

# **An Evaluation of the Performance Management System, ELCA Department for Human Resources**

Conducted by  
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## EVALUATION OVERVIEW AND CONTENTS

### Overview of Process

The Performance Management System in the Department for Human Resources was the first of three programs selected by the Office of the Bishop and the Cabinet of Executives to go through a new program evaluation process. The Department for Research and Evaluation, in consultation with the Department for Human Resources and the Office of the Bishop, developed the evaluation process with Kathy Sime as the lead staff person.

As a foundation for this research, lead program staff in the Department for Human Resources identified the key intended outcomes of the performance management system. These outcomes guided the development of the evaluation plan. As identified by the Department for Human Resources, the intended outcomes of the performance management system are:

1. More effective employee performance due to increased employee awareness of both their contributions to the churchwide organization and the organization's appreciation for those contributions;
2. Heightened employee awareness of training needs, resulting in more employee training; and
3. Supervisors and the churchwide organization as a whole will better monitor, measure, report, improve, and reward employee performance.

The evaluation of the performance management system began in early 1999 with the development of a churchwide staff questionnaire, and a review of relevant human resources literature. We fielded the questionnaire to churchwide staff (both Chicago-based and deployed staff) in early March of 1999. In April of 1999, Kathy Sime conducted four focus groups with invited Lutheran Center staff.

Based on this research, we developed a series of recommendations for the performance management system. We were assisted in this task by the Program Evaluation Staff Team who read early drafts of the reports, made suggestions for improvement, and discussed possible recommendations. These recommendations, along with the attached research reports were given to the lead staff people in the Department for Human Resources. After consideration of the findings, the Department for Human Resources drafted a plan to respond to the recommendations in the evaluation. This response plan, the research reports, and the recommendations are included following this introduction. For a quick overview of findings and recommendations, see the executive summaries on pages one through four.

**Performance Management Evaluation**  
**EXECUTIVE SUMMARY OF RESEARCH**

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*April 27, 1999*

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**EXECUTIVE SUMMARY: REVIEW OF LITERATURE**

**I. Foundational Issues**

A. The literature presents a fairly uniform understanding of the purposes of performance management:

1. Legal reasons;
2. Internal organizational planning; and
3. Feedback and conversation on subordinate progress, or divided even further, for:
  - a) Goal setting;
  - b) Employee motivation; and
  - c) Employee growth and development.

B. Overall effectiveness of performance management increases when employees understand how the organization benefits, and how they as individual employees benefit because of performance management.

C. Even when employees understand the theoretical value of performance management, they may still be skeptical about its practical value.

D. An organization must show strong commitment to the performance management process in order for employees to fully commit to the process.

**II. Training & Communication**

A. Training increases employee satisfaction with the performance management process.

B. Involving subordinates in the planning process also increases employee satisfaction in performance management.

C. Good inter-personal communication is critical for supervisors and requires intentional training.

D. Ongoing feedback is a critical component of performance management. Ongoing feedback from the supervisor increases the effectiveness of performance planning and appraisals.

**III. Diversity Issues**

A. Performance management systems bring a unique challenge to a diverse workplace because of the possibility of cross-cultural differences in understanding the expectations and processes of planning and the appraisal process.

B. Cross-cultural communication skills are critical, as well as an awareness of possible cultural misunderstandings of the performance management process.

## **EXECUTIVE SUMMARY: CHURCHWIDE STAFF QUESTIONNAIRE**

### **I. Planning**

- A. 62 percent of respondents developed a 1999 work plan.
- B. Respondents found selecting key service areas the easiest step in the planning process, and found identifying tracking sources for their key service areas the most difficult step.
- C. When asked about the benefits of planning, 6 percent reported that the planning process was very beneficial for them and 49 percent thought the planning process was somewhat beneficial.

### **II. Appraisals**

- A. 85 percent of respondents went through an appraisal process for their work in 1998.
- B. Of those who had an appraisal, 89 percent agreed or strongly agreed that they weren't surprised by their supervisor's appraisal and 85 percent agreed or strongly agreed that their appraisal accurately reflected their work.
- C. Overall, 64 percent of the respondents reported that their 1998 performance appraisal was either "beneficial" or "somewhat beneficial" to them.

### **III. Impact of Job Categories on Performance Management**

- A. Staff in salary grades 15-17 (inclusive) were most likely to complete a 1998 work plan (71 percent compliance). Staff in levels 18 and higher were the least likely – 39 percent completed a work plan.
- B. Staff in grades 10-14 (inclusive) have the lowest performance appraisal compliance rates and staff in grades 15-17 (inclusive) have the highest appraisal compliance rates.
- C. Higher level executives (grades 18 and higher) find the performance appraisal process to be the most beneficial and staff in grades 10-14 find it to be the least beneficial.

### **IV. Impact of Training on Performance Management**

- A. Training increases the likelihood that staff members will comply with the performance management system.
- B. Those who participated in some kind of training process were more likely to rate the appraisal process as being very or somewhat beneficial to them.

### **V. Impact of Previous Experience**

- A. Those who created a work plan for 1998 were more likely to participate in an appraisal process for that year's work, as well as create a work plan for the following year.
- B. Those who created 1998 work plans were more likely to indicate that the appraisal process was very or somewhat beneficial.

### **VI. Impact of Deployed Status**

- A. Deployed staff are less likely to participate in the performance management process than Lutheran Center Staff.
- B. Deployed staff are also less likely to find the process beneficial than for Lutheran Center staff.

## EXECUTIVE SUMMARY: CHURCHWIDE STAFF FOCUS GROUPS

### I. Performance Planning

#### A. Concerns about Planning “Mechanics”

1. **Forms:** Participants indicated forms and instructions were complicated and lengthy.
2. **Timing:** Requiring that all planning and appraisal forms be turned into the Department for Human Resources in December and January is difficult for some units and staff members.

#### B. Perceptions of Inflexibility

1. **Impact of new responsibilities:** Difficulty in specifying key service areas when job responsibilities frequently change throughout the year.
2. **Setting Performance Targets:** Frustration with setting performance targets and identifying tracking sources.

#### C. Unique Staff Situations

1. **Support Staff Concerns:** Support staff participants found the planning process somewhat frustrating because of the lack of control over the direction of their work. They believe that the routine nature of many support staff responsibilities do not lend themselves to creating a helpful work plan.
2. **Staff in “Service” positions/units:** Staff in service (or “functional”) units, or in service positions (rather than programmatic) expressed similar frustrations with developing work plans because of the responsive and routine nature of their positions.

#### D. Competencies

1. **Not Job-Related:** Competencies are not perceived as job-related, they are difficult to measure, and perceived as more related to personal development.
2. **Implementation Difficulties:** Units have implemented the competencies in different ways and participants expressed frustration about this lack of consistency and misunderstandings about this use as both a planning and an appraisal tool.

### II. Performance Appraisals

#### A. Appraisal “Mechanics”

1. **Time-Consuming:** Participants, especially supervisors, indicated that the process is very time-consuming, especially when planning for the next year is included.
2. **Forms:** Participants said that forms and instructions were difficult to understand and not user-friendly.

#### B. Appraisal Instrument

1. **Detracts from Appraisal Conversation:** Emphasis on evaluating the work plan (and completing the appraisal side of the planning grid) detracts from the conversation between supervisor and supervisee.
2. **Assessing a Numeric Score:** Participants expressed dissatisfaction with the rating process because the system creates a situation where most staff members will receive the “average” score, indicating they met or exceeded expectations.

## **EXECUTIVE SUMMARY: RECOMMENDATIONS**

### **I. Improve “Mechanics” of Performance Management System**

- A. Invest significant staff time, possibly in consultation with other churchwide units or staff members, in improving the visual aspects of the Performance Planning and Appraisal Worksheet. Specifically, the department should focus on improving the layout of the planning grid (“Performance Results”) and the “Final Assessment Instructions” page in the worksheet packet.
- B. Carefully and critically evaluate the language used in the Competencies section and all instructions in the worksheet packet.
- C. Consult with the Department for Information Technology (IT) on ways to best incorporate the planning and appraisal forms into the Intranet.

### **II. Encourage Consistent Use Within the Organization**

- A. Recognize the difficulties support staff and service unit staff have expressed regarding the application of the performance management system to their work. In response, the department should either modify instructions to give more help, provide examples, or provide additional instructional resources.
- B. Continue to encourage units to implement the performance management system throughout all staff levels, particularly among those in the highest levels.
- C. Communicate ways in which the system may be modified to fit unique situations. Suggest methods for incorporating new work responsibilities into the work plan or for doing a “mid-year correction” if work plans don’t match current work responsibilities.

### **III. Identify Meaningful Benefits of the Performance Management System**

- A. Continue to offer a variety of training opportunities for both supervisees (all employees) and supervisors. Consider alternative ways of training supervisors in appropriate uses of all components of performance management, particularly in the need for ongoing feedback.
- B. Incorporate an emphasis on the priority of the appraisal conversation into performance management training and instructions, possibly even including a list of potential “conversation starters” or helpful supervisor questions.
- C. Revise the current appraisal form and rating process. Allow for more flexibility in the appraisal rating process and expand the possible ratings to allow for more acknowledgment of supervisee accomplishments.
- D. Consider creative ways of incorporating some intrinsic reward system into the appraisal process.

## A Review of Literature

April 14, 1999

This literature review seeks answers to the question “What contributes to an effective performance management system?” A search for literature on performance management issues looks to be very fruitful at first glance. Relevant journals range from Human Resource industry publications such as *HR Focus* to more academic journals such as the *Annual Review of Psychology*. Closer inspection weeds out sources that assume a much different organizational culture and structure (such as one examining performance appraisals with factory line workers) or are too academic to be put into practice at this time. The following review briefly summarizes a sample of these articles, focusing on literature and research on some of the foundational issues for performance management, communication and training issues, and performance management in a diverse workplace.

### Foundations for Performance Management

Despite a wide range of sources and perspectives, the literature on performance management reveals a fairly uniform understanding of the core purposes for performance management. Organizations should use a performance management system for the following three purposes: 1) for legal reasons, to document employee performance; 2) for internal planning and to support merit pay increases; and 3) “to encourage a series of private one-on-one meetings between each subordinate and his/her supervisor to assure mutual agreement on what the subordinate should be doing and how well he/she was doing it.”<sup>1</sup> Other experts articulate the final purpose somewhat differently and in greater detail: for goal setting, to motivate employees, and to “facilitate discussions concerning employee growth and development.”<sup>2</sup> Additionally, some experts advocate the use of “360” appraisal processes to facilitate subordinate appraisal of their supervisor’s work.<sup>3</sup>

Different sources emphasize different aspects of those purposes, but for the most part, they strongly encourage organizations to make all employees aware of the reasons for engaging in the performance management process. In fact, research suggests that a widely shared perception of the purpose and process of the performance management system is as important as having a technically appropriate system. And benefits should not only be understood in terms of the organization, but also how individuals -- both subordinates and supervisors -- benefit from the performance management system and how each participates in the system. Without this across-the-board understanding, managers and subordinates tend to disagree about what constitutes an effective appraisal. Research suggests that when both supervisors and subordinates have a shared understanding of performance management purposes and process, their shared acceptance of the appraisal increases.<sup>4</sup>

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<sup>1</sup> Gautschi, 1998

<sup>2</sup> Longenecker and Nykodym, 1996

<sup>3</sup> Roberts, 1998

<sup>4</sup> Longenecker and Nykodym, 1996

Most employees would probably not argue, in general, with the purposes behind a performance management system. Most would probably agree to some extent that both supervisors and subordinates need a system for collectively talking about job performance and planning for the future. However, despite general agreement about the theoretical value of performance management, many will be less enthusiastic about the practical value of performance management. A study of city workers revealed a situation in which most supervisors agreed in principle with many of the theories behind their performance appraisal process. However, only a small number of these same supervisors thought that their current system was effective, and many indicated that they did not think the problems could be corrected even with more training or better resources. From these findings, the author concludes that while many supervisors believe in the theories behind performance management, they are more skeptical about the practical application of those theories.<sup>5</sup>

Another foundational issue addresses organizational commitment for the performance management system. Researchers found that if top executives did not participate in performance management training or if organizations did not use the system for executive-level workers or professionals, employees were sent “conflicting signals about the utility and commitment regarding performance appraisal.”<sup>6</sup> A perceived lack of organizational commitment negatively impacts the full employee acceptance of the performance management process. In fact, employee perceptions of performance management are as instrumental in determining the long-term effectiveness of the system as are the mechanics and instruments of the system itself.<sup>7</sup>

### **Implementation: Training and Communication**

If perceptions of the performance management system are as important as the system itself, then training and communication become key implementation issues. Researchers found that when supervisors and subordinates were trained in fair appraisal processes (encouraging subordinate participation, making appraisals based on evidence rather than personal biases), subordinates had significantly more favorable reactions toward the process than those who didn't receive training, even though those subordinates trained in fair appraisal processes were more likely to receive lower performance appraisal ratings from their supervisors.<sup>8</sup> Other research supports this finding: “Performance appraisal training must focus on helping managers develop specific appraisal skills and confidence in their ability to effectively evaluate others. . . Appraisals without training often lead to ineffectiveness, frustration and dissatisfaction.”<sup>9</sup>

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<sup>5</sup> Roberts, 1998

<sup>6</sup> *Ibid.*

<sup>7</sup> Maroney and Buckeley, 1992

<sup>8</sup> Taylor *et al*, 1995

<sup>9</sup> Longenecker and Nykodym, 1996

Other research supports the practice of actively involving employees in setting their own performance planning goals. One study found that out of all components of a performance management system (planning, coaching and feedback, and appraisal), the planning portion received the highest levels of satisfaction from employees. The author hypothesizes that this could be due to the high level of subordinate participation required for planning, as opposed to appraisal which may feel like a more passive process to subordinates.<sup>10</sup> Planning not only increases ownership in the whole performance management process, it also increases the effectiveness of the appraisal process by setting clear standards for expected performance: “More than half of the subordinates in this study cited unclear performance standards as a cause of ineffective appraisals. Meaningful and accurate evaluation and feedback requires that clear goals be established beforehand.”<sup>11</sup>

Since so much of the performance management process depends on the ability of supervisors to foster good communication with their subordinates, some experts recommend training in effective interpersonal communication for supervisors. An article in *Public Personnel Management* quotes from a researcher who studied performance management at a municipal government: “Goal setting and participation grants the [subordinate] an opportunity to rebut inaccurate performance appraisal information, to present new information, . . . and to develop more valued measures of performance.”<sup>12</sup> Good interpersonal communication between supervisor and subordinate is necessary for full participation to take place. Besides training supervisors in the technical aspects of the performance management system, human resource personnel need to train these supervisors in basic communication skills such as how and when to ask “open” and “closed” questions, how to paraphrase subordinate concerns and reflect their feelings [also known as “active listening”] and how to give clear feedback.<sup>13</sup>

Good feedback is necessary not only at an annual performance appraisal, but throughout the year as well. Unfortunately, supervisors and subordinates do not always share similar views on what constitutes good feedback and how frequently feedback should be given. In fact, a study found that most supervisors felt they were providing sufficient feedback, while subordinates felt they were receiving insufficient feedback about their work.<sup>14</sup> A study of employee satisfaction with various components of the performance management process found that the category of “Feedback and Coaching” received the least satisfactory ratings, which the author hypothesized stemmed from a lack of organizational attention to this component.<sup>15</sup> Unfortunately, “[r]esearch

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<sup>10</sup> “Performance Management”, 1994; Markowich, 1994

<sup>11</sup> Longenecker and Nykodym, 1996

<sup>12</sup> Kikoski, 1998

<sup>13</sup> *Ibid.*

<sup>14</sup> Roberts, 1998

<sup>15</sup> “Performance Management”, 1994

clearly shows that the performance appraisal process is ineffective absent day-to-day communication.”<sup>16</sup> Ongoing feedback is an integral aspect of the performance management system.

Are there other benefits to performance management? Researchers studying British local governments found a link between effective performance management practices and high staff morale. However, this correlation only appeared when the performance management approach balanced the technical aspects of job planning and appraisal with more interpersonal aspects, such as good communication and consulting with employees during the planning and appraisal process.<sup>17</sup>

### **Performance Management and Workplace Diversity**

A diverse workforce brings additional challenges to the performance management process. If we agree that a major facet of performance management involves effective interpersonal communication, then we also need to consider cross-cultural communication issues. This means that supervisors need to be cognizant of the role played by cultural and historical backgrounds while in the performance appraisal interview. In both the giving and the receiving of feedback, cultural and historical backgrounds may play a large role in how employees make meaning out of the performance management process.<sup>18</sup>

In their book *Managing Diversity* (1993), Lee Gardenswartz and Anita Rowe claim that performance appraisals most likely come out of a distinct American culture, with an emphasis on logical and linear thinking and task accomplishment. Performance appraisals also “presuppose an acceptance of the American cultural notion that performance is separate from the person.” Because these basic foundations of performance management are not uniformly held across different cultures, Gardenswartz and Rowe argue that a “culture-free” performance appraisal may be an impossible task.

However, according to Gardenswartz and Rowe, organizations can minimize cross-cultural conflict with performance appraisals by providing training in cross-cultural appraisal approaches. Supervisors should be aware of their own cultural and historical backgrounds and how their own biases may come into play during a performance appraisal. Making sure that performance standards relate to specific job responsibilities and not personal characteristics as well as using results-oriented performance objectives can help supervisors conduct more helpful cross-cultural performance appraisals. Despite the challenges in conducting a performance management system in a diverse organization, a literature review on performance appraisal issues published in the

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<sup>16</sup> Roberts, 1998

<sup>17</sup> Fowler, 1995

<sup>18</sup> Kikoski, 1998

*Annual Review of Psychology*<sup>19</sup> found no empirical support for inherent racial and gender biases in performance appraisal processes.

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<sup>19</sup> Arvey and Murphy, 1998

## CHURCHWIDE STAFF QUESTIONNAIRE: SUMMARY OF FINDINGS

Kathryn Sime  
April 30, 1999

### Process

In partnership with staff in the Department for Human Resources, we developed a churchwide employee questionnaire for use in the Performance Management Evaluation. Eight selected churchwide employees pre-tested the questionnaire and made helpful suggestions for improvement. The Department for Human Resources supplied the staff member database which included all staff members currently on the payroll of the Evangelical Lutheran Church in America. We decided not to field questionnaires to temporary staff members and to Division for Outreach mission developer pastors (pastors currently serving in DO congregations). At the end of March, all churchwide staff members, except those noted above, received this questionnaire. In all, 515 questionnaires were mailed. By this report's completion, 313 questionnaires had been returned to the Department for Research and Evaluation, representing a 61 percent response rate. See Appendix Two for the "Frequencies," the distribution of responses for each question.

### Findings

#### *Compliance*

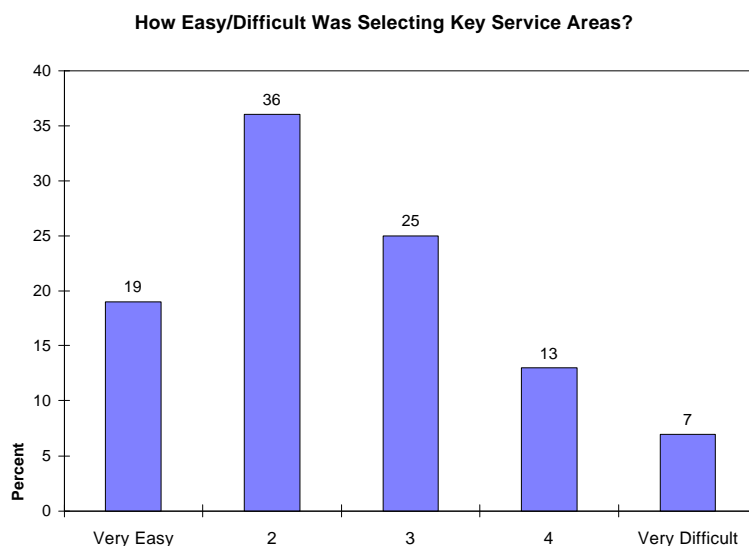
Although the performance management system includes both the planning and the appraisal processes, more staff members participate in the system through the annual performance appraisal (85 percent) than through the planning process (63 percent). Even though the appraisal should be based on the previous year's work plan, 65 percent of the staff members had a work plan for 1998, compared with the 85 percent who went through an appraisal of their 1998 work.

#### *Planning*

Of those 63 percent who created work plans for 1999, 94 percent included key service areas and 83 percent included core competencies in their plans. Close to two-thirds of those with work plans either received help or had offers for help with 42 percent of that assistance (or offers for help) coming from supervisors. By far, respondents found that help from their supervisor(s) was the most helpful.

On a scale from "very easy" to "very difficult," respondents found selecting key service areas the easiest step in the planning process, and found identifying tracking sources for their key service areas the most difficult step. Information and forms supplied by the Department for Human Resources were found to be helpful during the planning process by 21 percent of the respondents (those answering a "1" or a "2" on the scale); discussions with supervisors about key service areas were

**Figure 1**



noted as helpful by 56 percent; and discussions with supervisors about core competencies were noted as helpful by 41 percent of the respondents.

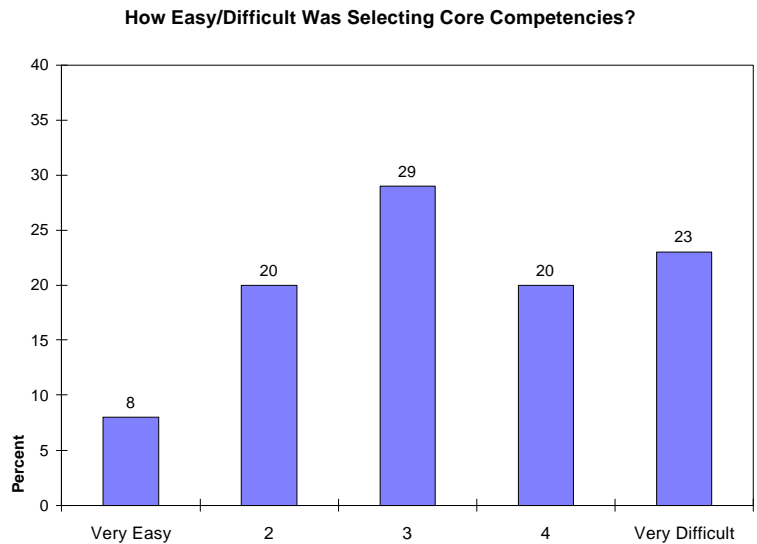
In general, 56 percent thought the planning process was at least somewhat beneficial and 90 percent report that their 1999 work plans resemble their actual work so far this year.

*Appraisals*

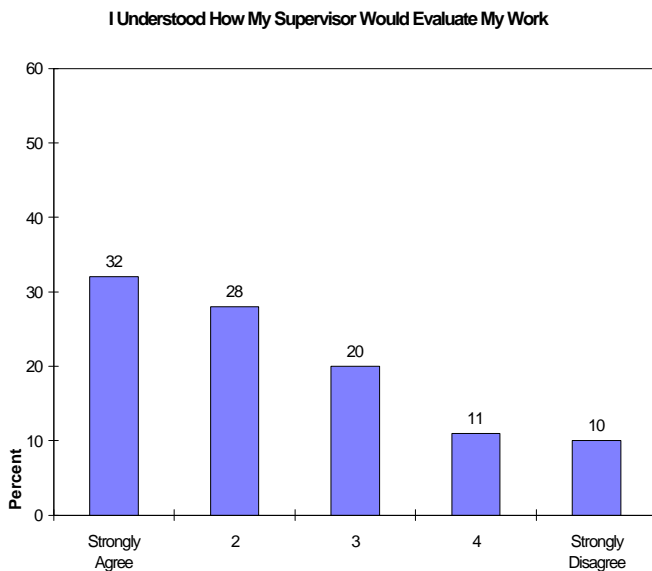
Eighty five percent of the respondents spent time with their supervisor(s) evaluating their 1998 work at the end of last year or the beginning of this year. Of those staff members who received an appraisal, 61 percent referred to a work plan during that appraisal, even though a work plan would help structure the appraisal process. Not surprisingly, a similar percentage (59 percent) agreed or strongly agreed with the statement “I understood how my supervisor would be evaluating my 1998 work before my performance appraisal began” (figure 3). Regardless, 89 percent agreed or strongly agreed that they weren’t surprised by their supervisor’s appraisal and 85 percent agreed or strongly agreed that their appraisal accurately reflected their work (figure 4).

Finally, 64 percent of the respondents reported that their 1998 performance appraisal was either “beneficial” or “somewhat beneficial” to them.

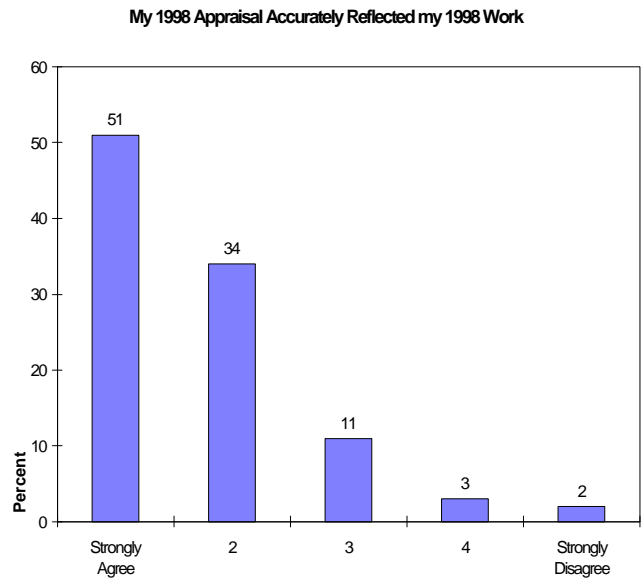
**Figure 2**



**Figure 3**



**Figure 4**



**Analysis**

*Impact of Job Categories*

Questionnaires were coded by unit and by four grade level categories. “Support” staff are in grades 3 through 9 (47% response rate); “administrative” staff are in grades 10 through 14 (53% response rate); “mid-level managers” are in grades 15 through 17 (93% response rate); and “directors/executive directors” are in grades 18 and higher (79% response rate). Note that the names for these categories were chosen somewhat arbitrarily and may or may not actually represent the work of those staff members in the categories.

**Figure 5**

**Performance Management Compliance by Position Type**

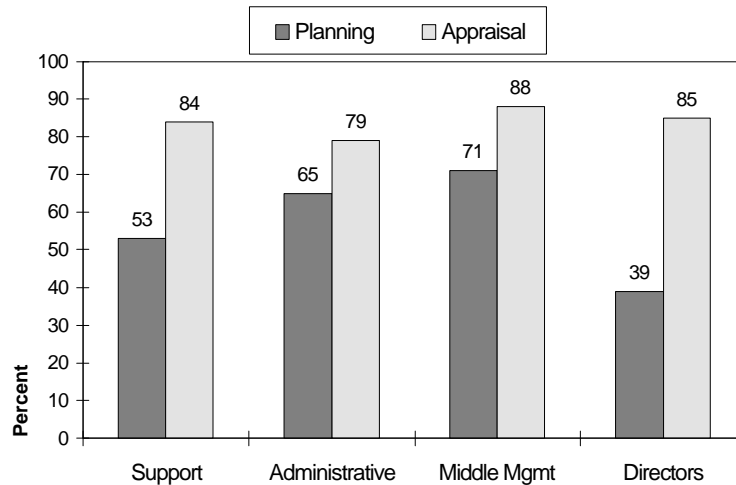
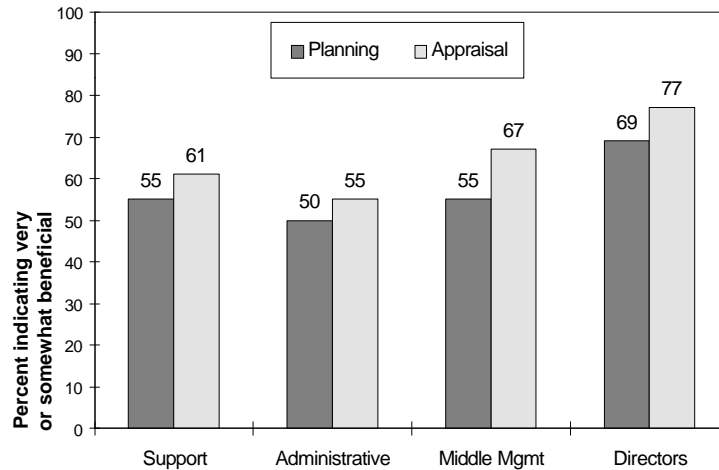


Figure 5 represents the percentage of respondents in the four grade categories who developed 1999 work plans and who participated in a performance appraisal. As salary grade categories increase, so increases the percentage of respondents who completed 1999 work plans, until the highest staff level whose planning compliance rate drops to 39 percent. These differences decrease when we consider the those who participated in a 1998 performance appraisal. Administrative staff have the lowest compliance rate (79%) and mid-level managers have the highest rate of compliance (88%).

**Figure 6**

**Perceived Benefit of Performance Management by Position Type**



We find differences when we consider respondents’ perceptions of the benefits of performance management (Figure 6). Half of the administrative staff respondents who created work plans reported that planning was very or somewhat beneficial compared to two-thirds of the directors with work plans who reported that planning was very or somewhat beneficial.

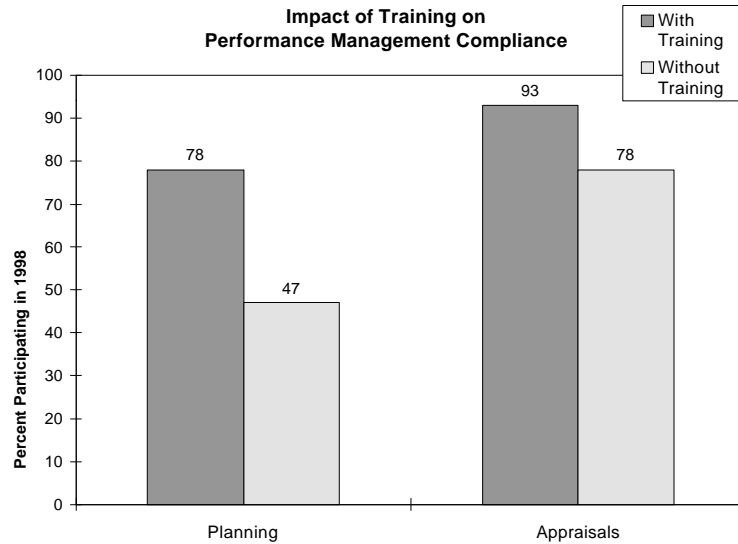
Similar to the reactions to the planning process, a higher percentage of the respondents in the directors category found their performance appraisal process to be very or somewhat beneficial

than did other categories. As with planning, administrative staff reflect the lowest percentage reporting that they found the performance appraisal process to be very or somewhat beneficial.

*Impact of Training*

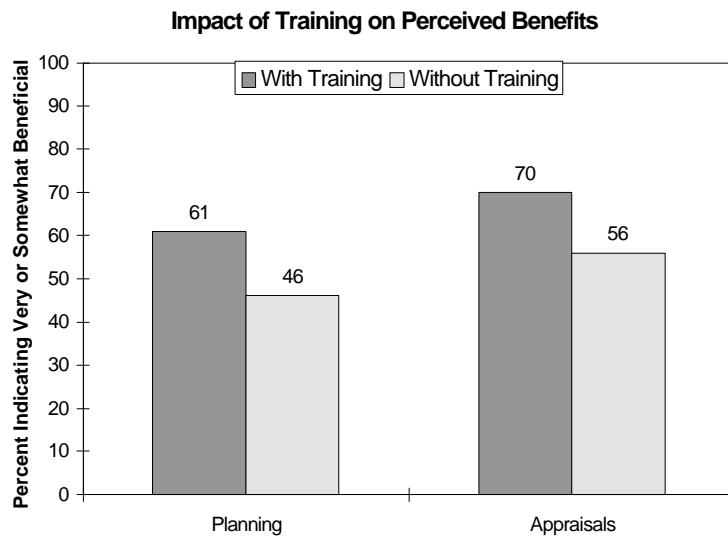
When we consider those respondents who attended a DHR training session (Q. 5) or one sponsored by their unit (Q. 7), we find that training increases the likelihood that staff members will comply with the performance management system. Of those who attended some kind of training, 78 percent completed a 1999 work plan (compared to 47 percent of those without training) and 93 percent participated in a 1998 performance appraisal (compared to 78 percent without training) (Figure 7).

**Figure 7**



What impact does training have on respondents' perceptions of the benefits of performance management? Again considering those respondents who participated in some kind of training, 61 percent indicated that they found the planning process to be very or somewhat beneficial and 70 percent indicated that they found the performance appraisal process to be very or somewhat beneficial, as compared to 46 percent and 56 percent (respectively) of the respondents who didn't participate in training sessions.(Figure 8)

**Figure 8**

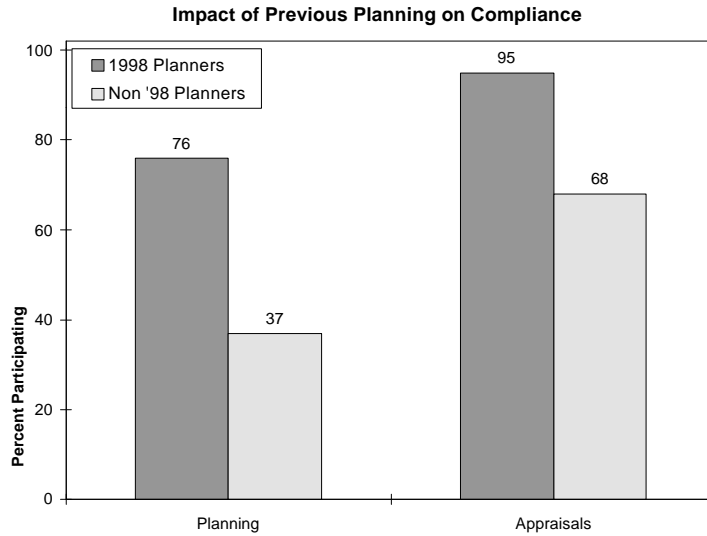


*Impact of Previous Experience*

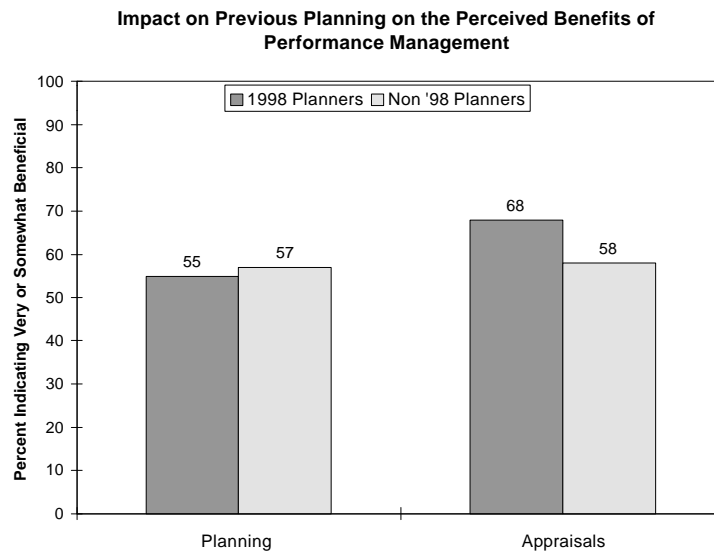
We asked respondents if they had developed a 1998 work plan in late 1997 or early 1998. We find that 64 percent had a 1998 work plan. Respondents who created a 1998 work plan were more likely than those who didn't have one to participate in an appraisal process for that year's work (1998), as well as create a work plan for the following year (1999).

Does creating a work plan impact the perceived benefits of performance management for the following year? The differences are smaller than the compliance differences. Those who created 1998 work plans and those who didn't had similar reactions in terms of the benefits to them from the planning process. However, those who created 1998 work plans were more likely to indicate that the appraisal process was very or somewhat beneficial to them than those who didn't create a 1998 work plan. In this situation, the appraisal process would have been evaluating their 1998 work, so these findings support the hypothesis that creating a work plan benefits the performance appraisal process.

**Figure 9**



**Figure 10**



*Impact of deployed status*

Deployed staff are less likely to participate in the performance management process and are also less likely to find the process beneficial than for Lutheran Center (non-deployed) staff. Among deployed staff, 53 percent created a 1999 work plan (compared to 64 percent of non-deployed staff) and 78 percent participated in a performance appraisal (compared to 86 percent of non-deployed staff). While 58 percent of Lutheran Center staff found the planning process to be very or somewhat beneficial, 43 percent of deployed staff responded similarly. The differences are smaller when considering the benefits of performance appraisals; 60 percent of the deployed staff

and 65 percent of the Lutheran Center staff found their performance appraisal to be very or somewhat beneficial.

### *Comments Analysis*

While respondents were encouraged to include comments throughout the questionnaire, two questions at the end were open-ended: “What changes, if any, would you suggest making to the current Performance Management System?” and “How could any system of job performance planning and appraisal be most helpful to you?” Responses to both these questions echo concerns raised by the quantitative questions and also in the four focus groups.

▶ **“Simplify, simplify, simplify!”**

The largest response category for both questions was a call for a more simplified system. While few respondents advocated completely eliminating any job planning and appraisal system, many called for a less time-consuming system and one that emphasizes good conversation and narrative feedback instead of filling out forms. Many noted that the twenty-one page “Performance Planning and Review Workbook” was too long and cumbersome and made the planning and appraisal process too lengthy and complicated.

▶ **Improve/Eliminate Competencies**

After a request for a more simplified system came a request to eliminate the use of the competencies section in the planning and appraisal process. While a few respondents believed that the competencies could be helpful, even those in favor of their use believed that the current use of competencies was unhelpful and needed to be modified. Many respondents perceived that the competencies were intended to measure personality or other non-work-related behaviors and questioned the appropriateness of such a use. No respondents described a situation in which they found the competencies section to be helpful (because not every respondent writes comments, this does not mean that such a situation does not exist).

▶ **Not Applicable to all Churchwide Employees**

Many respondents believed that the current system did not apply to a particular type of churchwide employees. Several respondents question if the current system could be applied to support staff whose work tends not to vary much or who do not have much control over their work schedules and responsibilities. Similarly, respondents from “service units,” particularly MIF, OT, IT, and MS, questioned the current system’s application to their work, whether they are executive or support staff. Both of these concerns share a similar point: the current planning and appraisal system requires employees to set down in advance, and be evaluated by, key service areas or work goals. For employees who see their roles as responding to the needs or requests of other people or other units, the current process assumes a level of control over their work which they don’t believe they have, making the planning process an exercise in futility.

Deployed staff also questioned the applicability of the performance management process, but for different reasons. Because they don’t work at the Lutheran Center, deployed staff have

not had the opportunity for training on the performance appraisal and planning process. Additionally, many deployed staff work most closely with synod staff or other deployed staff and not necessarily with their supervisor. Because of their lack of connection to their supervisor, the current system either does not work very well or becomes something of a time-consuming “chore” with little meaning behind it.

▶ **More Connection Between Appraisals and Incentives**

After requesting a more simplified process, respondents were more likely to suggest some connection to any kind of incentive when asked how any job planning and appraisal process could be most helpful to them. Many noted that without this connection, they had little incentive to work beyond meeting expectations under the current system. Others noted that colleagues who appeared to be working below expectations received favorable appraisals and received similar compensation increases as did those who were working at or above expectations. Without any concrete meaning tied to the results of the appraisal process, respondents indicated they had little reason to take the process seriously and to invest the time necessary for the performance management process. While most respondents suggested connecting appraisals to merit increases, others suggest connecting it to any system that would encourage advancement.

▶ **Improved Communication with Supervisor**

When asked how any job planning and appraisal system could be most helpful, respondents noted that they would most appreciate any system that facilitated quality communication between supervisor and supervisee and/or ensured a process of ongoing feedback and communication. These respondents indicated that a more narrative feedback process was more helpful than a numeric rating and would focus on what was working well and not working well and suggest areas for future improvement.

▶ **A More Job-Related Process**

Related to concerns about the use of the competencies, respondents suggested that a more job-related focus would be most helpful in any job planning and appraisal process. These responses seemed to imply that the current system did not actually focus on their daily work.

## FOCUS GROUP REPORT

April 22, 1999

### Process

Focus group participants were randomly selected from the churchwide staff database. Only Lutheran Center staff members were considered for the focus groups. One group was composed of only support staff, another group was only for staff members who are supervisors. Each of those two groups focused their conversations around their unique situations within the performance management process. Two groups were not composed of any specific type of staff members and they focused their conversations on the general processes participants used for performance planning and appraisal. Groups ranged in size from four to seven people and lasted for an hour and a half.

### Findings:

#### Planning

In general, participants supported the need for some system for planning, although many admitted that they probably wouldn't spend as much time or attention on it if a work plan weren't required. On the other hand, some staff members create team or work group work plans separate from the performance management process. Participants felt that planning was important, not just for an individual, but as teams or work groups, units, and the churchwide organization. Ideally, an individual staff member would be aware of how his/her work plan fit into their team/work group's work plan and the unit and organizational plan.

Despite general support for planning, focus group participants also had strong reservations and concerns about the current system in place for facilitating the planning process. Specifically, participants had concerns about the "logistical" details of the current planning process, the perceived inflexibility of the planning process, difficulties support staff or executive and support staff in "service" positions have in creating meaningful work plans, and a perceived lack of value in the competencies part of the planning.

#### *Planning "Logistics"*

**Forms:** Almost all participants noted that instructions seem complicated for planning, particularly the instructions for the Competencies section. Many participants would like to see the forms made more user-friendly and available for completion (not just for printing out) on their computer through the Intranet system. Additionally, many participants noted that the sheer weight of the Planning and Review worksheet booklet was intimidating and difficult to get through.

**Timing:** The current system asks staff members to conduct the planning (and the appraisal process) around December or January. This scheduling conflicts with holiday vacation schedules, and the year-end close process. For some staff members in particular units, the planning process is supposed to occur during a very busy time of the year in terms of normal work flow. More flexibility in the due dates for work plans and appraisals would be helpful.

*Perceptions of Inflexibility*

**Impact of new responsibilities:** Many participants expressed some frustration with being asked to delineate “key service areas” at the beginning of the year when they knew that these key areas would inevitably shift and change throughout the year. While some participants admitted that ideally a work plan should help focus their work and set priorities, in an organizational culture that values (if only unofficially) doing “more and more,” staff members find it difficult to remove or re-arrange priorities and instead end up adding projects and responsibilities. In this setting, then, a work plan becomes less useful because it only represents work priorities for a particular period of time and then it becomes outdated. Constantly re-writing a work plan as work responsibilities shifted seemed to make creating an annual work plan an exercise in futility.

**Setting Performance Targets:** While participants tended to express some degree of agreement with the helpfulness of setting key service areas, many expressed frustration with being asked to set performance targets and tracking sources. For many, this step has become only a time-consuming exercise with little meaning for them: “*You do it because you’ve got to put something down.*”

*Unique staff situations*

**Support staff concerns:** How can I create a meaningful work plan if someone else dictates the direction of my work? Support staff particularly expressed this frustration because their experiences had shown that even if they planned specific projects or key service areas for the coming year, their plans could be changed without much notice by their supervisor(s). Support staff with more than one supervisor found this to be particularly challenging: “*People in our positions don’t have the power to make things happen the way we want to.*”

Support staff participants, therefore, found some degree of futility in the planning process because of their lack of control over their work lives. Additionally, the routine nature of many support staff responsibilities did not seem to lend themselves to work plans. Some support staff wondered how they were to turn these routine tasks into key service areas, and then how they were to set tracking sources for these key service areas.

**Staff in “Service” positions:** Some participants wondered if the planning process was more useful for staff in programmatic or project-based positions. Similar to concerns raised by support staff (above), staff in service units or in service positions within programmatic units found it difficult to identify key service areas and then to identify tracking sources and performance expectations. These staff members found planning to be tedious because their work plans did not change much from year to year.

*Competencies*

**Not Job-Related:** No topic during the focus groups raised as much energy as did the competencies portion of the planning process. With a few exceptions, participants found the competencies section to be without merit. The biggest complaints were that the competencies did not seem to be job-related; difficult to measure; and more related to personal development, which some participants described as offensive. Support staff participants in particular raised concerns that competencies seemed more applicable to the

work of executive staff, a concern echoed by some executive staff participants. In some situations, a particular competency appears to be job related, but the language of the explanation was confusing, or as one participant explained, “required an advanced degree.”

**Difficulties in Implementation:** The focus groups revealed a wide range of implementations and uses for the competencies, some of which are in direct conflict with the intended uses expressed by the Department for Human Resources (DHR). One of the most commonly expressed uses was as a “personal development tool.” However, using the competencies as a personal development tool precludes them from applying directly to an employee’s job, making it impossible to use as an evaluation tool. Moreover, if competencies are used as a personal development tool, then many employees receive the message, either explicitly or implicitly, that they are to be improving their competency level from year to year. Both of these assumptions are in direct conflict with the intended uses as expressed by DHR. However, in this situation, we must remember that perception becomes reality and despite better intentions, these perceptions (or misperceptions) currently define the use of competencies as a planning tool. Additionally, different units now implement the use of competencies differently, creating more confusion about the correct use and application of competencies and eventually undermining the perception of organizational support for these competencies.

### **Appraisal**

Again, as with the planning processes, participants expressed general approval for the need to spend time evaluating or appraising their year’s work. Ideally, participants believed that a performance review process should include tools to affirm and recognize past accomplishments as well as to suggest improvements for future work. The review should be focused around a dialogue with an employee’s supervisor and include room for mutual feedback. Additionally, a review should examine an employee’s current job description and assess the fit with her/his current job responsibilities and examine any training or continuing education needs. Most participants believed that an annual review process was most effective within the context of an on-going system of dialogue and feedback about work progress.

While in general agreement on the ideal benefits of an appraisal system, participants expressed frustration with a disconnect between the ideal and the actual. Specifically, participants noted concerns with the logistics of the review process and the inflexibility of the appraisal instrument.

#### *Appraisal “Logistics”*

**Time-Consuming:** Supervisors find the performance review process to be very time-consuming, particularly for those with more than one person to review, particularly when tied to next year’s planning process. Other staff members expressed frustration with the lack of time and energy their supervisors put into their review.

**Forms:** Again, participants said that the forms and instructions from DHR were difficult to understand and not user-friendly. Many would like the option of completing the appraisal form on the computer through the Intranet system. Most did not understand

how to use the Competencies planning section in the review and so this section was, for many, dropped as a part of the review process.

### *Appraisal Instrument*

**Detracts from Appraisal Conversation:** While the appraisal should be based on the work plan, many focus group participants said that this process put the emphasis on filling out forms and not on the conversation between the supervisor and subordinate. In fact, because the supervisee has the responsibility for completing the performance review side of the planning grid, the supervisor has less responsibility for adding his or her own perspectives into the review. Many participants felt that this emphasis on filling out forms replaced the benefits they felt they received in the past from conversations about continuing education needs, feedback on past work, and suggestions for improvement. Many participants suggested that the process include room for general open-ended questions, such as “What were some struggles last year for you?” and “What are you most proud of in the last year?”

**Assessing a Numeric Score:** Many participants expressed deep concern with the need to give a final numeric score. In particular, participants resented the implication that most employees would receive an “average” score, indicating that they had met or exceeded expectations. Because the planning grid requires employees to set far-reaching goals for the “far exceeds” score, most employees receive the middle score, which many participants expressed as a “C grade.” Some supervisors refused to assess a final score because they believed their employees had actually far exceeded work expectations even though the form used for the review process only allowed them to give a “grade” of “average.” Many participants wondered that if there’s no difference between meeting expectations and exceeding expectations, why should employees be motivated to go beyond meeting the basic expectations set in their job description? One participant noted that the presence of the “far exceeds” category adds an inevitable negative element to the review process because most employees will never achieve that far exceeds category.

### **Conclusion**

While most participants agreed in general with the need for planning and appraisal processes, many felt encumbered by the present system. Particularly, participants expressed frustration with the forms and instructions provided by the Department for Human Resources, being “forced” to use the Competencies section for planning and appraisals, and difficulties in making the system fit to their own unique situations. Participants asked for more flexibility and a process that would facilitate productive conversations about work planning and appraisals instead of replacing those conversations.

## RECOMMENDATIONS

Based on this research, I suggest that the Department for Human Resources focus their attention on improving the “mechanics” (forms, instructions, deadlines) of the performance management process, encouraging organizational consistency, and identifying meaningful employee benefits of participating in the performance management system.<sup>20</sup>

### *Improving “Mechanics”*

Questionnaire responses point to this area fairly clearly. Aside from the task of selecting key service areas, all other steps in the planning process were rated more difficult (or close to neutral) than easy. Additionally, respondents were more likely to rate the accompanying information and forms as more unhelpful than helpful. The focus groups shed more light on this subject through participant comments that the instructions, particularly for the Competencies, were too complicated. Participants also complained about the layout of the planning grid and the language used to describe the Competency levels. Comments that the worksheet packet was too large and cumbersome were also frequently noted. Finally, many participants complained that the forms were simply not “user-friendly” and many wished they could complete the planning grid and the appraisal forms on the Intranet. See Appendix Three for examples of these forms.

While at first, these complaints might not seem very important. Certainly the presence or absence of the planning grid form on the LAN may seem like a minor point, as might the layout of the forms. However, if we agree, as the literature suggests, that employee perceptions impact the effectiveness of the performance management system as much as the quality of the system itself, then we must accept that even these “cosmetic” details will play an important role in determining overall employee acceptance, and therefore, long-term system effectiveness.

Therefore, to improve the “mechanics” of the Performance Management System, I recommend that the Department for Human Resources:

- A. Invest significant staff time, possibly in consultation with other churchwide units or staff members, in improving the visual aspects of the Performance Planning and Appraisal Worksheet. Specifically, the department should pay attention to improving the lay-out of the planning grid (“Performance Results”) and the “Final Assessment Instructions” page in the worksheet packet.
- B. Carefully and critically evaluate the language used in the Competencies section and all instructions in the worksheet packet. Perhaps this means engaging the services of the Hay Company to modify the Competencies descriptions. Or perhaps, following the model used to develop the Competencies originally, DHR should convene a working group of selected staff members to modify the descriptions. Regardless, DHR staff need to commit significant time and energy into modifying the Competencies and improving instructions or churchwide staff will not continue to take the time and energy necessary to include this component in their planning and appraisals.

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<sup>20</sup> Thanks to the Program Evaluation Staff Team for their assistance in formulating these recommendations.

- C. Consult with the Department for Information Technology (IT) on ways to best incorporate the planning and appraisal forms into the Intranet.

***Encouraging Organizational Consistency***

Research is clear: uneven organizational application of a performance management system indicates to employees that the organization is not fully committed. A perceived lack of organizational commitment negatively impacts the full employee acceptance of the program, and ultimately, its long-term effectiveness. While mid-level executive staff have the highest planning compliance rate (88 percent), less than 40 percent of the highest level executive staff completed a 1998 work plan. Inconsistent application translates to inconsistent organizational commitment and decreases the overall effectiveness of the performance management system.

However, in terms of this program, simply encouraging units to participate more thoroughly in the planning and appraisal components of the performance management process is not sufficient. Many respondents and focus group participants indicated that the performance management system did not apply to them and to their work or to the work of their unit. Requiring units and employees to participate in a system that seems irrelevant to them will only further cause these employees to subvert the system or only to “go through the motions.”

Finally, a goal of organizational consistency must be balanced with the need for the system to be flexible. Related to the need to make performance management more applicable to the work of support staff and staff in service units, the Department for Human Resources needs to seek creative ways for units to modify the system to fit their needs while still participating in the system. Participants also expressed this frustration with a perceived inflexibility when they resisted the idea of identifying definitive work plans because those plans could change mid-year. More than just “permission giving,” the department needs to consider which components are absolutely critical and which have some room for modification.

Therefore, to encourage organizational consistency, I recommend that the Department for Human Resources:

- A. Recognize the difficulties support staff and service unit staff have expressed regarding the application of the performance management system to their work. In response, the department should either modify instructions to give more help, provide examples, or provide additional instructional resources. Another response might be to provide individualized training at unit staff meetings for those units who have expressed this difficulty – particularly, MIF, OT, FO, MS.
- B. Continue to encourage units to implement all components of the performance management system throughout all staff levels, particularly at the highest staff levels.
- C. Communicate ways in which the system may be modified to fit unique situations. Suggest methods for incorporating new work responsibilities into the work plan or for doing a “mid-year correction” if work plans don’t match current work responsibilities.

### ***Identifying Meaningful Benefits of the Performance Management System***

While a majority of respondents indicated that they found the planning and the appraisal process at least somewhat beneficial to them, the proportions aren't exactly overwhelming. A significant proportion of churchwide staff indicated that the planning and, to a lesser extent, the appraisal process had no or only a little benefit to them. An examination of these responses by grade level category indicates that staff in lower salary grades find much less benefit in performance management than staff in higher salary grades. Moreover, focus group participants were critical of performance management because they believed that they received few benefits from the planning and appraisal process.

Many of the critiques of the planning process have already been mentioned in this section: the perceived inflexibility, problems with the planning forms and instructions, difficulties with using the Competencies in planning. In examining the benefits of planning, we should also acknowledge that for many who developed 1998 work plans, their lack of use of that plan eliminates any possibility of actually receiving benefits from the planning. Close to half of the respondents who created 1998 work plans never or only once referred to those plans throughout the year. On the other hand, those who created work plans for 1998 were more likely to participate the following year and were more likely to perceive the appraisal process as being beneficial. Focus group participants expressed even more confusion and frustration with the Competencies section of the planning process. Many felt this step was without merit and had no benefit to them at all. Without a stronger link between the planning and the appraisal process and without a stronger sense of how to use a work plan throughout the year, the planning component of performance management risks becoming increasingly irrelevant.

One major critique of the merits of the appraisal process focused on the perception that tying the appraisal to the work plan reduced the emphasis on a productive conversation between the supervisor and the supervisee. Many felt that this conversation had been a highlight of previous appraisals, but the emphasis on completing the performance results side of the planning grid took time away from the conversation. Discussions about issues not on the planning grid were less likely to occur, and employees missed these opportunities to talk about such issues as training and continuing education needs, equipment needs, the fit between current responsibilities and the job description, and long-term career development issues. Moreover, because many supervisees were to come to the appraisal interview with the completed planning grid, they believed that the responsibility for providing input to the appraisal process had shifted to them instead of the supervisor, further reducing the opportunity to receive helpful feedback.

Certainly, as the current Performance Management System is designed, those conversations and opportunities for feedback should still take place, not only during the performance appraisal but throughout the year as well. In training sessions sponsored by the Department for Human Resources, the trainer clearly stressed that a productive conversation is the ultimate goal of the planning and appraisal process and that conversations on performance should take place continually throughout the year. Unfortunately, despite this verbal emphasis, the bulk of the training sessions, and most participant questions were on the process of completing the forms and how to arrive at a final appraisal rating. Some of the comments on training session evaluations

(conducted by DHR staff) raised questions about how to actually conduct the appraisal conversation and how to address disagreements during the conversation, but these were not raised during the training sessions. Still, we should not forget that the training sessions have a critical impact on employee use and perceptions of performance management. Participating in training correlated with higher compliance rates for planning and appraisals and appears to positively impact the perceived benefits of the planning and appraisal process.

Although the literature suggests that a primary reason for conducting performance appraisals is to motivate employees, these focus group participants found little motivation in the current process. Not only did some find it difficult to receive productive feedback away from the planning grid, but nearly all resented the need to receive a final numeric “score” at the end of the appraisal. Despite instructions from DHR to the contrary, most participants understood this “score” to be a grade and found little motivation in being “graded” as only “average.” Additionally, without any difference between meeting and exceeding expectations, participants found little motivation in the appraisal process to do any more than meet expectations.

Finally, both in the questionnaire comments and in the focus groups, participants raised the question of “Why?” Without being tied to any merit-based compensation increase, advancement process, or any other reward system, participants questioned the overall merit of performance management. “It doesn’t mean anything” was a frequent response. Some replied that the only meaning the system had was to provide documentation in case of a wrongful termination lawsuit.

How to connect performance management to a rewards system is a tricky question. Many researchers and practitioners advocate separating the performance appraisal process from a compensation review process. But to what extent is that an artificial separation? If merit increases are given (and opinions range in the churchwide organization as to whether merit increases are actually given) and if the appraisal process has meaning, then an employee would expect some connection, if not a direct connection, between the two processes. If the decision to give or not to give a merit increase directly conflicts with the content of the appraisal process, then the appraisal process will ultimately seem irrelevant to the employee’s perception of his/her performance.

At the same time, merit compensation is not the only possible reward system. Both extrinsic rewards – that is, pay, benefits, job security, promotions – and intrinsic rewards – challenging work, personal development, opportunities to learn new skills – are valuable to employees. Unfortunately, with the current system, many employees, support and administrative staff in particular, see little connection between performance management and extrinsic or intrinsic rewards. Without connection to any meaningful rewards or benefits, employees will find little incentive to apply the time and energy necessary to implement the performance management system in any useful way.

Therefore, to identify meaningful benefits of the Performance Management System, I recommend that the Department for Human Resources:

- A. Continue to offer a variety of training opportunities for both supervisees (all employees) and supervisors. Consider alternative ways of training supervisors in appropriate uses of all components of performance management, particularly in the need for ongoing feedback.
- B. Incorporate an emphasis on the priority of the appraisal conversation into performance management training and instructions, possibly even including a list of potential “conversation starters” or helpful supervisor questions.
- C. Revise the current appraisal form and rating process. Allow for more flexibility in the appraisal rating process and expand the possible ratings to allow for more acknowledgment of supervisee accomplishments.
- D. Consider creative ways of incorporating some intrinsic reward system into the appraisal process. While a direct link to merit compensation increases may not be possible or even desirable, perhaps other rewards can be connected in some way to the appraisal process.

## **Performance Management System Evaluation**

### **A Response from the Department for Human Resources**

#### *Response Summary*

There are many good reasons for nurturing a performance management system within an organization. A sound, workable system helps an organization in delegation, goal setting, coaching, motivating and in ongoing informal and formal feedback on employee performance. It opens avenues of communications, serves as an incubator for career development and provides documentation needed to support all personnel decisions,

Yet, despite all the positive aspects of a performance management system, studies on the topic shows us that while people understand the value of a system in theory, they may be skeptical about its practical value. Recognizing this, the two-fold challenge to those of us who design and implement such a system, then, is to communicate its benefits in an effective way and to provide tools that are useful and manageable.

The purpose of the extensive evaluation process conducted by the ELCA Department for Research and Evaluation was to gather data in these two general areas:

- A) Do people understand the benefits of the system?
- B) Are the tools they have been given perceived as useful?

Overall, we in the Department for Human Resources agree with the findings that came out of the evaluation of the performance management system. In fact, we can support the findings with anecdotal reports and our own observations of the system and how it used. In addition, we feel that the recommendations set out in the general areas of I) *Improving the Mechanics*; II) *Encouraging Consistent Use*, and III) *Identifying Meaningful Benefits* are helpful and point our department toward changes what will result in helping members of the organization adopt more consistent and effective practices related to Personnel Policy 6.0 Performance Management. Our Plan for Action follows.

Finally, we would like to thank the Department for Research and Evaluation, Kathy Sime, and those employees who took time to provide input. The recommendations are offered in a supportive manner with an emphasis on improvement. We appreciate that perspective as well as the partnership such a tone fosters.

## **Plan for Acting on the Recommendations**

The following activities have been identified as “next steps” for improving the ELCA performance management system.

### **I. Improve the Mechanics of the Systems**

**A. The Issue:** *The planning grid as well as the rating system is viewed as difficult and not user friendly.*

**Proposed Action:** To be completed by December 1, 2000.

*Revise the planning grid.*

Change the format.

Simplify the instructions

Use more meaningful language

Separate the planning /evaluation form from the instructions and competency booklet.

Create an instruction guide that contains directions, examples and competencies.

*Change the rating system*

Eliminate the 2-tracks system

Simplify the math involved

**B. The Issue:** *Evaluate the language used in the competencies section*

**Proposed Action:** To complete by December 1, 1999.

*Rewrite the competencies to reduce and simplify the words*

Eliminate the hierarchical numbering system. Instead of levels, cite examples of how competencies might be stated as a key goal or objective.

Encourage supervisors and their employees to state a competency goal in their own words and record it that way.

Limit the number of competencies a person should include to one for non-exempt staff; one to three for exempt staff.

Encourage people to carry over and continue working on the same competency from year-to-year as long as it is highly job-relevant.

**C. The Issue:** *Make the system easier to use by putting it on the internet.*

**Proposed Action:** To be completed by December 1, 2000.

*Put the whole system on the Intranet for interactive use.*

## II. Encourage Consistent Use within the Organization

**A. The Issue:** *Recognize the difficulties the support staff and service units have expressed.*

**Proposed Action:** To be tested starting December 1, 1999.

- *Create an alternate planning/evaluation form.*  
Form should deal with more general areas of performance as opposed to key service areas.  
It should still allow people to capture a key project,  
It should define clearly the basic expectations in all areas.  
It should offer a place for brief comments.
- *Allow support staff/service units to select either form.*

**B. The Issue:** *The system is not used at all levels of the organization.*

**Proposed Action:** To be fully implemented by 2001.

- *Make using the system mandatory throughout the organization.*  
Require current forms on file before any personnel actions are approved, including annual raises.  
Require a 3-month evaluation on new hires.  
Audit for compliance.

**C. The Issue:** *Find ways to accommodate the "unique" situations.*

**Proposed Action:** To be fully implemented by December 1, 2000.

- *Require one-on-one with units who need alternate time tables.*
- *Work with units with deployed staff to meet their needs.*
- *Institute a "mid-year" correction process to accommodate changing positions.*

## III. Identify Meaningful Benefits

**A. The Issue** *Continue to offer training in order to help people understand the benefits of a system.*

**Proposed Action:** Ongoing.

- *Continue to offer training in a variety of settings (units, open classes, etc.)*  
Offer supportive training in feedback, coaching, etc.  
Require "basics training" of all supervisors.  
Create job aids for people around "how to get the conversation going."  
Audit the returned forms for consistency and equity.  
Identify and reward best practices.

## **Proposed Evaluation Plan**

*Kathryn Sime*

*Department for Research and Evaluation*

*December 30, 1998*

### **Program Outcomes**

1. More effective employee performance due to increased employee awareness of both their contributions to the churchwide organization and the organization's appreciation for those contributions.
2. Heightened employee awareness of training needs, resulting in more employee training.
3. Supervisors and the churchwide organization as a whole will better monitor, measure, report, improve, and reward employee performance.

### **Guiding Assumptions for the Evaluation**

1. A major challenge in evaluating the performance management system is the many different levels of implementation required for the program. The system is implemented on the organization level (DHR training, providing resources), on the unit level (primarily through Executive director and/or Human Resource Representatives), and on the supervisory level. Even if we had seen immediate full compliance across the organization, the program still could have wide variations in implementations on the unit level, and wider still on the supervisory level.
2. While the program has been in place for three years, the Department for Human Resources reports varied unit compliance during that time. Some units implemented the program immediately, other units may be implementing the program for the first time this year (end of 1998). While units in which the program has been in place for three years might reflect the desired outcomes of this program, units which have only begun this program will definitely not reflect the desired program outcomes (at least not due to the program). Because of the varied compliance within the organization, we will face difficulties if we structure the evaluation primarily around the desired outcomes of this program.
3. In general, programs which require multiple levels of service delivery and which have not been in place for a long time, such as the Performance Management system, can benefit from an implementation evaluation. An implementation evaluation examines issues relating to program delivery and the program's intended (and actual) audience.

### **Evaluation Plan**

In light of the above assumptions, I propose an implementation evaluation (as opposed to an outcome evaluation) of the Department for Human Resources Performance Management Program. This evaluation will focus on (but not limited to) these general questions:

From whom do churchwide staff members learn about the performance management system?

What's the most effective method of training? Where are the weak links in training employees about performance management?

What impact does training have on employee compliance and satisfaction levels with this program? What about other factors, such as executive/support status, previous use?

Of those employees who have participated in the process (as of January 31, 1999), how do they rate the ease of use of the process (primarily the forms and background materials distributed by DHR and training distributed by DHR). How do they rate the ease of use within their own unit? (Unit training, unit implementation policies)

What are the initial individual employee outcomes of the 1998 evaluation/1999 work plan? Specifically, do employees plan to seek additional training? Do employees plan to change work behavior? Are there other anticipated changes due to the evaluation/work plan?

## **Proposed Evaluation Methodology**

### **1. CHURCHWIDE EMPLOYEE QUESTIONNAIRE**

We will field a questionnaire to all churchwide employees in the beginning of February 1999, focusing on the general questions above. The questionnaire will be short (no more than one page (double-sided), scannable, and tracked with an ID label.

### **2. FOCUS GROUPS**

We will invite selected churchwide employees to participate in focus groups beginning in mid-February. We will convene at least one focus group of only supervisors to engage in conversations on the supervisory experience during the performance management system. Focus groups will intentionally include both those employees who participated in DHR 1998 performance management training sessions, and those who did not. At least one focus group will include only unit HR reps (all reps?).

### **3. EXECUTIVE DIRECTORS**

We will intentionally include executive directors in some way still to be determined, either a questionnaire, focus group, or structured interviews.

### **4. COMPLIANCE RECORDS FROM DHR**

As evaluations **and** work plans are turned in to the Department of Human Resources, DHR staff will record compliance rates from each unit.

## **Timeline**

All data collection should be completed by May 1, 1999.

The target date for submission of final report to the Office of the Bishop is June 1, 1999.

**Churchwide Staff Questionnaire:  
Performance Management System**

*March 1999*

**Frequencies**

*April 1999*

n=313 (61% response rate)

This questionnaire has three sections: (1) **General information**, (2) **Performance Planning** and (3) **Performance Appraisal**. Please remember that this questionnaire is designed to help us evaluate the Department for Human Resource's Performance Management System; we are **not** evaluating *your* use or *your unit's* use of the Performance Management system.

Please answer the following questions by **completely** filling in the circle (●) next to the response that best reflects your feelings about the item. **Please do not place a ✓ or X in or on top of the circles.** *Thanks!*

### I. General Information

1. Have you been in your current position at the churchwide organization for two years or more?

74% Yes

26 **No** → *Try to answer as many questions as applicable, even if you've only been an employee of the churchwide organization for a short time. Simply skip those questions that do not apply.*

2. Do you have more than one supervisor?

28% Yes      72% No

3. Do you officially supervise one or more churchwide staff persons?

47% Yes      53% No

4. Are you deployed?

20% Yes      80% No

5. In the fall or winter of 1998, did you attend any performance management training session sponsored by the Department for Human Resources? (This does not include any training sessions that might have taken place during your unit's staff meeting.)

25% Yes

71% No

4% I don't remember

6. In the fall or winter of 1998, did your unit offer any explanation of the Performance Management System to help with your 1999 work plan and/or 1998 performance appraisal (such as during a staff meeting)?

55% Yes

37% No → *Skip to question 8*

8% I don't remember → *Skip to question 8*

7. Did you attend a training session (in question 6) offered by your unit?

56% Yes

40% No

4% I don't remember

### II. Performance Planning

8. In 1998, did you have a work plan or performance plan (of any kind) that was supposed to focus or help guide your work in 1998 (most likely developed at the end of 1997 or early 1998)?

65% Yes

33% No → *Skip to question 10*

2% I don't remember → *Skip to question 10*

9. Approximately how often (after it was developed) did you refer to that work plan during 1998?

23% Never

24 Once

36 Several times (2-5) throughout the year

14 More than five times or regularly/continually throughout the year.

3 I don't remember

10. At the end of 1998 or beginning of 1999, did you develop a work plan for 1999 using the Department for Human Resource’s Performance Management System (includes selecting key service areas, setting target goals, selecting key competencies)?

63% Yes → → Did your plan include. . . Key Service Areas? 94% Yes 4% No 2% I don’t remember  
 37 No → Skip to question 16 (page 3) Key Competencies? 83% Yes 15% No 2% I don’t remember

11. Did anyone help you (or try to help you) when you were developing your 1999 work plan? If your supervisor also fills another role listed (i.e., unit director), consider any help coming from that person to be from your supervisor, unless he/she was clearly acting in his/her other role(s).

69% Yes 31% No → Skip to question 13

12a. From whom did this help come? → → (Mark all sources of help)

- 42% My supervisor(s)
  - 9 My unit’s human resource representative
  - 6 My unit’s director/executive director
  - 4 A representative from the Dept. for Human Resources
- 12 Another person in my unit not listed above.
- 5 Other:

12b. Of those sources of help in question 12a, who was the most helpful? (If you marked only one, mark that same person below if she/he was helpful to you.)

- 75% My supervisor(s)
  - 4 My unit’s human resource representative
  - 6 My unit’s director/executive director
  - 3 A representative from the Dept. for Human Resources
- 5 Another person in my unit not listed above
- 2 Other:
- 5 No one was helpful to me

13. Considering only your experience with the **planning** portion of the Performance Management System (Part 1) in your planning for 1999, please consider how easy (questions a-e) or how helpful (questions f-h) the following items were during the performance planning process:

How easy was it to . . .	Very Easy				Very Difficult	Mean
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	
a. Select my key service areas	19%	36%	25%	13%	7%	2.5
b. Set my expected service performance targets.	8	27	31	22	13	3.0
c. Identify a tracking source/measuring device for my key service areas.	6	20	26	25	23	3.4
d. Select my core competencies (the “spokes” along the Competency Assessment Wheel).	8	20	29	20	23	3.3
e. Complete the Planning Grid (or whatever form your unit used to report your plan).	6	20	34	23	18	3.3

How helpful was/were . . .	Very Helpful				Very Unhelpful	Mean
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	
f. The accompanying information and forms (from DHR) regarding the planning process.	3%	18%	33%	29%	17%	3.4
g. The discussion with my supervisor about my key service areas.	22	34	25	12	7	2.5
h. The discussion with my supervisor about my core competencies.	14	27	29	18	13	2.9

Any comments? If you responded with a “4” or a “5” to any of the above items, what in particular was difficult or not helpful about the planning process? (Attach an additional page if needed.)

14. In general, how beneficial to you was the **planning** portion (Part 1) of the Performance Management System?

- 7% Very beneficial
- 49 Somewhat beneficial
- 32 Not very beneficial
- 12 Not at all beneficial

15. Considering the plans you and your supervisor developed for your work in 1999, to what degree does the plan reflect your actual work responsibilities?

- 48% A very great degree (the plan and your actual work are very similar)
- 42 Some degree of resemblance
- 8 Very little resemblance
- 3 Not at all (the plan and your actual work are not similar at all)

### III. Performance Appraisal

16. At the end of 1998 or beginning of 1999, did you and your supervisor spend time evaluating or appraising your work in 1998 (using any method or system)?

- 85% Yes
- 13 No → Skip to question 20 (page 4)
- 2 I don't remember → Skip to question 20 (page 4)

17. During that performance appraisal time, did you and your supervisor refer to any work plan you had developed to help guide your work in 1998?

- 61% Yes
- 26 No, because I did not have a 1998 work plan.
- 11 No, I had a work plan but we did not refer to it during my performance appraisal.
- 3 I don't remember.

18. Considering only your experience with your **performance appraisal** (Part 2 of the Performance Management System), please rate your degree of agreement with the following statements:

	Strongly Agree			Strongly Disagree		Mean
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	
a. I understood how my supervisor would be evaluating my 1998 work before my performance appraisal began.	32%	28%	20%	11%	10%	2.4
b. I understood what my supervisor shared with me about her/his perceptions of my 1998 work.	55	32	8	3	2	1.7
c. I was not surprised by my supervisor's appraisal of my 1998 work.	57	32	7	2	3	1.6
d. The conversation my supervisor and I had about my 1998 job performance accurately reflected my actual 1998 work.	51	34	11	3	2	1.7
e. I had sufficient opportunity to respond to my supervisor's appraisal of my 1998 work performance.	63	25	8	3	2	1.6

Any comments? If you responded with a "4" or a "5" to any of the above items, please explain further. (Attach an additional page as needed.)

19. In general, how beneficial to you was your 1998 performance appraisal (Part 2 of the Performance Management System)?

- 15% Very beneficial
- 49 Somewhat beneficial
- 26 Not very beneficial
- 10 Not at all beneficial

**Finally. . .**

20. What changes, if any, would you suggest making to the current Performance Management System?

21. How could any system of job performance planning and appraisal be most helpful to you?

**Thanks for your assistance!**  
Please return this questionnaire to Kathy Sime,  
Department for Research and Evaluation.

**Any questions? Call Kathy at ext. 2995.**