Performance Management: Continuously Assessing Improvement

Juan Williams, Commissioner
State of Tennessee Department of Human Resources
Foundation

2012: Tennessee Excellence, Accountability, and Management (T.E.A.M.) Act

The foundation of the Performance Management Program (PMP) began with:

- S.M.A.R.T.
- Cascading goals
- Employment and Salary decisions
- Active employee engagement
Transition and Alignment

2012-2014:
- Redefine standards and processes
- Educate and train the workforce.

Impact
- Alignment
- Purpose
- Expectations
- Culture
Implementation

2015: Pay for Performance implemented
- P4P Base increase (Differentiation)

2016:
- P4P Base increase and Bonus for Outstanding and Advanced (Differentiation)

Impact:
- Recognized accomplishments
- Motivated employees
- Reward and retention
Continuous Improvement

2017: Implemented Performance Management 2.0:
- Incorporated Competencies and Behaviors (70%/ 30% rating model)
- Employee input
- Weighted work outcome
- P4P Base increase and Bonus for Outstanding and Advanced (Differentiation)

Impact
- Established behavioral expectations
- Employee ownership
- Comprehensive approach
Assessment

2018:
- Effectiveness of the State’s Performance Management Program.
  - Quality of Feedback
  - Training and Development
  - Ratings
  - Program Enhancements
- P4P Base Increase and Bonus for Advanced and Outstanding (Differentiation)

Impact
- Explored employee experience and perceptions of the PM Program.
- Identified the strengths and opportunities of the current PMP,
- Assessed the challenges presented during the implementation of PM 2.0.
Continuous Improvement

2019:
- PM Redesigned
- P4P Base increase
- Bonus for Advanced and Outstanding (Differentiation)

2020: Implemented year 1

Impact:
- High level of engagement
- Clear expectations and performance feedback

Year 1
2020-2021

- Change rating descriptors
- Keep the current weight of the competency and work outcomes the same (70/30)
- Introduce Enterprise Core Values
- Introduce Agency Core Competencies
Continuous Improvement

2020: P4P Suspended due to Economic effects of COVID-19
- P4P later awarded retro Base Increase

2021:
- Implemented comprehensive competency model
- Base increase for Meets, Exceeds, Exceptional (Differentiation)
- Bonus for Meets, Exceeds, Exceptional (Differentiation)
Assessment

2022:
- Assessed PM since the implementation of the 4-year strategy
- P4P awarded Meets, Exceeds, Exceptional (Differentiated)
- Bonus increase Meets, Exceeds, Exceptional (Differentiated)

Impact
- Implemented new compensation model
- Reassessed strategic direction and alignment
- Assessed assigning ratings
Compensation Philosophy

The State of Tennessee maintains a focus on results by administering a market and performance-based compensation model that attract, develop, reward and retain top talent based on performance and market competitiveness.
Going Forward...

- Bridging the gap between Talent Management and PM
- Incorporating job-based competencies
- Redefining the measurement scale
- Aligning and Calibrating goals
- Normalizing the rating distribution
- Improving employee experience