

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: 1/9/18 **Approx. Start Time:** 2:30PM **Approx. Length:** 20 minutes

Presentation Title: Recommended Changes to the Executive Performance Management Process

Department: Human Resources

Presenters: Evelyn Minor Lawrence, HR Director and Jeri Oswalt, Learning and Development Manager

Other Invitees: Shari Riedman, Workforce Planning Coordinator

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Approval of recommended changes to our Executive Level Performance Management process (County Administrator and County Counsel).

EXECUTIVE SUMMARY:

Performance Management - Executive Level

HR is currently working on a re-design of the County's Performance Management program. We have a business need for our process to be more consistent across the County, more efficient, and more effective. To that end, our new program will encourage more frequent performance based conversations, agile goal setting with direct line-of-sight to Performance Clackamas objectives, and a separation of annual performance reviews from annual salary reviews. All employees, regardless of where they are in the pay range, need to be included in the Performance Management process.

We have been making gradual improvements in the Executive level review process by adding the 360 assessment and an outside facilitator to the conversation. We believe it is time to take further steps to improve the process and to set the example for the rest of the organization.

We recommend three changes.

1 - Pay issues to be conducted separately from feedback and goal setting. When pay is combined with the evaluation, it is difficult to hear or think beyond the pay issues. This has become a best practice across many industries. At the County, for the Executive level, this will also help us to be in compliance with statute. While performance can be discussed in an Executive session, if the incumbent does not request a public meeting, compensation must be determined in a public meeting.

2 - Goal setting to include input from the Commissioners and Executive and then be negotiated. The 360 assessment may influence those goals as will Performance Clackamas and Core Values.

3 - A progress review of goals to be held every six months. This has been requested by Commissioners in the past but has not been implemented.

Process Components

Performance evaluation/ Goal setting - Every twelve months a performance evaluation would summarize the progress made on the stated goals. New goals would be established. The Executive and the Board would bring forward proposed goals to be discussed and agreed upon. Goals should be influenced by Performance Clackamas, Core values and the 360 results. It is not necessary to tie the performance review to the anniversary date. Timing should be tied to relevant business needs.

Progress review - At the six month point, a check-in meeting would be held to evaluate progress, obstacles, resources needed, and if the goals are still relevant.

360 survey – A 360 survey is coordinated by HR Answers, a local human resources consulting firm. The electronic survey is completed by the Board, the Executive, the Executive’s direct reports and designated stakeholders. When results are returned, a report is prepared and shared with the Board and the Executive. This process takes six weeks. We would suggest timing to align with the performance review.

Compensation review - Prior to the anniversary date a market study would be completed. The Commissioners, Executive or HR would have the opportunity to call a meeting regarding pay. Pay decisions must be made in a public meeting (ORS 192.660 (2)(a)). When signing off on any pay action there must be confirmation that the employee’s review is current. We would also recommend that the incumbent must be current in providing evaluations for their direct reports. This stage should be tied to the employee’s anniversary date.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO

What is the cost? \$ 0 What is the funding source? NA

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department’s Strategic Business Plan goals?

Human Resources is currently re-designing the County’s Performance Management program. Currently our practices are inconsistent. When employees know where they stand and how their work directly impacts the strategic plan, productivity and

engagement increases. When they are uncertain we see increases in leave, legal claims and presenteeism.

- How does this item align with the County's Performance Clackamas goals

An effective Performance Management process will include a line of sight connection between daily work and Performance Clackamas goals.

LEGAL/POLICY REQUIREMENTS:

ORS 192.660 (2)(a) states that pay decisions must be made in a public meeting. Performance may be discussed in an executive session unless the incumbent requests it be held in a public meeting.

PUBLIC/GOVERNMENTAL PARTICIPATION:

NA

RECOMMENDATION:

We ask the Board to formalize changes in the Executive Performance Management process. These changes are 1) separate the pay discussion from the performance discussion 2) establish agreed upon goals and 3) hold performance conversations to evaluate progress, obstacles and if goals are still relevant.

ATTACHMENTS:

PowerPoint presentation

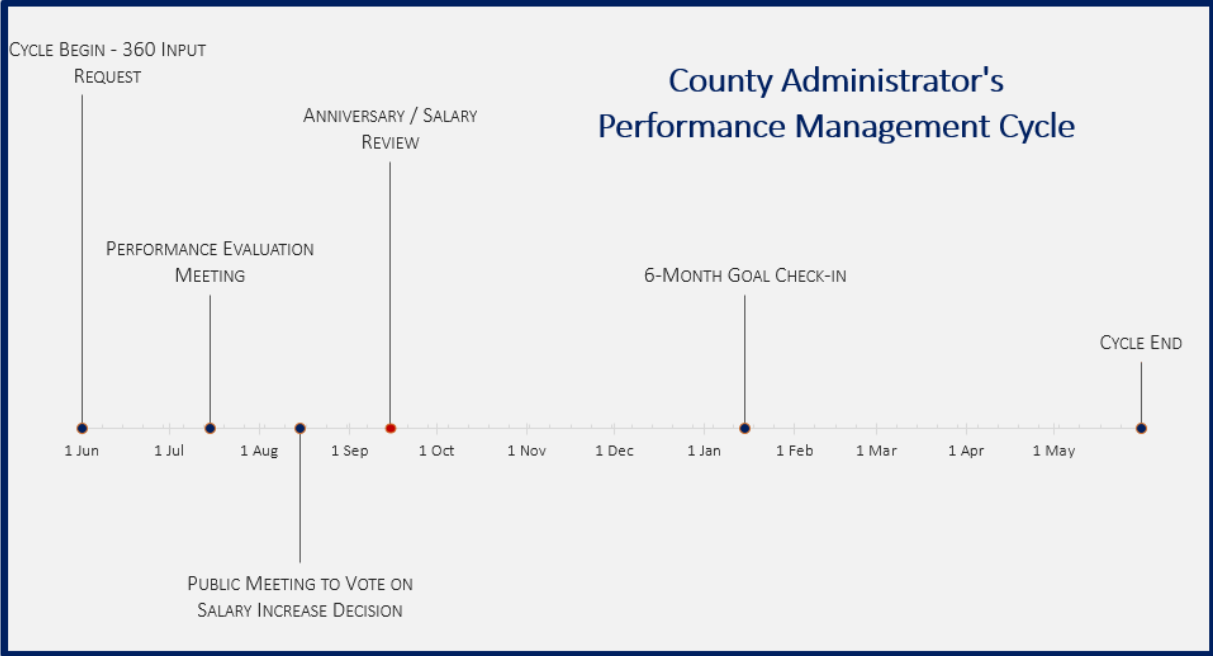
SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval Evelyn Minor-Lawrence

County Administrator Approval _____

For information on this issue or copies of attachments, please contact <u>Jeri Oswalt @ 503- 655-8797</u>



Executive Performance Management

Recommended Process Revisions

Countywide

- Currently building a new Employee Performance Management process.
- Traditional models are outdated and ineffective.
- We are asking the Board to help make this a truly “Top Down” initiative.

Separate meeting on Pay

Change #1

- Pay issues are handled separately from feedback and goal setting.
- Pay review is tied to anniversary date.
- Performance evaluation is current.

Goal Setting

Change #2

- Goal setting includes input from Commissioners and the Executive.
- Goals may be influenced by a 360 survey, Performance Clackamas, Core Values, strategic plans and individual development needs.

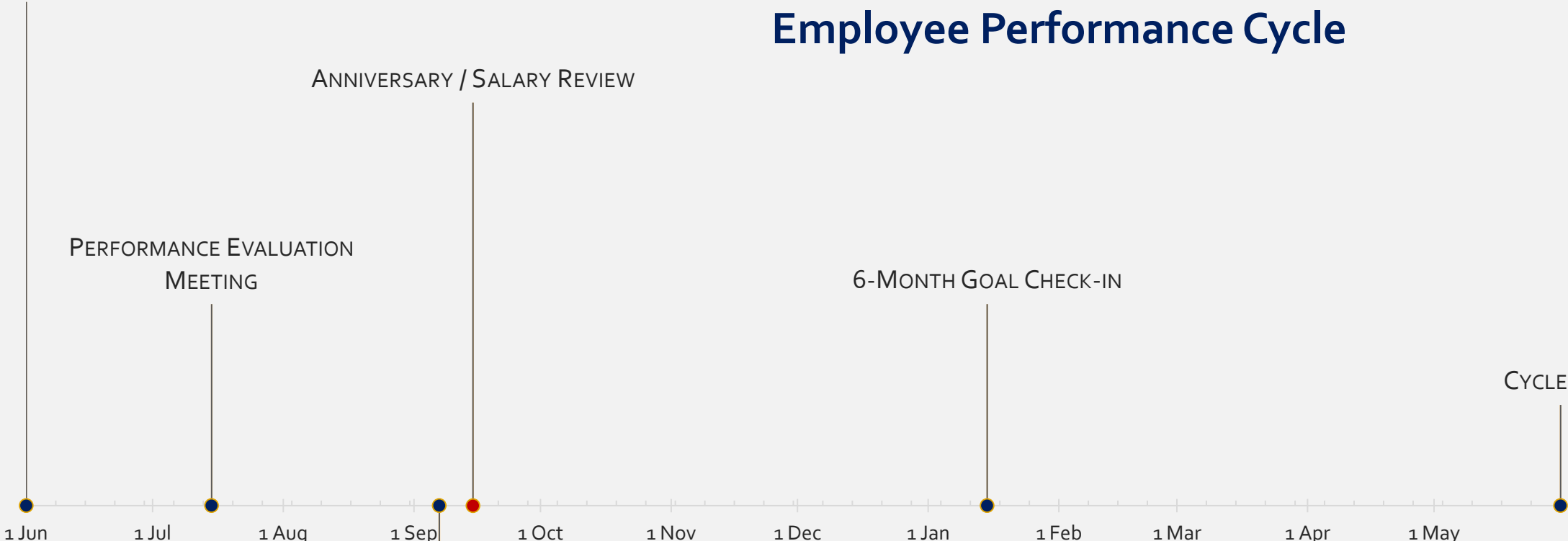
Ongoing Performance Discussions

Change #3

- Ongoing discussion and a progress review of goals at least every six months.
- Commissioners have requested this in the past.
- Departments are being asked for more frequent performance based conversations.

County Administrator's Employee Performance Cycle

CYCLE BEGIN - 360 INPUT
REQUEST



ANNIVERSARY / SALARY REVIEW

PERFORMANCE EVALUATION
MEETING

6-MONTH GOAL CHECK-IN

CYCLE END

1 Jun 1 Jul 1 Aug 1 Sep 1 Oct 1 Nov 1 Dec 1 Jan 1 Feb 1 Mar 1 Apr 1 May

PUBLIC MEETING TO VOTE ON
SALARY INCREASE DECISION

Performance Evaluation

- At least every 12 months.
- Discuss accomplishments, progress on goals.
- Both parties propose and agree on new goals.
- Development plans made.
- Timed to align with business need.

Progress Review

- At 6 months a check in on progress and relevance of goals.
- May be tied to other planning meetings.
- Should include informal documentation.

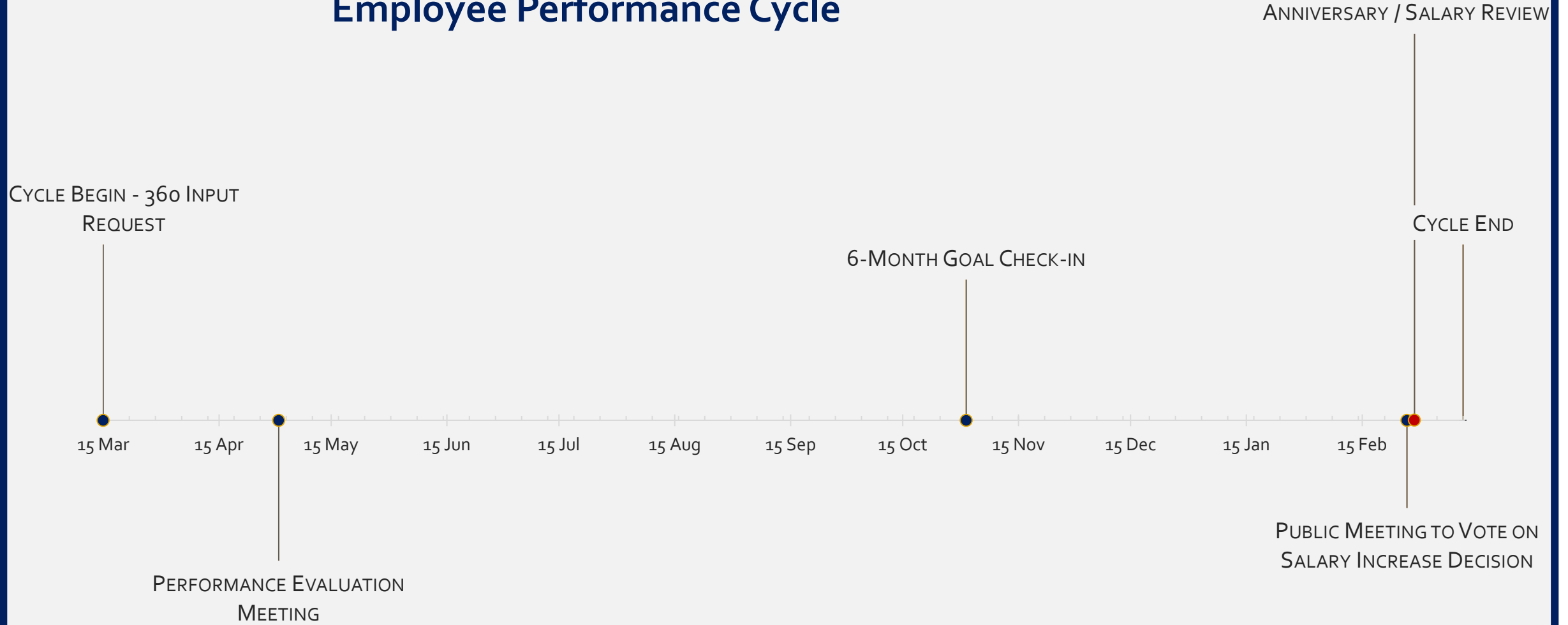
360 Survey

- Coordinated by consultant starting 6 weeks prior to report.
- Completed by the Board, Executive, Executive's direct reports and stakeholders.
- Suggest aligning with performance evaluation.
- May choose to alter frequency.

Compensation Review

- Tied to anniversary date.
- A market study will be done.
- Pay decisions are made in a public meeting.
- Confirm performance evaluation is current.
- Confirm direct report's evaluations are current.

County Counsel's Possible Employee Performance Cycle



Questions or Concerns