VENABLE

Performance Management: Getting the Best Out of Your Nonprofit's Workforce

Tuesday, December 5, 2017, 12:30 p.m. – 2:00 p.m. ET

Venable LLP, Washington, DC

Moderator
Ronald M. Jacobs, Esq.
Partner and Chair, Political Law Practice,
Venable LLP

Speakers
Megan Mann, Esq.
Counsel, Labor and Employment Practice, Venable LLP

Marsha Moulton
Former Executive Vice President of Human Resources, ACDI/VOCA

CAE Credit Information

*Please note that CAE credit is available only to registered participants in the live program.

As a CAE Approved Provider educational program related to the CAE exam content outline, this program may be applied for **1.5 credits** toward your CAE application or professional development renewal requirements.

Upcoming Venable Nonprofit Events
Register Now

- **January 18, 2018:** The Top Privacy and Data Security Trends and Issues for Nonprofits in 2018

- **February 15, 2018:** Nonprofit Mergers, Alliances, and Joint Ventures: Options, Best Practices, and Practical Tips

- **March 15, 2018:** Sexual Harassment: What Should Your Nonprofit Be Doing to Keep Itself out of the Headlines and out of Legal Hot Water? *(details and registration available soon)*

VENABLE

Discussion Topics

- What is "Performance Management" anyway?
  - History
  - Goals
- How to start thinking about your organization's PM system
- Tools for your organization and the individuals in it
  - Tools to help your organization find a better way
  - Daily tools and tips for HR and managers
- How a solid PM system can help all employees, including millennials—the largest group of employees to ever enter the workforce!
- Identify risk and how to mitigate it

VENABLE

What Is Performance Management?

- Performance management is a functional HR strategy designed to enable employees to perform at a high level, so that they may achieve organizational objectives.

- Activities include the defining of roles; onboarding; goal setting; communication, coaching, and feedback; employee development; and rewards.

VENABLE

What Is the Purpose of a Performance Management System?

To achieve the mission of the organization.

Let's Go Back to the

1980s
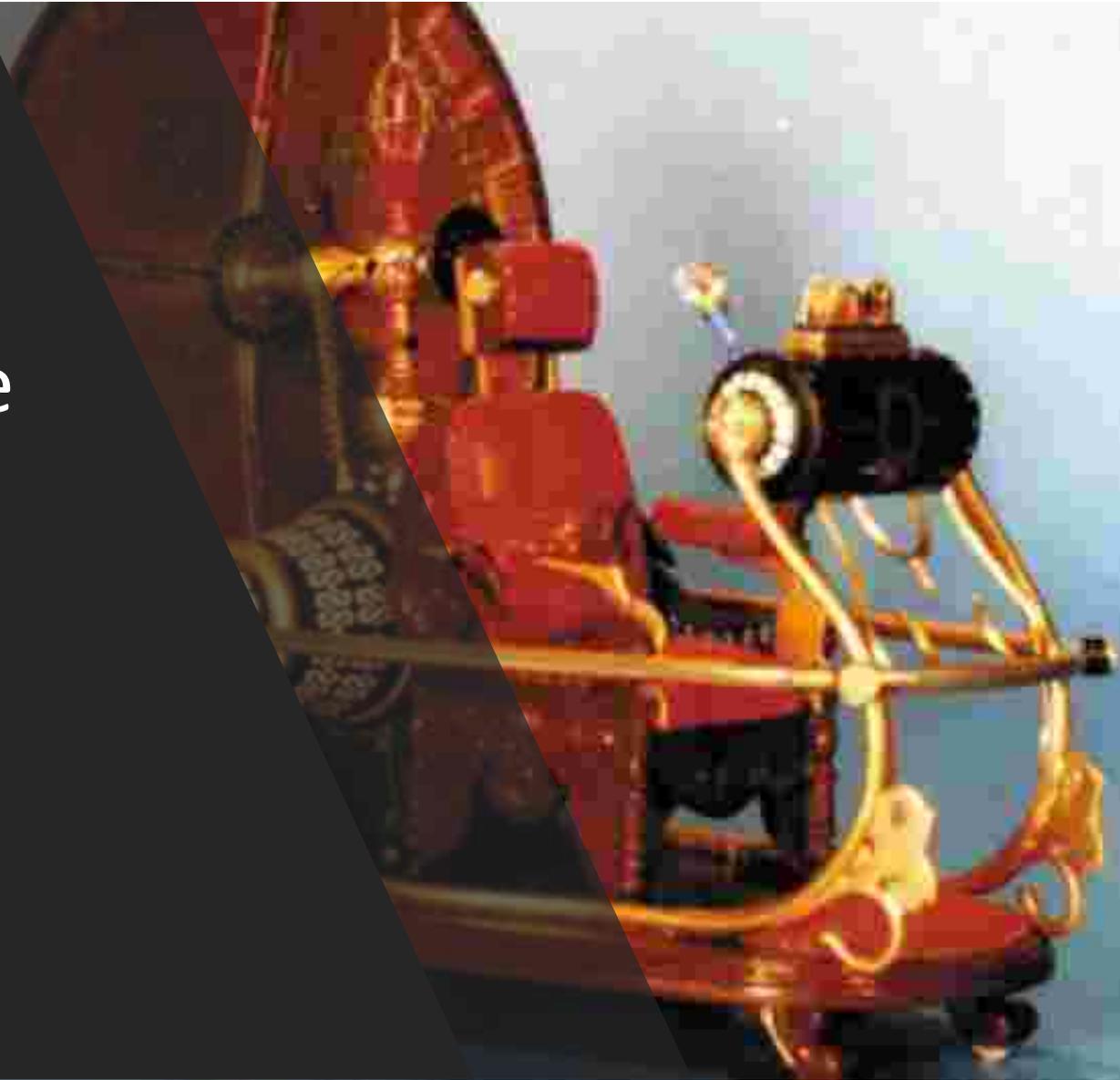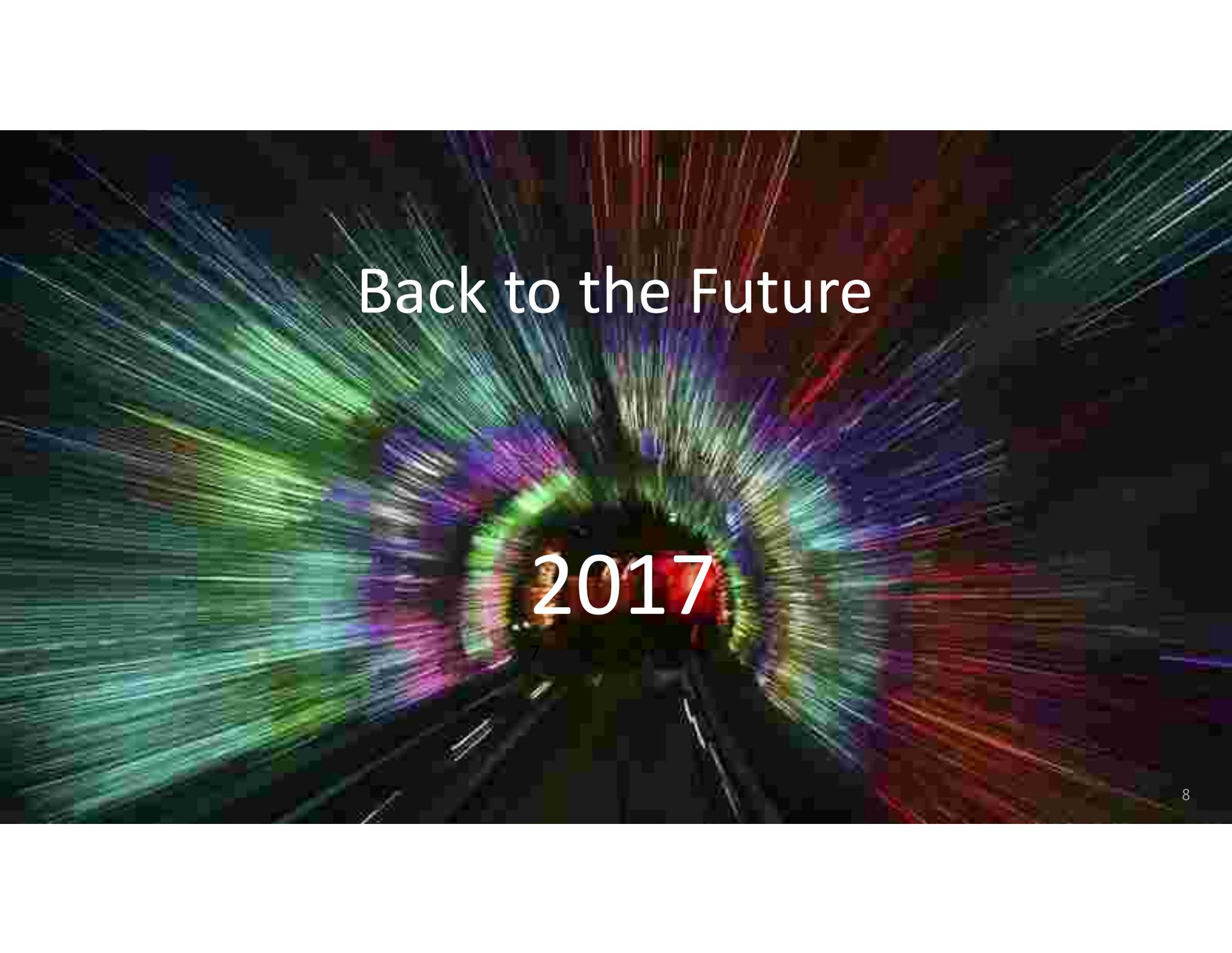
Back to the Future

2017

Performance Management Objectives

Organizational goals

Reach

Realize

Individual Growth

Core Values

Reinforce

Retain

Critical Skills

Myth Busters!

- PM is HR's responsibility.

- PM is a once-a-year process.

- PM is for managers only—that's why the word "management" is in the title!

Myth Busters!

- There is a one-size-fits-all approach to PM.

- An effective PM system eliminates risk.

- Ratings are always objective and always justify decisions.

VENABLE

Critical Skill: Managing Multiple Responsibilities

VENABLE

Let's Rate the Performance!

Does not meet
expectations

Meets
expectations

Exceeds
expectations

Annual Performance Review: What Went Wrong?

- Inconsistency
- Overvalued or undervalued
- Look backward
- Corrective focus
- De-motivating "goals"
- Halos and horns
- The friend-first reviewer

How to Develop an Effective Process

- Obtain leadership buy-in with the larger objectives

- Create a consultative committee

- Use focus groups

- Be transparent, but be thoughtful

- Launch new system with training

VENABLE

Components of an Effective Process

- Focus on an interactive process

- Create forward-looking reviews

- Structure around dialog, not ratings

- Provide developmental goals

- Link goals to organizational objectives

- Reinforce core values

VENABLE

Focus on an Interactive Process

- Self-assess and be mindful

- Take stock

- Encourage two-way communication

  – Open-door policy

  – Inquiry over advocacy

- Make space for feedback on both sides

- Think of leadership laterally

VENABLE
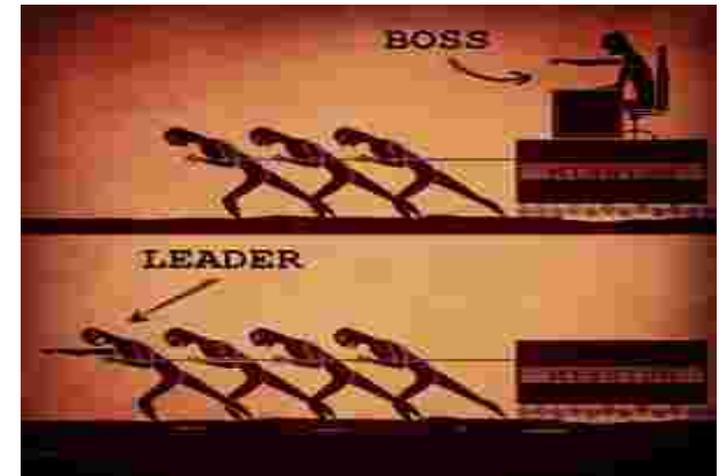
Create Forward-looking Reviews

NOW

Pat demonstrated an ability to ____
by doing ____
which resulted in ____.

NEXT

Pat can improve her ability to ____
by doing _____
which can result in _____.

VENABLE

Structure around Dialog, Not Ratings

- Provide feedback on where the employee is currently and show the path to development.

- Use concrete examples and visualization techniques.

VENABLE

Provide Development Goals

- Create discipline goals.

- Use measurements to track progress.

VENABLE

Provide Development Goals

DISCIPLINE GOAL
To improve my ability to attract and keep quality talent

MEASURE

Established
onboarding program

VENABLE

Link Individual Goals to Organization Objectives

Now and Next

Performance Review Goals

Department Plans

VENABLE

Reinforce Core Values

- Define behavior standards for your organization.

- Measure employees on those standards in your review system.

VENABLE
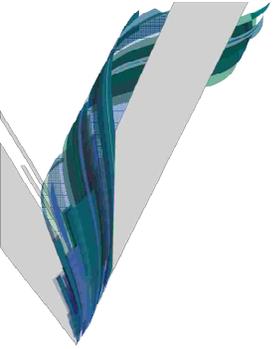
Communication is not just a factor, it's

EVERYTHING!

VENABLE

Communication (Informal and Formal)

- **When?**
  - Real-time, Responsive, Reactive – AND;
  - Scheduled
    - o "Check-ins," appraisals, feedback
    - o Set intervals, but don't make promises you can't keep
      - – TRUST IS KEY
  - But always assess the situation

- **About What?**
  - Remember our holistic, goal- and development-oriented approach to PM!
  - The good (don't be stingy with praise/credit), the bad, the ugly
  - Be honest
  - Development-oriented

VENABLE

Communication (con't)

- **How?**
  - Can this be done in person?
  - With what words, tone?
  - Be clear, specific, use examples where possible
  - What is the most important and essential part of communication?

- **Why?**
  - Remember the goal – to get the best out of our workforce!
  - Avoid surprises (for everyone)
  - Get us all thinking, be more self-aware, team-aware, organization-mission-aware
  - Build trust
  - Build confidence

VENABLE

Is the Left Hand Talking to the Right?

- **Coordination**
  - In addition to PM strategies among the team, are we coordinating across the organization?
    - Inconsistencies give rise to liabilities

- **Documentation**
  - Is it consistent?
  - Handbooks, PM documentation

VENABLE

Performance Management

1. Performance Areas

2. Forward-Looking Reviews

3. Discipline Goals

4. Global Communications

5. Upward Review Process

6. Open Forum

VENABLE

Setting the Tone from Day One

- Investing in onboarding = productive, engaged employees
  - Educate about your mission
  - Explain your culture
  - Reinforce your values
  - Link employees to resources
  - Define training for your organization

VENABLE
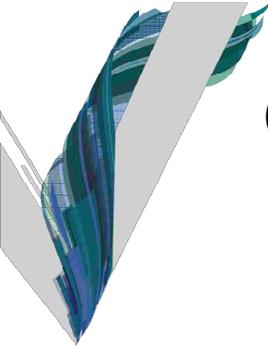
Onboarding

Connect
(increase links)

1. Guidebook
2. Strategic Sessions
3. Ambassador
4. Overview
5. Check-in
6. Goal Worksheet

Confirm
(decrease doubts)

VENABLE

Skill Development

1. Apprenti-sizing
2. Job Aids
3. Workflow
4. Learning Access
5. Speed Coaching
6. Flexible Formats

VENABLE

It's Not Me, It's You: Confronting Performance Issues

- Understanding the players and tools at issue (and the respective roles of each)
- Diagnosing the problem
- Determining the desired outcome
- Picking the right tool

VENABLE

Toolbox for Handling Performance Issues

- Informal counseling
  - Decide when and what to document
- Coaching; Training
- Modification
- Warning
  - Verbal or written
  - Can be documented, even if verbal (follow-up email; note to file; note to self)
- Progressive discipline
  - Using tools like warnings and suspensions in a progressive fashion

VENABLE

More PM Tools in the Toolbox

- Performance Improvement Plan (PIP)
  - Useful in situations with clear, identifiable, realistic goals
  - Establish a timeline for achieving the goals
    - Magic words: "immediate and sustained"
  - Document the PIP
    - o Include disclaimers
      - No guarantee of employment
      - Consequences

- Documenting actions
  - *You don't write because you want to say something, you write because you have something to say.*

VENABLE

What about Millennials?

Who are they?

- Born between early 1980s and 1990s
- Largest living generation (81 million)
- Most diverse racially/ethnically
- Most highly educated (and in student loan debt)
- Represent over one in three employees

VENABLE

What about Millennials?

What has shaped them?

- September 11, 2001
- Housing bust and great recession
- Climate change risks
- Technology advances

VENABLE

What about Millennials?

How we view them:

Short attention span

Narcissistic

Self Absorbed

Lazy

Socially awkward

Entitled

VENABLE

What about Millennials?

But also…

Collaborative

Multitaskers

Entrepreneurial

Focused

Idealistic

Authentic

Committed

What about Millennials?

What can you do?

- Tap into desire to improve the world
- Embrace their use of technology
- Provide opportunities for learning outside their specialty
- Let them work on multiple projects

VENABLE

What about Millennials?

What can you do?

- Provide flexibility and balance

- Be transparent and consistent

- Ask their opinion

- Reinforce and recognize often

- Map out the future with them

VENABLE

Mitigating Risk

- Open communication

- Transparency

- Consistency and fair treatment

- Checking blind spots

VENABLE

Most Importantly, Remember That Calmer Heads Shall Prevail ...
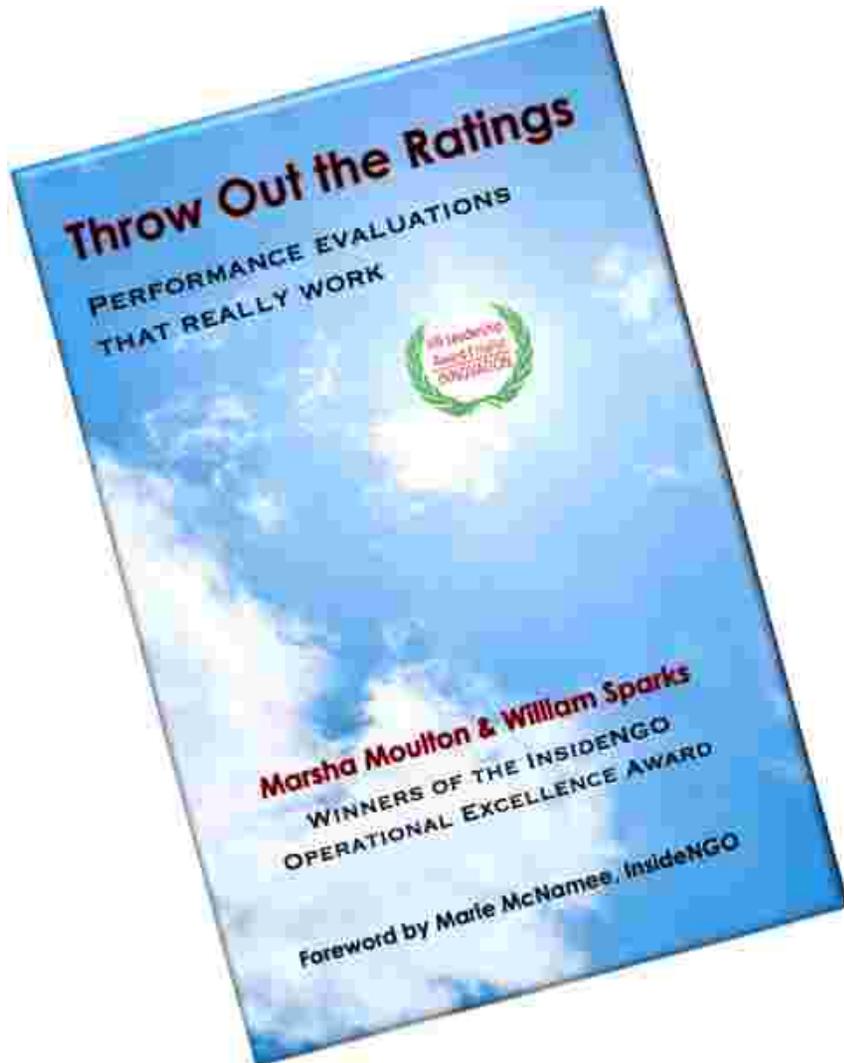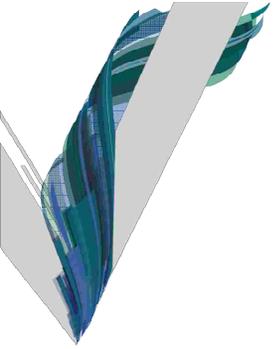
Available at
Amazon.com
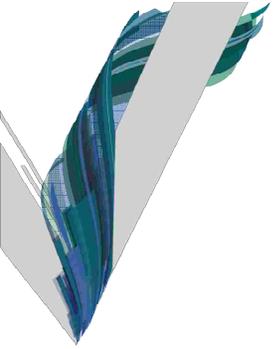
VENABLE

Questions?

Ronald M. Jacobs, Esq.
Partner and Chair, Political Law Practice,
Venable LLP
rmjacobs@Venable.com
202.344.8215

Megan Mann, Esq.
Counsel, Labor and Employment
Practice, Venable LLP
mmann@Venable.com
202.344.4520

Marsha Moulton
Former Executive Vice President of
Human Resources, ACDI/VOCA
marshamoulton1@gmail.com
202.638.4661

To view an index of Venable's articles and presentations or upcoming programs on nonprofit legal topics, see
www.Venable.com/nonprofits/publications or www.Venable.com/nonprofits/events.

To view recordings of Venable's nonprofit programs on our YouTube channel, see www.YouTube.com/VenableNonprofits or
www.Venable.com/nonprofits/recordings.

To view Venable's Government Grants Resource Library, see www.grantslibrary.com.

Follow @NonprofitLaw on Twitter for timely posts with nonprofit legal articles, alerts, upcoming and recorded speaking presentations, and
relevant nonprofit news and commentary.