Differentiating Performance at the FAS

1. Our Goal

- To help FAS managers conduct meaningful performance conversations, and to provide performance reviews for all FAS staff which take into account different levels of performance.

- These materials are intended to help managers plan for potentially challenging conversations with their staff which involve differentiating performance or linking pay to performance.

2. Why Differentiating Performance is Important

- Meaningful performance reviews help FAS staff members to understand what is expected of them, what they are doing well, and where they need to develop. This understanding increases our effectiveness as an institution and engages employees in their work.

- As an academic institution, our FAS faculty members assess their students in an effort to recognize their achievements. Similarly, as managers we aim to recognize the accomplishments of our staff and to provide candid feedback regarding performance in a given year.

- FAS employees tell us that performance feedback from their managers has helped them to understand how well they are doing in their current role and how to improve (if applicable), thus strengthening staff performance across FAS.

- Last year, 42% of FAS staff who received a performance assessment were identified as having “leading” performance. This means that FAS managers indicated that almost half of their staff members' performance was “consistently superior and far exceeded expectations” and “consistently exhibited the highest performance in all job capabilities.” Having nearly half of reviewed staff assessed as “leading” leaves less room to recognize this type of performance and does not provide realistic feedback to our staff on how they could develop to achieve even greater results.

- Several large FAS divisions are already differentiating performance, including Athletics, Administration and Finance, Admissions and Financial Aid, the FAS Dean’s Office, and Harvard College Library and we continue to move in this direction.
3. **What this Means for You as a Manager and for Your Staff**

- Performance differentiation enables managers to appropriately reward their top performers, to support good performers in improving their skills and their results, and to address low performers. These efforts make FAS a stronger organization and enable us to meet our teaching and research mission more effectively. FAS is committed to continuing to make progress in this effort.

- At the FAS, there is a baseline expectation that staff members will perform at a “solid” level (consistently demonstrates effective performance. Someone who gets the job done and effectively prioritizes work). Some employees will exceed those expectations, while others may not.

- Managers are asked to differentiate employees’ performance so that only those employees whose performance “contributions have tremendous and consistently positive impact and value to the department” and are “easily recognized as a top performer compared to peers” are assessed as “leading” performers.

4. **Performance Rating Scale**

<table>
<thead>
<tr>
<th>Rating</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leading Performance</strong></td>
<td>Contributions have tremendous and consistently positive impact and value to the department and or the organization. May be unique, often one-time achievements that measurably improve progress towards organizational goals. Easily recognized as a top performer compared to peers. Viewed as an excellent resource for providing training, guidance, and support to others. Demonstrates high-level capabilities and proactively takes on higher levels of responsibility.</td>
</tr>
<tr>
<td><strong>Strong Performance</strong></td>
<td>Consistently demonstrates high level of performance. Consistently works toward overall objectives of the department and or organization. Viewed as a role model in position. Demonstrates high levels of effort, effectiveness, and judgment with limited or no supervision.</td>
</tr>
<tr>
<td><strong>Solid Performance</strong></td>
<td>Consistently demonstrates effective performance. Performance is reflective of a fully qualified and experienced individual in this position. Viewed as someone who gets the job done and effectively prioritizes work. Contributes to the overall objectives of the department and or the organization. Achieves valuable accomplishments in several critical areas of the job.</td>
</tr>
<tr>
<td><strong>Building Performance</strong></td>
<td>Working toward gaining proficiency. Demonstrates satisfactory performance inconsistently. Achieves some but not all goals and is acquiring necessary knowledge and skills. For new employees: this rating can be used when an employee is still coming up to speed with their job duties as appropriate, based on their tenure in the position.</td>
</tr>
<tr>
<td><strong>Not Meeting Expectations</strong></td>
<td>The quality of performance is inadequate and shows little or no improvement. Knowledge, skills, and abilities have not been demonstrated at appropriate levels.</td>
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</tbody>
</table>
5. How to Approach Differentiating Performance: Leading, Strong, and Solid

- No performance management system is perfect. Effectiveness comes from the way that we, as managers, conduct performance management and communicate with employees. While communicating these messages is challenging for everyone, we’ll get better at it the more we plan for them and practice them in advance.

- Fairly and accurately differentiating performance may call for a candid and possibly challenging conversation with any staff member whom you assess as “strong” or “solid” rather than “leading”, particularly if s/he assesses her/himself in this way.

- While we recognize that not everyone exhibits “leading” performance, some employees may feel devalued if they are assessed as “solid” or even as “strong”. **It is important to set expectations for staff that a “solid” assessment is the starting expectation for day-to-day performance of Harvard staff and is a very good assessment, and that a “strong” assessment is excellent.**

- Most importantly, as a manager, help your employee (whom you are assessing as “strong”) to understand how s/he can work toward achieving a “leading” assessment for next year. In other words, describe the behaviors and actions that the employee could take to close the gap between a “strong” assessment and a “leading” assessment.

- Likewise, you may wish to identify specific, measurable goals that would help your “solid” staff to achieve a “strong” assessment during FY 2015.

- In situations where managers are responsible for a small, high-performing group (four or fewer staff members), we recognize that there may be additional challenges in differentiating performance and we will need to be flexible. Your HR Consultant can help you in these situations.

6. Differentiating Performance: Building Performance vs. Not Meeting Expectations

- “Building Performance” is the category for employees who achieve some, but not all, of their goals. They need to work toward gaining proficiency and/or to acquire necessary knowledge and skills in order to meet all job responsibilities. For new employees, this rating can be used when an employee is still coming up to speed with their job duties as appropriate, based on their tenure in the position.

- “Not Meeting Expectations” is the category for those who have been in their current position for a year or more **without** demonstrating the needed skills and knowledge to perform at a satisfactory level, and those whose quality of performance is inadequate and shows little or no improvement. These employees should be moving toward progressive discipline, or in progressive discipline.

7. A Note about Faculty Managers

Faculty managers may be inclined to assess their “strong” or “solid” staff members as “leading” because they do a very good job on their behalf. Often, a faculty assistant is the faculty manager’s only direct report. If possible, try to help faculty managers understand that his/her faculty assistant supports other colleagues (including other faculty members), some of whom may have very different views of the employee’s performance.
Linking Pay to Performance

1. Eligible Audience
   - Linking pay to performance applies only to benefits-eligible, exempt staff and non-HUCTW, non-exempt staff hired on or before April 1, 2014.
   - HUCTW staff members’ salary increases are determined by the University and HUCTW.

2. Why Linking Pay to Performance is Important
   - Linking pay to performance within the FAS is something that FAS employees have consistently requested. **When pay is linked to performance, staff receive salary increases that reflect their performance contribution for that year.** This enables the FAS to appropriately recognize and reward the truly exceptional contributions of our employees, an objective that is important to Dean Smith.

3. How to Approach Linking Pay to Performance as a Manager
   - Based on a total salary increase pool of 2.5%, each manager should make salary increase recommendations for eligible employees based on their assessed performance.
   - Your HR Consultant can help you to develop a plan to communicate your salary increase recommendations to your staff. When communicating recommended salary increases with staff, please be sure to reiterate that all salary recommendations are pending until approved by Dean Smith’s office.

4. What this Means for Your Non-HUCTW Staff

   Performance assessments and recommended increases are as follows:

<table>
<thead>
<tr>
<th>Performance Rating</th>
<th>Recommended Increase</th>
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<tbody>
<tr>
<td>Leading</td>
<td>2.75%</td>
</tr>
<tr>
<td>Strong</td>
<td>2.5%</td>
</tr>
<tr>
<td>Solid</td>
<td>2%</td>
</tr>
<tr>
<td>Building Performance</td>
<td>1%</td>
</tr>
<tr>
<td>Not Meeting Expectations</td>
<td>0%</td>
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</table>
Manager Scripts

1. Transition from “leading” performance to “strong” performance
2. Transition from “strong” performance to “solid” performance
3. Linking pay to performance

Note: Whenever the conversation relates to linking pay to performance, it does not apply to HUCTW staff. HUCTW staff members’ salaries will be determined by the University and HUCTW.

1. Transition from “Leading” to “Strong” Performance

Manager (setting context for the conversation):

- Thanks for making time for today’s performance conversation, during which we’ll have the chance to review your performance for this past year.

- [Discuss the employee’s accomplishments and where they may need to improve and where they need to continue to develop. Refer to the employee’s Self Evaluation and your performance notes taken from throughout the year.]

- Given your performance, I’m pleased to let you know you are performing at a “strong” level. Your performance is superior much of the time. It frequently exceeds my expectations and reflects that you are very qualified for your role.

<table>
<thead>
<tr>
<th>Potential Staff Questions</th>
<th>Sample Manager Responses</th>
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</table>
| I appreciate your comments. But I do have a question… I’m pretty sure I was assessed as “leading” last year. I think my performance this year is just as strong as it was last year. Has my performance changed somehow? | **If the change in assessment is recalibration:**

Across FAS, we have been adjusting our bar so that a “leading” assessment is given to those staff whose contributions have tremendous and consistently positive impact and value to the department and or the organization. By the very nature of this definition, there will likely be fewer staff who receive a “leading” assessment. From my perspective, leading performance would look like… [give examples such as going above and beyond on a daily basis; consistently exceeding expectations through the quality and impact of his or her work; and being recognized as a role model in his or her position].

Your “strong” assessment means that your performance is often superior and that you frequently exceed my expectations.

I understand you may have been hoping for a “leading” assessment, but after working with you closely over this past year, observing your performance and getting feedback from colleagues about your work, I view your performance as “strong,” which is still very good.

Being assessed as a strong performer means that you consistently demonstrate high levels of performance and consistently work toward overall objectives of the department and or organization. You...
**demonstrate high levels of effort, effectiveness, and judgment with limited or no supervision.**

**If the change in assessment is based on decreased performance:**

Last year, I assessed your performance as “leading” because you did… [include any initiatives led, extraordinary results delivered, and work completed that far exceeded expectations]. This year, while you had an excellent year, I see your performance as “strong,” which translates to performance that **consistently demonstrates high levels of performance.**

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<table>
<thead>
<tr>
<th>Okay, but I’m not sure I agree with you that my performance isn’t “leading” this year.</th>
</tr>
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<tr>
<td>I recognize that you may see your performance differently than I do. In other words, you may see yourself performing at a higher level and I acknowledge that. However, as your manager, assessing your performance is my call to make. I have an obligation to use my judgment to make this call in a fair way, based on your performance throughout the year and based on the information I’ve gathered. I’m here to support you and to help you close the gap between your current “strong” performance and “leading” performance.</td>
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<table>
<thead>
<tr>
<th>What do I need to do going forward for my performance to be considered “leading”?</th>
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<tbody>
<tr>
<td>[Discuss ways in which the employee could close the gap between their current “strong” performance and “leading” performance. For example…] … In order to go from “strong” to “leading” I would look for you to anticipate needs and proactively take steps to meet those needs; build on lessons learned from previous projects and incorporate them into future programs; consistently volunteer for complex projects and deliver results that surpass expectations; identify areas for improvement and proactively implement solutions; or (depending on the employee’s level and position) take a leadership role on committees or FAS-wide groups.</td>
</tr>
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<td><strong>[Tailor these points to match your department’s needs.]</strong></td>
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</tbody>
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**2. Transition from “Strong” to “Solid” Performance**

**Manager (setting context for the conversation):**

- Thanks for making time for today’s performance conversation, during which we’ll have the chance to review your performance for this past year.

- [Discuss the employee’s accomplishments and where they may need to improve and where they need to continue to develop. Refer to the employee’s Self Evaluation and your performance notes taken from throughout the year.]

- Given your performance, I’d like to let you know that I think you are performing at a “solid” level. Your performance is consistent. It meets my expectations and reflects that you’re qualified for your role.
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| I appreciate your comments. But I do have a question… I’m pretty sure I was assessed as “strong” last year. I think my performance this year is just as good as it was last year. Has my performance changed somehow? | Not at all. Your performance is consistent and it meets my expectations, I would characterize it as “solid.”  
[Give specific examples of how performance meets expectations but does not exceed expectations. For example, completing tasks when asked but not anticipating next steps or troubleshooting without being prompted, or not taking proactive steps to address an issue.] |
| Okay, but I’m not sure I agree with you that my performance isn’t “strong” this year.     | I recognize that you may see your performance differently than I do. In other words, you may see yourself performing at a higher level and I acknowledge that. However, as your manager, assessing your performance is my call to make. I understand that I have an obligation to use my judgment to make this call in a fair way, based on your performance throughout the year and based on the information I’ve gathered. I’m here to support you and to help you close the gap between your current “solid” performance and “strong” performance. |
| What do I need to do going forward for my performance to be considered “strong”?          | [Address areas in which the staff member’s performance could be enhanced, which would result in a “strong” assessment. Discuss ways in which they could close this gap. Explain the behaviors and the deliverables that you would like to see for performance to be “often superior” and “frequently exceed expectations”. For example…]  
…In order to go from “solid” to “strong” I would look for you to anticipate what might be needed given your role and prepare accordingly; proactively troubleshoot problems; actively learn from projects and build those lessons into future programs; or volunteer for projects and deliver strong results.  
[Tailor these points to match your department’s needs.] |

3. Linking Pay to Performance

- The salary review program applies to all benefits-eligible, exempt staff and non-HUCTW, non-exempt staff hired on or before April 1, 2014.
- The salary review program does not apply to HUCTW staff members, whose salary increases are determined by the University and HUCTW.
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</table>
| What will my salary increase be? | “Strong” performance:  
Given your "strong" performance, I’m going to recommend (pending final review by Dean Smith’s Office) that you receive a 2.5% increase.  

“Solid” performance:  
Given your “solid” performance, I’m going to recommend (pending final review by Dean Smith’s Office) that you receive a 2% increase.  

[Tailor these points as needed.] |

4. Resources

- Please refer to the 2014 FAS Staff Salary Review and Impact Award Process Memorandum for complete details on this year’s salary review process, salary increases, timeframe, HUCTW increases, and additional details. The salary review program applies to all benefits-eligible, exempt staff and non-HUCTW, non-exempt staff hired on or before April 1, 2014.

- FAS managers are invited to attend a “Navigating ePerformance and Planning Effective Conversations” coaching session, offered in April, May and June. Registration is available online: [http://hr.fas.harvard.edu/eperformance-person-trainings](http://hr.fas.harvard.edu/eperformance-person-trainings)

- Tools and programs are available throughout the year to recognize eligible staff for their contributions, including Dean’s Distinction, Harvard Heroes, Impact Awards, and Giving Thanks.

- Your HR Consultant is available to help you prepare for and practice challenging performance review conversations.