don'ts

- Talk about a problem with an employee within hearing of his/her coworkers.
- Hope the problem will go away or think no one cares whether or not it's corrected
- Assume the employee knows what good performance looks like.
- Dominate the conversation.
- Require the employee sign the form. Just indicate when you sign that the employee didn't want to sign.

# Union Employee Participation

## (for supervisors of employees under a CBA)

### The Aqua Performance Management Design Team

Mike Hernandez

Christopher Collins

Michael Stephens

Jeffrey Bickel

Andrew Strassner

Darryl Waldock

Andrew Price

Angela Serafini

Luther Ghorley

# Distributing and Discussing the Performance Management Process with Union Employees – What to Say to Your People

- Essential recognizes that our employees expect and deserve regular, objective feedback from their management, and I want to make sure we are on the same page about how you're performing.
- Beginning this year, all Aqua union employees will be included in the Company's performance management process.
- In summer 2022, management of Aqua union employees are providing information on the performance management program, including the rating scale, goals/metrics, and behavioral competencies that will be evaluated at year end. (*[Distribute one-page Performance Review Guide to employees](#)*)
- The evaluation will be set up in Workday. You will have the opportunity to do a self-evaluation.
- The performance management program includes a mid-year review check-in and a more formal annual discussion between you and me.
- We use the mid-year and annual review processes to recognize your performance, answer questions, and provide coaching to keep you performing at your best. We will do this in the coming weeks.
- The year-end performance evaluation is required for all employees at Essential, including all union and non-union employees in December and January.
- For union employees, the process will not be linked to pay, but will be used to provide coaching needed to achieve required performance standards. We will follow the disciplinary process noted in the CBA if there is an issue that requires addressing.







### Mid Year Progress Rating:

#### On Track for Successful Performance at year end.

- Yes
- No

#### Year End Performance Rating

**S - Sometimes meets standards/requirements** – performance sometimes meets the standards required to achieve outcomes. There is room for improvement in consistently achieving necessary performance, productivity, and quality. Frequency and level of disciplinary history should be considered.

**U - Usually meets job standards/requirements** - with a little more attention, the performance needed to demonstrate the required quality and productivity on a regular basis can be achieved. Frequency and level of disciplinary history should be considered.

**M - Consistently meets job standards/requirements** - performance is steady, reliable and competent and is maintained with minimum supervision. Based on individual's level, experience and tenure, productivity and quality standards are routinely maintained because employee is attentive and consistent.

**CE- Clearly exceeds job standards/requirements** – in addition to maintaining consistent, reliable productivity and quality, employee performs non-routine assignments competently and thoroughly. Practically all measures for success are exceeded.

**SE - Substantially exceeds job standards/requirements** - far exceeds all job requirements and all goals and targets; consistently demonstrates and promotes core values; continuously seeks out opportunities and makes improvements.

### Operational Metrics Achieved (safety, productivity, attendance, training, etc.)

#### Competencies

Demonstrates Job Specific Functional Capability. Follows operations and safety work rules, job procedures and practices. Participates in required training and practices skills learned.

Manages resources. Productive with time/plans; takes care of equipment, tools, and supplies. Is a good steward of company resources. Punctual with time and attendance. Accepts overtime.

Mission & Culture Driven. Effectively communicates, treating others with patience, respect, and helpfulness. Represents a professional image by demonstrating the mission and values.

Adaptability. Reacts well to changing work practices, directives, and assignments. Open to feedback and willing to learn and make changes.

Accountable. Takes initiative, is productive and gets work done without making excuses. Achieves results with little oversight.

Solution Oriented. Analyzes situations before acting to achieve efficient, effective results. Identifies creative solutions to problems, as appropriate.



# Let's Take a Look at the Performance Review Guide

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- It's important that you read the rating scale and the behavioral competencies so that you understand why we're giving you a specific rating.
- The mid-year rating scale applies to each metric/goal and behaviors. I will let you know if you're On Track or need to improve. Keep in mind that doing what is expected means you're on Track.
- The year-end rating scale also applies to each metric/goal and behaviors. Keep in mind that consistently doing what is required (putting in 8 hours of productive work, done safely and with courtesy to others everyday) will be rated as Consistently Meeting Requirements. You can exceed these by taking on non-routine assignments, coming to me with practical suggestions, and showing the ability to handle adversity in a professional, respectful manner.
- You will be rated on metrics & goals, along with the behavioral competencies.
- The behavioral competencies are the same for every employee at Essential. They're based on our mission and values, and what the company expects of everyone so that we deliver reliable, quality utility service to our customers.
- When you are showing us that you're committed to these performance expectations, we will be rating you On Track for mid-year, and Consistently or above Required/Expected Standards at year-end.
- You should let me know if there are reasons that are keeping you from performing at your best. Let's talk about what I can do to help you.
- What questions do you have for me? *(If you cannot answer something, please let the employee know you want to talk to HR and you will get back to them.)*



# Help Needed?

Diane Liska, Dir., Learning and Talent Management at [diane.Liska@peoples-gas.com](mailto:diane.Liska@peoples-gas.com)

Amy Leonard, Learning and Development Specialist at [Amy.Leonard@peoples-gas.com](mailto:Amy.Leonard@peoples-gas.com)

or [HRHelp@peoples-gas.com](mailto:HRHelp@peoples-gas.com)

# Timeline Reminder

The cycle for the Annual Performance Plan includes:

- 1st quarter –Typically Goal/Metric Setting
- ✓ 3rd quarter – Mid Year Progress Preview/Goal Set/Refresh
- 4th quarter – Year End Review

**Mid Year Reviews for those who are trending to not be rated as Consistently Meeting Expectation Must Be Completed by August 19, 2022**





# Q & A