



**BUSINESS
PARTNER
PROGRAMME**

THE SESSION WILL START SHORTLY



**BUSINESS
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PROGRAMME**

#4 PERFORMANCE & REWARD

WHAT WE'LL COVER TODAY



- 1 Why traditional performance management approaches don't work
- 2 New approaches to PM
- 3 How to get rid of ratings but keep bonuses
- 4 What your new approach to PM might look like
- 5 The trends impacting our approach to reward
- 6 New approaches to reward

TRADITIONAL APPROACHES TO PERFORMANCE MANAGEMENT



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ANNUAL OBJECTIVES

ANNUAL REVIEW

RATINGS

GUIDED DISTRIBUTION

A QUICK POLL



What's the status of your current approach?

1. We still have a traditional approach
2. We're working on moving to a new approach
3. We have already changed our approach

NEW APPROACHES TO PERFORMANCE MANAGEMENT



EMPLOYEE OWNED

FOCUS ON THE TEAM

PROCESS-LITE
AND AGILE

COACHING NOT
ASSESSMENT

EMPLOYEE OWNED



FOCUS ON THE TEAM



PROCESS LITE AND AGILE



 **accenture**

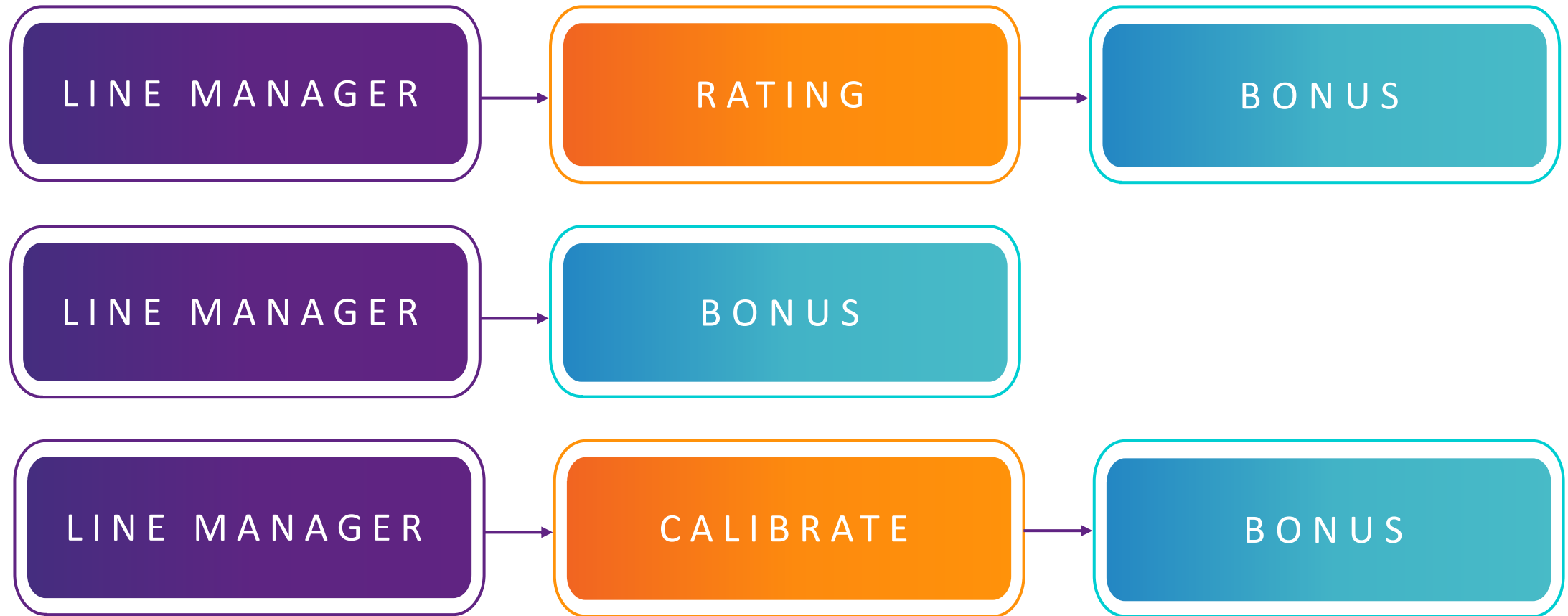


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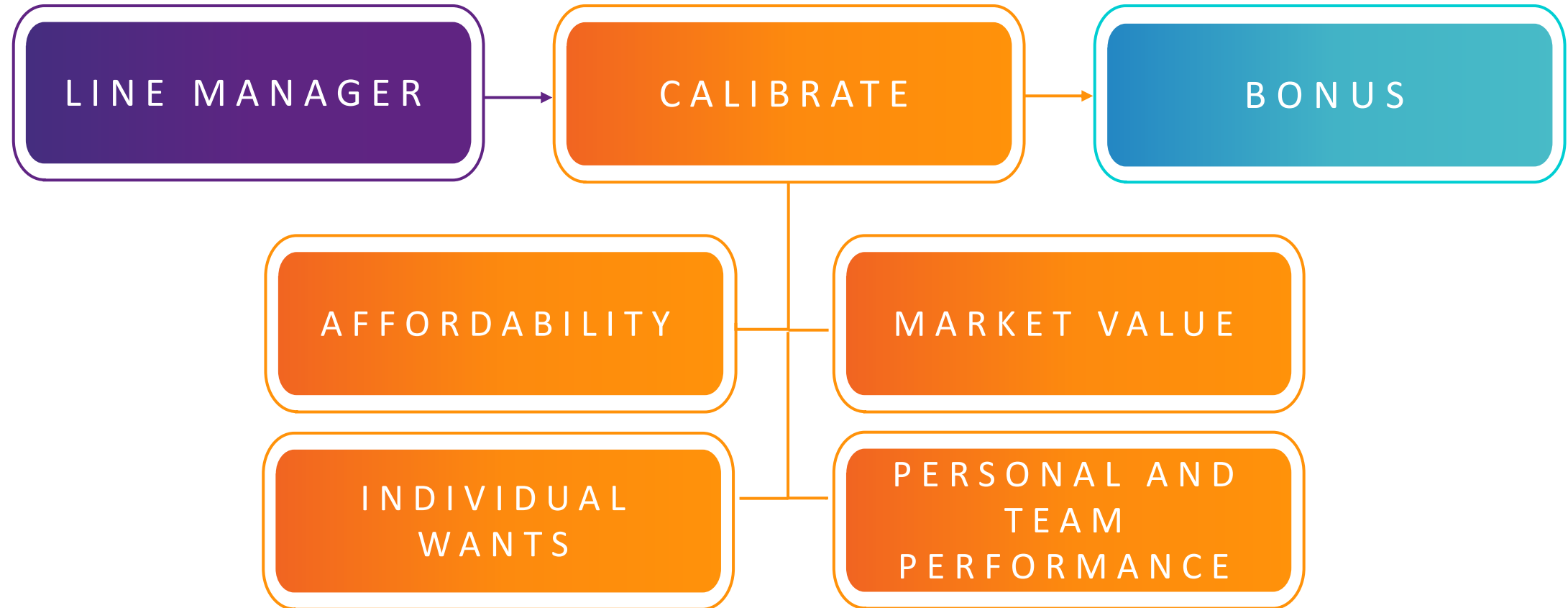
COACHING NOT ASSESSMENT



LOSING RATINGS BUT KEEPING BONUSES



LOSING RATINGS BUT KEEPING BONUSES



AN EXAMPLE OF A NEW APPROACH



CONVERSATIONS

- Documented (follow up)
- Honest feedback
- Agree goals
- Timely

Difficult Conversations

Check-in

- Informal and undocumented
- Owned by employee
- Coaching
- Day to day performance

- Informal and undocumented
- Owned by employee
- Career progression
- Learning & development
- Movement/stretch

Career & Learning

Reward & Appreciation

- Informal & undocumented
- Thanks/personalised gifts
- Salary/Bonus

TEAM PERFORMANCE



- Share news
- Listen to feedback



- Set and refresh short-term team goals



- Celebrate wins and areas for improvement



- Develop new skills together



- Generate new ideas and ways of working

Ask a group of managers ‘how does our current performance management system help you improve performance?’

**YOUR
ASSIGNMENT**

REWARD

WHAT IS DRIVING CHANGE IN REWARD?



**FINANCIAL
PRESSURE**



REWARDS AREN'T CHANGING - OR DOING VERY MUCH



- Traditional annual reward
- Different approaches

-15

Net promoter score of average
rewards programme



- Believe their 'pfp' works
- Don't believe 'pfp' works

NEW REWARD APPROACHES



Diagram illustrating five new reward approaches arranged around a central circle. The central circle is teal and contains the text 'REWARD EACH OTHER'. To its left are two purple circles containing 'RETHINK THE BONUS' and 'PERSONALISE'. To its right are two orange circles containing 'REWARD FREQUENTLY' and 'GETTING CREATIVE'. Each circle has a thin white border.

RETHINK THE
BONUS

REWARD
FREQUENTLY

REWARD
EACH OTHER

PERSONALISE

GETTING
CREATIVE

NOT MANY ARE GETTING RID OF THE BONUS

NETFLIX



BUT WE'RE SEEING A SHIFT TO TEAM BONUSES



blink



REWARD FREQUENTLY



#1

x8

REWARD FREQUENTLY



PERSONALISE



REWARD EACH OTHER



homebase

e-on

GETTING CREATIVE



patagonia[®]

Google

Haier

CISCO

VIRTUAL WAYS TO SAY THANK YOU



THANK
YOU!

We'd like you to try out Nudges/Whispers

Share with your managers tips on how they can say thank you and ask them to say thank you to at least 3 team members in one week.

At the end of the week ask them how they got on and share with each other what worked etc..

**YOUR
ASSIGNMENT**

A NEW REWARD FRAMEWORK

	Today	Future
Overview	Complicated, piecemeal, perceived as unfair, focusing on individual, short term performance. Creates culture of “selfishness” and prevents genuine personal development	Holistic, simple approach that treats people like adults, creates drive for collaboration, placing the “human” at the heart. Perceived as fair. Recognises additional effort/contribution in a timely way. Personalised and allowing for choice
Pay and increases	Market median Annual cost of living rise and/or merit rises determined through annual appraisal rating Large differential between top and bottom	Commitment to pay well/fairly Raises determined by market position – no entitlement to COL or merit increases Commitment to lower differentials between top and bottom
Bonus	Individual bonus based on annual performance – determined by appraisal rating	Group or team bonuses based on results and affordability or remove entirely Spot rewards based on recognition of performance at the time via line manager or peers.
Pay bands	Complicated. Large number of bands based on role and level and experience. Attempts to equate one role with another.	Broad banding but with line manager discretion around value.
Benefits	Healthcare and/or car allowance for the top	No differential based on seniority. Incorporated into base salary rather than a separate allowance.
Perks	Voucher schemes	Gifts that surprise and delight. App based rewards for all based on peer nomination. Creative alternatives

YOUR ASSIGNMENT



#1

Ask a group of managers 'how does our current performance management system help you improve performance?'

#2

Share tips with your managers on how they can say thank you and ask them to say thank you to at least 3 team members in one week.

HAVE YOU GOT YOUR FREE LEADER BOX YET?





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THANK YOU AND SEE YOU AT YOUR SEMINAR

www.disruptivehr.com