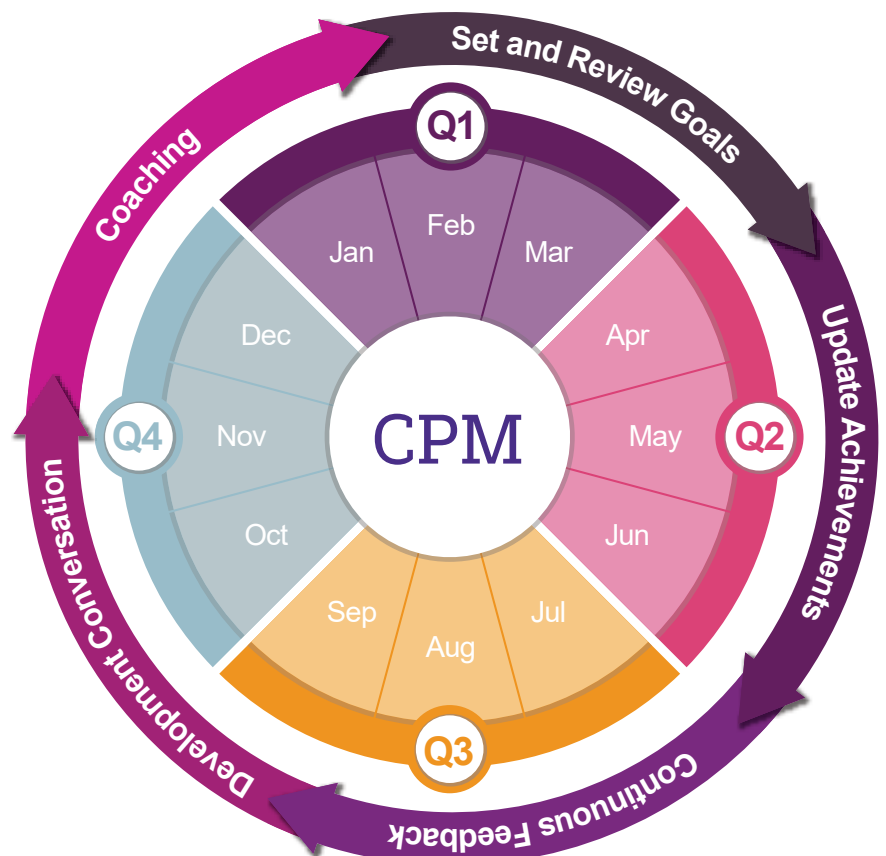


Continuous Performance Management

Your key to ongoing operational success



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“Continuous Performance Management is a journey to increase manager and employee communication, to foster a more open culture, and to improve the quality of performance and career discussions.”

Michael Rogers, CHRO, Alight | NGA HR

Introduction to Continuous Performance Management (CPM)

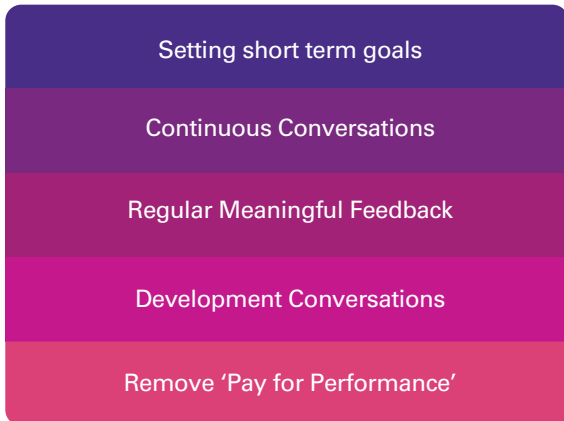
As highlighted during the COVID-19 lockdown, most organizations are not set-up to react quickly to events outside of their control. In an economy that's now largely global, management teams need to build their futures on an agile business model. One that frees employees up to deliver results against fluid business objectives.

At the most basic level the following should be recognized;

1. Flexibility is needed in how and where we work
2. Structure, not location underlines performance
3. People are key to business outcomes
4. Skills and job roles must be adaptable
5. Continuous performance management is key to all the above



Managing, inspiring, and promoting your C21st workforce

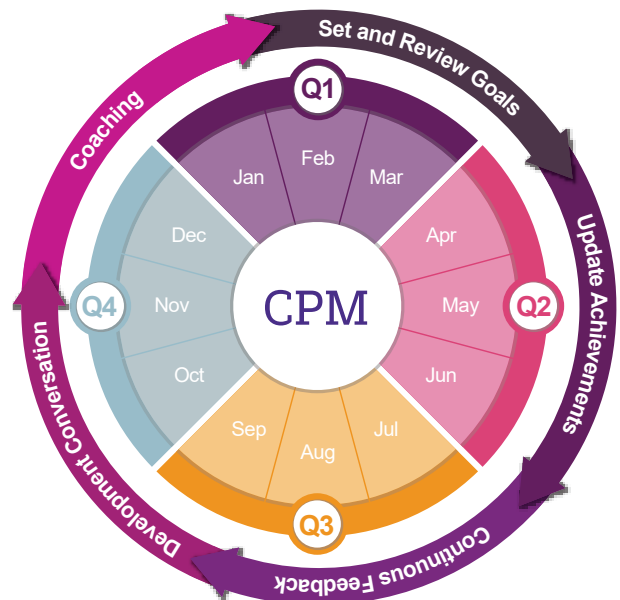


CPM focuses on the individual. The employee as part of a team. And as a part of the business.

The process ensures all employees have regular check-ins with managers and the opportunity to review objectives, coaching, and career development.

With an increasingly remote workforce these regular check-ins will be vital. They will serve more than to manage careers. See later section on company values and culture.

Replacing the annual review



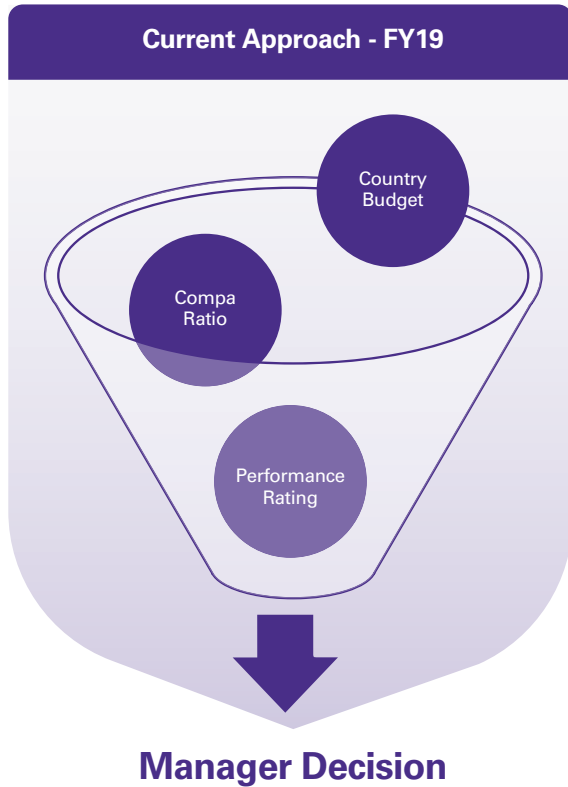
Success in the digital world can only come with collaboration and equality. All roles are vital and should be nurtured as such.

Career progression should be an option for all, regardless of starting position.

With CPM, communication is frequent, open, and honest. Rather than manager led, which can be intimidating and restrictive, CPM is multi-way. It is set-up online to ensure that all who work together can contribute.

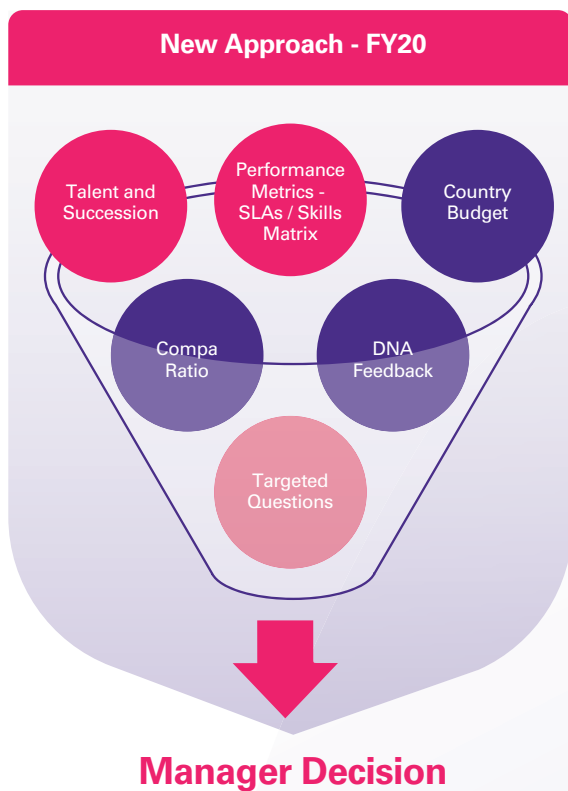
Further to career progression, it also provides a great way to build relationships now fewer teams are physically located together.

Supporting fair pay and compensation



CPM is focused on developing individuals as part of the wider workforce. It's not used to determine salary and bonus decision.

As this illustration shows, CPM replaces the traditional annual salary review based 'pay for performance' with employee specific data.



CPM in practice

Performance conversations should not solely focus on performance, but on recognizing achievements on having development, and coaching conversations and providing quality feedback.

To be effective, the discussions should happen at frequent intervals and be recorded in an online tool, such as those found in HCMs such as SuccessFactors and Workday. It's recommended that every third conversation is a career development discussion.

Career discussions should be linked to the ambitions of the employee, but also to the needs of the business. As previously mentioned, jobs are no longer long-term, but employees can be.

With the correct foresight and skills development top talent can be retained even if their original line of employment becomes obsolete.

Skills, loyalty, and commitment are what will meet business objectives through the 2020s.

For Employee

- Adult to adult conversations
- Ability to track achievements
- Real time feedback
- Structured check ins
- More regular meaningful performance feedback
- Transparency of reward decisions

For Manager

- Better visibility of progress against goals
- Structured check ins
- Regular check-ins rather than an annual appraisal process
- More engaged, motivated and better-performing team
- A range of sources to support reward decisions
- Transparency of reward decisions



Using CPM to build and maintain company values and culture

Setting Your Goals

- Recommended: **3-5**
- Work with your manager to discuss your individual goals and enter them in the system.
- You can add or change goals throughout the year.
- We recommend that you set **S.M.A.R.T** goals:
 - **Specific**
 - **Measurable**
 - **Achievable**
 - **Relevant**
 - **Time-bound**

During The Year

- You can add **activities** in the system to help track and achieve your goal.
- Conversations have various forms:
 - More **instant feedback**. For example: after a meeting with client.
 - **Monthly touchpoints** with your manager, regarding progress, development, coaching.
 - **Quarterly Check ins** where you take a balcony view
- No rating and **no calibration**.
- For Salary Review 18 the rating from My Performance 17/18 will be used.

Inclusion, diversity, and values are key to the success of an organization. The CPM process is an ideal way to nurture, embed and enforce these within an organization. It provides a channel for open discussion.

CPM also provides an avenue for ensuring compliance-led diversity. This might be by ensuring everyone within the organization is recognized for their contribution, financially and in terms of career development. Addressing gender pay gaps and demographic under-representation in certain roles are good examples.

Society and business leaders have a moral and legal responsibility to ensure inclusivity. This said, diversity and inclusion should not be an add-on, but built into the CPM conversation.

Beyond the inhumanity of decision making based on ethnicity, race, sexuality, gender, or disability, you are putting the success of your organization at risk.

Why? Because you are excluding the skills, experiences, viewpoints, and perspectives of entire sectors of the population in your creativity and decision making.

Furthermore, your workforce needs to reflect your customer-base or blind spots will continue to fracture opportunities.

Elevating HR to the c-suite

Pre-COVID work models fail to stand-up. The future is about structure and accountability. Agility is key. And this is where the HR department need to take a stance in the boardroom.

HR data needs to be central to business planning. CPM is real-time. Focused on regular, informal, and constructive conversations. Not just with a line manager, but all involved in a project.

Linked to this, needs to be complete understanding of the skills needed to fulfil future objectives. It is highly likely these don't all exist within the business, but it's not to say the capabilities don't. These can be nurtured.

The objective is to build a constructive, forward-looking mindset – for individuals as well as the business. By default, CPM creates a culture of ambition. Even with a disparate team, it encourages interaction, positivity, belief in success and vitally important, the application of emotional intelligence.

The business case for CPM is clear. It is a great way to recognize success and motivate, especially in roles more often invisible. The more open, engaged, diverse and agile a workforce is, the better the business outcomes will be.

This is vital as we move into this highly competitive and uncertain future. The winners will be those organizations that focus on the growth of the workforce to enable the growth of the business. CPM can be the heartbeat of a healthy business.

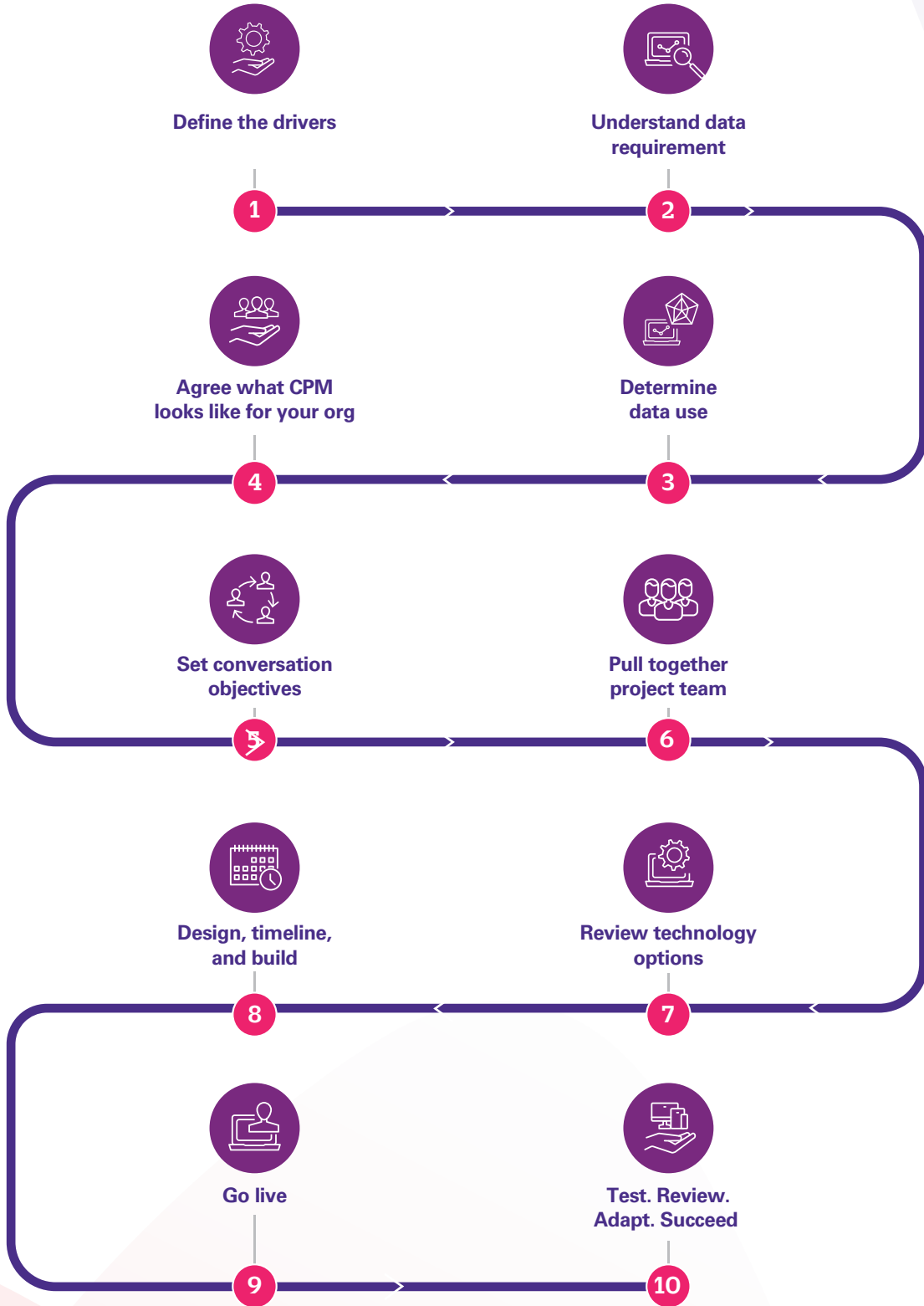
Getting started

Change will not happen overnight. Habits and 'how we've always done it' change slowly and through persistence. Initially, people might be reluctant to have candid conversations, especially when providing upwards feedback.

This will take a period of re-educating employees. Learning the empathy needed to have positive effect. As the process becomes more natural and trust is built, conversations will become more candid.



10 steps to CPM project success



CPM case study



Alight | NGA HR is rapidly growing its people and business on a foundation of CPM

Two years ago, at NGA Human Resources as we were then, we took the calculated risk to move to continuous performance management from the standard annual review process. At the time, CPM was still a relatively new concept.

As with most fundamental changes, the “DNA” transition was met with skepticism by many across the business. Key concerns were that it would be time consuming. Salary reviews would be compromised. And there would be an employee population at the mercy of managers following the process.

Of course, there were teething problems. However, these were addressed via targeted internal comms, training programs and a process of continuous improvement.

Two years on, pulse surveys show that most employees around the world have embraced the process. CPM has not just boosted confidence in their own abilities, it’s paved the way for career progression and mobility that would otherwise not have happened, at least within this timeframe.

Rather than time consuming, CPM created time. The monthly check-ins can take just a few minutes or several hours depending on what was to be discussed.

DNA aims to:

1. Create an **employee driven** process
2. **Manage time** more efficiently throughout the year
3. Move away from the focus on compliance to **quality conversations**
4. Provide better and more **tailored goals**
5. Focus on **development**, rather than measurement
6. Motivated and **develop** employees
7. Remove the annual **rating**

Through lockdown, the meetings were used more intensely to support employees through a period of rapid change and upheaval. Subsequent pulse surveys report that without this regular interaction, many would have struggled more intensely with work and with mental health.

The long-term benefits of this have been faster, more efficient, and successful delivery against objectives. And a greater feeling of empathy and belonging. CPM is proving to be a very strong cultural glue as more and more people work remotely.

In summary, CPM has replaced an analogue annual process that was no longer fit for a digital workforce.

Conclusion

The objective of CPM is to build a constructive, forward-looking mindset for individuals as well as the business. By default, it creates a culture of ambition.

In summary, CPM encourages;

- Growth mindset
- Culture of ambition
- Clarity on what good looks like
- Collaboration and emotional intelligence
- Self-visibility to boost career and promotion opportunities
- Recognition as employer of choice
- Business objectives and growth targets to be met

How can Alight | NGA HR can help your organization improve performance?

Through Alight | NGA HR's CPM Booster program, we can help you quickly determine (often within four weeks) the best approach your company should take when moving to a continuous performance management methodology.

CPM Booster from Alight | NGA HR, guides you through the decisions you need to make regarding processes and technology. It also helps you identify realistic implementation timelines and recommends change management strategies you should employ when communicating the new performance review process throughout your organization.

**Start your CPM
journey here!**

Get in touch

If you want to learn more and see how we can support you, please get in touch here:

<https://www.ngahr.com/contact-us>

Alight unlocks enterprise growth for the world's most influential companies with future ready human capital and business solutions. We combine industry leading data and insights with unmatched depth and operational expertise to improve the employee experience and optimize cloud-enabled business processes. Our 15,000 colleagues proudly serve thousands of clients and their more than 30 million employees and family members throughout 180 countries. Learn how Alight helps organizations of all sizes, including over 70% of the Fortune 100, achieve next level transformation at [alight.com](https://www.alight.com).

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