



# BETTER TEAMS. BETTER RESULTS.

Improve Consistency & Fairness  
and Reduce Rater Bias in  
Performance Reviews



# Who am I?



**Melissa Phillippi**  
CEO & President  
Performance Culture, Inc.

Co-founded Performance Culture and created many of the Performance Culture workshops and service offerings focused on helping Leaders grow in their communication, emotional intelligence, coaching, and leadership skills.



Equitable Performance  
Management Program



Performance Review Process



Using the Data



Leadership Succession



# What is Equitable Performance Management?



An equitable performance management program is one that truly gives every employee:



1. The chance to succeed
2. The ability to be fairly evaluated
3. The (equal) opportunity to grow

McKinsey & Company's research in 2018 revealed "that 60 percent of respondents who perceived the performance-management system as fair also stated that it was effective."

Perception = Reality

# Perceived Fairness in Performance Management

McKinsey & Company

Their research found three main factors affected employee's perception of fairness in performance management:

1. Transparently link employees' goals to business priorities and maintain a strong element of flexibility
2. Invest in the coaching skills of managers to help them become better arbiters of day-to-day fairness
3. Reward standout performance for some roles, while also managing converging performance for others



# Why Is This Important?



So employees and managers trust the process.



To reduce conscious and unconscious bias in the performance management process.



To identify the correct future leaders in our organizations.



Above average diverse organizations outperform their peers by a THIRD.\*

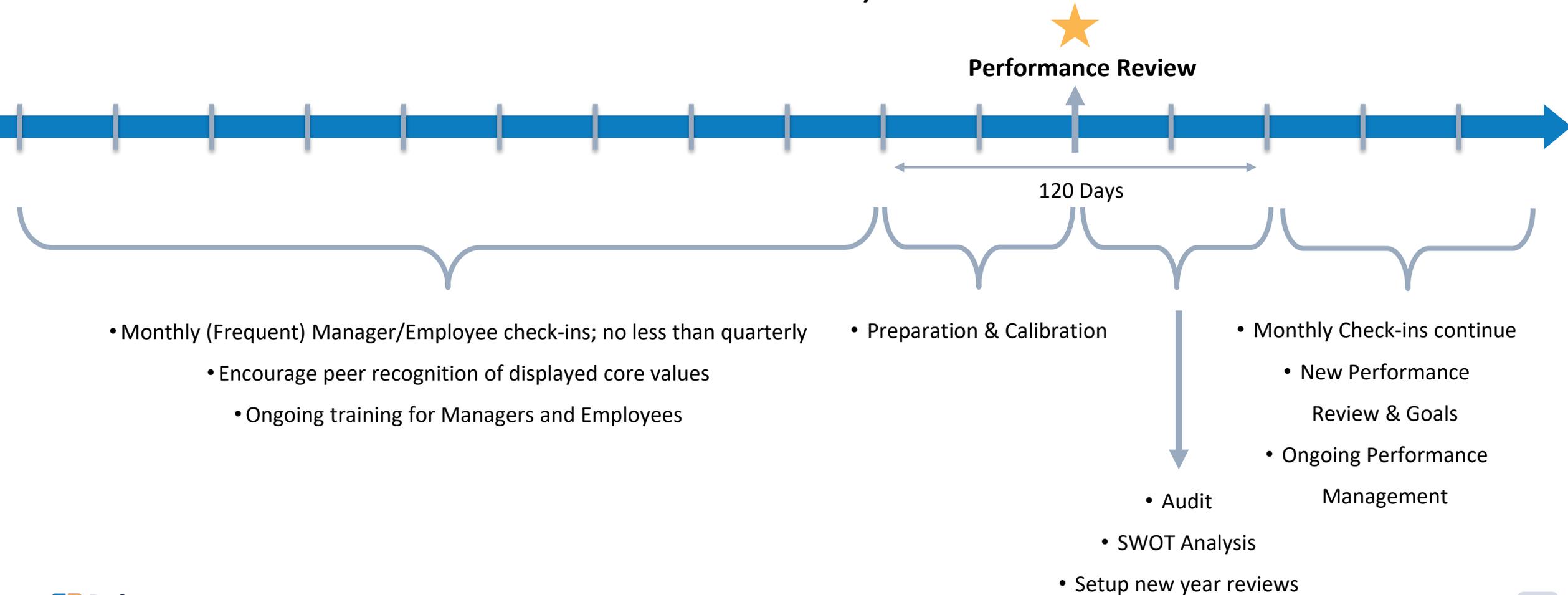


It's just the right thing to do. Period.

Recommended Reading: <https://performanceculture.com/diversity-equity-and-inclusion-in-performance-management/>

# Performance Review Process

12-Month Cycle



# Tips and Disciplines to Increase Equitable Performance Management

Build a healthy culture by recognizing team players based on your core values

Operationalize your core values by celebrating wins and appreciating others for displaying great workplace behaviors.

The screenshot displays a software interface for performance management. At the top, a blue bar with a checkmark icon contains the word "Recognition". Below this, the interface is divided into three main sections:

- Left Panel (My Organization):** A sidebar with a search bar and a list of users. The list includes "Lindsay Admin User" (Human Resources Specialist) and "Melissa Super User" (CEO).
- Center Panel (Recognition):** A list of recognition records. Each record shows a user profile picture, their name, and a core value. The records are:
  - Bill Porter (Grit)
  - Elizabeth Ray +2 (Candor)
  - Abigail Collins +26 (Accountability)
  - Abigail Collins +6 (Candor)
  - Abigail Collins +7 (Teamwork)
  - Lindsay Admin User (Professionalism)
  - Abigail Collins +1 (Accountability)
- Right Panel (Goals):** A section titled "Goals" with a "Manage" button. It features a large green progress gauge showing "Overall Completion" at 66%. Below the gauge is a "Summary" section with three metrics: "35 Open Goals", "0 Past End", and "3 At Risk". A bar chart at the bottom shows "On Track" at 91%.

# Tips and Disciplines to Increase Equitable Performance Management



## Monthly/Frequent Check-ins

“Sacred” one-on-one time between Manager and Employee

Employee-driven, focused, and “safe” time for discussion

Appreciate, Coach, and Re-align as needed

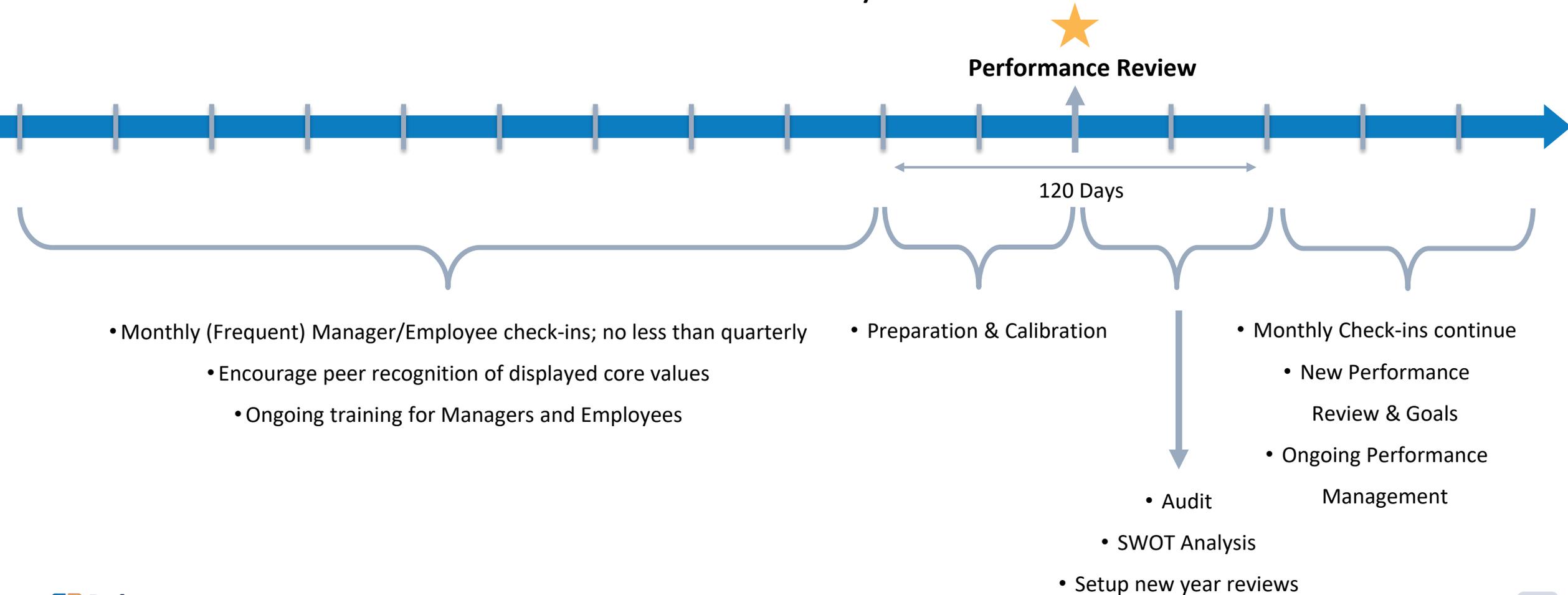


Recommended Reading:

<https://performanceculture.com/check-ins-component-continuous-performance-management/>

# Performance Review Process

12-Month Cycle



# Performance Review Process



Employee

Performance Review

Self-Assessment

Finalized

60 days prior to PR

10-15 days

5-10 days

**60-31 days prior:**

- Request 360°/Multi-Source Feedback

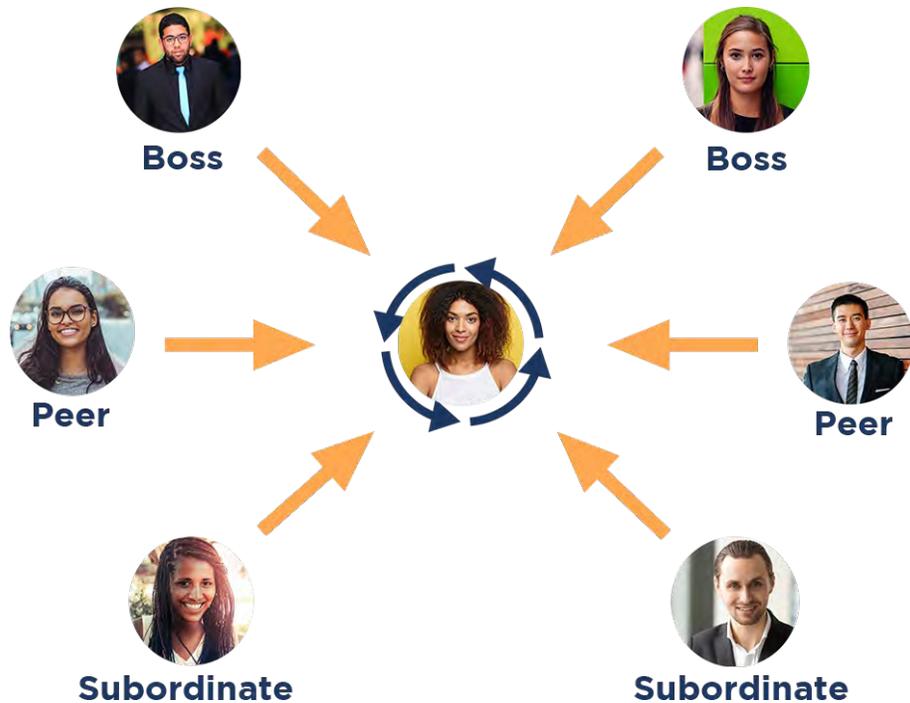
**30 days prior:**

- Manager Assessment
  - Calibration
- Approving the Performance Review

# Tips and Disciplines to Increase Equitable Performance Management



## Gathering Multi-Source Feedback



Summary Report for Amy Barnes Close

Respondees:

- Amy Barnes ( Self 360 )
- David Employee User
- Karen Smith
- Lena Thomas
- Linda Lawflin
- Anonymous

| Core Values    | Recent Self 360 | NR | 1-Star | 2-Star | 3-Star | 4-Star | 5-Star | Average |
|----------------|-----------------|----|--------|--------|--------|--------|--------|---------|
| Grit           | 5               | 1  | 0      | 0      | 0      | 3      | 1      | 4.25    |
| Accountability | 3               | 1  | 0      | 1      | 1      | 2      | 0      | 3.25    |
| Collaboration  | 3               | 1  | 0      | 0      | 4      | 0      | 0      | 3       |
| Candor         | 4               | 0  | 1      | 0      | 2      | 2      | 0      | 3       |

| Performance Objectives   | Recent Self 360 | NR | 1-Star | 2-Star | 3-Star | 4-Star | 5-Star | Average |
|--|-----------------|----|--------|--------|--------|--------|--------|---------|
| Operations - Communicate monthly with managers.                      | 4               | 1  | 0      | 0      | 2      | 2      | 0      | 3.5     |
| Operations - Establish 5 new partner relationships regional in scope | 4               | 1  | 0      | 0      | 2      | 2      | 0      | 3.5     |
| Operations - Generate \$100K profit per quarter                      | 3               | 1  | 0      | 0      | 3      | 1      | 0      | 3.25    |

Core Values - Feedback

Recommended Reading:

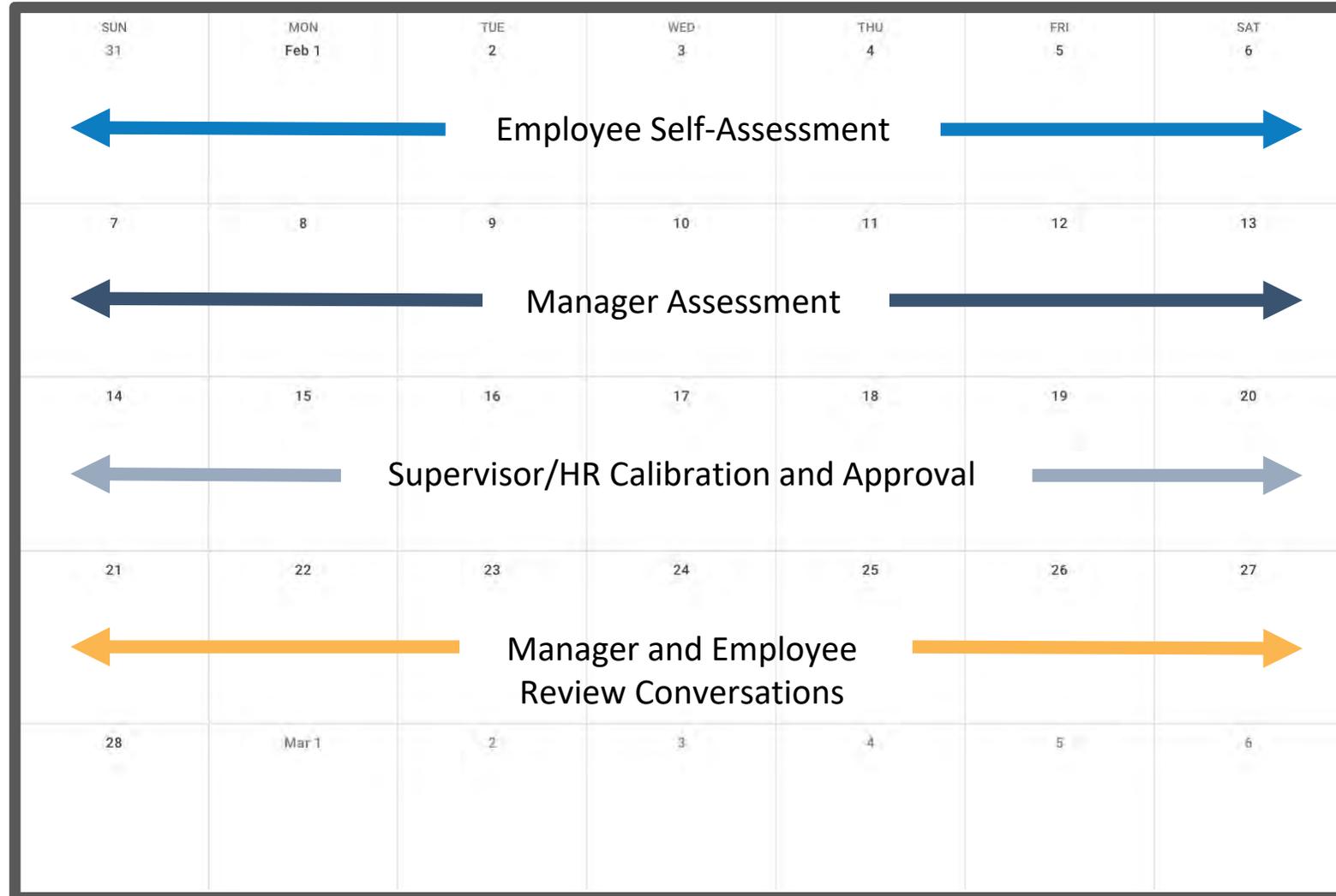
*Thanks for the Feedback* by Sheila Heen and Douglas Stone and  
<https://performanceculture.com/overcoming-challenges-of-rater-bias/>

# Finalizing, Calibrating, and Approving the Performance Review



\*Note, if Span of Control is greater than 1 Manager : 6 – 8 Direct Reports, more time is recommended for this process.

And a better span of control is recommended.



# Supervisory/HR Review and Calibration



## Comparing and Auditing Performance Trends

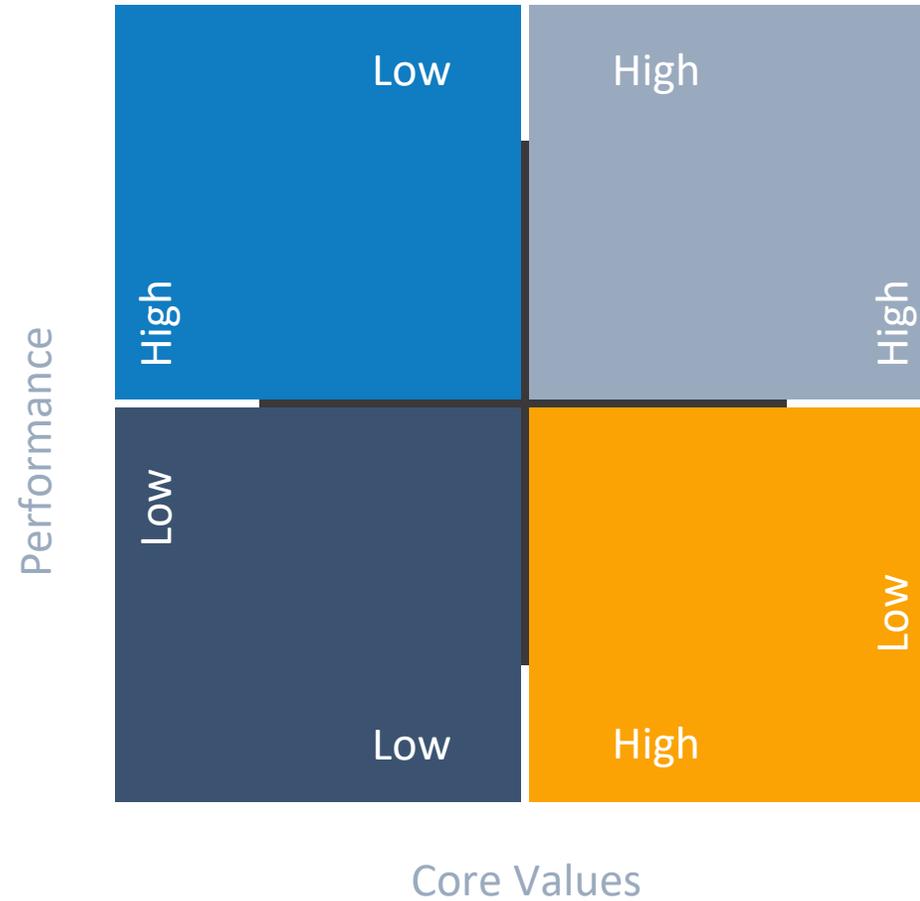
Conduct a regular review and audit of your employees' performance review trends over time. Look for evidence of discrimination, rater bias and/or rater discrepancies across your organization.

- Review DE&I categories such as gender, ethnicity, age, religion, sexual orientation, etc.
- Are there disturbing trends? Are there outliers? If so, what do they mean? Investigate, review, and train and correct, if needed.

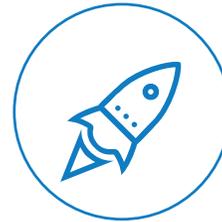
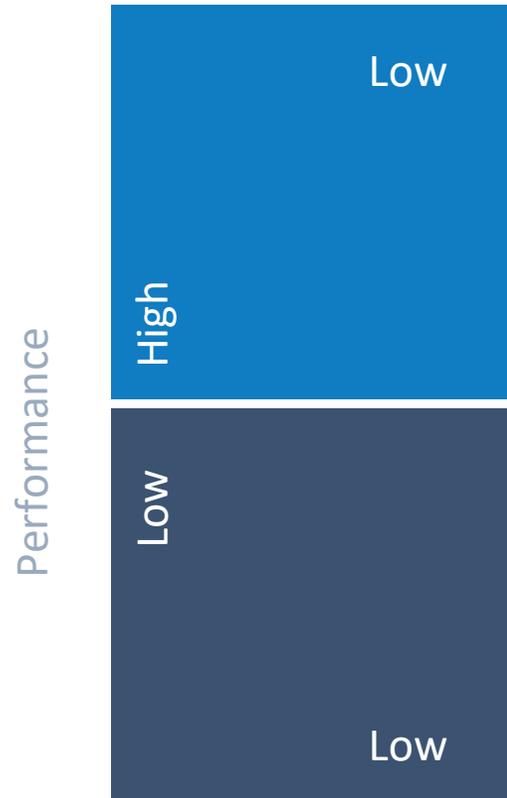


**The Performance-Values Matrix makes this process fast and easy.**

# What is the Performance Values Matrix?



# Y Axis = Performance



Supported by  
OKRs/Goals



Focus on performing job  
duties and meeting  
expectations of one's role

<https://performanceculture.com/performance-objectives/>

# Why is this Problematic?

## WELLS FARGO FINED \$3 BILLION

WELLS  
FARGO

- Fake accounts created by forging signatures
- Driven by corporate sales goals
- Criminal prosecution deferred

## ENRON VERDICT: Guilty of Fraud & Conspiracy



LAY



SKILLING

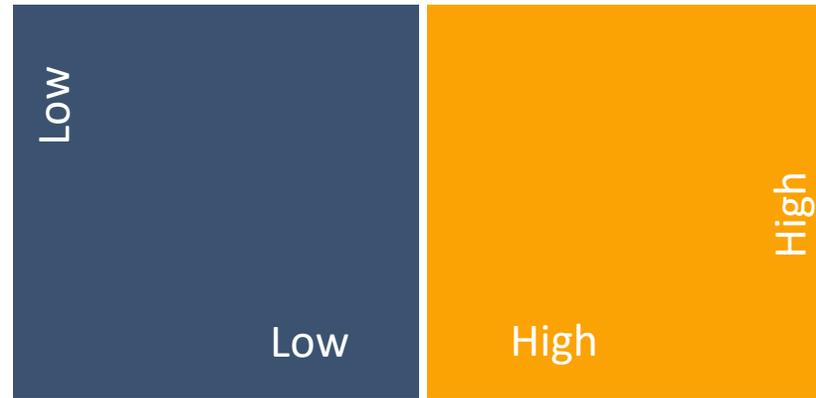
10 counts 28 counts



# X Axis = X Factor



Represents  
organizational and  
role alignment



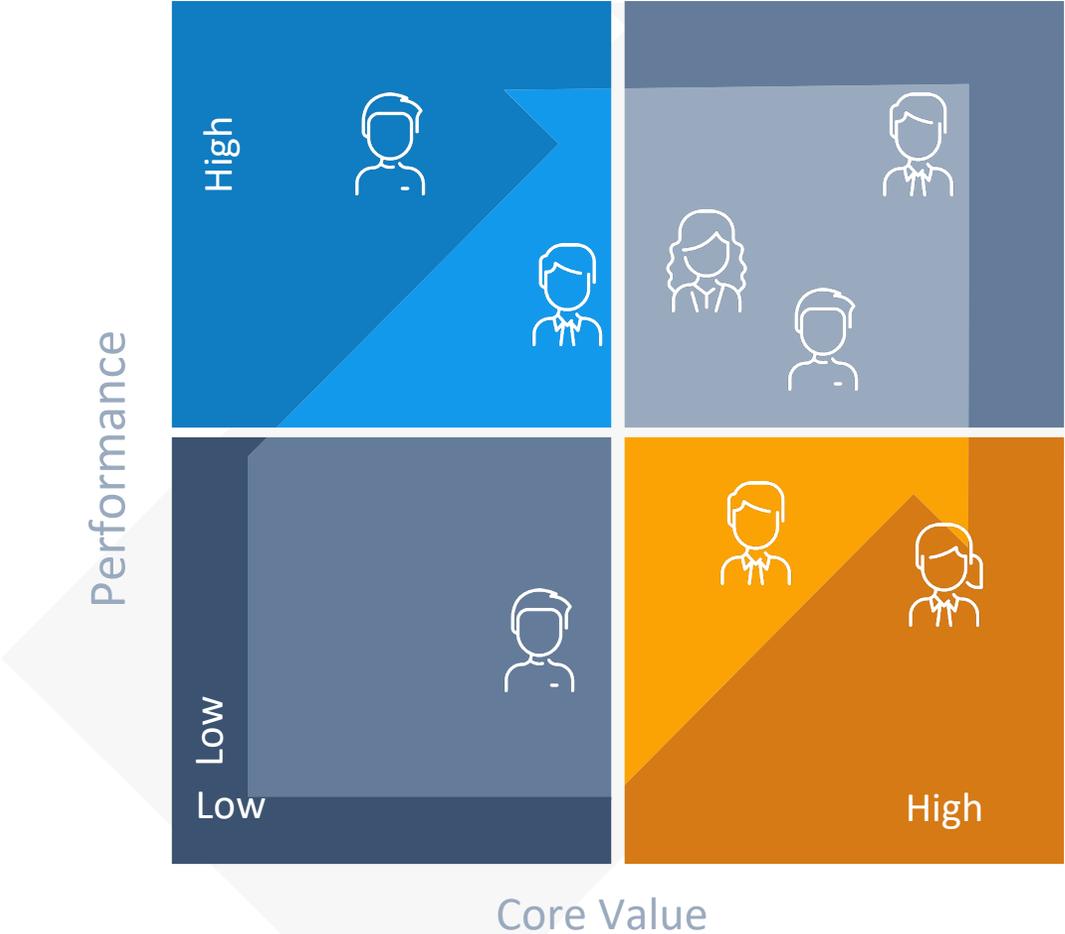
Core Values



Organizational  
Core Values

- Behaviors support these values
- What gets rewarded and tolerated gets repeated

# Plotting The Matrix



**Free Giveaway time!**

**Email:**  
[sales@performanceculture.com](mailto:sales@performanceculture.com)  
**for your PVM template!**

# Performance Review Process



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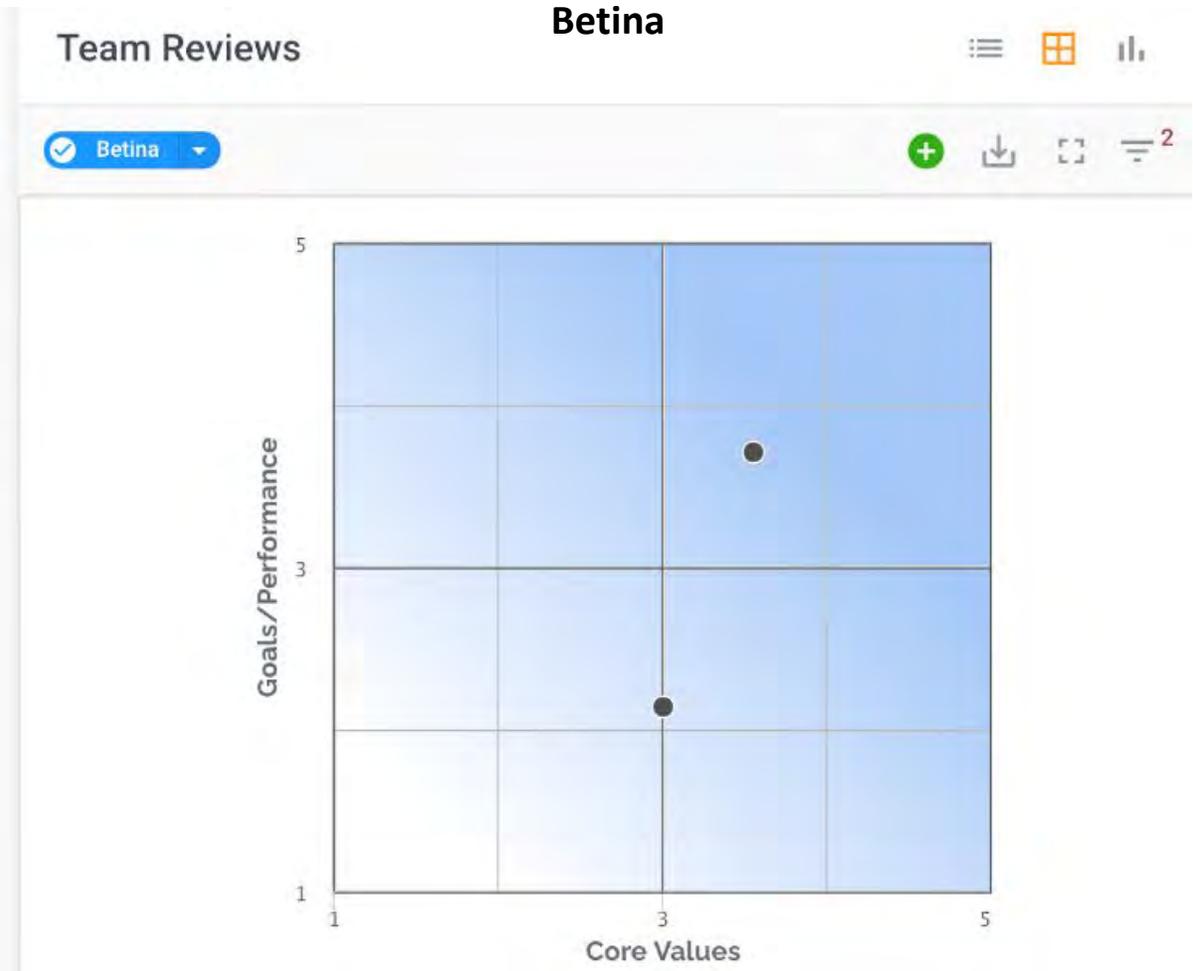
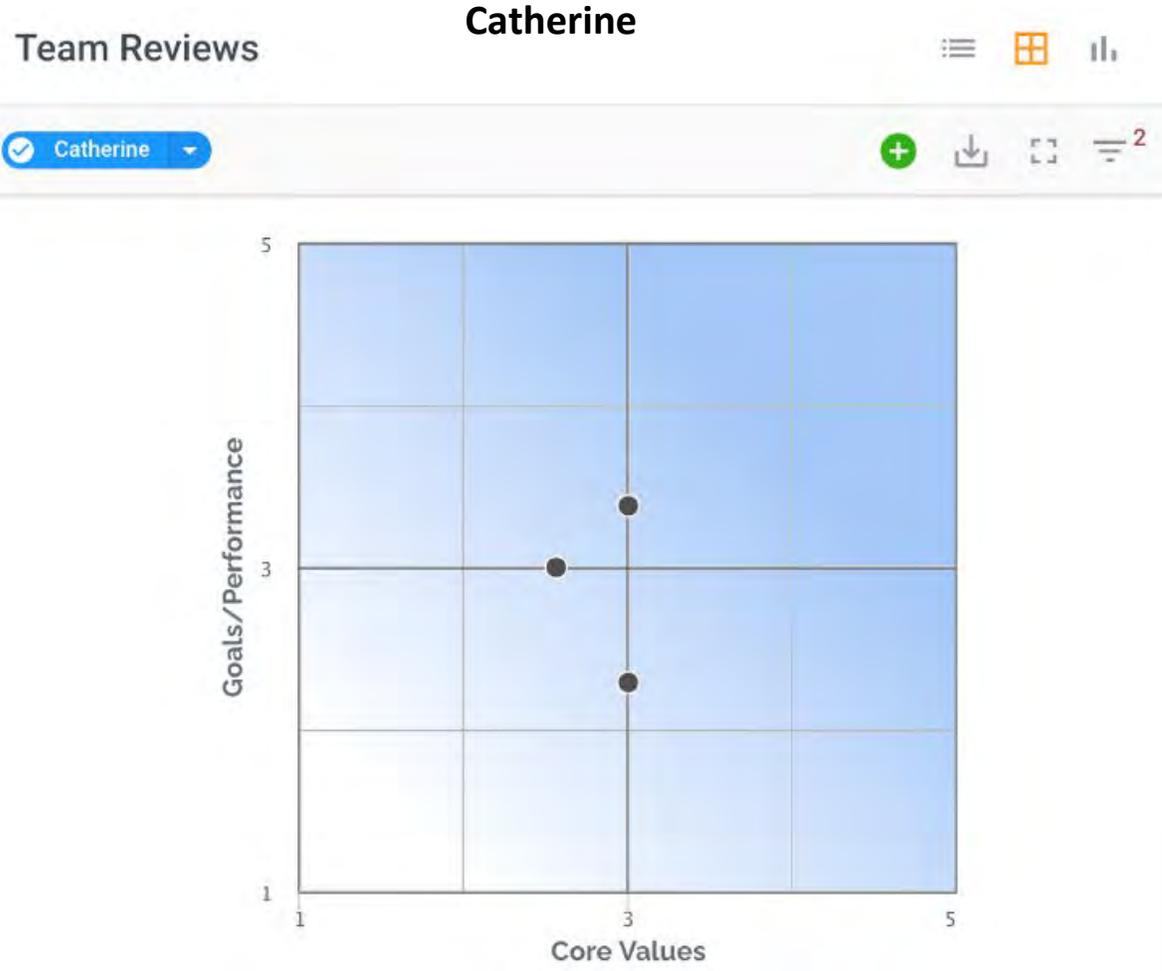
- Request 360°/Multi-Source Feedback

**30 days prior:**

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# Using the Data

## Diversity Differences, All Else Equal

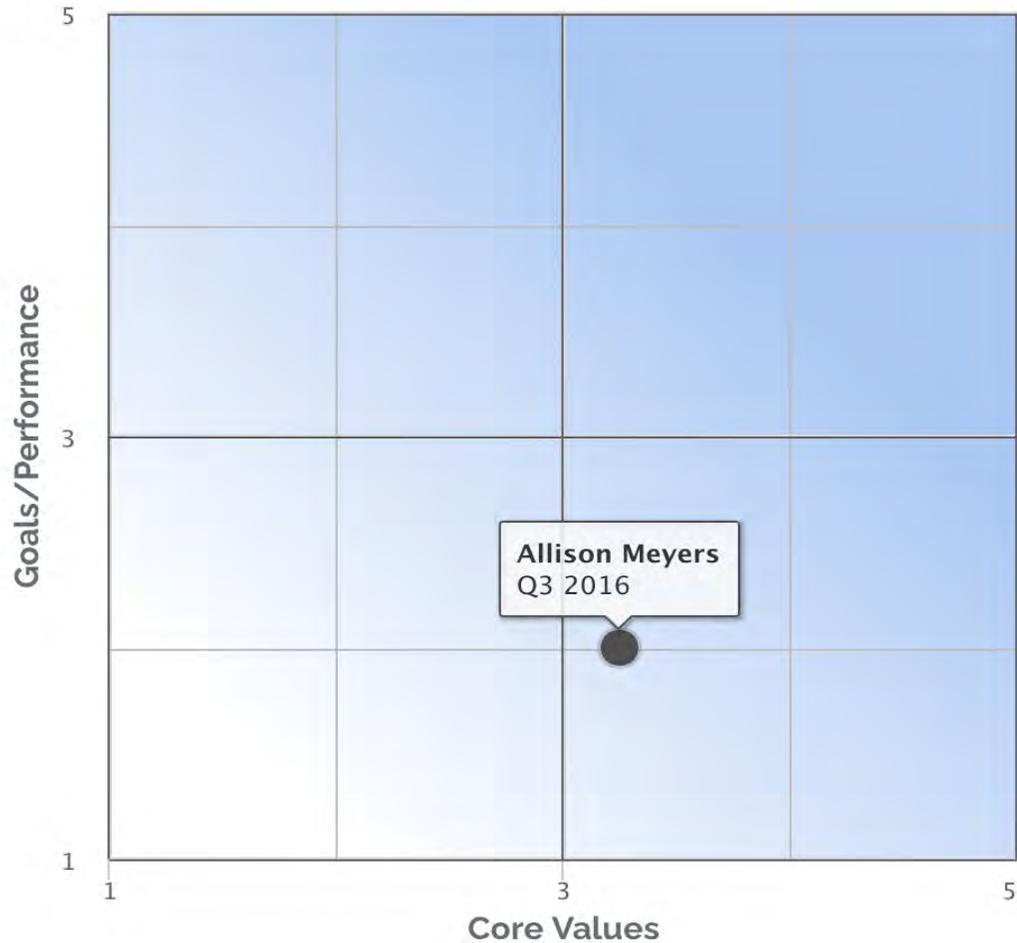


# Using the Data

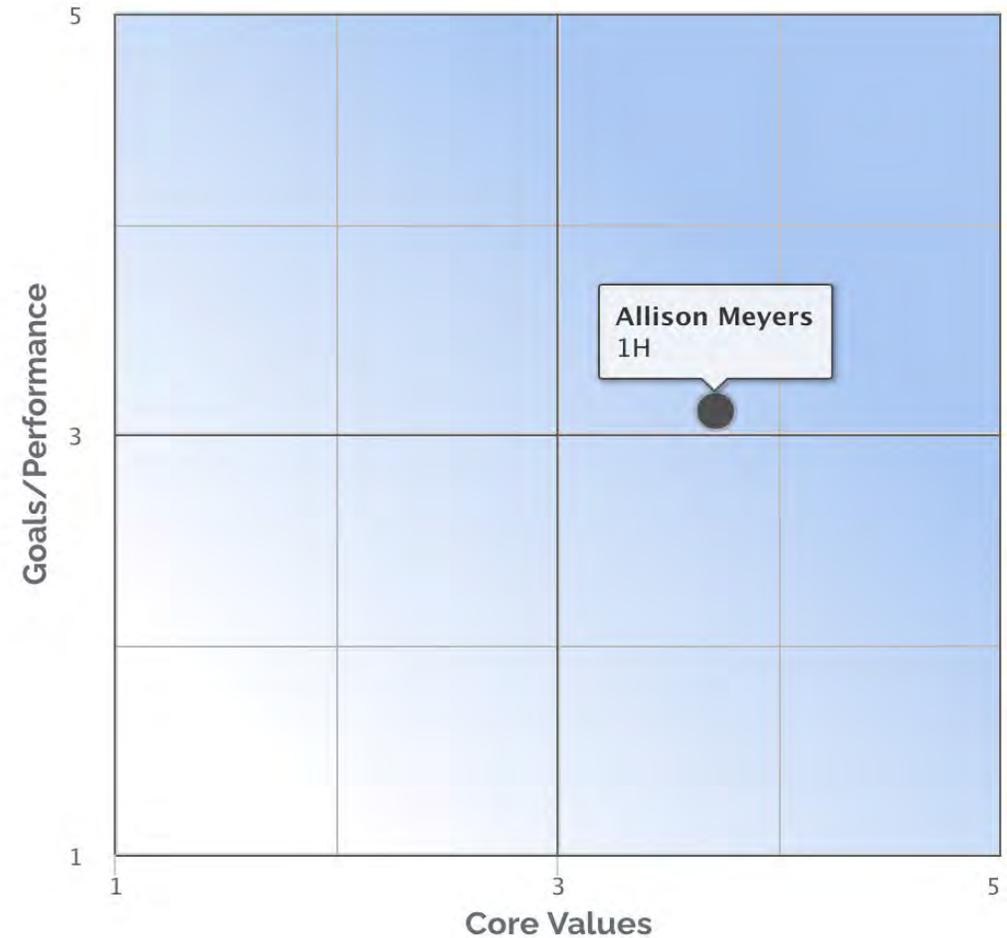
## Calibration Best Practices



### Allison Meyers' Performance in 2016



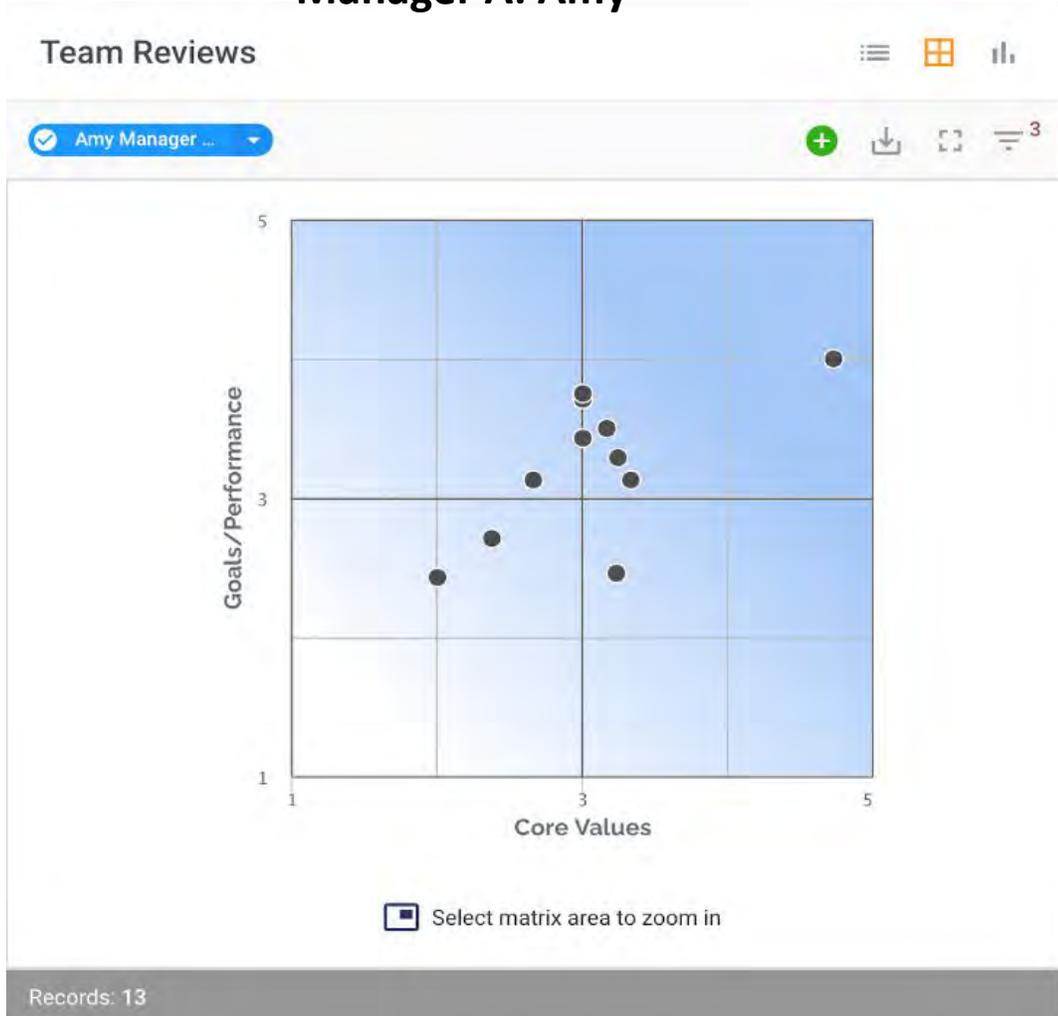
### Allison Meyers' Performance in 2020



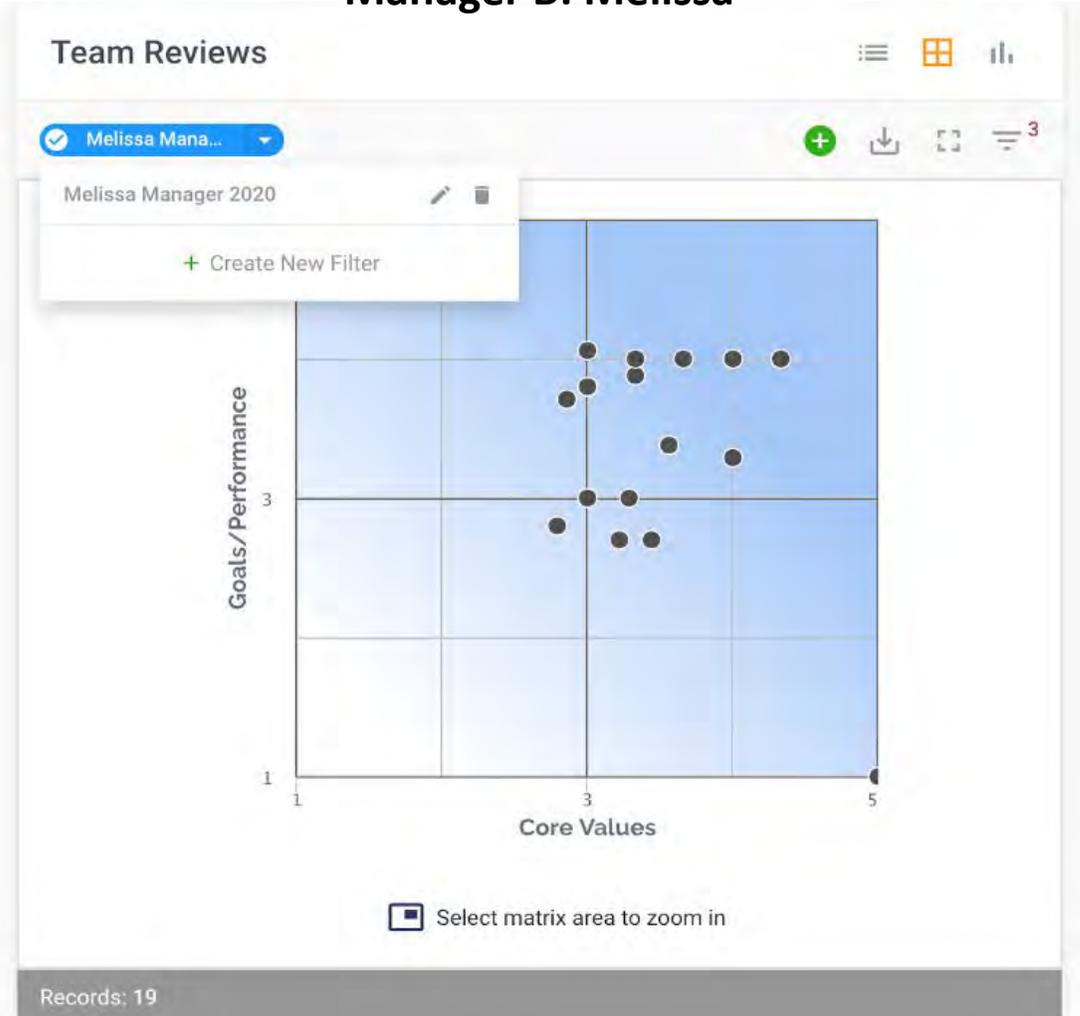
# Using the Data

## Calibration Best Practices

Manager A: Amy



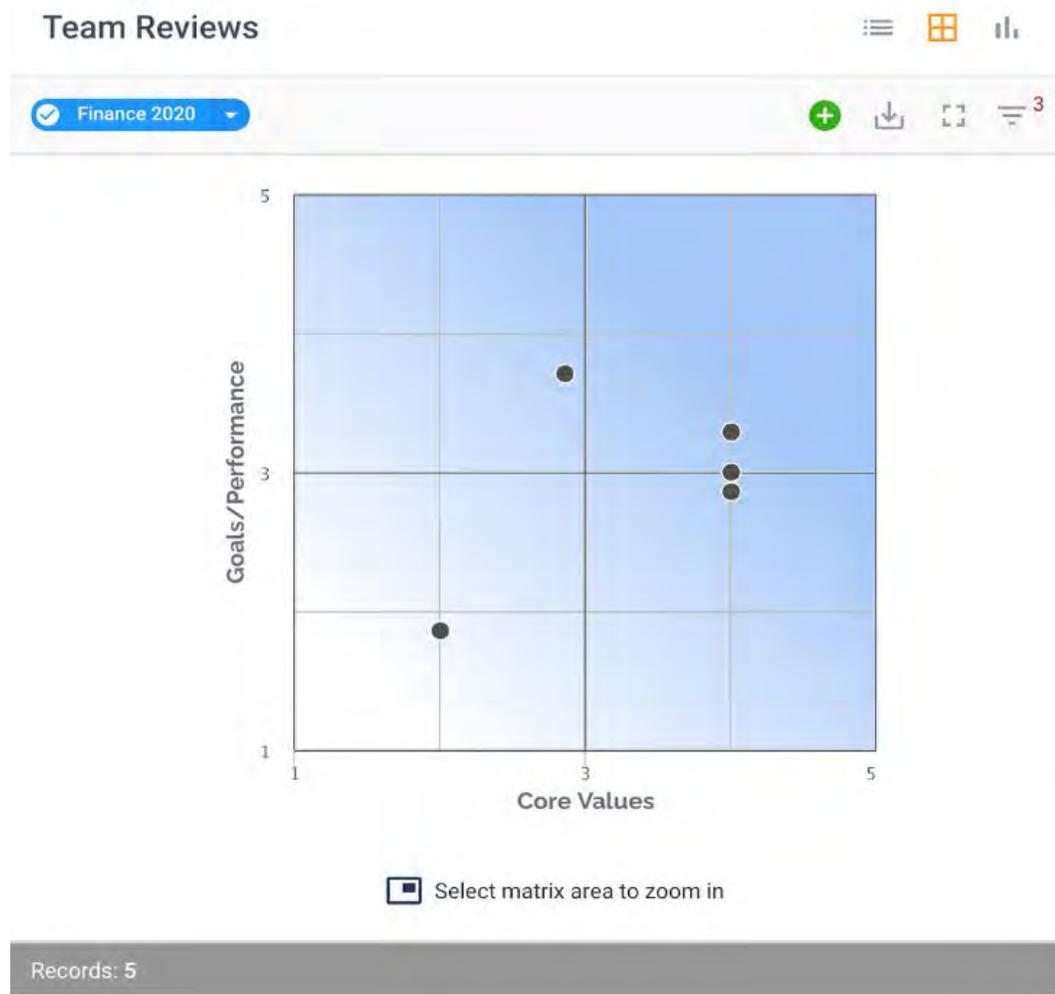
Manager B: Melissa



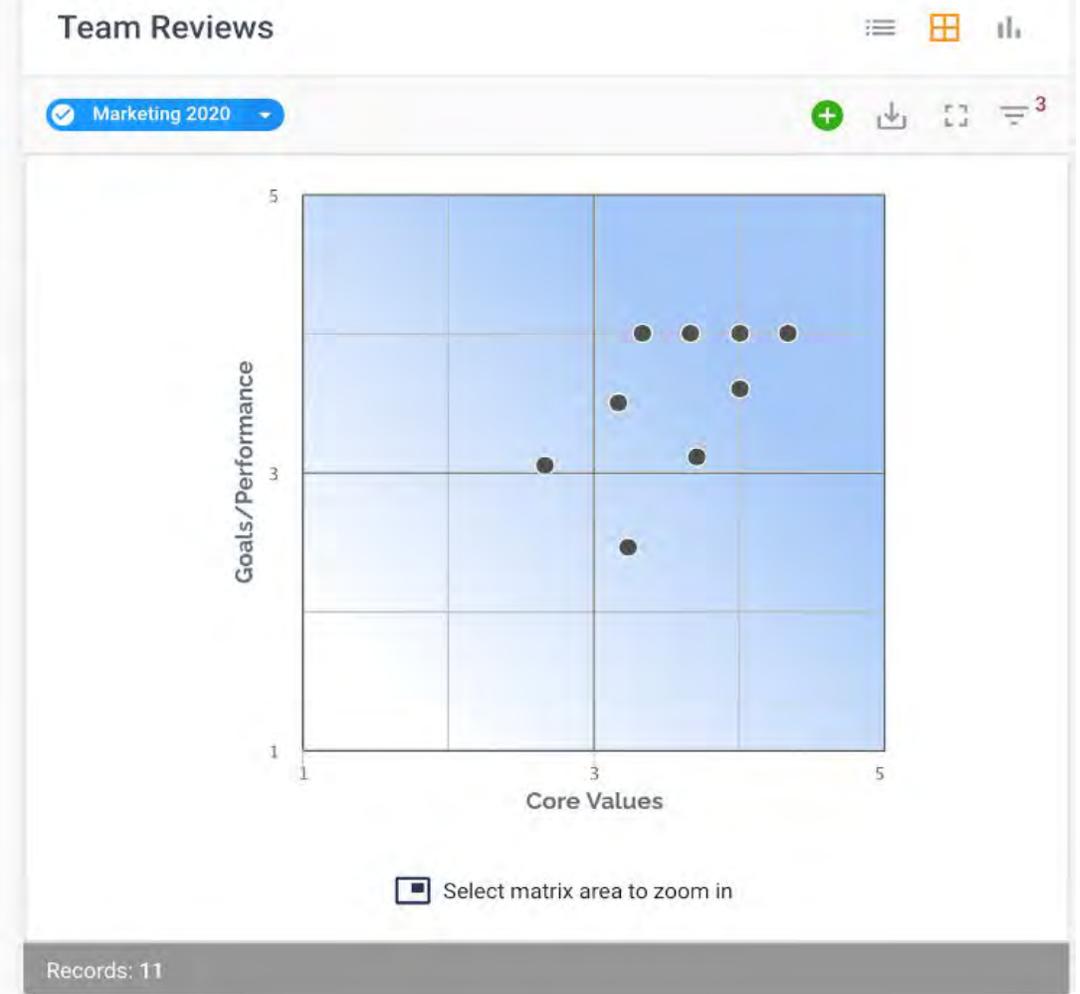
# Using the Data

## Calibration Best Practices

### Finance Department 2020



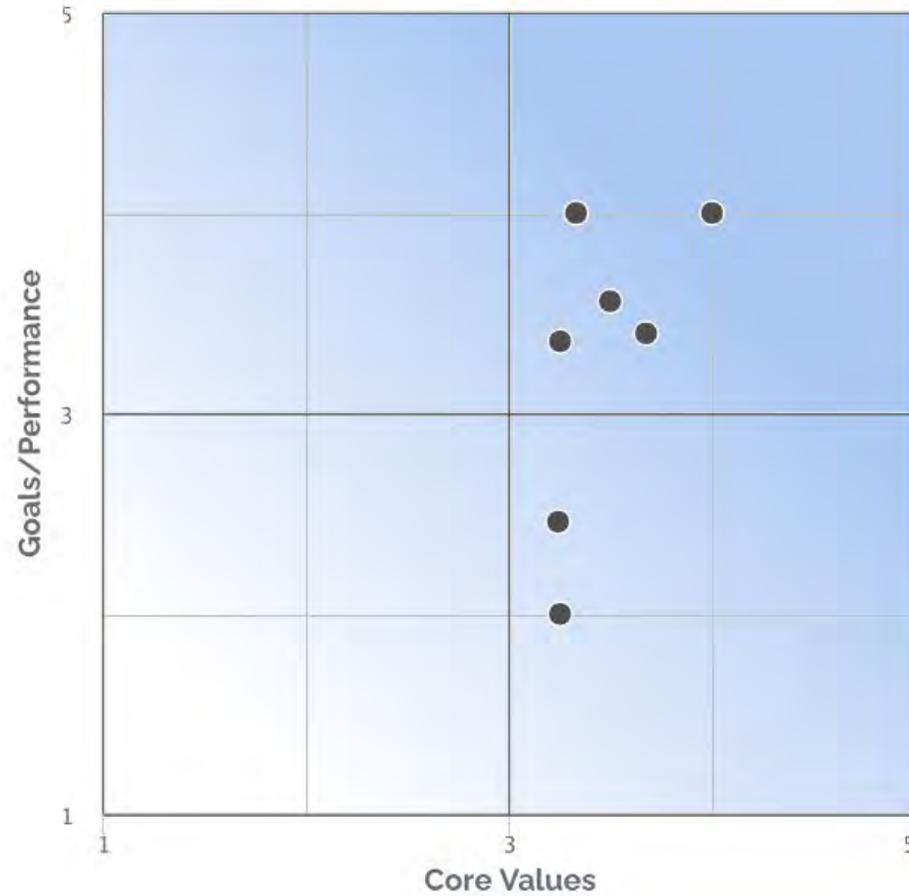
### Marketing Department 2020



# Using the Data

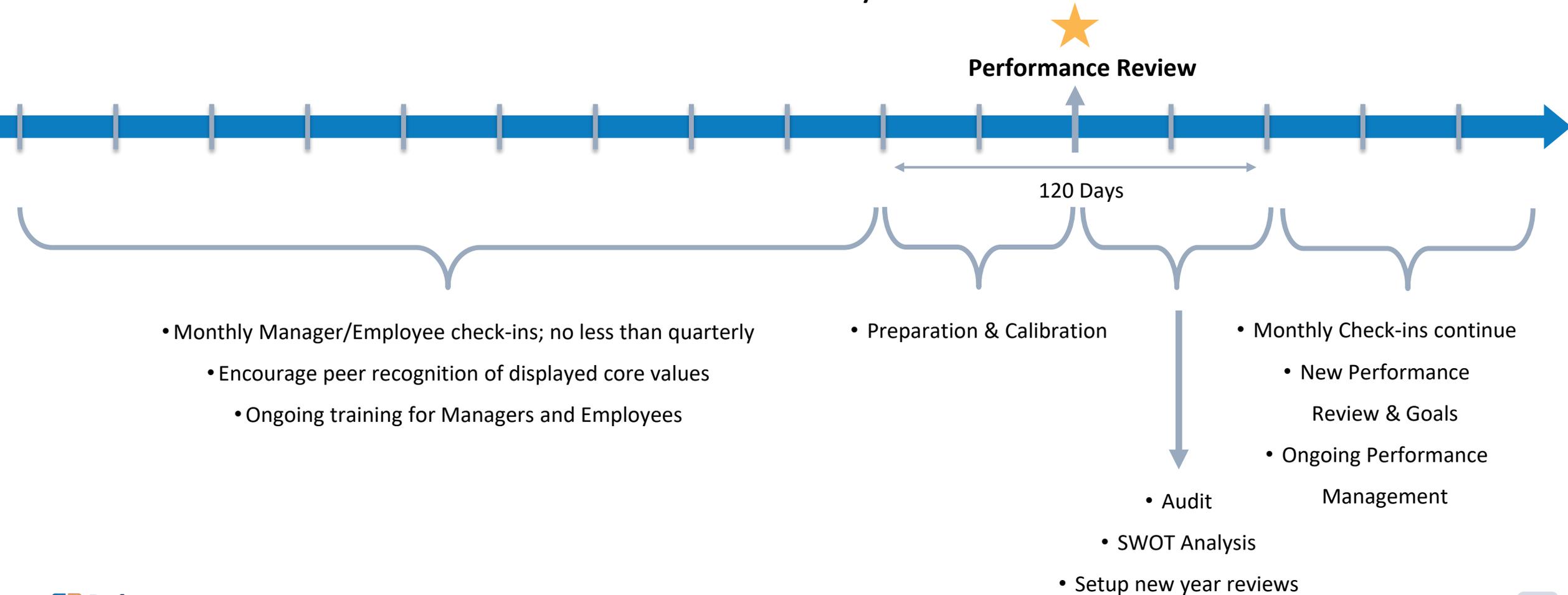
## Same Employee, Different Managers

Allison and Eli... Allison and Manager Elizabeth



# Performance Review Process

12-Month Cycle



# Manager & Employee Training

## The Performance Culture System™ Employee Guide

Performance Culture helps managers and employees improve through the three steps of Align, Coach and Manage. This guide helps you understand your role in building a performance culture and how you can grow professionally and achieve your personal vision.

### Preparing for Performance Reviews

**Meet weekly** - Keep the lines of communication open with your manager by using Check-ins to discuss accomplishments, priorities, and needed support.

**Identify your personal vision** - Writing down your personal vision creates clarity.

**Record your thoughts** - Self assessment is a tool for you. Record your thoughts, wins, questions and challenges throughout the period, not just at the end of the quarter.

**Assess yourself** - Complete the self assessment and provide specific examples when possible. This is your chance to share with your manager how you think you are doing.

### Reviews are done - Where are you on the Matrix?

The Performance - Values Matrix is based on your performance objectives and workplace behaviors. Receiving feedback and understanding "where you are" is vital to both the success of your organization and your overall personal fulfillment.

**★ Star** - You are performing well and displaying the right behaviors. You may be asked to mentor other team members. Continue to communicate your professional and personal goals.



**P Potential!** - You are demonstrating the right behaviors but have not yet achieved the desired performance level. Continue to learn and work on meeting performance objectives. Ask for clarity on any questions you have and seek opportunities to develop your skills and knowledge. Continue to communicate openly with your manager.

**A Aligned** - While you have met your performance expectations, you are displaying attitudes or behaviors that do not support your organization's desired culture. Seek to understand the heart of your organization's core values and culture. Review your behavioral assessment and those of your teammates and manager to improve communication.

**R Right Fit?** - Expectations have not been met with regards to your performance objectives as well as your assigned workplace behaviors. Seek clarity and coaching from your manager and re-evaluate whether your personal vision aligns with your position and organization.



PerformanceCulture.com  
888-505-0650

Not sure about  
your personal  
vision?

Think -  
What you want  
to learn, achieve,  
become.

## The Performance Culture System™ Review Conversation Guide

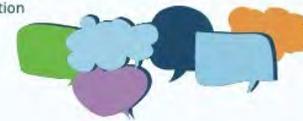
**Better Teams** achieve **Better Results**.

Conduct effective and meaningful review conversations that help employees deliver.

### "If you are stuck, relationally

or organizationally, it is because there is a conversation you are not having, or not having well."

Joseph Grenny | Crucial Conversations



PerformanceCulture.com  
888-505-0650

## The Performance Culture System™ Manager's Coaching Guide

**Better Teams** achieve **Better Results**.

Create a Performance Culture through the three steps of Align, Coach & Lead.

### Align, Coach, and Lead

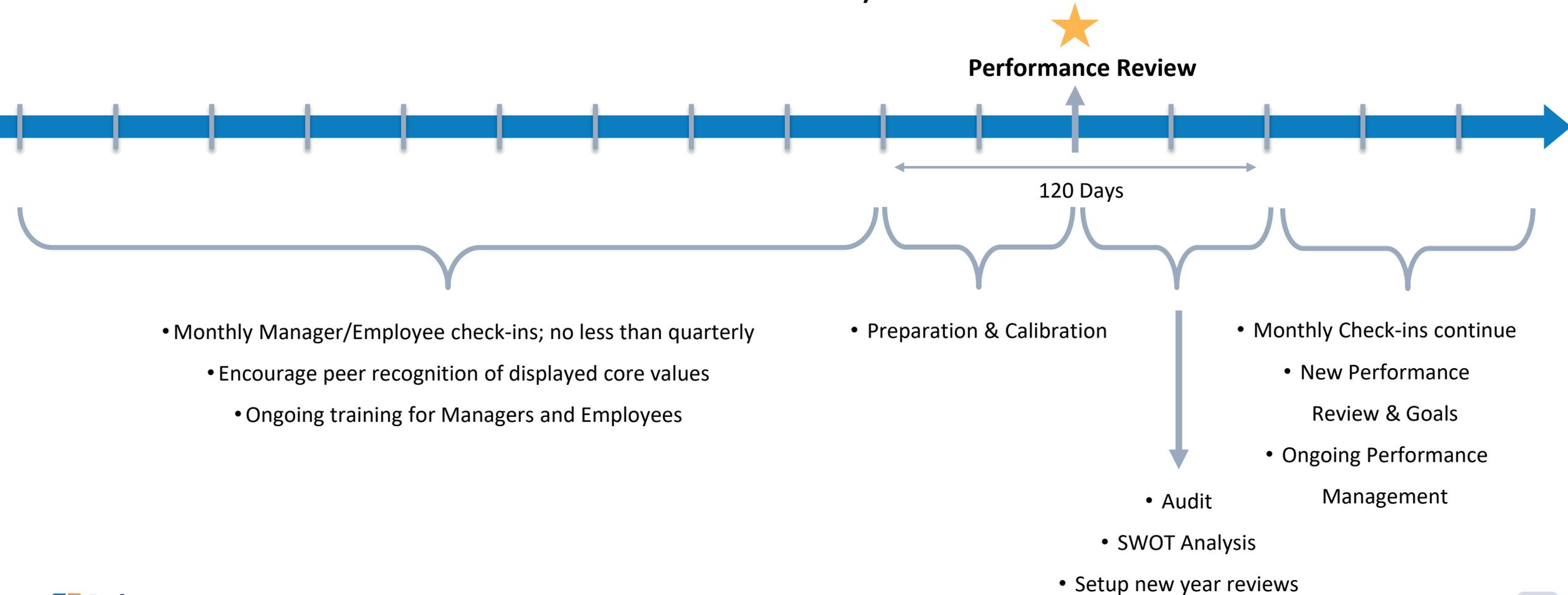
Setting Expectations | Coaching Skills & Tips  
Evaluating Performance & Providing Feedback



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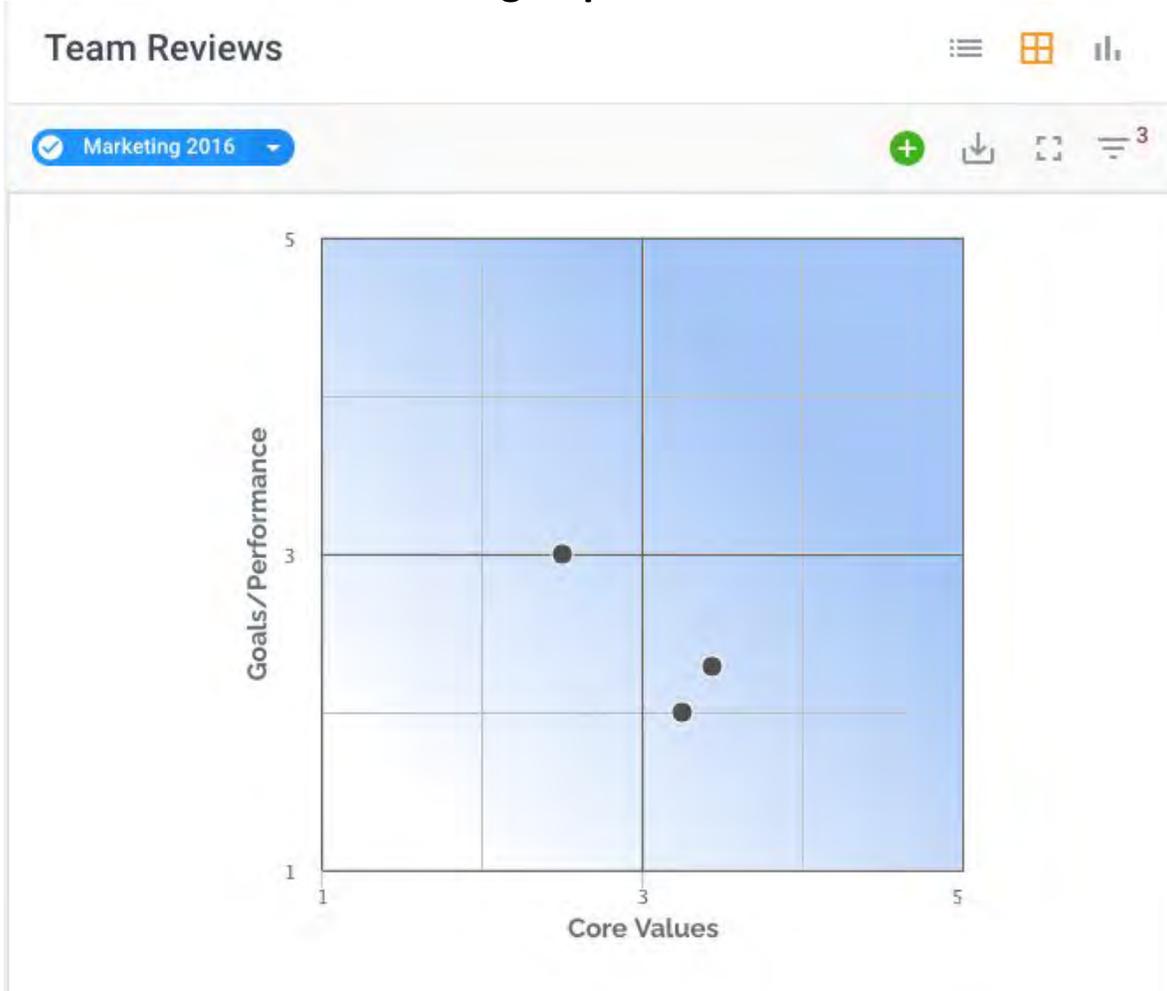
# Performance Review Process

12-Month Cycle



# Departments Over Time

## Marketing Department 2016

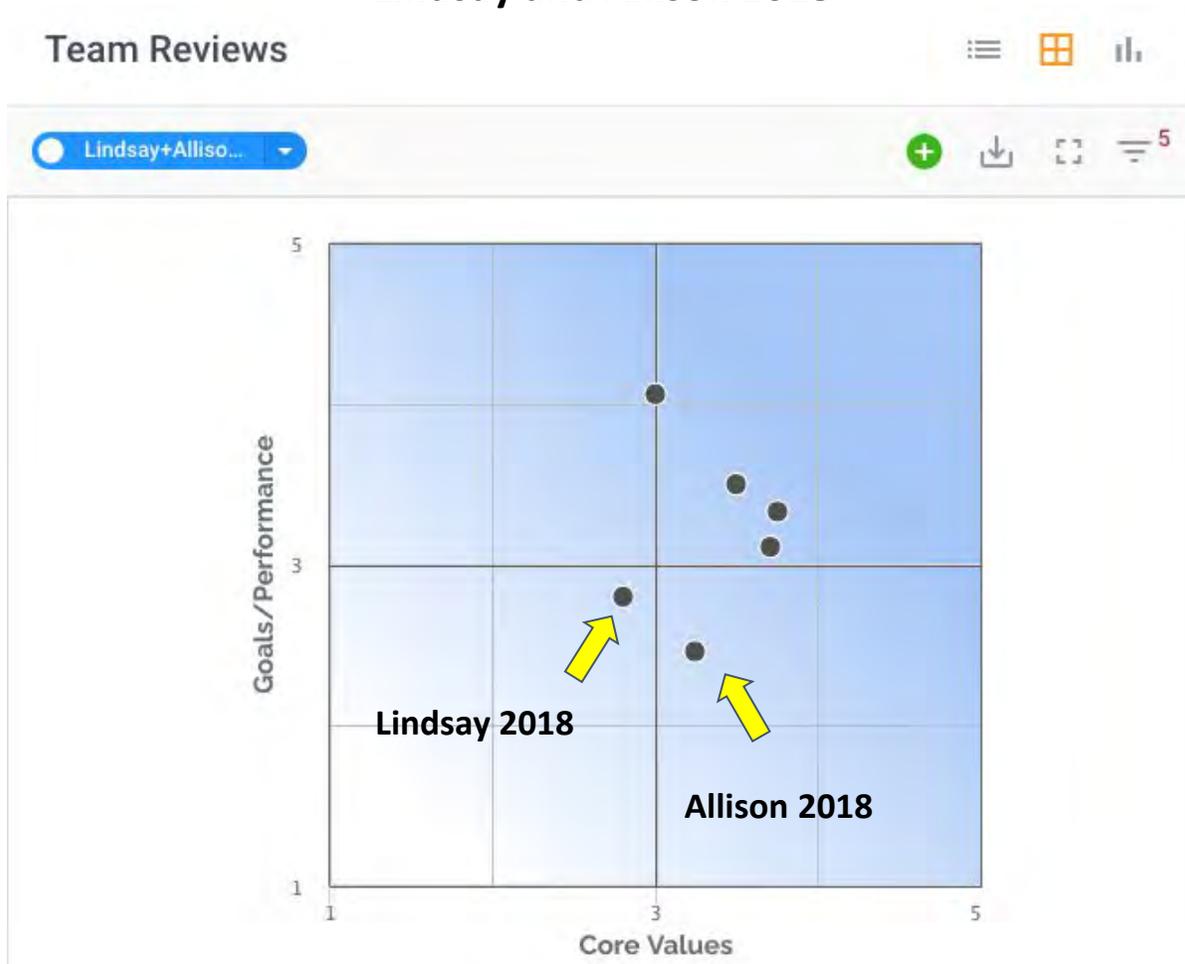


## Marketing Department 2020

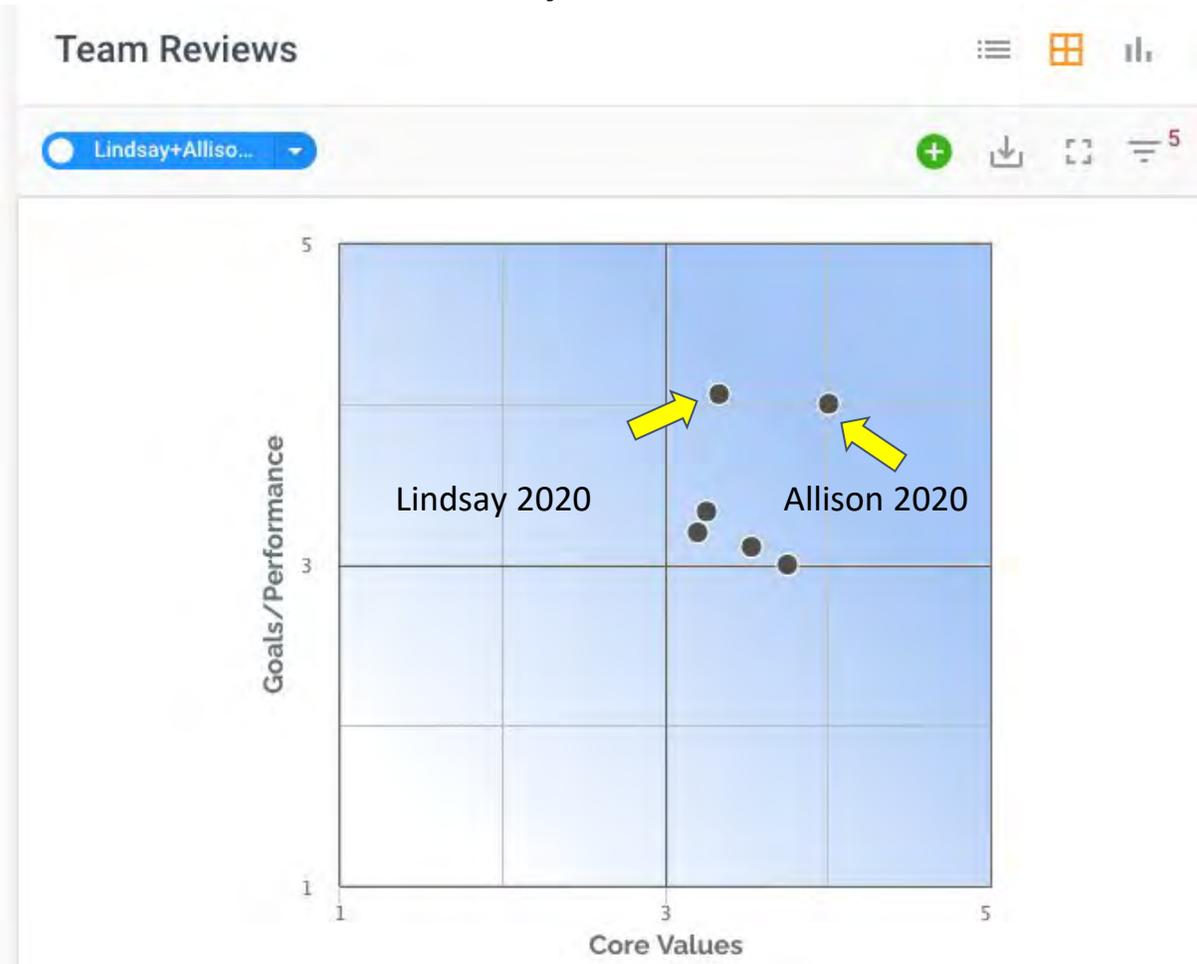


# Employees' Journey

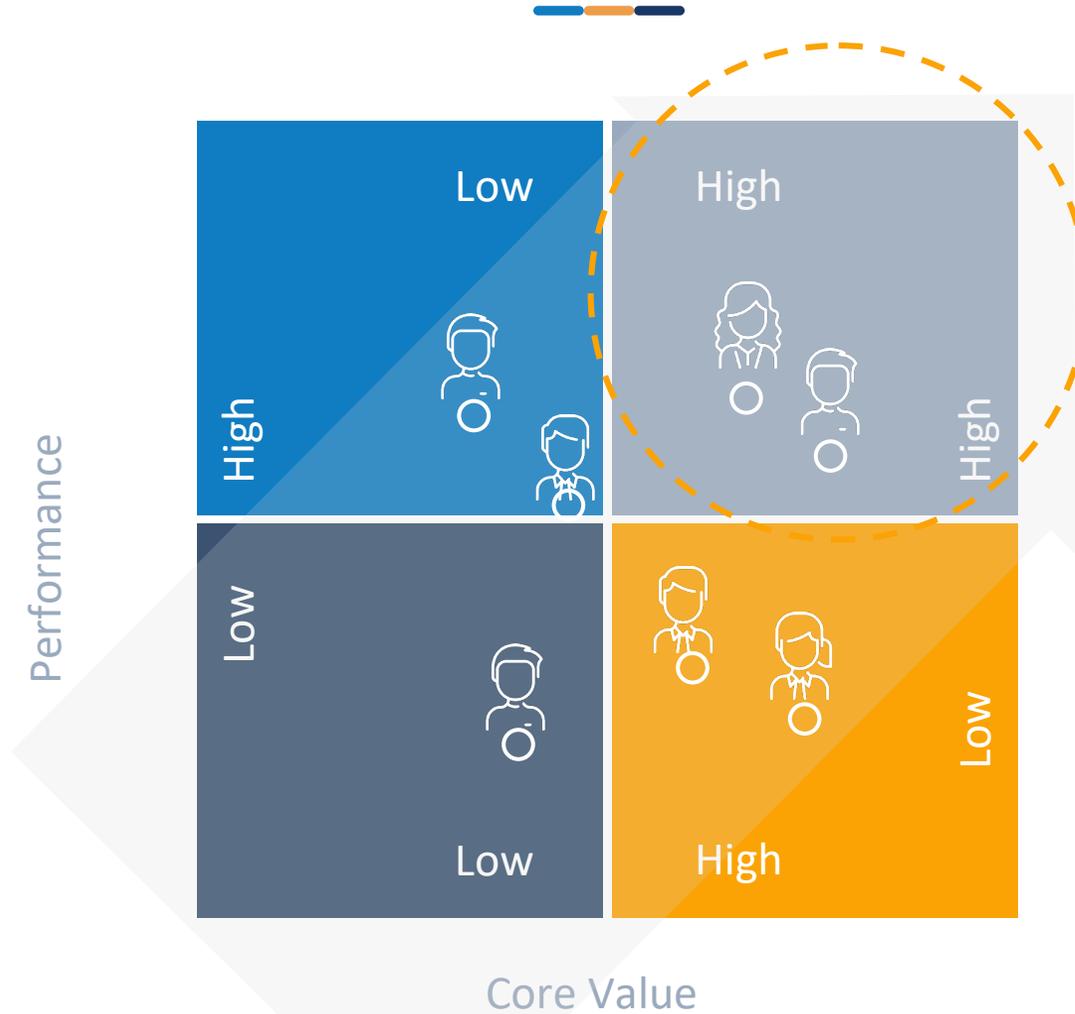
## Lindsay and Allison 2018



## Lindsay and Allison 2020



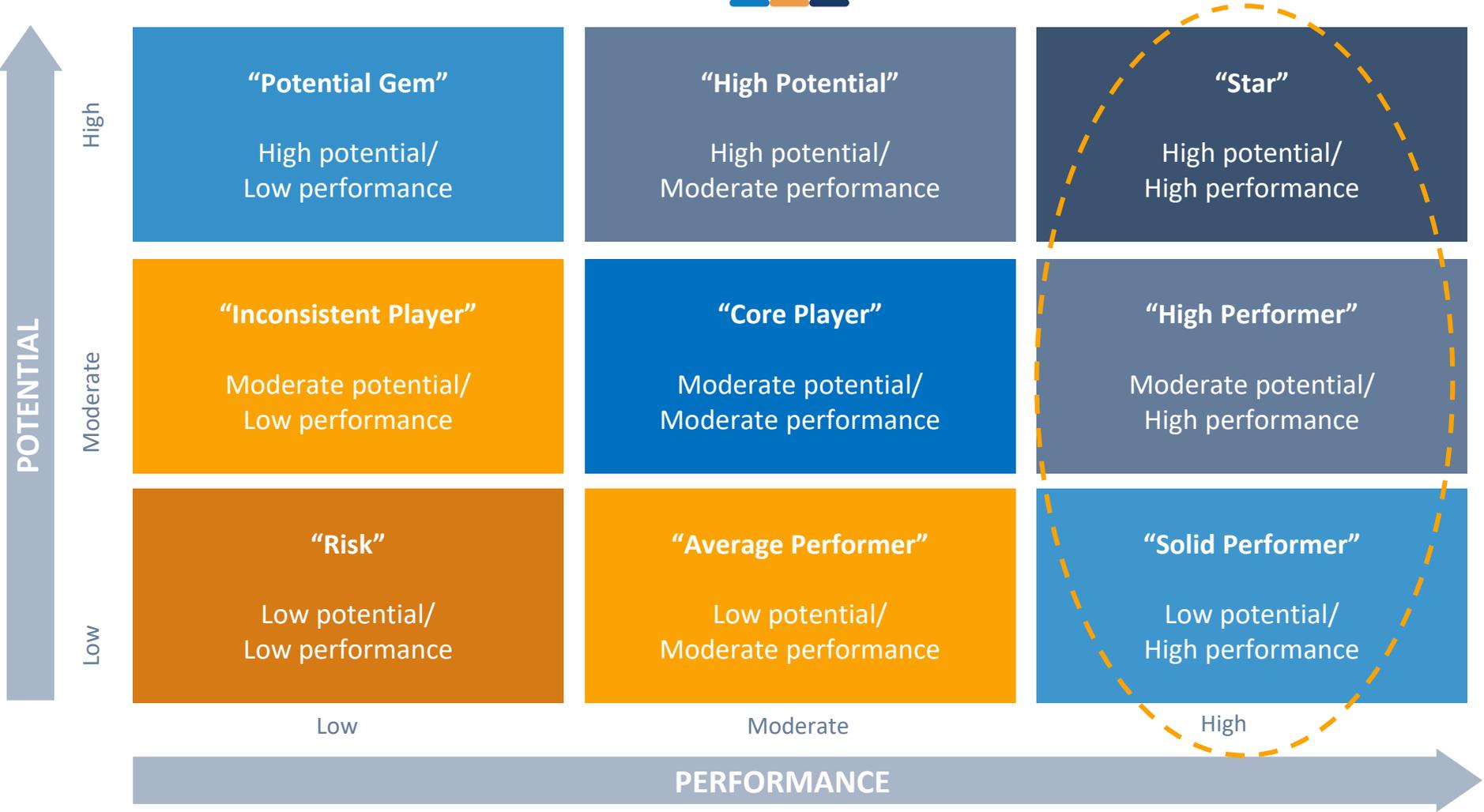
# Identify Future Leaders



Evaluating Leadership potential is critical to sustainability.

Engage in Succession Planning and Professional Development and consider using a tool such as the 9-Box model.

# Identify Future Leaders



# Takeaways



1. Consistent and equitable performance management program with step-by-step performance review process



2. Reducing rater bias through calibration and the Performance-Values Matrix



3. Leveraging accurate people data to make strategic HR decisions



4. How to identify leadership succession candidates



**THANK YOU!**

**[Sales@PerformanceCulture.com](mailto:Sales@PerformanceCulture.com)**

**To learn more and request a deeper  
dive.**