# Penn State Performance Management

# Step One: Setting Goals and Expectations

**Participant Guide for Managers**

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**Today’s session will help you to:**

* Gain understanding of effective performance management and recognize its importance and benefits
* Identify your role and responsibilities related to performance management, starting with setting goals and expectations with your direct reports
* Learn the best practices of goal setting

What is Performance Management?

Performance management is the process of **setting expectations**, **aligning goals**, **assessing results**, and **focusing on staff development** through ongoing conversations between managers and their direct report(s).

**Setting Expectations**

**Goals and Objectives**

**Goal Alignment**

Review of goals, objectives,
and other factors, and the determination of the level of successful achievement

**Assessment**

Process in which supervisors and managers at the same level in
an organization discuss staff performance ratings and outcomes to ensure ratings and development messages are applied consistently across the University

**Performance Calibration**

Focus of the conversations between managers and employees in determining strengths, opportunities for improvement, and how
to grow and develop

**Feedback and Development**

Process of ensuring individual goals support the achievement of department goals and department goals support the achievement of University goals

The process of discussing what is expected from an employee in terms of job roles and responsibilities

Desired results each employee aims to achieve, determined based on conversations between managers and employees

**Important: Performance management is NOT just a once-a-year conversation. It is an on-going conversation that impacts each employee over their entire career at Penn State.**

Notes:

Guiding Principles for Effective Performance Management

Should be an ongoing process of setting expectations, executing plans and evaluating results.

Engagement is increased when people are involved in planning the work.

**How** work gets accomplished is as important as **what** gets accomplished.

Regular, honest feedback increases understanding and positive performance.

Expectations should be explicit and mutually understood.

**Organizations that are considered best-in-class for performance management\*:**

* Understand that performance management is on-going, with at least monthly discussions between employees and their supervisors
* Believe that performance management is an opportunity to foster employee growth

Notes:

\*Source: Aberdeen Group-- Is Employee Performance Management Performing?

Setting Goals and Expectations

Step One: Discuss and document job responsibilities

The purpose of the Job Responsibilities Worksheet (JRW) is to document the current responsibilities of a position. It focuses on a specific position (not the incumbent); provides details regarding the job duties and required competencies; and outlines the job scope and reporting structure. The information provided in the JRW will be used to ensure the position is properly classified and evaluated.

Responses must accurately represent the way the position is currently functioning. The employee and supervisor must discuss the position to ensure mutual understanding. If the position is vacant or the employee has occupied the position for less than six months it is recommended that the supervisor complete the JRW.

###### **Characteristics of Effective JRWs:**

* + Based on the job, not the person in the job
	+ Realistic and achievable
	+ Clearly communicated and understood by both the manager and employee
	+ Documented in writing
	+ Subject to change
	+ Linked to department and organizational objectives

Setting Goals and Expectations

Step Two: Help Employees Set Goals

It is important for you to write (or help your direct reports write) specific goals for the year ahead.Document expectations clearly and thoroughly. Together identify 2-5 specific goals, using the SMART model to cross-check for completeness and clarity.

**The goals should focus on:**

* Moving the business forward, consistent with business/functional goals **and/or**
* Improving current individual and team performance. Performance must be aligned with university goals, departmental goals and job responsibilities.

Types of Goals

###### **Quantitative Goals:**

These goals describe the “what” of performance and define an expected result, so it is clear whether or not the goal has been achieved. These results are typically linked to success measures for the specific department in which the employee operates.

###### **Qualitative Goals:**

###### Behavioral Goals (i.e. linked to competencies)

These goals describe the “how” of performance, and focus on skills that are necessary to accomplish the quantitative goals mentioned above.

###### Developmental Goals

These goals include any specific activities that will improve or enhance performance.

###### Professional and Career Aspirations

These goals are designed to encourage employees to define long-term goals and create a plan to realize those goals. Work with your employees to define their career goals, the positions that best fit those career goals and realistic timeframes in which the employee can move into specific roles. Individuals may not need to move to a new position to achieve their career goals.

Setting Goals and Expectations

SMART: The Key to Setting Clear Expectations and Goals

|  |  |
| --- | --- |
| **Specific:** | The goal to be met must be concrete, not just a general statement of direction. |
| **Measurable:** | Whether qualitative or quantitative, there must be a way to assess whether or not the goal has been met. |
| **Attainable:** | All goals should be within the reach for the employee, but should include some “stretch.” Performance measures used should be ones over which the employee has direct or indirect control. |
| **Relevant and Results Oriented:** | Goals should easily link to both team/unit and Penn State strategic imperatives. |
| **Time-bound:** | It should be possible to periodically assess the status of their progress towards meeting the goal. |

Writing SMART Goals

**Use these questions as a guide:**

1. Specific: What will the goal accomplish? How and why will it be accomplished?
2. Measurable: How will you measure whether or not the goal has been reached?
3. Achievable: Is it possible? Have others done it successfully? Do you have the necessary knowledge, skills, abilities, and resources to accomplish the goal? Will meeting the goal challenge you without defeating you?
4. Results-focused & Relevant: What is the reason, purpose, or benefit of accomplishing the goal? What is the result (not activities leading up to the result) of the goal? Is the goal relevant?
5. Time-bound: What is the established completion date and does that completion date create a practical sense of urgency?

Setting Goals and Expectations

Effective goals are SMART

|  |  |  |
| --- | --- | --- |
| **Example** | **A good start** | **A SMART finish!** |
| **If the focus is to reduce department expenses…** | Lower department expenses. | Reduce department expenses by 1-2% by March 31, 2019 by following the new departmental purchasing procedures. |
| **If the focus is on an IT project…** | Complete new system implementation.  | Complete and implement the new ERP system by February 1, 2019 through effective collaboration across IT functions and cross-functional teams. |

**It’s YOUR turn!**

**Take a moment and think about what’s most important for your department to achieve in the next 6-12 months. Got it?**

1. **What’s the main focus of the department goal?**
2. **Now, think about what one of your employees could do to help make that department goal a reality. In general, what action could that employee take?**
3. **Time to get SMART! Use the space below to fill in the important details:**

Avoid Common Pitfalls When Setting Goals:

|  |  |
| --- | --- |
| Pitfall:Too many goals | Limit the number of annual goals to 2 – 5 to ensure focus on the most important results |
| Pitfall:Unclear accountability | Clarify who is accountable for achieving the goal—especially important in teams or where work is highly interrelated |
| Pitfall:Unclear expected results or measures | Clearly describe the qualities or measures of the expected results to reduce ambiguity |

Immediate Next Steps for Step One: Setting Goals and Expectations

During the months of July and August 2018

1. Encourage your employees to attend a Setting Goals and Expectations training session.
2. Meet with your employee (s) to review their Job Responsibilities Worksheet (JRW) and to identify 2-5 goals that they will work towards achieving by March 31, 2019.
3. After your meeting, your direct report will update their JRW in the JRW online tool and submit it for your approval. Your employee will also enter their goals into Workday and submit them to you for approval,
4. Goals will be reviewed formally during the Mid-Year Check In– and then will be rated as part of the End-of-Year Review.

*Remember to meet with your direct reports on a regular basis to discuss their progress towards goal achievement, professional development activities and to review what’s going well and any areas of difficulty or concern.*

**You are ready to keep the conversation going with your direct report about their performance!**