

Performance Management – Giving and Receiving Feedback

February 2025



MONTANA'S
CREDIT UNIONS

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Introducing Nina Lund



- ✓ Owner/Founder Next Generation HR
- ✓ Three decades within corporate America in various HR roles
- ✓ Empathy | Capability | Professionalism
- ✓ Outdoor enthusiast, wife, mother and dog mom to Dash
- ✓ Passion for cooking and Culinary Arts degree!



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Introducing Bryan Fox



- ✓ 49 years to serving his country, state and community.
- ✓ 2018 retirement as the Commanding General for the MT Air National Guard
- ✓ 42-year career, Mr. Fox deployed to 30 countries
- ✓ 1981-2023 on BOD Russell County FCU
 - seven CEOs hired
 - four name changes
 - four mergers
- ✓ National Volunteer Leadership Committee



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Agenda

- Performance appraisal versus performance management
- Performance planning and goal setting
- Providing continuous feedback
- *Rating scale and descriptors
- Conducting appraisals
- Rater errors
- Developmental Opportunities



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Introduction

Performance management is the broad collection of activities designed to maximize individual and, by extension, organizational performance. It includes setting expectations, measuring employee behaviors and results, providing coaching and feedback, and evaluating performance over time to use in decision-making and development. The purpose is to align individual efforts to achieve organizational goals.

A successful performance management program helps an employer recruit and retain talented employees, keep employees engaged, enhance employee learning, ensure alignment with company values, ensure accountability and build a winning culture.



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Performance Appraisal Versus Performance Management

Appraisal

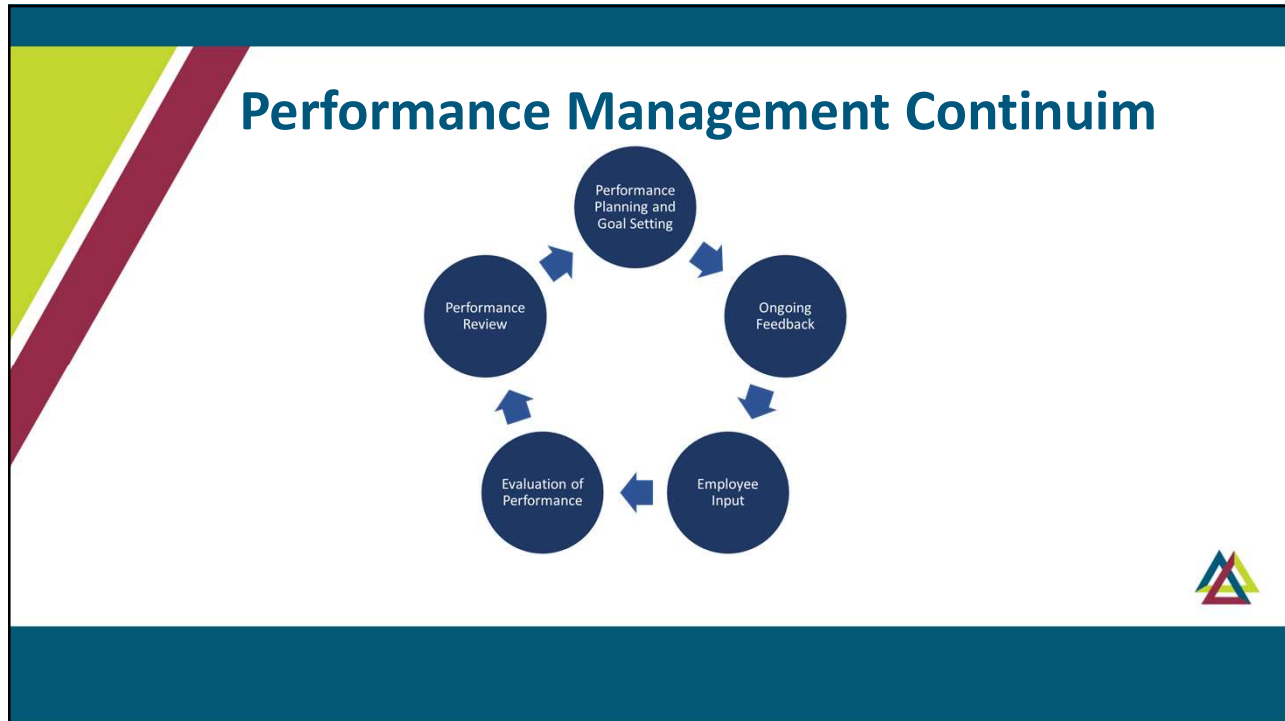
One-time event
Retrospective
Short-term
Correction-oriented
Assigning ratings

Management

Ongoing
Prospective
Long-term
Progress steps
Planning/Goal-setting



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Performance Planning and Goal Setting

This slide features a white background with a decorative green and maroon diagonal stripe on the left side. The title 'Performance Planning and Goal Setting' is centered in a large, bold, dark blue font. A small, colorful logo is positioned in the bottom right corner of the slide.

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Setting Goals and Objectives

Define and establish specific goals and objectives for the review period.

Use **SMART** goal criteria:

- ✓ **S**pecific
- ✓ **M**easurable
- ✓ **A**chievable
- ✓ **R**elevant
- ✓ **T**ime-bound



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Setting Goals and Objectives (Cont.)

- Align goals and objectives with the organization's business plan.
- Establish mutually agreed-upon goals between the employee and the manager.
- Establish milestone review dates.
- Communicate changes or redirection of goals and objectives in a timely manner.



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Continuous Feedback

“Treat feedback as a gift rather than a slap in the face.” – Frank Sonnenberg




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Continuous Feedback

Effective performance management systems include a process for continuous feedback.

- Establish milestone dates for periodic monitoring of performance objectives and progress reports in objective terms.
- Be aware that goals or objectives may need to be changed or retargeted during the review period.
- Maintain open communication channels to ensure that issues are elevated quickly and resolved timely.
- Coach, assist and/or redirect employees who request assistance and those who are failing to meet standards.



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Feedback is Communication

Course Correction - It allows us to determine whether we are headed in the right direction or whether we need to change something.

Collaboration – Checking in and offering ways to help stay the course, meet our goals, keep a vision in our line of sight.

Small course corrections over time add up to big benefits. Equally, neglecting feedback overtime can have the opposite effect.

*The Leader's Guide to Mastering Feedback, Joan R. Hibdon, CPCC, PCC



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Types of Feedback

Acknowledgement – Ensures people feel “seen” and that their hard work is recognized.

Praise – Due to those who go above and beyond. Signals a person is valued and indispensable.

Curiosity – Allows the person to consider their own performance. As the leader, you agree or disagree with them.

Course Correction – Both setting expectations, inviting feedback, staying curious. Problem solving.

Transparency – “Name” what you “See” and ask open-ended questions.



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Appraising Performance

“Criticism, like rain, should be gentle enough to nourish a man’s growth without destroying his roots.” – Frank A. Clark



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Montana Protected Classes

- Age
- Marital Status
- Physical or Mental Disability
- Race / National Origin
- Color
- Religion / Creed
- Sex (including pregnancy, maternity, sexual harassment, sexual orientation)



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Montana Protected Classes (Cont.)

- Political ideas (only in the provisions or governmental services or governmental employment)
- Retaliation (where in a protected class or protected activity)
- Familial Status (Housing)
- Vaccination Status (employment, government services, public accommodation)



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Why Appraisals are Important to... Reviewer (Director/Board)

- Consistent evaluation
- Helps identify organizational strengths and weaknesses
- Improves overall effectiveness
- Increases accountability
- Aligns Individual goals vs. organizational goals, KPIs
- Career development/enrichment
- Improved employee retention and overall customer satisfaction



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Why Appraisals are Important to... Person Being Reviewed

- Learn/reiterate areas of strength and opportunities
- Tangible record of how they are doing
- Align expectations and understanding
- Supports development – “Tune Up Plan”
- Encourages accountability
- Opportunity to discuss career development
- Overall Engagement



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Conducting the Appraisal

To ensure an effective performance appraisal meeting, take the following steps:

- Be prepared by collecting and reviewing performance notes, feedback and other data.
- Request self-appraisals from employees to be completed one week prior to the appraisal meeting.
- Choose a private and comfortable space for the meeting and schedule sufficient time to focus on the review.
- Encourage open dialogue regarding performance levels, lessons learned, ongoing progress, and goals and objectives for the next review period.



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Rater Errors

- Halo effect - the individual's performance is completely appraised based on a perceived positive quality, feature or trait (the employee can do no wrong).
- Horn effect - the individual's performance is completely appraised based on a perceived negative quality or feature (the employee can only do wrong).
- Central tendency - lack of rating differentiation between employees.
- Leniency - avoidance of honest ratings to avoid conflict.



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Rater Errors

- Recency effect - narrow focus on recent events rather than the entire performance period.
- Similarity/"like me"- favorable ratings given to employees who have similar values, style or interests to the rater.
- Stuck in a "Doom Loop Spiral"



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Rater Errors

Tips to avoid rater errors:

- Make objective statements – “Jorge arrived late on four occasions” rather than “Jorge is always late.”
- Consider the totality of the employee’s performance over the entire review period
- Make and keep adequate records with specific examples
- Establish milestones for progress reviews
- Seek input from other managers
- Participate in an organization-wide calibration process
- Only indicate your direct experience with the person you are rating, not others



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Giving Feedback

Inference vs. Behavior

An inference is our opinion, it is not always fact. It is a conclusion we have drawn based upon our observation of a person or situation. A behavior on the other hand is fact. It is something we can see someone do or hear someone say. We can describe it. A behavior is the most important piece in providing feedback. When we are offering feedback to one of our employees, we need to speak about behaviors not inferences.

Keep in mind, there can be many different behaviors that lead a person to make an inference.

Behaviors are less “judgmental” and should be applied in positive feedback as well as negative.



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Giving
Feedback

Inference	Associated Behavior
Lazy	Does not complete tasks on time
Sloppy	Uniform wrinkled
Unorganized	Unable to find information needed to complete reports
Not a team player	Does not volunteer to help co-workers
Unmotivated	Needs to be told next steps in completing project
Bad attitude	Rolls eyes during meeting when new initiative is introduced
Poor communicator	Does not respond to emails within 24 hours

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Giving
Feedback

Inference	Associated Behavior
Team player	Asks if teammates need assistance
Good communicator	Ask for understanding once directives are given
Trustworthy	Admits mistakes
Solution focused	Identifies problem and offers a solution
Passionate	Sets and achieves goals
Collaborative	Asks others' opinions in meetings

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Receiving Feedback

Fixed Mindset = Criticism	Growth Mindset = Feedback
This person is picking on me.	This person cares about me and is trying to help me.
This person thinks I'm bad at this.	This person must believe in me or he/she wouldn't bother pointing out how I can improve.
I am so angry. I feel so embarrassed.	I am thankful this person is telling me how I can do this better.
I give up. I'll never be able to do this as well as the person wants me to.	I will try and do the things this person is suggesting and see if it helps me improve.

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Performance Evaluation Form

- Many different options available
- Rating Scales – 1- 5; no ratings, emojis ☹️
- Developmental Element – Forward Thinking
- “Tune-Up Plan”
- More to come in 2nd Webinar so register now!



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Summary

- Performance appraisal and performance management differ in form and frequency of occurrence
- It is important to plan for performance appraisals and establish an appropriate environment for them
- Develop ongoing performance communication by recognizing performance management is a continuing process
- Define and establish specific goals and objectives using SMART principles
- Rater errors should be identified and avoided



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Closing

Questions???

Thank you!!!



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