21st Century Staffing Innovators

Delivering Results

Employee / Leader Work Book

“Achieving
Enterprise Results
through
Personal Delivery”

“Increasing
Individual Ability
through
Personal Professional
Development”

Performance Contracting
And Personal Development
In Your Organization

Contents

Section One: Introduction

1.0 Your Enterprise's Approach

Most enterprises today are committed to managing their staff performance through personal performance agreements and concrete measure-based personal performance evaluation. The objective behind these two processes is to help you focus on what you need to do your job successfully. At the same time, the dialogue between you and the person who is your designated Leader-Manager allows each of you to align with your enterprise's overall performance goals. When everyone in your organization is aligned in this way, the organization will achieve its goals. That means better results for all of us, results that are reflected in our salaries and bonuses.

Note:

Copies of sample Personal Performance Agreements and Personal Performance Evaluation Policies are provided in the Appendix at the back of this work book.

From this point on, Personal Performance Agreement will be abbreviated as PPA: Personal Performance Evaluation will be abbreviated as PPE and Personal Professional Development will be abbreviated as PPD.

Your organization is also committed to helping its staff members grow their on-the-job competencies and skills. We call your manager your "Leader-Manager" to emphasize this and remind each of you that you need to be constantly aware of the inter-locking nature of your responsibilities around performance agreement, performance evaluation, and professional development.

The ultimate responsibility for developing yourself rests with you. Your Leader-Manager can motivate you, guide you, and provide you with important feedback. When appropriate, your Leader-Manager can help you get access to relevant training programs and educational resources. However, in the final analysis, the only person who can increase your abilities is you. **ONLY YOU CAN TAKE RESPONSIBILITY FOR DEVELOPING YOURSELF.** No one else can do this.

Performance Contracting (PPA/PPE) and Professional Development (PPD) are separate processes with distinct goals. Each impacts the other. But they are distinct processes, with different steps and timings. All of this will become clearer in the detailed descriptions of each process, which follow later in this work book.

Performance Contracting is the organization's process for ensuring that its employees know what they have to deliver, and for evaluating the extent to which they do so. It consists of two interlocked processes: Personal Performance Agreement (PPA) and Personal Performance Evaluation (PPE).

Personal Professional Development (PPD) is your process for expanding your competencies and skills, so that you can do your current job better, and prepare yourself for future positions with more scope and responsibility.

2.0 Accountabilities (Who is responsible for what?)

The following table clarifies who is normally accountable for what during PPA and PPE activities.

Process	Leader-Manager	Employee
Personal Performance Agreement (PPA)	Initiate the dialogue with each employee, which establishes a PPA for the coming performance period. (Do this for each employee in turn.)	Participate in the dialogue.
	Ensure that a signed PPA exists before the performance period starts.	Understand the PPA well enough to commit to producing these deliverables: that is what signing it means. You are committing yourself to delivering these results in the coming period.
	Make sure to send a signed copy of the PPA (either in paper or in an electronic copy with electronic signatures) to the appropriate HR person.	Receive a copy and keep it in your personal files.
Personal Performance Evaluation (PPE)	Initiate the dialogue by asking the employee to self-rate achievement on each of the items in the PPA for this period.	Rate your achievements on each item, using the results reported for its associated KPI, Measure, or Evidence of Accomplishment.
	Rate the employee’s achievement on each item in the PPA for this period. Base your ratings on the reported KPIs, the Measures, or the Evidence of Accomplishment associated with each item.	

Process	Leader-Manager	Employee
	Schedule and lead the meeting in which the two ratings are compared. Resolve any differences, if you can. Make notes about any that you cannot resolve.	Participate in the meeting.
	Finalize the PPA form based on the meeting and ask the employee to sign it.	Sign it if you agree with it. Add any reservations that you have if you do not agree.
	Make sure to send a signed copy of the PPE (either in paper or in an electronic copy with electronic signatures) to the appropriate HR person.	Receive a copy and keep it in your personal files.
Personal Professional Development	Initiate the dialogue by asking the employee to fill out the ability self-rating sheet with respect to his / her current position. Complete the ability rating sheet for this employee with respect to his / her current position.	Complete the ability self evaluation with respect to your current job Think about your competency strengths and weaknesses, generating ideas on how to improve your abilities.
	Schedule and lead the meeting in which the employee's self-evaluation is compared to your ratings (The Leader-Manager's). Move the dialogue forward by focusing on self-development activities that are appropriate for this employee and that the employee is motivated to complete.	Summarize the results of the meeting in a self-development action plan for yourself for the next 12 months (follow the suggested format in this work book). Sign the action plan, and send copies to your Leader-Manager, and to the appropriate person in Human Resources.

3.0 Timelines (When to do …)

The Personal Performance Agreement (PPA) process cascades down the organization from the Strategic Directions set by the Your Enterprise's Executive group and your Board in the late fall of each calendar year for the next year.

Note:

For some organizations, this process may be aligned with fiscal year, if the fiscal year is not the same as the calendar year.

In the table which follows, a normal calendar year is assumed. The dates used are suggestive. You organization may have somewhat different ones.

As well, a simple organizational structure is assumed. The CEO reports to the Board. Executive Vice Presidents (EVPs) report to the CEO. Vice-Presidents (VPs), and perhaps the occasional Director, report to EVPs. Most Directors, and perhaps the occasional Manager, report to VPs. Managers report to Directors.

The term “Leader-Manager” is used generically. It covers any reporting relationship in which one person – the Employee – reports to another – the Leader-Manager, regardless of where the relationship falls in the organization’s organizational hierarchy.

Personal Performance Agreement (PPA), Personal Performance Evaluation (PPE), and Personal Professional Development (PPD) dialogue timings are all related to the scope of the employee’s job.

The following table provides the suggested timings. The intent behind this table is simple: provide a suggested framework that your organization can modify when it implements or updates its own PPA/PPE/PPD processes.

Who	**Job Scope / Normal Work Cycle**	**PPA Completion**	**PPE Completion**	**PPD Dialogue**
CEO and EVPs (the CEO’s direct reports)	CEO – all of the enterprise. EVPs – the major operational / functional units of the organization. (E.g. operations, manufacturing, accounting / finance, sales / marketing, human resources, information technology) Calendar / Fiscal Year	December 15th of each calendar year	December 1st of the following calendar year (aligned with end of PPA)	January 30th
VPs (report to EVPs)	Part of each of the major operational / functional units Calendar / Fiscal Year	December 15th of each calendar year	December 1st of the following calendar year (aligned with end of PPA)	January 30th
Operational / Functional Unit Directors (report to VPs)	Part of each VP’s part of a major operational / functional unit Calendar / Fiscal Year	January 15th of each calendar year	January 1st of the following calendar year (aligned with end of PPA)	February 15th

Who	Job Scope / Normal Work Cycle	PPA Completion	PPE Completion	PPD Dialogue
Working Group Managers (report to Directors)	Part of each Director’s sub-unit of a VP’s part of a major operational / functional unit Calendar / Fiscal Year	January 15th of each calendar year	January 1st of the following calendar year (aligned with end of PPA)	February 15th
Working Level Employees (report to Managers)	Individual worker	January 30th of each calendar yea	January 1st of the following calendar year (aligned with end of PPA)	February 15th
Project Staff (report to Project Managers)	Project life time	Within a week of the designated project or program start, updated as often as needed during the life of the project	Within a week of the formal completion / close of the project	As appropriate

Section Two: Personal Performance Agreements

1.0 KPIs, Measures, and Evidence of Accomplishment

Performance evaluation that is not based on objective evidence is extremely frustrating to staff. Countless employee satisfaction surveys have validated this. Working level staffs express extreme frustration with performance evaluation they consider “gamey”. They disengage when they believe that managers play “favorites”, basing their performance evaluation on personal subjective like and dislike, rather than negotiated and agreed to performance metrics. As a result, individuals are not motivated to make the best contribution that they can make to achieve your organization’s collective results

Performance evaluation (or performance appraisal as it is called in some organizations) needs to be grounded on concrete facts in order to avoid the “subjective, personal, and political”. By making sure that staff members know how they will be measured or evaluated on each of the objectives in their Personal Performance Agreement, all or most of the negative reactions to performance appraisal can be avoided. Individuals may still experience negative emotions during this type of performance contracting. However, when a performance contracting process is based on concrete metrics, these feelings occur when individuals are held accountable for their non-performance. That is appropriate and necessary.

The key is clarifying the KPIs (or Key Performance Indicators), Measures, or Evidence of Accomplishment associated with each item in each person’s Personal Performance Agreement. This will be done at the beginning of the performance period. That way, each employee knows:

- what they are expected to do in order to make a valued contribution to your organization,

- how they will be evaluated on their performance at the end of their performance period,

- and most importantly, how **to take stock of their performance during the performance period**, so that they can take steps to improve their delivery, or ask for help with difficulties from their designated Leader-Manager.

1.1 What is a KPI?

A good example of a KPI is "Revenue Dollar per Employee Wage Dollar". It shows how much revenue each employee in your organization produces. It is a "unit of output produced per unit of input used to produce the output" ratio. Put simply, it is an output/input ratio. The output is dollars of revenue earned; the input is "dollars of labor cost of the employees". Specifically, it relates the revenue produced in a time period to wages paid to employees who produce that revenue in the same time period. For a non-profit organization, the number of "services delivered" might replace revenue. These kinds of ratios are relatively easy to create. They are limited only by the underlying quality and structure of the information that the organization keeps.

By following the trend of such KPI's, you can see if your organization is getting more or less productive over time.

This example illustrates the **four defining** characteristics of a KPI.

1. It is **a ratio**, which results from dividing one number by another number.

   These numbers can come from any of the information systems (accounting, operating, marketing …) that you use to manage and to work in your organization.

2. The **time periods** for the two numbers must match in a way that makes business sense.

   For example, the Revenue per Employee number can be calculated for a year, a month, a quarter, a week, or any other useful time period. The input number must cover the same time period.

   Because automated business applications have limitations on how they collect and store information, KPIs are often calculated for months, quarters, and years. Occasionally, it is also possible to calculate them for days and weeks.

3. The organizational scope of the two numbers must match in a way that makes business sense.

   For example, the Revenue per Employee number can be calculated for an entire organization, a business unit, a geographical unit, or subsets of any of these. The input number must match the output number's scope.

   Because automated business applications have limitations on how they collect and store information, KPIs are often calculated for the entire organization, and its major sub-divisions. It is also possible to calculate down to the department, work unit level. In fact, defining KPIs for individuals, teams, and work groups is an important part of the PPA process.

4. KPIs are **most useful** when they presented as trends over time, rather than as single point-in-time values.

   We want to look at the trend in the Revenue per Employee KPI, rather than its value at any one point in time. If the trend is going up, then we know that the revenue being produced per employee is getting better.

   Note:
   Because we want to look at trends, we can use mathematical tools like the trend line tool in EXCEL (or other software programs) to draw a trend line over a series of values for a KPI like Revenue per Employee. Excel uses excellent statistical tools to do this. We don't need to worry too much about the tools themselves, so long as we remember they are just a tool for doing a job. We could do much the same thing by plotting the KPI on a graph manually, and then using a ruler and pencil to fit a trend line by hand. Excel and other software simply make this much easier to do.

1.2 How are KPIs used?

When you measure the results achieved on a performance objective in a PPA with a KPI, you are saying that the trend in the KPI will improve over the time period covered by the KPI.

For example, the CEO's PPA could include an item like this.

Objective	How will the results achieved be measured?
Improve your enterprise's use of its main talent asses – employees – in both the short term and the long term.	KPI – Revenue Per Employee: the monthly trend improves over the course of 2010 and the 2010 trend in Revenue Per Employee is better when compared to the 2009 and 2008 trends

Notice some important things about this objective and KPI, which apply to all performance objectives and their KPIs.

1. The CEO is not told HOW to do this. That is up to the person in the job.

2. It does show how the CEO's results in this area will be measured. The exact use of the KPI is stated. There is little room for confusion.

3. If the CEO agrees to this performance objective, the CEO is also agreeing to how its achievement (or lack of achievement) will be measured.

The result is a very focused item in the CEO's performance agreement. It is now up the CEO to take action to achieve this. For the CEO, this might be setting strategic priorities and communicating them to other employees in the organization. It might mean creating more specific performance objectives in the performance agreements of the employees who work directly for the CEO. It is up to the CEO to decide how this objective can best be achieved.

This is why it is called a PERSONAL PERFORMANCE AGREEMENT. The dialogue between the Leader-Manager and the Employee (in this case, between the CEO and the organization's Board) is about WHAT needs to be done, and WHAT measurements will be used to evaluate results. The PPA itself does not contain the HOWs.

You will want to take the same approach in both the performance agreement dialogues you have with your Leader-Manager and those you have with your staff, if you are a Leader-Manager.

You want to keep the HOWs out of Performance agreements.

That does not mean that you do not talk about HOW. **Of course you do** - all through the year in your coaching sessions and in your problem-solving work with your co-workers. By talking about HOW in these settings, and keeping them out of PPAs, you focus on what is important in PPAs:

- **Objectives** – what must be achieved,

and

- **Measurement of Results Achieved On Those Agreed on Objectives** - the measurement techniques used to evaluate the achievement of these results.

1.3 When does it make sense to link KPIs to performance objectives?

KPIs are very powerful performance achievement evaluation tools. Choose them when the following conditions are in place.

1. Producing the KPIs, and plotting their updated values on a graph for each time period (days, weeks or at minimum months) is straight forward to do. The results must be available and reported to all involved in the performance objective in a very TIMELY FASHION, so that everyone has the chance to act on negative trends and reverse them.

   Note:
   Business Analysts in Finance, or in an Operations Statistics group, may be able to help with the analysis and reporting to produce timely KPI reports.

2. The employee has **the authority to do things** that can positively impact the trend in the KPI.

For example, the CEO has the authority to ask employees to do things that can positively impact revenue per bus. A recruitment professional in Human Resources does not. This KPI makes sense for the CEO, but not the recruitment professional.

Setting performance objectives, and associated KPIs, for an individual, when the individual does not have the personal authority to get the things done needed to positively impact the achievement of that KPI is a WASTE OF TIME. It leaves individuals feeling like they have been “gamed” by their Leader-Manager. It can undermine the whole performance contracting process.

Too many organizations set KPIs only at the organizational level. They then tie every bonus’s to these KPIs, in the belief that somehow people will figure out how to align their personal performance with achieving these broad reaching KPIs. In fact, one of the prime tasks of management is to break down such organizational wide KPIs into more specific ones relevant to each level of the organization. Managers are responsible for structuring and coordinating the way in which work is done in the organization. That is the PRIME task of management.

Because of this, one of the best KPIs for manager is the EXISTENCE OF KPIs that derive from the ones they receive from their Leader-Manager and cascade down into ones for the people who report to them.

Sometimes, doing this is simple. For example, a CEO could take the Revenue per Employee KPI, and break into down into Revenue per Employee in each business unit. Often the only limitation keeping this kind of break down from cascading down to the individual level are limitations built into the information processing applications the organization has in place.

At other times, Leader-Managers must demonstrate real creativity in coming up with KPIs that are relevant to individuals. They must get beyond the limitations in information applications, and creatively set up KPIs that really help an employee understand how their contribution will be measured. Doing so is part of the challenge, and the fun, of being a Leader-Manager.

3. The KPI clearly supports your organization’s current Year’s Strategic Priorities and long-term business directions. Asking employees to deliver on performance objectives that are NOT aligned with the overall strategy, rarely makes good business sense.

1.4 What is a Measure?

A measure is simpler than a KPI. It is a number or an item. Its distinguishing characteristic is that is used in a YES or NO way. The measure is either achieved or not. The item either exists or not. There is no in-between.

A good example of a measure is a monthly report. Let's say an employee has a performance objective to produce a report for the previous month by the 10th working day of the following month. Let's look at this example in more detail.

Objective	How will the results achieved be measured?
Produce and distribute the monthly "Parts Used Maintenance Facilities" by the 10th working day of the following month.	The report is distributed on time by email using the IT Network to all Maintenance Facility Leads at their local facilities and all Maintenance Managers in the organization's head office each month.

This means that the person with this performance objective has to fail to deliver in one month in order to NOT meet this measure. **Measures are binary: – yes or no, achieved or not, exists or not.**

There may be extenuating circumstances for not achieving a measure. The person's Leader-Manager may agree that the explanation for not achieving the measure is reasonable. The Leader-Manager may talk about this during coaching sessions. HOWEVER, none of this eliminates the fact that the measure **has not been achieved**.

The strength of a measure is that it makes WHAT must be accomplished crystal clear. The limitation inherent in measures is that there is no room for partial success.

1.5 How and when are measures used in a PPA?

As a Leader-Manager, choose measures (as opposed to KPIs or Evidence of Accomplishment) for performance objectives that MUST be achieved.

As an employee, only agree to measures that you believe you can achieve.

Of course, it is always possible to structure the measure to create some degree of flexibility. The measure above could have been written as follows.

> **How will the results achieved be measured?**
>
> The report is distributed on time by email using the IT Network to all Maintenance Facility Leads at their local facilities and all Maintenance Management staff at Head Office at least 9 out of the 12 months. In the months when it is not on time, there is a clear reason for the delay that is beyond the control of the individual producing the report. In each

case that this happens, the individual informs all of the recipients of the report of the reason for this delay by the 8th working day of the month.

This is still a binary measure. The person either achieves it or not. Now there are a number of specific conditions that create more business room for the person who commits to achieving it.

Remember that you have this degree of flexibility as you create and agree to measures in PPAs.

1.6 What is Evidence of Accomplishment?

Sometimes the only way to know if something has been achieved is if a number of people can observe a new pattern of behavior or a new way of doing things. When the achievement of a performance objective is measured in this way, we are looking for evidence of accomplishment. The key is that more than one person can see the evidence. Its achievement is verified by reports from multiple sources.

Objective	How will the results achieved be measured?
Decrease the level of complaints and dissatisfaction of customers with the service being provided at the Jonesville Location (123 Jones Street, Jonesville).	Most or all of the following occur and are reported: • Conversations between the Customer Service Manager in this location and other Managers in the organization change from negative to positive in tone starting in February of this year. • Talking to the Jonesville service delivery staff about how customers are feeling about service delivery changes from a mostly negative experience, in which they blame others as being responsible for their service delivery problems, to a mostly positive experience, in which they are positive about their ability to service customers.

There are several kinds of evidence listed in the Measurement column. Although each is relatively clear in and of itself, collecting evidence that they have occurred is not as simple as looking at numbers or the line on a graph.

In this case, this Leader-Manager will have to take the time to talk to a number of people to collect details on the evidence. Judgment will have to be applied in interpreting what they each say. A decision will have to be made if the perceptions of these individuals make up a pattern that shows if the Evidence of Accomplishment has been achieved.

The key to Evidence of Accomplishment is always that more than one person perceives it and is willing to report on it. Accomplishment requires agreement across a number of sources.

1.5 How and when is Evidence of Accomplishment used in a PPA?

KPIs and Measures are always the preferred way of measuring whether or not results have been achieved. However, it is not always possible to use them for all performance objectives. This is especially true when the performance objective contains subjective elements (e.g. level of customer satisfaction, change in tone from negative to positive). However, these are real results with real business value.

Evidence of Accomplishment is a useful way of measuring such results.

Coaching is another area which is often best measured by evidence. See the following example taken from the PPA of a person responsible for overseeing a number of local service delivery managers.

Objective	How will the results achieved be measured?
Coach the local Service Delivery Managers as they work to achieve this year's reduction in average hours per service call objective while increasing the customer satisfaction per service call.	**Evidence of Accomplishment**: Local Service Delivery Managers who have the highest "hours per service call" and the highest number of Customer Complaint calls change their behaviors in the following ways. • They interact with the Centralized Service Technical Dispatch call center to get immediate and up to date information on the service calls their service staff have performed each month. • They make a point to meet with or to call each service delivery person at least once every two weeks, getting them to talk about the problems they are facing in servicing customers. • They use the weekly Customer Complaint Call summary issued by the centralized Customer Service call center to focus on difficulties with service calls in their areas, and take steps to eliminate repetitive problems. Conversations with the local Service Delivery managers indicate that they have receive coaching throughout the year that has helped them accomplish these things.

2.0 The Performance Agreement Checklist

The following table lists the activities that are involved in preparing for, discussing and completing a Personal Performance agreement. Use it as a checklist for yourself in your role either as a Leader-Manager or as an employee.

The activities covered are:

1. Pre-planning,
2. PPA Dialogue / Negotiation
3. Commitment to Act, To Deliver
4. Filing
5. Coaching
6. Update the PPA

Activity	Leader-Manager	Employee
Pre-planning	Prepare for a PPA conversation by listing the items that the employee is expected to deliver in the coming performance period. Use past year's PPAs, job descriptions, and PPA templates provided by Human Resources during your planning. Group your list into three to seven performance objectives. Remember that most people, especially at the "doing" level in the organization, will need to focus on a few key objectives, NOT on long lists of activities and things to do.	Prepare for your PPA conversation by listing the things that you are accountable to deliver. Use your last PPA, or your job description, and your on-going coaching discussions with your Leader-Manager as a starting place. Organize your work into three to seven key performance objectives. Note: Most people are most comfortable if they have about three to five performance objectives on which to concentrate.
	Identify appropriate KPIs (Key Performance Indicators), Measures, and Evidence of Accomplishment observables so that each item in the "expected to deliver" list has one associated with it. Make sure that you have at least one for every performance objective. Make sure that the information needed for the KPIs and Measures exist, and can be easily and regularly reported to the employee and yourself in a TIMELY fashion. **Remember that feedback which arrives too late to act on is de-motivating, while no feedback at all is frustrating.**	

Activity	Leader-Manager	Employee
	Organize the “items to be delivered” and their associated KPIs, measures, or observable evidence into your organization’s PPA format (see a sample later in this work book). If it is more than two pages, and the employee does not report to the CEO or an EVP or a VP, it is probably too long. Re-organize the performance objectives. Shorten the list by moving to a higher level of objective. Make sure that you are NOT including HOWs in the PPA.	
PPA Dialogue / Negotiation	Pass the draft PPA to the employee before the performance period begins.	Review the draft PPA and prepare for the PPA conversation with your Leader-Manager. • Compare the draft to your own list. • See if anything is missing in the draft PPA. Plan to talk about it. Review each of the KPIs, Measures, and Evidence of Accomplishments. • Do you understand it? • Do you see how it relates to its performance objective? If you have any concerns, plan to talk about them.
	Schedule and lead the meeting. • Cover each performance objective. Talk about how each item in the Measurement column relates to each item in the Objective column. • Listen to any concerns or ideas. Consider changing either the objective m or the measurement item related to it. • If the employee talks about HOWs, listen, respond positively, and take note. This is good material for you to use in	Participate actively in the meeting. Raise your concerns. Ask the questions that you need to understand each performance objective and the measurement items related to it. Remember that, because of this meeting, you will be asked to commit to achieving these performance objectives in the coming period. So this is an important meeting. **You are contracting** on: • What you will be expected

Activity	Leader-Manager	Employee
	coaching sessions. However, do not incorporate HOWs into the PPA. Point out that the PPA is about objectives and measurements, not about how to achieve the objectives. • Mark up your copy of the draft PPA with the agreed-upon changes. End the meeting by stating that you will make them and send the final PPA to the employee to review once more.	to do in the next months, and • What measurements will be used to evaluate the extent to which you achieve these results?
Commitment to Act, To Deliver	Update the draft PPA, making the changes that came out of the meeting. Print two copies of the final version, one for the employee, and one for you one for filing with HR. Note: At some point, this whole process may be part of an automated business application. At that point, electronic copies and electronic signatures will replace the paper. However, paper copies of the PPA are very important at this point. They act as tentative contracts. Psychologically, they exist outside of our minds. They are disassociated embodiments of the contract which is about to be made. Reading and signing paper copies of contracts has great RITUALIZED meaning in most Western cultures.	
	Send or give a copy of the final PPA to the employee. Ask for any final suggestions for changes. If the employee has more suggestions, either make them, or clearly communicate why they are not appropriate. This is best done in another face-to-face meeting.	Review the final PPA. It should be complete, especially if you have communicated any concerns you might have had about the draft during the meeting. If you do have any final concerns or changes, talk to your Leader-Manager about them.
	Schedule a short meeting to sign the final PPA. Bring three copies, one for the employee, one for you, and one for filing with HR. Ask the employee to sign all three copies.	Participate in the meeting. Sign all three copies if you are: • Committed to delivering these results,

Activity	Leader-Manager	Employee
	Then sign them yourself. Signing a PPA is an important act of organizational ritual. It symbolizes the fact that: • The employee is committing to delivering the performance objectives, • You are committing to using these measurements to evaluate this person's performance. • You are committing to coaching this employee - to help them as they need and ask for help on the HOWs needed to deliver these results.	• Expecting to be evaluated at the end of the performance period based on these measurements, • Expecting your Leader-Manager to ensure that you get regular feedback on these measurements in your coaching sessions, and coaching on the HOWs that you need to achieve these results.
Filing	Give one signed copy to the employee, keep one yourself, and send one to the appropriate person in Human Resources. Note: This last copy is there to make sure that a copy exists in case events lead to a change in circumstances. For example, you may move to another position during the performance period, and not be able to transmit your copy of the PPA to the person who replaces you. The copy at Human Resources will fill in this gap.	Keep your copy. Refer to it during your coaching sessions.
Coaching	Meet regularly to provide feedback and coaching advice. • Use the KPI and Measures reports as part of these sessions. • Take steps to collect facts on the Evidence of Accomplishment all the way through the performance period. Report your ongoing results to the employee. • Talk about the HOWs – especially if the KPIs, Measures. and Evidence indicate that this employee is not going to deliver on his / her performance objectives. Help them improve their performance.	Participate in your regular coaching sessions. • Review your KPI and Measures reporting. Interpret the trends. Decide on what you need to do to either improve things, or keep them going the way they are. • Talk about your insights with your Leader-Manager. • Ask for help if the Measurements indicate that you are having performance problems. **Take action now; don't wait until the end of the performance period.**
Updating the PPA	Remember that a PPA is contract that was made given a set of business conditions. A contract is valid only as long	Remember that a PPA is a contract that was made given a set of business conditions. A contract

Activity	Leader-Manager	Employee
	as the people who originally signed it agree that it is valid. If business conditions change and you want to change the PPA, raise the possibility with the employee and see if there is room to re-negotiate all or parts. If there is, take care to go through all the steps needed to produce a new one. Sign it and ensure that it explicitly states that it is replacing an existing one.	is valid only as long as the people who originally signed it agree that it is valid. If you see significant business change that impacts your ability to meet your performance objectives, raise the issue with your Leader-Manager. Talk about the potential of re-negotiating parts or all of the PPA.

3.0 Some Samples of PPAs

The following pages contain some samples of PPAs. Use them as a guide. Follow their format in your own PPAs.

Personal Performance Agreement for Rod Davidson, Time Frame: Jan 2010 to Dec 2010
Regional Area Manager, Metro Service Region, Wilnet School Bus Services

	Objective	**How will the results achieved be measured?**
Day to Day	Oversee the improvement of the profitability of the delivery of contracted school bus services in the Metro Service Region while customer satisfaction and employee engagement stays stable or improves. Oversee the local General Managers running each of the five operating sites within the Metro service region. Ensure that they accomplish their operating improvements within the framework of Wilnet's policy and automated standardized work flows. Override the GM's day to day management ONLY to correct negative performance issues, or when the size and scope of an issues exceeds the work scope of the geographic boundaries of the Metro service region, or when it has negative impact on the company as a whole. Oversee the local General Managers as they work with Driver Recruiting / Training, Corporate Human Resources, Corporate Finance, Bus Maintenance Services, Corporate Facilities Management, Corporate Purchasing and Customer Relations Management to steward the staff and the assets used to deliver school business service to clients.	**The following results are achieved at each of the five operating sites in the Metro Service Region.** **KPI:** Operating Revenue/Driver Wage for each operating location (CSC) in the Region improves with respect to last school year and over the course of this school year **Measure:** Operating Expense Lines are Under Budget Line Amounts over the course of the Fiscal Year at each site Measure: Operating Profit line in each site's P&Ls is positive and improving over the course of the fiscal year. **Measure**: Operations Audits indicate that all local operating Practices align with Wilnet Policy, and that local operating practices align with Wilnet standard work flows and processes (manual and automated). **Measure**: Preventable Street Accident Frequency and Total Injury Frequency decline over time. **Measure**: Each site's Employment Engagement scores on the Employee Satisfaction survey are at last year's level or better. **Measure:** Customer Satisfaction scores on the Customer Satisfaction survey are at last year's level or better.
Coaching	Conduct regular coaching sessions with local General Managers to help them improve their site and personal performance	**Measure:** At least 20 1 hour coaching sessions are held with local operating leaders each month.
As required over the course of the year	Direct the General Managers as they collaborate with Customer Relationship Management to re-negotiate customer contracts or win new business during 2010.	**Evidence**: The Regional Area Manager and the Site General Managers are involved in contract renewal and new business initiatives in the Region during 2010.
	Support Business Maintenance Services in their work to deliver maintenance unit cost improvement over the course of 2010	**Evidence:** Local operating staff utilizes maintenance procedures, and work to ensure that "driver avoidable" maintenance work is eliminated or minimized.

Agreed: (RAM) ____on _______ (dd) ______(mm) ________ (yy)
Rod Davidson
Agreed: (Leader-Manager) ____ on _______ (dd) ______(mm) ________ (yy)
Kathy McClusin – Vice-President, School Bus Operations

Personal Performance Agreement for Wilamena Hernandoz:Time Frame: Jan 2010 to Dec 2010
General Manager, Operating Site One, Metro Service Region, Wilnet School Bus Services

	Objective	**How will the results achieved be measured?**
Day to Day	Deliver "On Time, Every Timer" service to customers in an accident free way that increases the Operating Site One's profitability without having a negative impact on customer satisfaction or employee engagement: • Run Routes • Handle Parent/Customer Calls not handled by Corporate Customer Call Center • Do local work need to Steward Drivers and other local staff (other than Maintenance staff), under guidance of Driver Recruitment / Training and Corporate Human Resources Handle local paper work not handled by Corporate staff, using standardized work flows and automated business applications • Invoicing (AR) • Route records • Customer contract records • Driver records • Staff records • Facility records • Bill records (AP)	**KPI:** Operating Revenue/Driver Wage for the Operating Site One improves with respect to last school year and over the course of this school year **Measure:** Operating Expense Lines for Operating Site One are Under Budget Line Amounts over the course of the Fiscal Year **Measure**: Operations Audits indicate that all local operating practices at the site align with Wilnet policy, and that local operating practices align with Wilnet standard work flows and processes (manual and automated). **Measure**: Preventable Street Accident Frequency and Total Injury Frequency decline over time. **Measure**: Employment Engagement scores for Operating Site One on the Employee Satisfaction survey are at last year's level or better. **Measure:** Customer Satisfaction scores for Operating Site One's customers on the annual Customer Satisfaction survey are at last year's level or better.
As required over the course of the year	Collaborate with Customer Relationship Management to renew contracts with existing customers or win new business from existing customers or win new customers	**Evidence**: The General Manager is involved in customer contract renewal and new business initiatives for Operating Site One's customers during 2010.
	Collaborate with Bus Maintenance Services staff to improve the operations of the maintenance facilities	**Evidence:** Local operating staff follow maintenance procedures, and work to ensure that "driver avoidable" maintenance work is eliminated or minimized.

Agreed: (GM) ____ ______________________on ______ (dd) _____(mm) _______ (yy)
Wilamena Hernadoz

Agreed: (Coach-Leader) ____ on ______ (dd) _____(mm) _______ (yy)
Rod Davidson, Region Area Manager

Section Three: Personal Performance Evaluation

1.0 Performance Evaluation Summary Rating

When based on the KP*I*s, Measures, and Evidence of Accomplishments included in PPAs, Performance Evaluation is a concrete, fact-based process. Both the employee and the Leader-Manager can approach the discussion with confidence. They both know what the evaluation will be based on. They both have been tracking performance progress over time, and discussing it during their regular coaching sessions.

During performance evaluation, the Leader-Manager must summarize the employee's performance for the past performance period in a summary rating. Each of the points on a five-point scale on the scale is described below.

5 Performance Dramatically Exceeded Performance Measures

This employee has delivered at a level that has exceeded all Measures in the employee's PPA – perhaps even doubling the delivery expected on the majority or most of them.

4 Performance Exceeded Some Performance Measures

This employee has delivered at a level that has met all of the KPIs, Measures and Evidence of Accomplishments at the expected level, and has exceeded delivery on at least half of them, particularly on those of the most importance or weight.

3 Performance Achieved Most or All Performance Measures

This employee has delivered at a level that meets most or all of the KPIs and Measures.

If the employee has not achieved on one or two of the Measures, it is clear that events beyond the employee's control have kept him / her from doing so. The employee **has communicated** with you during your coaching sessions about this potential lack of delivery. The individual **has clearly taken actions** intended to correct the situation.

2 Execution Does Not Meet 50% of Performance Measures

This employee has delivered at a level that has not delivered on 50% of the Measures. There are no clear reasons for this other than the individual's own performance. This pattern has become clear over the course of the year during your coaching sessions. The employee initiated dialogue with you about these issues, and was proactive about taking steps to reverse this situation. There is clear evidence that things are on an improving trend. This pattern will not be repeated.

1 Execution Is Severely Below Performance Measures

This employee has delivered at a level that has not most or all of the Performance Measures. There are no clear reasons for this other than the individual's own performance. The individual **has not communicated** with others about this potential lack of delivery, and has not taken **actions** to correct the situation.

During your coaching sessions during the performance period, the employee has been available to change their performance to reverse this pattern. The employee might have attempted but shown little or no sign of success.

You cannot leave this employee this in position, but must take remedial action.

In most cases, the "Performance Achieved Most or All Performance Measures" rating will apply.

2.0 The Performance Evaluation Checklist

The following table lists the activities that are involved in preparing for, discussing, and completing a Personal Performance Evaluation. Use it as a checklist for yourself in your role either as a Leader-Manager or as an employee.

The activities covered are:

1. Pre-planning: Performance Items
2. Pre-planning: Summary Measure
3. Dialogue
4. Performance Evaluation Form Completion and Signing
5. Filing

Activity	Leader-Manager	Employee
Pre-planning: Performance Items	Prepare for a PPE conversation by reviewing the employee's PPA, and any notes that you have made as a result of your coaching sessions throughout the performance period. Summarize your evaluation of the employee's performance **on each item** in the PPA during the performance period, using the 1 to 5 scale described several pages back. Base your evaluation on the associated KPI or Measure or Evidence of Accomplishment associated with each item. Prepare to provide the employee with details on how you reached this conclusion for each item. Note: In the case of Evidence of Accomplishment, talk with the people you need to gather the evidence you need. Summarize it carefully. Prepare to share the information that you have in a way that presents the GENERAL PATTERNS of what people have said, NOT "he said or she said" specifics. If you have been discussing performance progress based on KPIs, Measures or Evidence regularly during your coaching sessions with the employee, this will be a straight forward summary of these dialogues.	Prepare for your PPE conversation looking at the items on your PPA and evaluating your accomplishment on each one, based on the KPI or Measure or Evidence of Accomplishment associated with each one. Note: If you have been doing this regularly during your coaching sessions with your Leader-Manager, this will be a straight forward summary of these dialogues.
Pre-planning: Summary Rating	Based on your item-level preparation, rate the employee's overall performance during this period on the summary rating. Remember that it is YOUR RESPONSIBILITY as this person's LEADER-MANAGER to make this judgment at this time. It is important that you LOOK AT THE PERSON'S CONTRIBUTION FROM YOUR ORGANIZATION'S POINT OF VIEW WHEN YOU MAKE THIS JUDGMENT.	

Activity	Leader-Manager	Employee
	Record your summary evaluation on a draft copy of the evaluation form (format provided later in this work book). Forward the draft to the employee, Prepare for the meeting. See Section 3: The Likely Performance Evaluation Scenarios above –for guidance on this step. Note: “On Summary Ratings” Some Leader-Managers calculate their summary ratings as a simple mathematical average of the individual item level ratings. This assumes that each item is of equal importance to your organization, since each item receives the same weight in this procedure. Others pay attention to the more important performance items, and provide more weight to these. If you are mathematically inclined, you can actually assign weights to each item, and then calculate a weighted average. One easy way of doing this is to take 100 points and distribute them across the item, giving more to the more important ones, and less to the less important ones. (Using a 100 1-dollar bills or coins is a very powerful way of doing this, which helps you to think and to feel through all of the issues in doing so.) **Of course, if you think that this process is appropriate, you SHOULD DO THE WEIGHTING as part of the original process of agreeing on the PPA in the first place. That way there are no surprises for the employee at the end of the performance period.**	
Dialogue	Meet with the employee. Discuss each performance item, resolving any differences you have on your perceptions of the results achieved based on the associated KPI, Measure, or	Meet with your Leader-Manager. Discuss each performance item, resolving any differences you have on your perceptions of the results achieved on the associated KPI,

Activity	Leader-Manager	Employee
	Evidence of Accomplishment. Discuss the summary rating, resolving any differences that you might have. Remember that it was YOUR RESPONSIBILITY as this person's LEADER-MANAGER to make this judgment at the end of the performance Period. Your role is to evaluate this person's contribution to your organization when you make this rating, not "get along" with the employee if he or she disagrees with your judgment.	Measure, or Evidence of Accomplishment. **Listen** to your Leader-Manager's presentation of your Summary Rating, and the reasons for it. Remember that it is your LEADER-MANAGER'S RESPONSIBILITY to make this judgment ABOUT YOUR PERFORMANCE at this time. Your Leader-Manager will be looking at your contribution during this past performance period from your organization's point of view. Your Leader-Manager will be acting as an ENTERPRISE Leader for the short period when making this rating, not as your COACHING Leader-Manager. If the two of you have been engaged in regular, open coaching sessions, in which you have realistically discussed your performance delivery and achievement based on your KPIs, Measures .and Evidence of Accomplishment, this summary rating will not be a surprise to you.
Form Completion and Signing	Complete the final copy of the Personal Performance Evaluation, and forward it to the employee for signing and comment. Ensure you make three copies. Give one to the employee, keep one, and send one to the appropriate person in Human Resources.	When you receive the final copy of the Personal Performance Evaluation Form, sign it in the appropriate place, and add your comments. Return it to your Leader-Manager. Receive a copy of the signed from your Leader-Manager

3.0 Likely Performance Evaluation Scenarios

The fact that both the Leader-Manager and the Employee independently prepare their version of the summary rating creates the following possible "agreement / disagreement" scenarios. The appropriate way of handling each situation is described below.

Possibility	Leader-Manager Handling	Follow up required
General Agreement Leader-Manager and Employee generally agree on the extent to which each KPI, Measure, or Evidence has been achieved. Employee accepts Leader-Manager's summary rating.	Complete the performance evaluation form. Have the employee sign it. File a signed copy with Human Resources, keep a copy for yourself, and give one to the employee.	Move onto Personal Performance Agreement for the coming performance period. It is best is done in a separate meeting, several days later.
Some agreement on details, but disagreement on the summary rating Leader-Manager and Employee agree on the extent to which many of the KPIs, Measures, or Evidences have been achieved, but are substantially in disagreement on one or two major ones. As a result, the employee does not accept the Leader-Manager's summary rating.	Complete the performance appraisal form. Indicate the areas of agreement and disagreement. Ask the employee to sign the portion of the form indicating disagreement with the summary rating. Point out that doing so requires that the employee write a note explaining why there is disagreement. File a signed copy with Human Resources, keep a copy for yourself, and give one to the employee. .	Move onto the next period's Personal Performance Agreement. Pay particular attention to sharpening the concrete nature of the KPIs, Measures, and Evidence of Accomplishment, Over the course of the period, during your coaching sessions, cover these in depth, attempting to ensure that any difference of perception is dealt with long before the formal performance evaluation.
Serious disagreement on the details. No Acceptance of the Summary Rating Leader-Manager and Employee do not agree on their perceptions of the extent to which most the KPIs, Measures, and Evidence of Accomplishments have been achieved. Employee does not accept Leader-Manager's summary rating. **This is a serious problem.** The Personal Performance Agreement and regular coaching sessions in which performance progress is reviewed are intended to avoid	Complete the performance appraisal form. Indicate the areas of agreement and disagreement. Ask the employee to sign the portion of the form indicating disagreement with the summary rating. Point out that doing so requires that the employee write a note explaining why there is disagreement. File a signed copy with Human Resources, keep a copy for yourself, and give one to the employee.	**Leader-Manager**: approach your own Leader-Manager and discuss what you can do to turn this situation around before you begin the Performance Agreement process for the next period. If necessary, approach the appropriate person in Human Resources for advice as well. **Employee**: Take steps to improve the specific the concrete nature of the items in your next period's Personal Performance Agreement. Make sure that you understand what each item means, and that you are very clear about how each KPI,

this. In most cases, getting to the final performance evaluation with this level of disagreement indicates that these have failed.		Measure, and Evidence of Accomplishment will be used to evaluate your performance. Prepare rigorously for your coaching sessions. Make notes about the extent to which you are achieving your KPIs, Measures, and Evidence throughout the performance period, not just at the end of it.

4.0 The Personal Performance Evaluation Format

Because PPEs are tied to an individual's PPA for this performance time, the Leader-Manager will prepare the first draft of the form as part of Pre-Planning activity.

WilNet School Business Services
Personal Performance Evaluation for Wilemana Herandoz, General Manager, Operating Site One, Metro Service Region
Time Frame: Jan 2010 to Dec 2010 Completed by: Rod Davison, Region Area Manager

Section One: Delivery on PPA Objectives
(List Objectives Below)

Performance Achieved

		1-Severely Below	2 Did not meet 50%	3 Achieved Most or All	4 Exceeded on Some	5- Dramatically Exceeded
Refer to PPA	1. Manager's Notes					
	2. Manager's Notes					
	3. Manager's Notes					
	4. Manager's Notes					
	5. Manager's Notes					
	6. Manager's Notes					
	7. Manager's Notes					

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WilNet School Business Services
Personal Performance Evaluation for Wilemana Herandoz, General Manager, Operating Site One, Metro Service Region
Time Frame: Jan 2010 to Dec 2010 Completed by: Rod Davison, Region Area Manager

Section 2: Overall Evaluation				
1 Severely Below Performance Measures This person has delivered at a level that did not meet a number of the KPIs and Measures,.	**2 Did Not Meet 50% of Performance Measures** This person has delivered at a level has less than 50% of the performance measures. However, the person has initiated corrective action, and it is clear that this pattern will not be repeated.	**3 Achieved Performance Measures** This person has delivered at a level has met most, if not all of the KPIs, Measures and Evidence of Accomplishment. The individual acted to fix any problems before the end of the period	**4 Delivery has Exceeded on Some of Performance Measures** This person has delivered at a level has met all of the KPIs, Measures and Evidence of Accomplishment at the expected level, and has exceeded delivery on a number.	5 Delivery Dramatically Exceeded Performance Measures This person has delivered at a level that dramatically exceeds all KPIs, Measures and Evidence of Accomplishments.

Section 3: Signatures and General Comments		
Leader-Manager Signature	Dated (dd/mm/yyyy)	Comments and Notes
Employee (I agree with my overall rating.)	Dated (dd/mm/yyyy)	Comments and Notes
To the Employee: If you DISAGREE with your Overall Performance Rating, please sign below and NOT ABOVE. If you do so, you must attach a SIGNED and DATED Note to this form which describes the reasons for your disagreement.		

Section Three: Personal Professional Development

1.0 What is Personal Professional Development (PPD)?

Personal Performance Agreement and Personal Performance Evaluation are your organization's tools for focusing employees on the contributions they are expected to make. Skill Development is **your tool to improve your ability to make contributions**. It is your tool to increase your capability, to expand your skills and to equip yourself to take on roles with more job scope and responsibility.

Skill development processes are competency based. You manage your skill development by identifying competency gaps. These gaps describe the difference between what you can do now, and what you might need to be able to do to improve your performance. It works as follows.

1. You use a competency dictionary to assess your current perceptions of the skills you have.

2. You ask your Leader-Manager to assess the extent to which you are demonstrating the same set of skills in your current role.

By comparing these two perceptions, you identify competency gaps. You then dialogue with your Leader-Manager on action plans to address these gaps.

Of course, your Leader-Manager is not the only person you can talk to about developing your competencies. You can talk to your co-workers, educators at Community Colleges / Universities, and HR professionals. The Internet is also a rich source of ideas about competency development.

Skill development is your responsibility. You are free to do any one of a number of things that will help you achieve your skill development goals. Although your organization will support you in various ways, you **must demonstrate the initiative** in this area. Your career future is something that you must actively manage. Personal skill development is the key to making this happen.

2.0 What are competencies and how do you use them?

In the past 20 years, there has been extensive work on developing competency dictionaries for organizations. Essentially, these are long lists of competency definitions. All of this work, in many organizations, has uncovered three important things.

1. There are two kinds of competencies: **technical** and **social / interpersonal**.

2. The contents of the competency dictionary are less important than the way they are used to identify skill gaps. (This is true as long as the list of competencies is reasonably robust. Use competency lists that are similar to the ones used by most organizations in an industry, and you will not go wrong).

3. Technical competencies are the crucial core of performance in a job. They are job specific, base level skills without which people cannot do their job.

   However, the difference between the average performer and the best performer in a role **is defined by their level of social competencies**, provided both have a good level of technical skill.

Your Leader-Manager (or a Human Resources professional) can help you understand the essential technical competencies for your role.

Note:
For example, "driving in line with the local state traffic and safety regulations" is a technical skill for drivers. Using Microsoft Office to prepare documents, spreadsheets, and presentations is a technical skill required of office workers.

Technical competencies are very job specific. The most important ones are usually listed in job ads that you might come across. Your organization generally covers technical competencies under the label "Job Knowledge**". Discuss what this means for your job** with your Leader-Manager in order to break "Job Knowledge" down into more specific technical competencies that you can use to develop your skills.

3.0 Your organization's social / interpersonal competencies

Many organizations have developed a list of social / interpersonal competencies that contribute to performance on-the-job. One such list follows below. All of the items on the list have to do with personal or interpersonal factors that allow you to interact more effectively with others on-the-job. (This is what the word "social" in a work context means.)

Competency
Communication Listening, speaking, and writing skills; frequency and impact of communication skills such as persuasion and negotiation.
Customer Satisfaction Degree and quality of involvement with customers (external and internal), including courtesy, respect, and resolution of disputes.
Teamwork and Cooperation Willingness to help others accomplish team objectives and tasks.
Planning and Organizing Extent and effectiveness in achieving established goals and developing logical organizational steps to improve processes or programs.

Competency
Accountability Extent of responsibility and authority to establish plans and measures of performance, to commit and direct resources, assess and respond to business and operating conditions, and provide value to the customer (external and internal).
Problem Solving Degree of complexity, novelty and frequency that issues and problems must be addressed and resolved on an individual job or organizational basis using procedures and analysis to facilitate problem solving.
Leadership and Team Building Ability to guide and direct; taking the initiative; being creative; providing vision and motivation; future oriented; ability to strategize; model corporate values.
Judgment and Decision Making Process of reaching a position after the consideration or exploration of various alternatives. Requires the use of own expertise or that of others. Takes ownership for goals achieved or not achieved.
Employee Development Ability to identify employee development needs by assessing current and future competency levels, and in support with the needs of the organization, effectively develops employee skills and abilities.
Financial Responsibility Extent to which the incumbent controls, directs, or influences the organization's financial resources and assures the efficient management of them.
Employee Relations Provides appropriate feedback; effectively communicates with employees; fosters trust; consistently motivates and recognizes employees.
Attendance Extent to which the incumbent has consistent attendance.

Your Leader-Manager, or a member of the Human Resources department, can help you access the list used in your organization. You will probably find that it differs in detail, but not in overall scope.

4.0 What are the steps in Personal Skill Development?

Developing your personal skills is best done by following a step-by-step process.

The steps in the process are:

1. Pre-planning,
2. Planning Your Feedback,
3. Dialogue with Your Leader-Manager,
4. Approaching the People You are Asking for Feedback,
5. Doing Your Gap Assessment
6. Planning Your Development
7. Acting
8. Repeating the Cycle

Details on each step follow in the table below. Look at each step in succession. Begin by skimming all of the steps. Your purpose on this first pass is to get a sense of the whole. Spend more time on understanding the detail of each step as you complete it in turn.

4.1 Step One: Pre-planning

Activity	Employee	Leader-Manager
Focusing	Decide on what you want to focus in this cycle of personal skill development: technical skills or social/ interpersonal competencies. Note: Generally, it makes sense to focus on Technical Competencies first and Social / Interpersonal Competencies second. There is no hard and fast rule about this. However, remember that, if you focus on too much, you decrease the chances that you can focus your "change energy". You are better off focusing on a few skills, and improving them, than trying to deal with many competencies at once, and spreading yourself too thin.	
For Technical Competencies / Skills	Identify five to seven core technical competencies that are essential to doing your job. You can start by doing one or more of the following. : • Talking to your co-workers or friends who do this type of work. • Talking to an educator in a Community College or University. • Doing some research on the Internet. Schedule a meeting with your Coach Leader. Share what you have found out through your pre-planning. Ask her or him what are the most important technical competences to	If you asked to have this dialogue with one of the people in your area of responsibility, tell that person what you think the core technical competencies for their current position are. Note: Remember that a competency is behavior that other people can see. They judge that a person has a competency by what the person does and the results the person produces. For example, a driver who is competent to drive a bus of a certain size can drive the bus under all road and traffic conditions. (That is what a driving test is intended to determine).

Activity	Employee	Leader-Manager
	success in your current job. Summarize your meeting by making a working list of these technical competencies. Note: This is useful work. Share your results with your co-workers or with the folks in Human Resources.	Similarly, a person who can perform a trend analysis for a KPI produces the spreadsheets and the graphs for that KPI with the trend lines plotted on them. That is how others know that the person has this ability. If you are unsure about the core technical competencies for this role, you can do one of the following: • Talk to your own Leader-Manager, • Talk to your co-workers and peers and get their insights. • Talk to an individual in Human Resources to see if they can guide you to material that helps.
For Social / Interpersonal Competencies	Get a copy of your organization's Social /Personal Competencies (see the sample list a page or two earlier, or the form in the next step.) Make sure that you understand what each one means. If you have any questions about any of items, do one of the following. • Discuss it with your Leader-Manager. • Talk to your co-workers to see if they have any insights. • Talk to an educator at a Community College or at a University. • Do some research on the Internet. If none of this helps, contact Human Resources for guidance on how to find out more. Once again, you are better to focus on a few at a time in your development action planning. However, getting feedback on your current level on all of them is a good place to start. Once you have it, then you can select the ones around	If you are unsure of how to answer the "what does this mean" questions from a person in your area of responsibility about the list of social / interpersonal competencies given a few pages ago, do one of the following: • Talk to your own Leader-Manager about it. • Talk to your co-workers and peers about it and get their insights. • Talk to an individual in Human Resources (for all roles others than driver / monitor) or a person in Driver Care Manager to see if they can guide you to material that helps. The list provides a definition of each one. However, for many people, clarity comes when they can relate specific examples from their job context to these definitions. Perhaps the most useful response to such questions will be to provide examples of how the competency can contribute to the questioner's effectiveness in her or his current role.

Activity	Employee	Leader-Manager
	which you want to plan your personal development.	

4.2 Planning Your Feedback

Activity	Employee	Leader-Manager
Deciding on Who to Ask	The best way to get feedback on the extent to which you exhibit competencies on-the-job is to use a 360° approach. This means that you ask people "all around" you to give you **structured feedback** on how they see you **behave on-the-job**. "All around" you means: • From above, - that is your Leader-Manager. • From beside you, that is peers that you interact with on a regular basis on the job – your coworkers or customers or outside people with whom you interact. • From below – that is people for whom you are the designated Leader-Manager. Note: People often appreciate being approached to provide this kind of feedback, especially if you tell them that it is part of your personal skill development program. You can also tell them that you will do the same for them. Sometimes, people feel more comfortable giving you "honest" feedback if **they can do so anonymously.** One simple way to do this is to give them the feedback form in a blank envelope. Then they can just leave the completed form inside the blank envelope on your desk some time when you are not at it. Of course, your Leader-Manager will not be able to do this, since	

Activity	Employee	Leader-Manager
	the form will ask each person to identify his or her perspective with respect to you. That is, they will have to indicate if they are; • Your Leader-Manager, • A co-worker peer or customer or other outside person, • or a person for whom you are the Leader-Manager. Note: Providing feedback is one of the responsibilities of being a Leader-Manager, so this should not be a surprise to individuals in this role. Decide on who should be in your feedback group for this personal development cycle. The options are as follows. • Just your Leader-Manager. • Some of your co-worker-peers. You will need at least three but no more than five, if you choose to include this group. • Some of the folks for whom you are the designated Leader-Manager. You will need at least three but no more than five, if you choose to include this group. Remember, the closer to 360°, the more effective the feedback will be. **However, you do not need include representatives of each group every time you do this.** **Any feedback is better than no feedback**. So choose whom you will ask to be part of your feedback group based on the practical realities of what you are trying to do and your current situation. Prepare the feedback forms that you will need. Adapt the examples which follow.	

For Technical Skills / Competencies

Adapt the form on the following pages for your own use.

Personal Skill Development
Technical Skills / Competency Feedback

Instructions:

1. You have been requested to provide feedback on the way in which you see ______________________ demonstrate the following competencies / skills in your on-the-job interaction.

   Please base your responses on how you see this person behave when the two of you work together.

2. Please make sure that you fill out the **date** and **Your Role** section on this page (below) before you begin.

3. If you have any questions about the meaning of the any of the skills / competencies, contact the person who asked you to fill out the form.

4. When you are through, put the completed form into a blank envelope and place it on the desk of the person who asked you to do this.

5. Please provide this feedback quickly. It will not take you long to do.
   Getting it back to the person is important as part of their Personal Skill Development program.

Thank You for your participation.

Date Completed (dd/mm/yyyy)	Your role and perspective on this person. That is, you are this person's (place x in right box)		
	You are this person's Coach-Leader	**Peer** (You work together as peers)	**This person is Your Coach Leader**

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Personal Skill Development
Technical Skills / Competency Feedback

Technical Skill / Competency	Rating				
	Not Skilled: Does not demonstrate the skill at all on-the-job. **Unskilled / Unaware**	**Is Aware:** Talks about the concepts, but shows little or no ability to apply the skill on-the-job to produce results. **"Knows that"**	**Has Some Ability:** Uses the skill but needs prompting, feedback and coaching from others in most on-the-job situations. **Beginning of "Know How"**	**Is Practiced:** Uses the skill independently, deciding when and how to use it to get things done in the normal flow of day to day work. **Accomplished "Know How"**	**Is an Expert:** Applies this competency under all circumstances, including the most difficult ones. Can coach, guide and develop others in the use of this ability. **Master and Teacher**
1.					
2.					
3.					
4.					
5.					
6.					
7.					

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For Social / Interpersonal Skills / Competencies

Adapt the form on the following pages for your own use.

Replace the competencies listed if your organization has its own set of social and interpersonal skills. Contact your HR department to find out.

Personal Skill Development
Social / Interpersonal Competency Feedback

Instructions:

1. You have been requested to provide feedback on the way in which you see ______________________________
(name of person)
demonstrate the following competencies / skills in your on-the-job interaction.

   Please base your responses on how you see this person behave when the two of you work together.

2. Please make sure that you fill out the **date** and **Your Role** section on this page (below) before you begin.

3. If you have any questions about the meaning of the any of the skills / competencies, contact the person who asked you to fill out the form.

4. When you are through, put the completed form into a blank envelope and place it on the desk of the person who asked you to do this.

5. Please provide this feedback quickly. It will not take you long to do.
Getting it back to the person is important as part of their Personal Skill Development program.

Thank You for your participation.

Date Completed (dd/mm/yyyy)	Your role and perspective on this person. That is, you are this person's (place x in right box)		
	You are this person's Leader-Manager	**Peer** (You work together as peers)	**This person is Your Leader-Manager**

Personal Skill Development
Social / Interpersonal Competency Feedback

Social Interpersonal Skill / Competency	Rating				
	Not Skilled: Does not demonstrate the skill at all on-the-job. **Unskilled / Unaware**	**Is Aware:** Talks about the concepts, but shows little or no ability to apply the skill on-the-job to produce results. **"Knows that"**	**Has Some Ability:** Uses the skill but needs prompting, feedback and coaching from others in most on-the-job situations. **Beginning of "Know How"**	**Is Practiced:** Uses the skill independently, deciding when and how to use it to get things done in the normal flow of day to day work. **Accomplished "Know How"**	**Is an Expert:** Applies this competency under all circumstances, including the most difficult ones. Can coach, guide and develop others in the use of this ability. **Master and Teacher**
Communication Listening, speaking, and writing skills; frequency and impact of communication skills such as persuasion and negotiation.					
Customer Satisfaction Degree and quality of involvement with customers (external and internal), including courtesy, respect, and resolution of disputes.					
Teamwork and Cooperation Willingness to help others accomplish team objectives and tasks.					
Planning and Organizing Extent and effectiveness in achieving established goals and developing logical organizational steps to improve processes or programs.					
Accountability Extent of responsibility and authority to establish plans and measures of performance, to commit and direct resources, assess and respond to business and operating conditions, and provide value to the customer (external and internal).					

Personal Skill Development
Social / Interpersonal Competency Feedback

Social Interpersonal Skill / Competency	Rating				
	Not Skilled: Does not demonstrate the skill at all on-the-job. **Unskilled / Unaware**	**Is Aware:** Talks about the concepts, but shows little or no ability to apply the skill on-the-job to produce results. **"Knows that"**	**Has Some Ability:** Uses the skill but needs prompting, feedback and coaching from others in most on-the-job situations. **Beginning of "Know How"**	**Is Practiced:** Uses the skill independently, deciding when and how to use it to get things done in the normal flow of day to day work. **Accomplished "Know How"**	**Is an Expert:** Applies this competency under all circumstances, including the most difficult ones. Can coach, guide and develop others in the use of this ability. **Master and Teacher**
Problem Solving Degree of complexity, novelty and frequency that issues and problems must be addressed and resolved on an individual job or organizational basis using procedures and analysis to facilitate problem solving.					
Leadership and Team Building Ability to guide and direct; taking the initiative; being creative; providing vision and motivation; future oriented; ability to strategize; model corporate values.					
Judgment and Decision Making Process of reaching a position after the consideration or exploration of various alternatives. Requires the use of own expertise or that of others. Takes ownership for goals achieved or not achieved.					
Employee Development Ability to identify employee development needs by assessing current and future competency levels, and in support with the needs of the organization, effectively develops employee skills and abilities.					
Financial Responsibility Extent to which the incumbent controls, directs, or influences the organization's financial resources and assures the efficient management of them.					

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Personal Skill Development
Social / Interpersonal Competency Feedback

Social Interpersonal Skill / Competency	Rating				
	Not Skilled: Does not demonstrate the skill at all on-the-job. **Unskilled / Unaware**	**Is Aware:** Talks about the concepts, but shows little or no ability to apply the skill on-the-job to produce results. **"Knows that"**	**Has Some Ability:** Uses the skill but needs prompting, feedback and coaching from others in most on-the-job situations. **Beginning of "Know How"**	**Is Practiced:** Uses the skill independently, deciding when and how to use it to get things done in the normal flow of day to day work. **Accomplished "Know How"**	**Is an Expert:** Applies this competency under all circumstances, including the most difficult ones. Can coach, guide and develop others in the use of this ability. **Master and Teacher**
Employee Relations Provides appropriate feedback; effectively communicates with employees; fosters trust; consistently motivates and recognizes employees.					
Attendance Extent to which the incumbent has consistent attendance.					

Please provide any general comments or observations that will help this person do their person development planning.

1	
2	
3	

Thank you for your participation.

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4.3 Dialogue with Your Coach Leader

<table>
<tr><th>Activity</th><th>Employee</th><th>Leader-Manager</th></tr>
<tr><td>Discuss your feedback plans with your Leader-Manager</td><td>Schedule a meeting with your Leader-Manager.

Talk to her or him about what you want to do. Be clear on:
What you want to focus on this cycle: Technical or Social Interpersonal Competencies.
Talk through your list of people that you plan to ask for feedback. Share why you have included each person in each group.
Ask your Leader-Manager to complete the feedback form.</td><td>Self-initiated personal development is highly likely to lead to increased competence on-the-job. Be encouraging and supportive with a person who approaches you to talk about his / her desire for competency feedback.

Act as a sounding board. Your coaching objective here is to help the person focus on what he or she can realistically do in this period.

Review the choice of individuals the person intends to ask to give them feedback. If you have concerns about any of these individuals, raise the issue in a constructive fashion. Talk about how important it is to choose people with whom the employee interacts on a day-to-day basis. Help the employee choose people who are likely to be objective in their feedback.

Do not object to any individual if the employee really wants to include them. Instead, if you have concerns, suggest adding one or two more people who are more likely to have the right degree of involvement and are likely to be objective in their feedback. More is always better than less in feedback.</td></tr>
</table>

4.4 Approaching The People You are Asking For Feedback

<table>
<tr><th>Activity</th><th>Employee</th><th>Leader-Manager</th></tr>
<tr><td>Finalizing Who</td><td>When all is said and done, some feedback is better than no feedback.

Be practical. Pick people who you know are likely to respond. Make this a useful exercise rather than a perfect one. You can always do it again at some point in the future. A few short steps might get you where you want to be more successfully than one big one.</td><td></td></tr>
<tr><td>Asking Them</td><td>Approach each person.</td><td></td></tr>
</table>

Activity	Employee	Leader-Manager
to Participate	1. Tell them that you are working on your personal skill development action plan. 2. Ask them if they will provide you with feedback on your on-the-job demonstration of skills using a form that you have for them. 3. Tell them that you are asking other people as well, not just them. 4. Assure them that their feedback can be confidential or anonymous using the blank envelope technique, if that is what they prefer. If they agree, give them a copy of the form that you have prepared. Make sure that it is in a blank envelope. Demonstrating your willingness for the exercise to be anonymous is very important to convincing some people to participate.	

4.5 Doing Your Gap Assessment

Activity	Employee	Leader-Manager
Collating the Data	When you get all your feedback forms back, get ready to tally the results on a blank copy of the feedback form. (Print it out – you will want to do this on a paper copy.) Start with your self-evaluation. For each competency, place a clear "**S**" in the rating box which captures your self-assessment of your skill level. Move onto your Leader-Manager feedback form. For each competency, place a clear "**L**" in the rating box which captures your Leader-Manager's feedback on the skill level you are currently demonstrating. Work your way through each of the feedback forms returned to you by your co-worker /peers. For each competency, place a clear "**P**" in the rating box which captures your co-	

Activity	Employee	Leader-Manager
	worker / peer's feedback on the skill level you are currently demonstrating. If more than one person in this group has returned a feedback form, you will have multiple Ps for each competency. In the same way, work your way through each of the feedback forms returned to you by individuals for whom you are the designated Leader-Manager. For each competency, place a clear "**I**" in the rating box which captures each person's feedback on the skill level you are currently demonstrating. If more than one person in this group has returned a feedback form to you, you will have multiple I's for each competency.	
Asking "What does this feedback mean?"	When you are through, you will have a single copy of the feedback form that compares your self-assessment with the feedback that you have received. Spend some time thinking about it. Go through it one competency at a time. Use the following questions as a guide to your thinking. **Make notes on the form that summarize your conclusions and impressions.** The questions to keep in mind… 1. Is there a gap between your self-assessment and the observations of others? Does this mean that your impression of your skill level is different from the competency they see you demonstrating in your on-the-job behavior? 2. Is there a difference between your Leader-Manager's perception of the skill level you are demonstrating on-the-job and your self-assessment? If there is, what do you thinks it means? How will you get ready to discuss this with your Leader-Manager?	

Activity	Employee	Leader-Manager
	3. Do your co-worker / peers have a different perception: • From your self-assessment, • From your Leader-Manager's observation, • From the observations of the people for whom you are the Leader-Manager? Could it be that your behavior is different with each group? Or is it different with different individuals? The best way to sort this out is to look at the spread of the P's and the I's. If it is tight (that is, the P's or the I's are close together, or all in one rating box), then you are probably behaving in a consistent way with the members of each group. If it is spread out (that is, the P's or the I's are spread out over most or all of the rating boxes), then you are probably behaving differently with each person. In either case, what do you think it means for your on-the-job delivery of results? Consider discussing your impressions with either your Leader-Manager or a co-worker that you think has a good perspective on your on-the-job performance. A second insight will always help.	

4.6 Developing your Development Action Plan

Activity	Employee	Leader-Manager
Focusing on a few things	Developing your personal skills means changing existing behaviors, or adding new ones. It means unlearning existing habits, learning new ones and practicing them enough so that they become smart habits – things that you can do without conscious though. So it makes sense	If the person approaches you to discuss what they might do to increase their on-the-job skills, remember the following proven facts about adult learning as you coach them. 1. Adults learn best they have an immediate chance to apply the

Activity	Employee	Leader-Manager
	to focus on just one or two skill areas at time. When you review the results of the gap assessment, pick one or two skills to improve. Discuss them with your Leader-Manager. Pick competencies which fit the following criteria: • Improving your skills in this area will improve your delivery on-the-job. • Learning new skills can be done: o through reading books, self learning guides, self-paced e-learning CDs / courses, or research work on the Internet, o using existing your organization's learning resources (talk to Human Resources about this option) o through a coaching / mentoring / learning on-the-job relationship with another person in your organization who can help you develop these skills. o through attendance at a professional development course you can attend, o or through a course at a Community College / University that you can take. Note: Some useful research activities. Browse Amazon.com on the Internet and see if there are good learning resources available to you at a reasonable price. Talk to folks at your local Community College / University about what they might be offering in this area. Talk to a co-worker who is clearly demonstrating these skills on-the-	new skills they are learning on real problems and in real situations on-the-job. 2. Learning is a skill that needs to be learned in its own right. If this person does not have a strong history of past personal self-development, encourage them to start with relatively simple skills, so that they have a chance to successfully learn how to learn. 3. People stay most motivated to continuously learn if they are recognized for their new abilities. Create opportunities for the person to apply their new skills. Then recognize them publicly for their increased ability and productivity. 4. Mentoring / coaching relationships are very rewarding for most individuals. They recognize that they are skilled in the area in which they are asked to coach / mentor. Look for opportunities to connect this person with others who can act as a mentors and skill coach to this person. It will be rewarding for both people in the relationship.

Activity	Employee	Leader-Manager
	job, and ask them how they acquired their abilities.	
Recording Progress	Once you decide on what to do, treat it as a project that needs formal planning and tracking. Use the planning form below to do this. Share it in your coaching sessions with your Leader-Manager, so that she or he stays aware of what you are doing.	Encourage and motivate, encourage and recognize. When and if appropriate, help the person access YOUR ENTERPRISE learning resources or get YOUR ENTERPRISE support (e.g. dollars for courses or paid time off work) for personal development activities once a clear development action plan has been developed.

Personal Skill Development
Goal Establishment and Progress Recording
(Share this with your Coach Leader)

Employee Name: ____

Goal (Example)	**Action Steps**	**Achievement Criteria**	**Accomplished On**: dd/mm/yyyy
Become proficient using Excel to organize financial and operational data into KPIs. Plot the trend results using Excel Line Trend features.	1. *Find an on-line tutorial or book which shows how to use Excel data management, trend line analysis, and plotting features* 2. *Arrange access to the computer databases, which contain the relevant information, so it can be extracted and put into Excel.* 3. *… …* 4. *… ….*	1. *Completed successfully* 2. *Access privileges granted by the managers responsible for the relevant databases.*	*31.1.2010* *4.2.2010*
Goal #1	**Action Steps**	**Achievement Criteria**	**Accomplished On**: dd/mm/yyyy
Goal #2	**Action Steps**	**Achievement Criteria**	**Accomplished On**: dd/mm/yyyy
Goal # …	**Action Steps**	**Achievement Criteria**	**Accomplished On**: dd/mm/yyyy

Comments by Leader-Manager (Name:________________________________)

4.7 Acting

Activity	Employee	Leader-Manager
Just Do It	Just Do It	Encourage and support it

4.8 Repeating the Cycle

Personal skill development never stops. Business is always changing. Technology is always evolving. New roles have to be filled.

Once you start on this process, you will likely never stop. Repeat the cycles as often as you want. Sometimes you will start at the beginning (Step One: Pre-planning). Sometimes you will pick a new skill area to focus on (Step Six: Developing Your Development Action Plan). Enjoy the life-long learning journey in which you will always participate.

Appendixes

Appendix One: Sample Personal Performance Agreement Policy

PERSONAL PERFORMANCE AGREEMENT POLICY

Purpose:

To govern the process by which SAMPLE CO. Leaders establish personal Performance Agreements for all SAMPLE CO. individuals.

Note:
Personal Performance Agreement is abbreviated PPA.

Individuals who are contractors to SAMPLE CO. should have performance clauses that are similar in nature to the contents of a PPA included in their engagement and performance.

Principles:

Performance Agreement Means Agreeing on Measures

Performance evaluation must be based on concrete measures and KPI's (key performance indicators – expressed in numbers) to be effective. All SAMPLE CO. Personal Performance Agreements (PPA's) are grounded in concrete measures and KPI's. Without them, it is not a PPA.

PPA's and Calendar Dates

A PPA is for a specific individual for a specific period. SAMPLE CO. has several "natural" calendar cycles. PPA time periods need to consider these.

- The **operating year runs** from September to August. A number of the significant operating points in it are tied to events in the operating year (semester start, major holidays – e.g. Thanksgiving, Christmas, Spring Break etc, and summer). Individuals who work at the local service locations are most exposed to this cycle. Trends in operating and financial KPIs for this group of staff are often most meaningful on a month-by-month, current operating year to past operating year basis.

- The **fiscal** year – which in SAMPLE CO.'s case is aligned with the calendar year – January to December. SAMPLE CO. Leaders and staff in Head Office experience much of their work structured to meet calendar dates – month end, quarter end, year-end. Trends for this group of staff are often most meaningful on a month by month, current fiscal year to past fiscal year basis

- **Project or program** cycle – which have a start and target date, often referred to as sunrise and sunset days. KPIs and other performance measures are often most meaningful on a “comparison to targeted” milestone date basis.

Generally, PPAs that reflect the operating year are most appropriate for local operating staff.

PPAs that reflect the fiscal year are most appropriate for SAMPLE CO. management and Head Office staff.

Project based PPAs are most appropriate for individuals who work primarily on projects (e.g. IT professionals and individuals assigned to projects).

Variations on these PPA calendar principles require consultation with senior staff in Human Resources.

PPA’s are Commitments to Act

Each person at SAMPLE CO. has a designated coach. Generally, a person’s coach is their manager. At times, another individual may be asked to take on this role. Human Resources and the person’s Manager must concur with this arrangement.

Most of the time, a person’s coach provides feedback and advice which is intended to help the individual reach their best level of performance. However, at the beginning and at the end of each performance period coaches, if they are also a person’s manager move out of the coaching role. At the beginning of each performance period, they set performance expectations and clarify how performance will be measured against those expectations (KPIs and measures). At the end, they evaluate actual performance against those expectations using the KPIs and measures. In other words, a coach only coaches about 90% of the time.

PPAs are signed precisely by individuals because they are Performance Agreements. By signing it, a person commits. They are saying: “I will achieve this in this time frame”.

A person’s manager (designated leader) signs the PPA because they are also committing. They are saying, “This is what I expect you to deliver. Here is how I will measure your delivery at certain points in time. This will help you achieve when I am coaching you.”

Signatures on PPA can be electronic or manual. (The work flow that implements this policy will clarify these requirements).

The PPA Cascade

PPA's are implemented using a CASCADE DOWN approach at SAMPLE CO. They translate SAMPLE CO.'s Next Year's Strategic Direction, Next Year's Tactical Operating Plan, Next Year's New Initiatives / Business Improvement Project Book and Next Year's Operating and Capital Financial Plan into specific performance objectives for individuals. This starts at the CEO / EVP level and cascades down the reporting lines in each EVP's area of responsibility.

Next Year's PPA cascade starts the day that the Board approves SAMPLE CO. Next Year's Plan and Budget, although much preparatory work can happen based on last year's cycle.

> Note: "Next Year's Strategic Direction, Next Year's Tactical Operating Plan, Next Year's New Initiatives / Business Improvement Project Book, Next Year's Operating and Capital Financial Plan" are all terms that are defined in SAMPLE CO. Annual Planning Cycle. Although they sound somewhat clumsy at first, they help keep us straight on the difference between this year's version of these and next year's. In practice, we will say concrete things like the 2008 Strategic Direction and the 2009 Strategic Direction. This is the language we use to talk about these things on a day-to-day basis.

SAMPLE CO. **Leaders are Responsible for Getting PPAs in Place**

Each SAMPLE CO. Leader is responsible for ensuring that PPA's exist by the following dates for all their direct reports. The following dates are tentative. Each year, they need confirmation by the SAMPLE CO. Executive.

CEO and EVP's	December 15th of each calendar year
EVPs' direct reports	December 31st of each calendar year
Individuals reporting to people who report to EVP's	January 15th following the December 31st above
Local Operating Leaders	July 15th before the start of the operating year
Staff in Assigned Roles	on the same cycle as their Manager-Leader

Staff Who Work on a Project-by-Project Basis
Within a week of the designated project or program start, updated as often as needed during the life of the project.

PPA Process and Service Support

The Human Resources group is accountable for:

- Operating the manual procedures and automated tools used to prepare, to sign and to file PPA's, including starter templates for PPA's that are related to Role Accountability Profiles and Job Descriptions.
- Providing training to SAMPLE CO. Leaders on the PPA process.
- Ensuring that a copy of each PPA for each individual is kept in a secure fashion.
- Providing as required / as requested personal support to any individual who encounters difficulty during the PPA preparation process.

The Business Analysis group in Financial Management is accountable for defining KPI's and doing the ongoing analysis and reporting which reports progress on them. Elements of their work will be incorporated in PPAs at various levels at SAMPLE CO.

The Business Analysis group in Organizational Capability is accountable for operating SAMPLE CO.'s annual Strategic Planning, Tactical Planning, and New Initiatives / Business Improvement Project planning and approval process. Elements from the records developed during these processes will feed into individual PPA's for SAMPLE CO. Leaders.

The Financial Analysis group in Financial Services is accountable for operating the SAMPLE CO.'s annual Operating and Capital Budget process, as well as reporting on SAMPLE CO.'s financial performance on an ongoing basis. Elements from their work will feed into individuals PPA's and PPE's of SAMPLE CO. Leaders.

6. PPA Complexity

PPA's for senior leaders will be more complex, and contain more elements than PPAs for individuals closer to operating level. This simply reflects the greater scope and responsibility associated with their jobs.

PPAs at the operating level will be short - 1 or 2 pages. PPAs for individuals at the various management levels will be longer, containing more elements. This length and complexity will reflect the scope of the job.

Generic Elements for SAMPLE CO. **Leaders**

SAMPLE CO. Leader-Managers will have a number of standard accountabilities and measures added to their PPA's. See the table below for detail.

In each case, this generic language will be made concrete by reference to specific numbers or items in accounting records or project records or planning records.

Generic PPA Elements for SAMPLE CO. **Leaders**

Note:
Individuals who have staff reporting to them, and who manage budget/capital budgets and expenditures.

Initiating Conditions	Objective	KPI's or Measure	Notes
Individuals have people reporting to them	Manage the individual performance of direct reports	Next Year's PPA's exist for each person by the dates required This Year's Personal Performance Evaluations (PPE's) exist for each direct report by the date required	A competent manager will simply use a PPA and a PPE as bookends on an on-going process of performance feedback that occurs throughout the year.
Individual has fiscal authority over either capital or operating expenditures	Manage the financial performance of the area over which the individual has responsibility	The following exist by the dates required SAMPLE CO.'s annual planning cycle: - Next Year's Tactical Plan for the group,	Business Analysis in Organizational Capability is accountable for operating the Tactical Planning and the New Initiatives / Improvement

Initiating Conditions	Objective	KPI's or Measure	Notes
		- Next Year's New Initiatives / Improvement Project Plans (if any) -Next Year's Operating and Capital Financial Plan for this group Expenditures are within Budget over the course of the year; Variances that relate to operating differences (as opposed to accounting timing and coding issues) are explained or corrected by year-end.	Project development and approval process. Financial Analysis in Financial Services is accountable for operating the Financial Planning and Reporting process. They generate the specific measures in these areas by which these measures are made concrete.
Individual has responsibility for acting as business sponsor for the execution of an approved New Initiative / Business Improvement Project	Oversee the successful completion of the X New Initiative / Business Improvement Project	A project plan and budget that aligns with SAMPLE CO.'s Project Authority, Management, and Execution Policy exists. Target dates in the project plan are met. Project expenditures stay within the project budget. Progress reporting	Financial Services and the Project Office in Organizational Capability will need to provide information that makes these measures concrete.

Initiating Conditions	Objective	KPI's or Measure	Notes
		is carried out in a way that is aligned with SAMPLE CO.'s Project Authority, Management and Execution Policy	

Appendix Two: Sample Personal Performance Evaluation Policy

PERSONAL PERFORMANCE EVALUATION POLICY

Purpose:

To govern the process by which SAMPLE CO. Leaders evaluate the personal performance of all SAMPLE CO. individuals.

> Note:
> Personal Performance Evaluation is abbreviated PPE.
>
> Individual contractors who do work for SAMPLE CO. on a time defined based (start date and end date) also need some type of performance evaluation. However, this process is a separate and independent one. The purpose of these contractor performance evaluations is to provide information to other SAMPLE CO. leaders who may be considering these individuals. A separate policy and work flow for these individuals will be developed at a future date.

Principles:

Performance Evaluation Cannot Occur without the existing of a relevant Personal Performance Agreement

Performance evaluation must be based on concrete measures and KPI's (key performance indicators – expressed in numbers) to be effective, not subjective perception. To ensure this, the completion of a Personal Performance Evaluation (PPE) therefore requires the prior completion of a Personal Performance Agreement (PPA) with the individual being evaluated.

PPE's and Calendar Dates

A PPA is for a specific individual for a specific period. SAMPLE CO. has several "natural" calendar cycles. PPA time periods need to consider these.

- The **operating or operating year runs** from September to August. A number of the significant operating points in it are tied to events in the operating year (semester start, major holidays – e.g. Thanksgiving, Christmas, Spring Break etc, and summer o). Individuals who work at the local service locations are most exposed to this cycle. Trends in operating and financial KPIs for this group of staff are often most meaningful on a month-by-month, current operating year to past operating year basis.

- The **fiscal** year is aligned with the calendar year – January to December. SAMPLE CO. Leaders and staff in Head Office experience much of their work structured around calendar dates – month end, quarter end, year-end. Trends for this group of staff are often most meaningful on a month by month, current fiscal year to past fiscal year basis

- **Project or program** cycle – which have a start and target date, often referred to as sunrise and sunset days. KPIs and other performance measures are often most meaningful on a "comparison to targeted" milestone date basis.

Generally, PPAs that reflect the operating year are most appropriate for local operating staff.

PPAs that reflect the fiscal year are most appropriate for SAMPLE CO. managers and Head Office staff.

Project based PPAs are most appropriate for individuals who work primarily on projects (e.g. IT professionals and individuals assigned to projects).

PPE timing will therefore be matched with the calendar cycle used to prepare the PPA, which is the basis of the performance evaluation.

This has several business benefits:

- Not all PPEs have to be completed close to calendar year end (which is a busy period for other business reasons).

- Individuals who have PPAs related to a project lifetime will have a PPE completed with 2 weeks of project completion.

At the minimum, each SAMPLE CO. individual will receive at least one PPE in a calendar year.

PPE's are Reports of An Individual's Accomplishments as Evidenced by Measures and KPI's

Since PPA's contain concrete measures (happened or did not happened) and numerical KPI/s (numbers and ratios), evaluation is straightforward. Individuals either succeeded or not.

Questions of judgment enter the evaluation process in the comments that describe or expand on situations where an individual did not succeed on a measure or KPI. Those comments deal with “degree of achievement” and “extenuating circumstances”, if they exist. The qualitative comments boxes on PPE forms exist to allow Managers to deal with these needs. **However, they cannot replace the fundamental report on the yes / no nature of basic accomplishment of the measure / KPI.**

Individuals can also exceed measures or KPI’s. Again, the qualitative comment boxes exist to allow Managers to comment on quantitative or qualitative overachievement.

Because of the fundamental “achieved or not achieved” nature of the measures and KPI’s, individuals can largely self evaluate their performance.

An SAMPLE CO. **Leader’s Responsibility to Effectively Take Both Coaching and Performance Evaluation Stances**

Each SAMPLE CO. individual has a person who is that individual’s designated coach. Normally, a person’s manager is also that person’s coach. The Manager has several responsibilities with respect to each employee in their area of responsibility.

- Establishing an appropriate PPA with each employee at the beginning of the performance period.
- Holding regular coaching sessions with each employee in which Managers:
  - review the employee’s performance to-date by reviewing status reports on KPIs, Measures, and Evidence of Accomplishment with the employee.
  - coach the employee on ways in which they can improve their delivery and performance, particularly if KPIs and Measures trends indicate that the employee will not deliver agreed to results.
  - help the employee develop their personal skills and competencies in a broader way.
- Evaluating the person’s delivery and contribution to SAMPLE CO. at the end of the PPA period.

During the last responsibility, the coach moves out of a coaching stance and takes on the stance of performance evaluator. As performance evaluators, Managers must place SAMPLE CO. first in their mind. They must review the person's delivery during the performance period from the perspective **of the value that it has contributed to** SAMPLE CO.

The Summary Performance Measure

An individual's execution and delivery will be rated once a year by the person to whom that the individual reports. The purpose of this rating is to summarize the individual's accomplishments in the past performance period against the agreed to KPIs, Measures and Evidence of Accomplishment associated with each performance objective in the PPA.

The NORMAL rating is "Performance Achieved Most or All Performance Measures". (See the details of the scale that follow.) Most individuals will be rated at this point on the scale. Only a few individuals will receive ratings at the top or bottom of the scale.

This rating reflects that the fact that PPA performance objectives are set at reasonable levels, and describe what an individual has to do this period to meet SAMPLE CO.'s expectations of their normal performance.

The Rating Scale

5 Performance Dramatically Exceeded Performance Measures

This employee has delivered at a level that has exceeded all Measures in the employee's PPA – perhaps even doubling the delivery expected on the majority or most of them.

4 Performance Exceeded Some Performance Measures

This employee has delivered at a level that has met all of the KPIs, Measures and Evidence of Accomplishments at the expected level, and has exceeded delivery on at least half of them, particularly on those of the most importance or weight.

3 Performance Achieved Most or All Performance Measures

This employee has delivered at a level that meets most or all of the KPIs and Measures.

If the employee has not achieved on one or two of the Measures, it is clear that events beyond the employee's control have kept him /

her from doing so. The employee **has communicated** with you during your coaching sessions about this potential lack of delivery. The individual **has clearly taken actions** intended to correct the situation.

2 Execution Does Not Meet 50% of Performance Measures

This employee has delivered at a level that has not delivered on 50% of the Measures. There are no clear reasons for this other than the individual's own performance. This pattern has become clear over the course of the year during your coaching sessions. The employee initiated dialogue with you about these issues, and was proactive about taking steps to reverse this situation. There is clear evidence that things are on an improving trend. This pattern will not be repeated.

1 Execution Is Severely Below Performance Measures

This employee has delivered at a level that has not most or all of the Performance Measures. There are no clear reasons for this other than the individual's own performance. The individual **has not communicated** with others about this potential lack of delivery, and has not taken **actions** to correct the situation.

During your coaching sessions during the performance period, the employee has been available to change their performance to reverse this pattern. The employee might have attempted but shown little or no sign of success.
You cannot leave this employee this in position, but must take remedial action.

In most cases, the "Performance Achieved Most or All Performance Measures" rating will apply.

SAMPLE CO. **Leaders are Responsible for Doing PPE's**

Each SAMPLE CO. Leader is responsible for that a PPE is completed within TWO WEEKS of the end of the PPA period for each employee in his or her area of responsibility.

For most individuals, this means that at least once PPE will be completed each year. However, it is possible that multiple PPE's could be done for an individual. In this case, there will be multiple PPA's, either linked to calendar periods that are shorter than a year, or to project start and start dates.

PPE Process and Service Support

The Human Resources group in is accountable for:

- Providing the manual procedures and automated tools used to prepare, to sign, and to file PPE's.

- Ensuring that a copy of the each PPE for each individual is kept in a secure fashion.

- Providing as required / as requested personal support to any individual who encounters difficulty during the PPE completion process.

- Acting as "dispute resolvers" when the PPE completion process results in a difference in perceptions between an individual and the person to whom that person reports.
- Providing support to SAMPLE CO. Leaders on their actions to respond to individuals who are either the top or the bottom of the Summary Rating.

The Business Analysis group in Financial Management is accountable for providing information on SAMPLE CO. wide KPI's and doing the ongoing analysis and reporting which reports progress on them. Elements of their work will be incorporated in PPE's at various levels at SAMPLE CO.

The Financial Analysis group in Financial Management is accountable for operating the SAMPLE CO.'s annual Operating and Capital Budget process, as well as reporting on SAMPLE CO.'s financial performance on an ongoing basis. Elements from their work related to financial execution will be PPE's of SAMPLE CO. Leaders whose PPA's include financial performance Measures.

Employees Can Disagree with Manager's Summary Ratings of their Performance

SAMPLE CO.'s PPA / PPE processes require a designated Manager to hold regular coaching sessions with each employee in their area of responsibility. During these sessions, the employee and the Manager will review performance progress to-date by discussing the reported trends in KPIs, as well as the status of Measures and of Evidence of Accomplishments.

If this is done, there will be few surprises at PPE time. The existence of a KPI or a Measure or an Evidence of Accomplishment for each performance objective means that the employee will have the ability to self-evaluate their performance throughout the performance period. The regular discussion of progress on these during coaching sessions means that the employee will be well aware of their overall level of performance. Therefore, the Manager's Summary Performance Rating should be expected by the employee.

However, employees may disagree with their Manager's summary rating. In this case, the employee will sign the PPE in a different place (see format later on in this document). As well, the employee will be required to write a note indicating the reasons for the disagreement. This note should be attached to the final PPE.

SAMPLE CO. Leaders are Responsible for Following Up on PPE Summary Ratings

SAMPLE CO. Leaders will take action to follow up in the ways described below on the following PPE Performance Ratings.

Performance Rating	Objective	Action	Notes
5 Performance Dramatically Exceeded Performance Measures	Identify the person as a potential High Performer. Assess if the person also has High Potential. **High Performer**: Person may be capable of delivering in this fashion over a period of years. **High Potential:** Person's performance indicates a capability to deliver at normal plus levels in roles with substantially more scope and	Contact Human Resources to conduct a follow up meeting on this person's performance, suitability for other roles and long-term (more than 1 year) potential to contribute to SAMPLE CO. Human Resources will take responsibility for including this person in accelerated personal development programs and	In any given year, less than 5% of the individuals at a given level will be in this group.

Performance Rating	Objective	Action	Notes
	responsibility.	succession planning	
1 Execution Is Severely Below Performance Measures	Develop a personal development program (training and coaching) which increases the person's skill levels so that this rating will not be repeated in future. Or Initiate a career management program by which the individual is moved into a role where he or she can deliver at a normal or better level.	Contact Human Resources to conduct a follow up meeting. After this meeting, Human Resources will monitor the personal development program agreed to by the individual and the SAMPLE CO. Manager to whom the person reports. Or Human Resources will facilitate a job transition plan that places this person in a role in which the individual can deliver at normal plus levels.	SAMPLE CO.'s service promise to its customers cannot be met by individuals who continually deliver at this level. Unless a personal development program or a role re-assignment has an excellent chance of success, continued employment with SAMPLE CO. is in question for such individuals. **Such situations must be proactively managed by the** SAMPLE CO. **Manager involved, with the support Human Resources.**