

PERFORMANCE MANAGEMENT REVIEW PROCESS



Why do Performance Agreements?

- To ensure that the employee's performance is linked to SHRS Group business and strategic goals.
- To exchange performance feedback on the employee's contribution to their individual, department, team, and corporate goals.
- Measurement and review of employee's performance against their agreed upon goals, within time-frames, and resource parameters.
- To prepare action plans in areas that require development.
- To review career progression and succession planning.
- To link employee's performance rating to determine their annual compensation adjustment, recognition, & rewards.

Key Components to Performance Process

Established Mission, Vision and Values

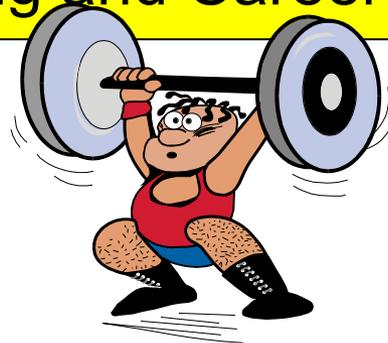
Strategic Plan and Annual Business Goals

Establish Standards of Performance

Open and Timely Performance Communication

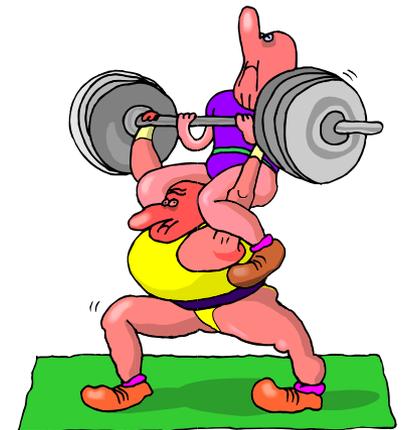
Comprehensive Job Description

Action, Training and Career Development Plans



Policy

- The management and employee will plan the employee's agreed upon goals.
- The employee will receive frequent and timely evaluations, an interim and a year end review.
- The policy applies to all full, part-time and temporary employees.



Fairness

- Employee and manager will focus their discussion on facts rather than opinions or impressions pertaining to the job performance of the employee.
- Detailed examples should be used to support all conclusions.
- Ratings that reflect less than the norm or are challenged by the employee are entitled to request a third party review.



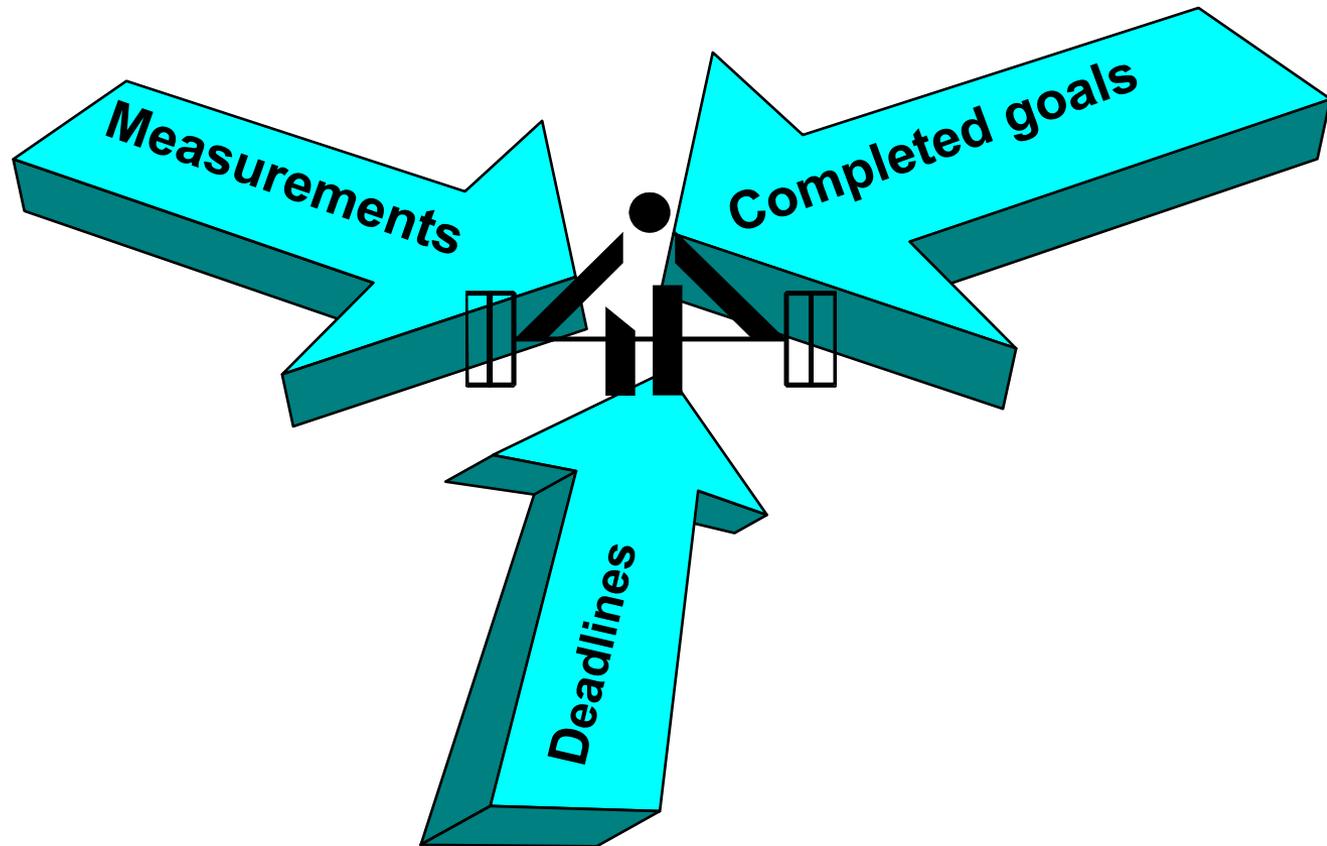
Consistency

- The Performance Management Program will be utilized in a consistent manner by all managers and employees.
- Goals will be challenging, and ratings will reflect actual performance.
- Periodic and timely independent reviews will be undertaken to evaluate performance on this principle



Measurement

- Performance plans must contain qualitative and quantitative measurable targets.



S.M.A.R.T. GOAL SETTING

Planning of individual performance by establishing clear expectations (goals, action plans, measures) for the Business Year. The approved goals are to be submitted to Human Resources by February 1st, 2001



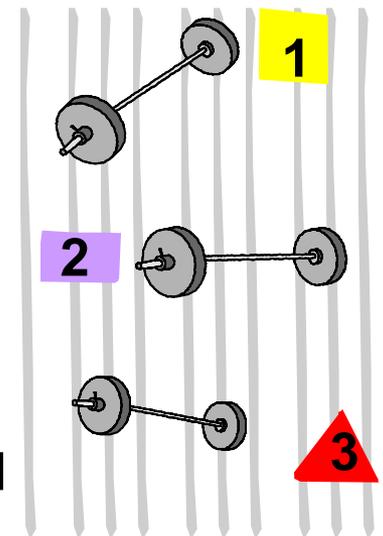
Specific

Measurable

Agreed

Realistic

Time-related



Interim Review

**The ongoing
management of
performance against
the plan through
supporting, monitoring,
coaching and other
activities
...July 1st.**



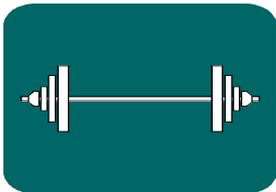
Year End Review

The Year End Review is
a formal review by the
employee and manager
of the employee's
performance
...January



Submission Dates

- S.M.A.R.T. Goal Setting Begins November 1st, and are due in Human Resources by January 1st,
- Action Plans Begins February 1st, and are due in Human Resources by March 1st,
- Development & Training Needs Assessment Begins November 1st, and are due in Human Resources by January 1st,
- Interim Review Begins in June and are due in Human Resources by July 1st,
- Year End Review Begins on November 1st, and are due in Human Resources by January 15th, in order to allow adequate time for review and submission to the payroll system for the last pay of June. Submissions received after January 15th, may not be processed until the first pay period in February



Signing of the Agreement

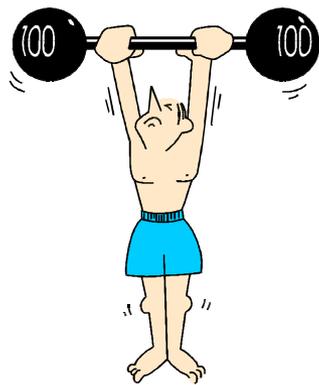
- The employee's signature on the Performance Evaluation Form indicates that the employee has read, understands and the evaluation has been discussed with their manager.
- The employee is encourage to share their thoughts on the performance management process and their performance review in particular.



Example

GOAL

To improve manager's interviewing, selection, and employee recruiting skills.



MEASUREMENTS

● Reduce employee turnover by 10% by March 1st, 2001:

- Implement standard hiring and skill testing process by end of December.
- Conduct employee climate survey by March 1st, to determine reasons for employee turnover - distribute results by mid July.
- Identify and address what management can do to reduce turnover.

● Reduce recruiting costs by 5% by:

- establish an effective recruiting program and conducting effective hiring and employee retention workshops during the 1st, quarter of this year.

● Implement standard interviewing questions.

● Reduce the potential of department of OHS&E labour and human rights claims through information distribution and workshops.

Please review this performance management process so that you have a working knowledge of the Performance Management System



Roger Guy Baguley