



Managing for Success in a Hybrid Environment

Transforming Performance Management in Hybrid Work Environment

Catherine Lilly and Andrea Averill

November 4, 2021 11 am – 12 pm

Challenge

- For many institutions experiencing continued remote work, the workplace defined as a physical space where frequent face-to-face interactions is no longer
- Thanks to technology, our work experiences are without boundaries and work is wherever we are
- The challenge is that this new workplace can result in fragmented and frustrating experiences for employees
- Hybrid work environments present unique challenges to ensuring that **inclusion, fairness, access to feedback and developmental career growth opportunities** are equally available to all

About the Presenters

Catherine Lilly Senior Consultant Organizational Effectiveness



Catherine has over 25 years of experience in higher education contributing to increased institution and leader effectiveness and serving as a change leader and executive coach

She helps institutions with strategic planning, leadership effectiveness, talent management, institution assessment and design, and diversity, equity and inclusion

Andrea Averill Senior Consultant Compensation & Career Strategies



Andrea has over 20 years of experience working with organizations on their human capital strategies with expertise in compensation and performance management

She is a member of the Higher Education practice, working with both public and private institutions, on compensation and performance management initiatives and is the solution leader for Performance Management at Segal

Topics

- Current factors motivating institutions to address the shortfalls of annual performance reviews
- Specific strategies and principles institutions are using to address these challenges, and
- Lessons learned from two client case examples demonstrating contemporary programs that will respond to current challenges

Learning Objectives

- Describe the key disruptions and trends in performance management, particularly in a remote work environment
- Articulate the business case for an effective performance management program
- Outline the important characteristics and steps to take in designing a successful performance development program with implications in a hybrid work environment
- Identify ways to overcome challenges in a hybrid work environment

In the Last Two Years Our World Has Turned Upside Down



How Virtual is Your Workplace?

% Remote

Pre-COVID

Currently

2022

A. Less than 20%

B. 20% < 40%

C. 40% < 60%

D. 60% < 80%

It's Been Quite a Roller Coaster Ride... Particularly for HR Professionals

Phase #1: **Secure/Stabilize**

Phase #2: **Adapt**

Phase #3: **Reimagine HR**
to accommodate a hybrid
working environment



We Now Have an Opportunity to Decide and Act Upon How We Want Our World to Look



Especially for key HR processes and practices such as performance management

We've All Seen the Headlines

Performance Reviews:
Why Bother?

Kill Your Performance Ratings

Yearly performance reviews won't
provide the feedback culture HR
leaders want, study says

It's Time To Put Performance
Reviews On Notice

More Employers Ditch
Performance Appraisals

Performance Reviews are Dead

Handling the Dreaded
Performance Reviews

The New Workforce Millennials and Gen Z

Workforce expectations

- Multiple opportunities for coaching and feedback
- More career progression opportunities
- Less emphasis on time in role versus their contributions
- Ample opportunities for formal and informal recognition
- Room for growth and creativity



By 2025

75%


of the Global workforce will be
Millennial and Generation Z

Drivers of the Transformation

Traditionally, performance management has been focused on annual reviews, but we are seeing significant shifts

Drivers of Recent Change



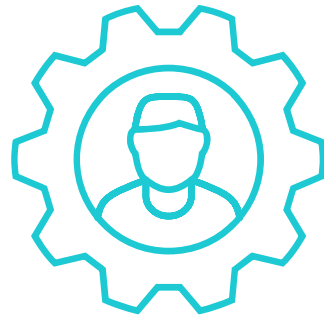
A vintage desk setup featuring a typewriter, a camera, a rotary phone, a record player, and a cup of coffee. The typewriter is the central focus, with a camera and a rotary phone to its left, and a record player and a cup of coffee to its right. The desk is cluttered with papers and a pair of glasses.

Traditional Pay for Performance Originated in the 1970s

Yet many institutions continue to apply the same processes today

Current System Questions

How effective is your institution's performance management program?



What words come to mind to describe your current system (positive or negative)?

The Rise in Remote Work has Expedited Changes in Performance Management that were Already Underway

	From	To
Mindset	Management Focus on the past Historic performance	Development Future focus Growth/development
Manager/Employee Relationship	Top down Annual evaluation Feedback on the “negative”	Shared ownership Ongoing feedback Guidance and coaching
Data/Tools/ Processes	Same program for all Ratings/rankings Word/PDF form/spreadsheets	Flexible and individualized No ratings/rankings Supported by tools and technology

New Competencies AND Relational Pattern



The hybrid workplace requires new managerial competencies to manage performance with longer-term implications for managerial selection, training, tool development and institution design



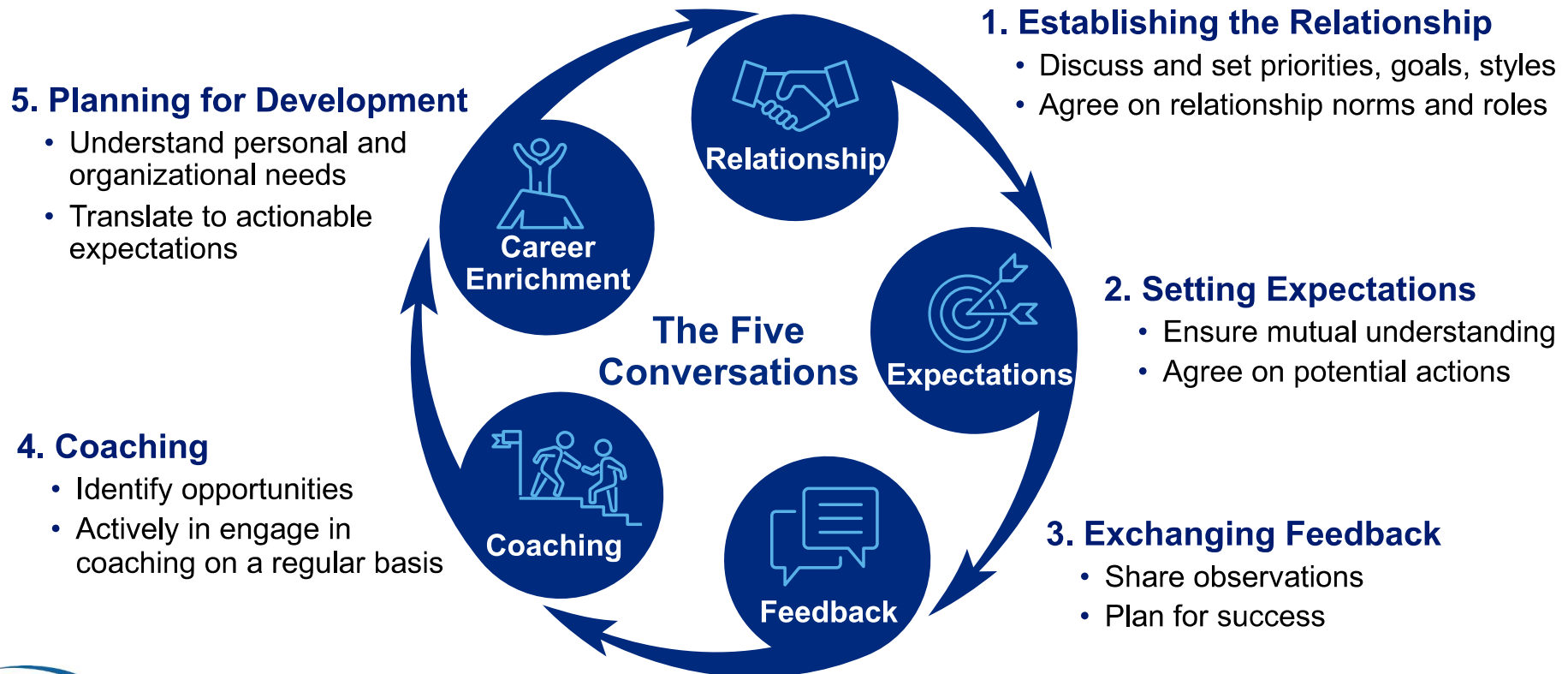
Changed manager-employee relational pattern with shared responsibility of the process

- Flexibility
- Availability
- Collaboration
- Empathy
- Dynamism
- Positivity
- Adaptability
- Trustworthiness

- Nature and frequency of interaction
- Modes of interaction
- Complex management topics that are difficult to assess and communicate

The Foundational Elements Do Not Change

How and When You Execute Does

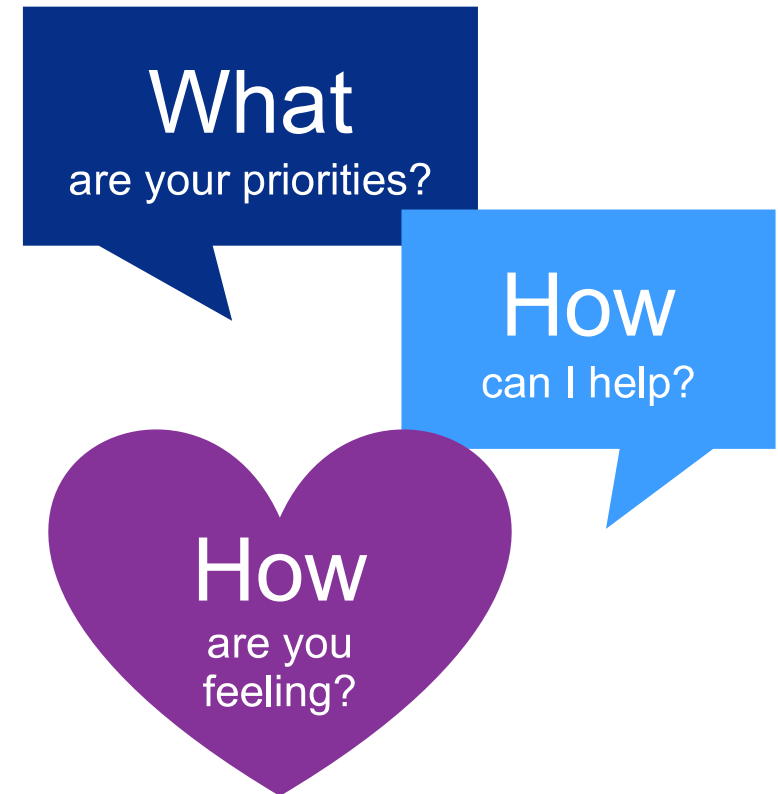


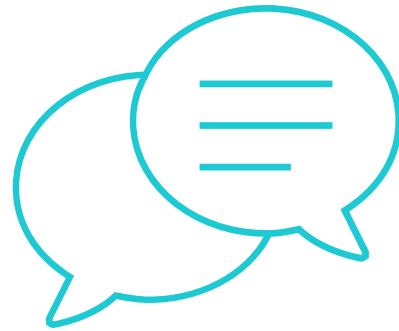
A New Relational Pattern

The Calendared Check-In

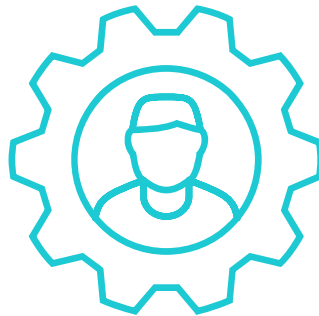
Every week at a mutually agreed time, the supervisor and employee take 5 – 10 minutes to share priorities that the employee has over the next 5 days:

- Employee establishes a calendared check-in with supervisor
- Supervisor and employee connect using video
- Repeat each week





Where does your institution fall in terms of performance management?
Is it more traditional or contemporary or somewhere in the middle?



Case Study

A Whole-scale Approach to Designing the New System



Source: Whole-Scale Change, Kathie Dannemiller and Ron Lippitt

Case Study #1 – Large Public Institution

Our Process

Summer – Winter 2019
Design New Performance
Development Program and Pilot

Winter – Spring 2020
Modify Design of
New Performance
Development Program

Spring 2020
Seek Leadership Approval
of New Performance
Development Program

Summer/Fall 2020
Implement New
Performance
Development Program

Spring 2019
Launch Project and
Gather Stakeholder Input

Winter 2020
Share Pilot Findings
with Advisory Committee

Case Study



What words come to mind when you hear Performance Management?

Case Study #2 – Smaller Private Institution

Pay for Performance Key Foundational Elements

Set Clear, Mutual Expectations

- Clear expectations
- Expectations include results, or “what is to be achieved”
- Expectations include behaviors, or “how results are to be achieved”
- Expectations are mutual between employee and manager

Conduct Accurate, Balanced Performance Assessments

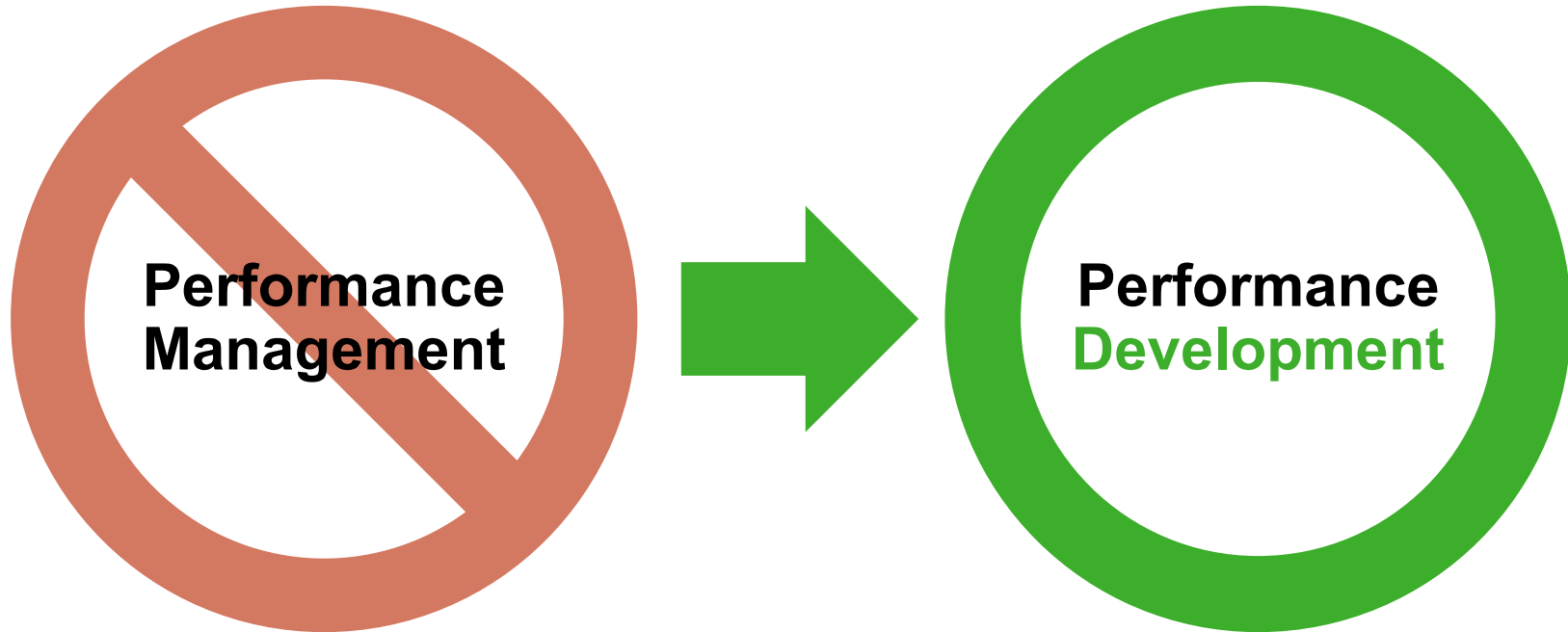
- Accurate feedback
- Timely feedback
- Results, or “what,” feedback is included
- Behaviors, or “how,” feedback is included
- Multiple sources can be used to minimize single rater bias
- “Straight talk” but developmental in tone
- Calibration supports consistency of standards

Deliver Real Consequences

- Development
- Positive consequences for good performance
- Negative consequences for poor performance
- No surprises (perceived fairness)
- Timely

Contemporary Thinking

Create a culture of clarity, growth and continuous feedback.



Performance Development

A clear, continuous and engaging experience that helps employees succeed and provides growth and rewards

Employees can say:

- **Clear:** From end to end, the methods and systems are transparent, simple and intuitive
- **Continuous Feedback:** The dialogue with my leader never ends; rather it changes focus through the year and keeps pace with my goals, development and career focus
- **Engagement (alignment, employee fulfillment, sense of purpose):** I understand how my efforts align with the institution's mission and strategy. I feel motivated to achieve my goals because they are aligned with a sense of purpose and personal fulfillment

Performance Development

A clear, continuous and engaging experience that helps employees succeed and provides growth and rewards

Employees can say:

- **Growth:** I have the ability to build my skill set and career by following through on my skill growth and development plans
- **Rewards and Outcomes:** The recognition, praise, promotion, job change and/or potential financial rewards I receive (opportunities, salary increases, bonus, spot awards) have direct relationship to my contribution and the results I achieve

There Is an Up and Coming Focus on Dashboard/Scorecards...

- Provide leaders/ teams/individual employees with transparency to key metrics
- Dashboards enable Leaders to see
 - Which teams best add value to what processes
 - Which workflows invite consolidation, automation and/or professional development



But the data only tells the “what” and not the “how”

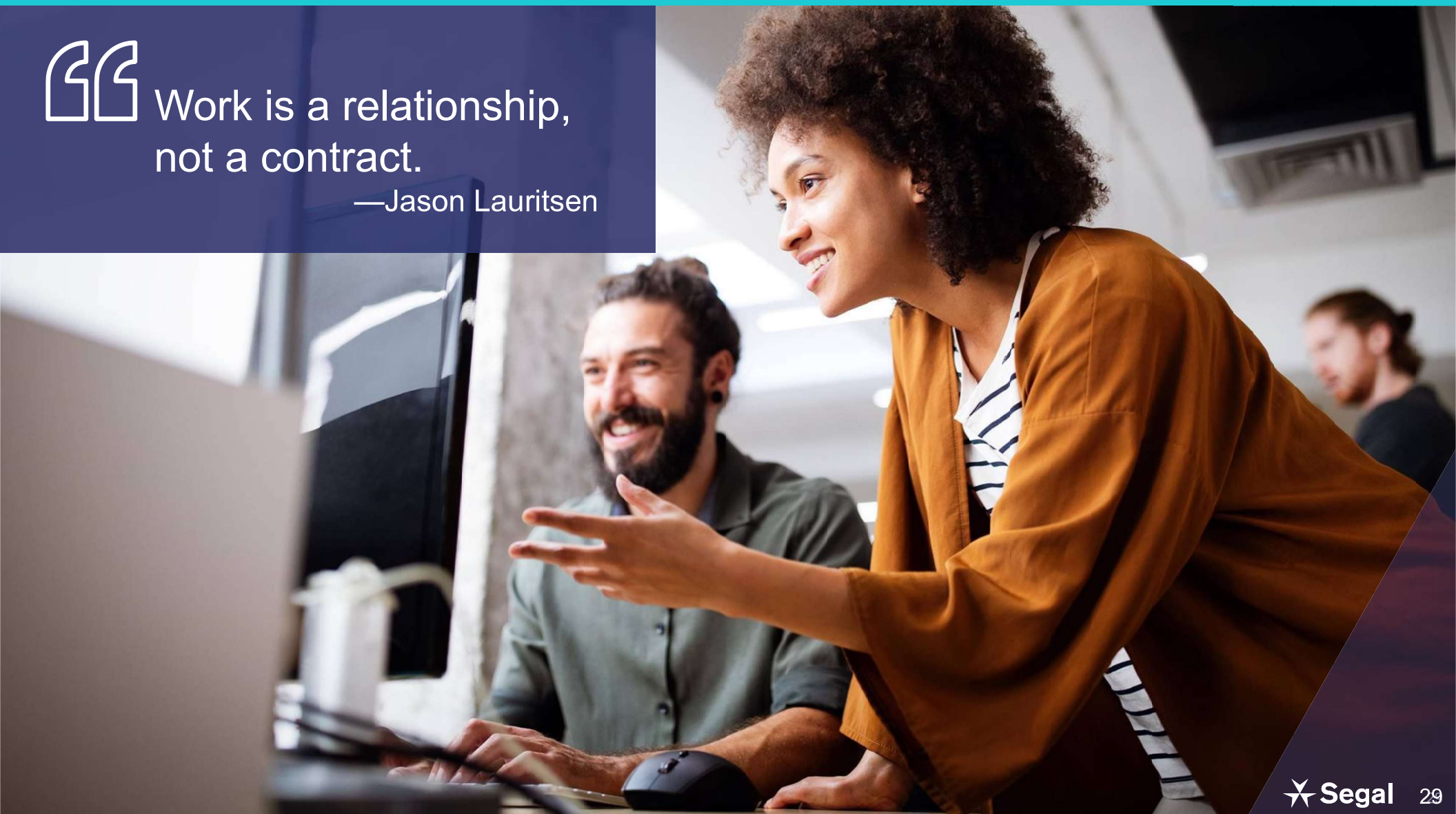
Successful Performance Management in a Virtual Workplace is Supported by Tools and Technology

- Dashboards/scorecards
- Performance tracking tools
- Visualization technology
- Application of other business analytical tools to employee performance management

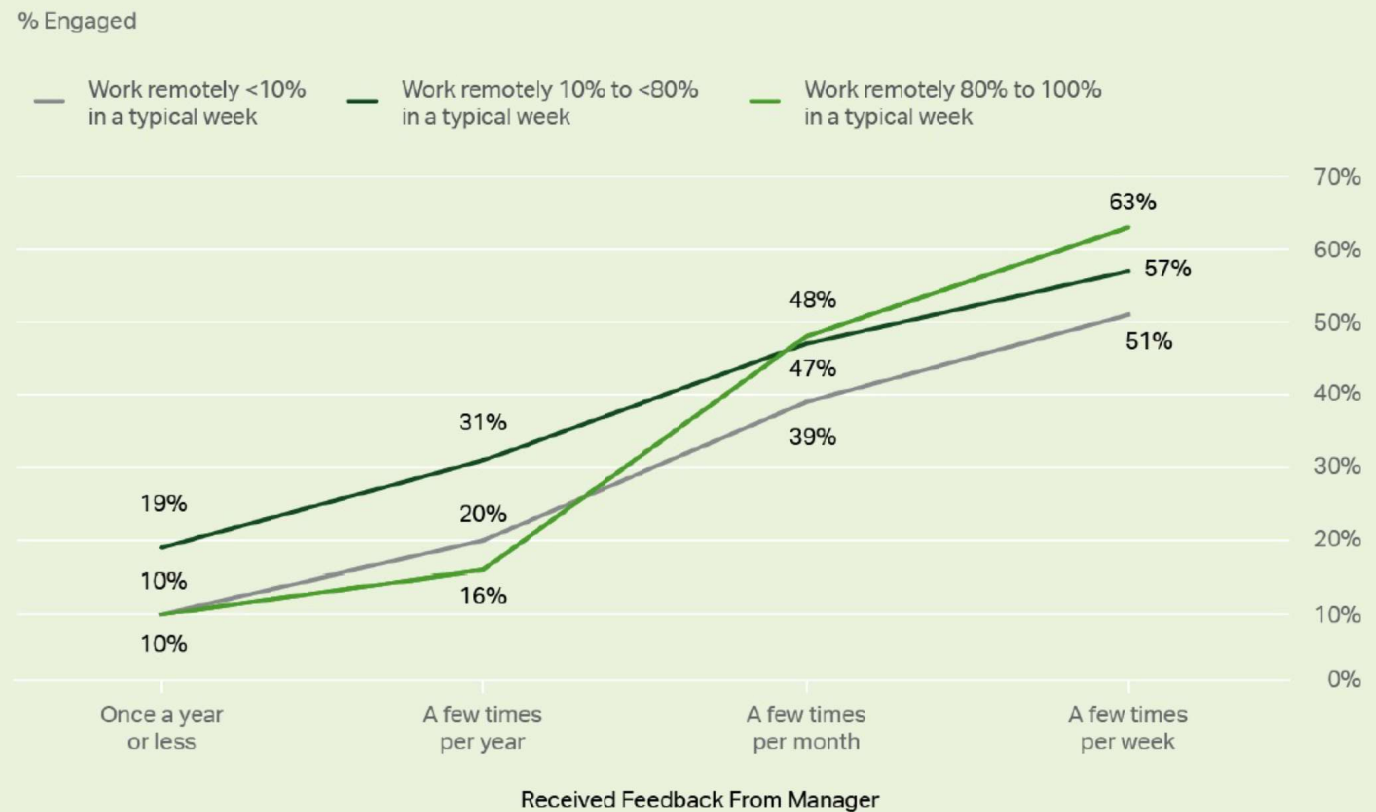


...but relies more on managerial-employee connectivity, collaboration and creativity rather than data science

“ Work is a relationship,
not a contract.
—Jason Lauritsen



Frequency of Feedback is Key to Engaging Hybrid and Remote Workers



GALLUP PANEL, 2019 (PRE-COVID-19)

Effective Performance Development Programs

Greatest Impact

Strategy & Leadership Support

- Clearly articulated strategy and objectives
- Roles and responsibilities
- Performance standards
- Goal alignment
- Champions of Feedback with a Growth Mindset

Performance Development

- Ongoing feedback conversations
- Competencies
- Program outcomes
- Program resources
- Overcoming barriers
- Accountability at all levels
- Calibration

Execution

Program Design

- Process requirements
- Calendar
- Rating criteria, form, and scale (some or none)
- Technology needs and specifications

Greatest Effort

10.4 million
job
openings.

Why?





Study Finds

SOCIETY & CULTURE, WORKPLACE

Remote work revolution: 1 in 6 will quit their job if they can't continue working from home

SEPTEMBER 15, 2021



by Chris Melore

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Why Bother with Performance Development?

Employee turnover costs
120% – 200%
of an employee's salary

82%
of disengaged employees
are actively undermining
your culture and brand

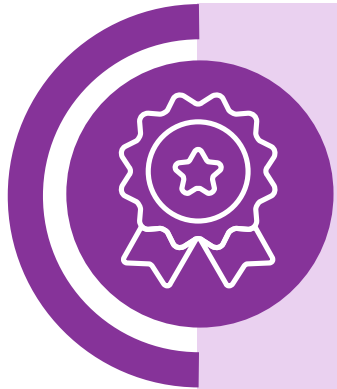
Engaged employees are
43%
more productive

Less than
30%
of employees strongly agree that
their performance is managed
in a way that motivates them
to do outstanding work

Less than half, or
40%
strongly agree that their
manager holds them accountable
for their performance goals

Within Higher Ed,
Bottom Quartile
“I know what is expected
of me at work”
2nd Quartile
“In the last six months,
someone at work has talked
to me about my progress.”

What are the outcomes of a well-designed and executed Performance Development Program?



- Enhanced performance and employee engagement
- Improved planning, dialogue and feedback
- Alignment with goals and objectives
- Retention and encouragement of solid and top performers
- Attraction of top talent
- Early identification of strugglers and performance intervention
- Continuous development and growth of workforce
- Increased support/trust between employee and supervisor

So, What Should You Do NOW to Manage for Success in the Hybrid Workplace?

- Redefine and communicate expectations for the new manager-employee relational pattern
- Create awareness of the essential managerial competencies
- Require regular check-ins
- Provide technology training to enable new relational patterns
- Provide a manager/supervisor support network and training
- **Reimagine** performance management in the reconstituted workplace



15% Solutions

discover and focus on what each person has the freedom and resources to do right now



In the chat box...



What stands out from what you heard here?

What 15% solution can you implement?

Questions



Thank You!

Catherine Lilly

248.606.0718

clilly@segalco.com

Andrea Averill

347.880.2121

aaverill@segalco.com

