



Entry Form 2018 Annual Awards for Program Excellence

Entry Deadline: Friday, June 15, 2018, Midnight ET

Each entry must include a completed entry form. Please complete a form for each entry your HFA is submitting. The completed entry form will become the first page of your entry.

This form is a fillable PDF. Type your information into the entry form and save it as a PDF. Please do not write on or scan the entry form. **Questions: Call 202-624-7710 or email awards@ncsha.org.**

Entry Title: Enter your entry's title exactly as you wish it to be published on the NCSHA website and in the awards program.

Category:

Subcategory:

Entry Summary: A 15-word (max) summary of the program, project, or practice you are entering.

HFA:

HFA Staff Contact:

Phone:

Email:

Visual Aids:

Are you mailing to NCSHA 10 copies of any visual aids that cannot be included in your entry PDF? Yes No

Payment:

My HFA is mailing a check to NCSHA.

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Stop the Madness - No More Performance Reviews!

What do companies like Adobe, Dell, the Gap, GE, Dunkin' Donuts, and Deloitte have in common? They stopped the madness of annual performance reviews. Instead of a forced, annual report card looking in the rear-view mirror, they moved to frequent, real-time informal check-ins between supervisors and employees. There's been a revolution.

Without question, performance reviews have been the bane of HR, management, and employees alike for more than 100 years. Performance reviews were the brainchild of Frederick W Taylor, the father of scientific management back in the early 1900's. His time and motion studies on factory assembly lines led him to encourage a work measurement instrument to control an employee's output. This was not about employee development and engagement, but rather to make sure that the employee was not slowing down the production process. It was to keep the assembly line moving quickly.

The tools of the industrial age don't work so well now in the information age. It's not about keeping the assembly line moving quickly these days. Employees want and deserve regular feedback, not just an annual report card. There are four clear reasons to ditch the annual review and replace it with a better system of frequent interactions.

1. Work is changing. Twelve-month goals are rarely set any more. Now, it's short-term deliverables allowing the organization to be nimble and responsive.
2. We need more collaboration and traditional rating systems inhibit that. Performance systems that use a forced curve or ranking system drive employees to compete rather than work together.
3. Attracting and retaining good employees can be difficult. Millennials are now a major segment of the workforce and they crave frequent feedback, learning and development. Frequent communication drives employee engagement and development as supervisors better understand how their people are doing.
4. When ratings are removed, people develop faster. More frequent dialogue and more open and honest communication help people grow.

It was time to make a change.

The Research

Like so many organizations, the North Carolina Housing Finance Agency (NCHFA) has changed, tweaked, and otherwise muddled with the performance review process for years. We went from ratings to no ratings, from long supervisory narratives to employee-written narratives. We went from annual to twice a year. We went from no goals to goals. It all worked, but only to a point. It was still a process dreaded by all, yet, employees still wanted to know how they were doing and often they weren't getting that.

There seemed to be a huge gap in what neuroscience and psychology now knows and what businesses have been doing for 100 years.

- Writer and researcher Daniel Pink found that traditional performance management tools may keep the assembly line moving, but they quash creativity and innovation. Pink encourages the focus to be on autonomy, mastery and purpose instead.
- Dr. David Rock, neuroscientist, found that we need to rethink how we give feedback to reduce threats and unlock creativity. The best way to drive performance is to improve the quality of conversations.
- Samuel Culbert, a business author and professor who penned the book **Get Rid of Performance Reviews**, found that reviews, ratings and the forced distribution curve model are demotivating and that the key to driving performance is with frequent, informal performance conversations.

All the research pointed to developing a feedback-rich culture with frequent touch-points and check-ins and to setting and resetting short term goals. The question was now “how do we do that?”

Some years ago, the NCHFA IT team moved to an agile approach to IT development. The agile approach is broadly defined as “the ability to anticipate changes and respond effectively and efficiently.” While agile principles and processes were originally used to improve software development, over the past few years they have been adapted for other business needs. Agile principles include welcoming change, delivering frequently, having frequent (even daily) face-to-face conversations, keeping it simple, and reflecting and adjusting often. It was a new, nimble way to work. If the agile approach worked for IT, will it work for employee performance and development?

The Agile Approach to Performance Management

A recent survey found that 64% of employees want their supervisors to check-in with them at least every two weeks and millennials want feedback every week. An agile approach to performance management would encourage these frequent check-ins. Using the agile principles, we can create a culture of direct and continuous conversations in a real-time approach. After all, direct conversation is the most efficient way to gather information and to learn from it.

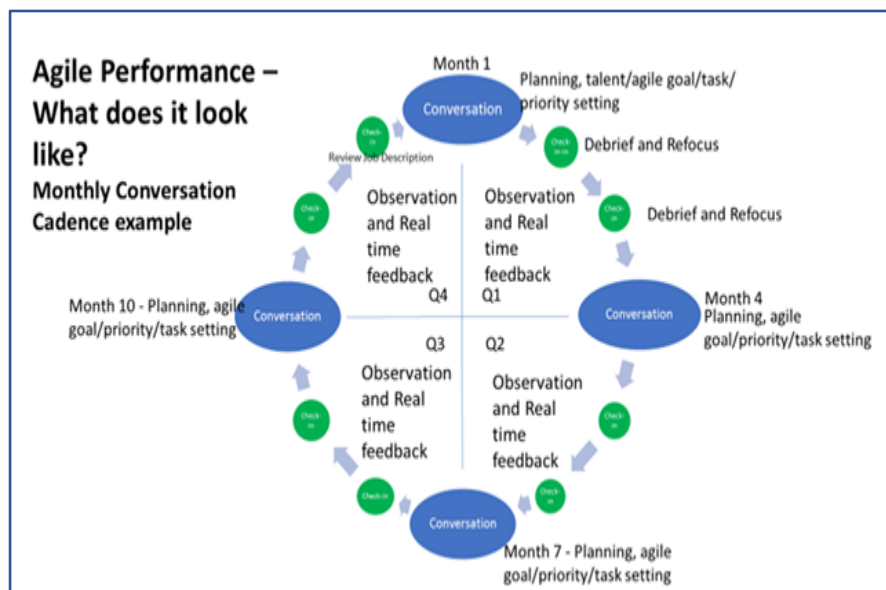
To meet the needs of our employees and supervisors and to be agile, a new process would not have ratings, would encourage frequent small near-term goals, facilitate regular check-ins and be “real time”. Simplicity is fundamental.

The Continuous Conversation Process and Journal

We were ready to stop the madness of the annual performance report card and began to design an agile process that would work for the Agency. Working with a small and diverse group of supervisors and employees to get their ideas of what would and would not work, the design and test phase began. After several iterations of the format, months of testing with this group and further refinements of the process, the new **Continuous Conversations** process and journal were rolled out for the Agency-wide January 1, 2018 implementation.

Employee feedback and development is on-going and no longer just a once-a-year event. The Continuous Conversation process is a mechanism to facilitate these discussions and the Journal will capture the essence of the conversations. Instructions included: Talk to your employees! Have regular check-ins, at least monthly. Have intentional, deeper conversations several times a year.

- Conversations – Planning, agile goal/task setting, development
- Check-ins – observation and real-time feedback; frequent, debrief and refocus



A cadence or cycle was suggested. In this cadence, informal check-ins, held at least monthly, should assess how things are going at that time. It's a short debrief and an opportunity to refocus and change direction, if needed. It's the time to nip a potential problem before it gets bigger. It's a part of frequent and constructive feedback. At least once each quarter, a more intentional conversation with each employee is held. This is a deeper dive into how things are going and a chance to do more planning and agile goal setting. This is the time to focus on development and success. Possible conversation areas and related questions were provided.

- Climate Review: To measure job satisfaction and morale.
- Strengths and Talents: To identify and develop innate abilities.
- Opportunities for Growth: To improve performance and standards.
- Learning and Development: To identify and support future learning opportunities.
- Innovation and Continuous Improvement: To improve the employee's and the team's effectiveness.

A journal was created to allow both the supervisor and the employee to add ideas, comments, and notes at any time. The Journal is a Word document that is stored in a folder shared by only the employee and the supervisor. Either can add to it at any time.

Part One of the simple format of the Continuous Conversation Journal allows the supervisor and the employee to keep a running diary of the highlights of the check-ins and conversations. It also is a place for the supervisor to recognize the employee and to add other thoughts and comments. The Journal should be a two-way journal and both the supervisor and the employee should frequently add comments either to memorialize conversations and check-ins or spark a new thought or discussion. Part Two is a "Goals" section for the employee to add both near-term and long-term goals, new projects and tasks and professional development goals as they develop in real time and as agreed up on with the supervisor. Employee and Supervisor should regularly highlight successes and areas for development and growth. The third section of the journal is a place for year-end summary comments and then the cycle will begin again.

This new approach met with great approval from staff and supervisors alike. The old way was outdated and this new approach allowed for flexibility and encouraged engagement and development.

<u>The Old Way</u>	<u>vs</u>	<u>The New Way</u>
Emphasis on appraisal and looking back		Emphasis on development and looking forward
Shaped by the industrial revolution		Shaped by applied research and neuroscience
Ratings and rankings		No ratings or rankings
Annual, once-a-year event		Regular, frequent conversations and check-ins
Annual goal setting		Agile, responsive nimble goal-setting

WIIFM or What's in it for me? This can be easily answered for both the supervisor and the employee. Supervisors will have a more nimble and productive team with better communication and will be able to quickly react to a changing environment. Employees will be able to reach their goals faster, have a better understanding of what's needed to be done and will be more engaged. No stilted, year-end annual review meeting which no one liked and HR had to police. It's a win-win for everyone.

Using an agile approach for employee performance and development has worked. The process and format can be easily adopted by other organizations and adapted to their needs. Other than time spent in development, there is no additional cost to the organization and the benefits are many. We stopped the madness.

VISUAL AIDS

1. Continuous Conversation Journaling for Agile Performance - Instructions for the Supervisor

2. Continuous Conversation Journal

1. Continuous Conversation Journaling for Agile Performance

Instructions for the Supervisor

Process and Timeline

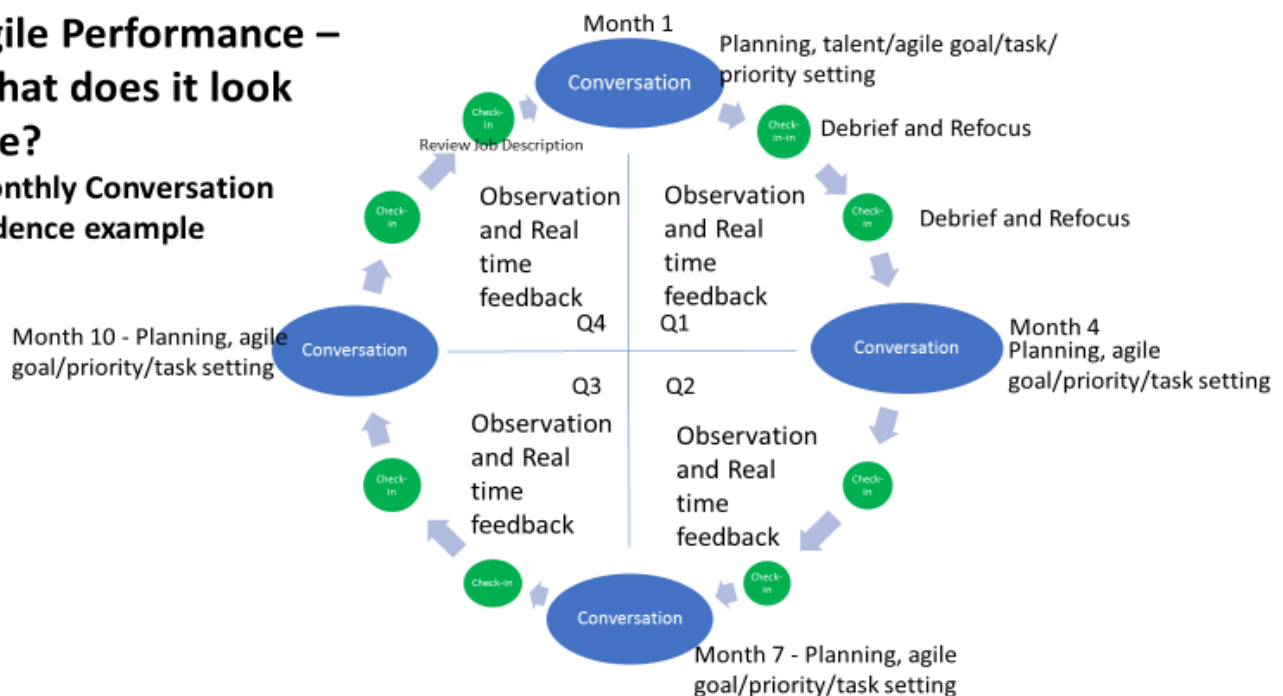
Feedback and development is on-going. It is not a once-a-year event. The Continuous Conversation Journal is a mechanism to capture these discussions.

Please follow these steps:

- Talk to your employees! Have regular check-ins, at least monthly. Have intentional, deeper conversations several times a year.
 - Conversations – Planning, agile goal/task setting, development
 - Check-ins – observation and real-time feedback; frequent, debrief and refocus

Agile Performance – What does it look like?

Monthly Conversation Cadence example



- Informal check-ins should assess how things are going at that time. It's a short debrief and an opportunity to refocus and change direction, if needed. It's the time to nip a potential problem before it gets bigger. It's a part of frequent and constructive feedback.
- At least once each quarter, you should have a more intentional conversation with each employee. This is a deeper dive into how things are going and a chance to do more planning and agile goal setting. This is the time to focus on development and success. You could focus on a different conversation area each time:
 - Climate Review: To measure job satisfaction and morale.
 - Strengths and Talents: To identify and develop innate abilities.
 - Opportunities for Growth: To improve performance and standards.
 - Learning and Development: To identify and support future learning opportunities.
 - Innovation and Continuous Improvement: To improve the employee's and your team's effectiveness in line with business needs

Conversation Topic	Possible questions	Why you're asking
<u>Climate Review:</u> To measure job satisfaction and morale.	<ul style="list-style-type: none"> • How would you rate your current job satisfaction? What would make it better? • How would you rate morale? Why? • How would you rate communication? How can our team and the Agency improve communications? • What would make the Agency an even better place to work? • What makes you feel like a valuable contributor? • Why do you stay with the Agency? • If you could change one thing about the Agency, what would it be? • How do you feel I am doing as your supporting leader? 	<ul style="list-style-type: none"> • To determine your team members' views on job satisfaction, morale, and communication. • To provide a snapshot of the current climate within your team. • To identify (and find solutions to) any problems your team may be facing
<u>Strengths and Talents:</u> To identify and develop innate abilities	<ul style="list-style-type: none"> • What are your strengths and talents? What strengths or talents do you possess that aren't being used? • How can these strengths and talents be used in your current and future roles in the organization? • What makes for a great workday? • What was your favorite task/role/project in the past 12 months and why? What made it so special? What made it successful? 	<ul style="list-style-type: none"> • Identify each team member's strengths and innate talents. • Develop their roles based on those strengths and talents.
<u>Opportunities for Growth:</u> To improve performance and standards.	<ul style="list-style-type: none"> • What are some opportunities for improved performance? • How can I help you to do this? • How can the Agency and I help you reach your career goals? • What motivates you? • What de-motivates you? 	<ul style="list-style-type: none"> • Identify current and expected standards of performance. • Discuss and agree upon tangible ways to develop performance to match expectations. • Align expectations with the future direction of the Agency
<u>Learning and Development:</u> To identify and support future learning opportunities.	<ul style="list-style-type: none"> • What are some skills you would like to learn? • What learning opportunities would you like to undertake? • What is your future dream role? How can we put elements of this into your role? • Do you receive enough training to do your job effectively? 	<ul style="list-style-type: none"> • Identify training methods and opportunities that will build upon your team members' strengths and lift their performance in critical areas.

Conversation Topic	Possible questions	Why you're asking
<u>Innovation and Continuous Improvement:</u> To improve the employee's and your team's effectiveness in line with business needs.	<ul style="list-style-type: none"> • What is one way that you could improve your own working efficiency? • What is one way that we can improve our team's operations? • What would make your life easier at work? • How do you think we can improve the (___) process? • Do you see any bottlenecks in any of our work processes? If yes, how might we simplify the process? • What is your most frustrating work process? What would make it better? 	<ul style="list-style-type: none"> • Obtain insight into your team from its members' perspectives. • Identify how to help your team members improve their efficiency, both individually and as part of the team.

The Continuous Conversation Journal - Instructions

The simple format of the Continuous Conversation Journal will allow you and the employee to keep a running journal of the highlights of your check-ins and conversations. It also is a place to recognize the employee and to add other thoughts and comments. The Journal should be a two-way journal and both you and the employee should frequently add comments either to memorialize conversations and check-ins or spark a new thought or discussion.

At the start of each year, you should save a new copy of the Journal in a shared folder that only you and the employee can access. (IT can set up such a folder in your business group share drive.) Your supervisor may also have access to this folder. Please review the job description at least every 12 months. Submit any changes to HR using the “track changes” mode in Word.

Part One: The Conversation

- Select the type of comment from the drop-down menu – Conversation, Check-in, Recognition or Other Thoughts and Ideas. Add rows as needed. The text boxes are open-ended and spell-check will work.
- Document your on-going Conversations and Check-Ins with each employee.
- Add any relevant comments at any time. The comments can be operationally or growth focused or can be summary comments. Comments should be brief but meaningful.
- Make sure to document any conversations about problem areas where attention is needed. Note progress made
- The employee's thoughts are important. Please encourage your employee to regularly add their thoughts, ideas, and feedback at any time.
- Add rows as needed.

Part Two: The Goals

The employee should add goals and major projects and tasks and professional development goals as they develop and as agreed up on with the supervisor. Employee and Supervisor should highlight successes and areas for development and growth. Add rows as needed

Part Three – Year End Summary Comments

This is the place for any summary comments at the end of the year.

Tips for your Conversations

During the conversations and check-ins, make sure that you don't do all the talking. Listen more than you talk.

A good supervisor takes a page out of a coach's book and asks questions rather than provide solutions. They know that great questions can help a person stop and reflect rather than just leap into action. Reflection is the greatest source of learning. A powerful question at the right moment, which triggers thought and reflection and then action, will help a person learn more than if you just do it yourself.

This should be a dialogue, not a monologue. If you ask the right questions – you will build a stronger relationship with your employee and create more productive outcomes. With frequent conversations, the right question at the right time will help you deepen you and your employee develop your relationship and deepen your understanding of each other. You will generate more powerful and effective answers and longer term employee growth through asking strong, reflective questions. You will probably help avoid missteps down the road due to lack of communication or misunderstandings.

A few tips:

Don't ask questions when you're not prepared to hear the answers: Sometimes people ask questions but are willing to accept only a specific answer. For example, if you really have no interest in hearing that you're a poor manager, don't ask, "Do you think I'm a good or poor manager?" When you ask a question, you have to be willing to consider whatever responses you get, and not overreact.

Questions that start with "Why" tend to make people feel defensive: It's just a quirk of our language. You can replace "why" questions with phrasing that tends not to cause that reaction. For example, rather than asking "Why are you late so often?", try "Are there any particular things that are getting in the way of arriving at work on time?" Notice the difference in feel?

Don't use questions to say things indirectly: This is a technique commonly used by parents on children, so it's interpreted as manipulative and patronizing. For example, "Don't you think you should be more diligent in completing your work?" isn't really a legitimate question. It's a rhetorical question -- a statement dressed up as a question. It will be heard as "I want you to be more diligent in completing your work." Questions used to mask statements or requests create **mistrust**.

Avoid compound questions: A compound question consists of several parts: it's several questions in one. Compound questions are confusing and tend to result in low-quality responses. Here's an example: "Is there some reason you have been late on many Fridays and why you tend to leave early on Wednesdays?" That's two questions and you're not likely to get good answers to both. Separate the issues and make your questions simpler and more specific.

Agency Values and Success Attributes – Don't forget to talk about these!

To be used in the discussion of employee's strengths and areas for additional focus.

We Care

We respect all people. We listen to understand. We support our employees. We have a passion for our work

Customer Focus (External and Internal) - Is attentive to customer requests, taking the initiative to help solve problems in a cost-effective manner with courtesy. Asks appropriate questions to understand and satisfy needs. Deals with customers fairly, honestly, and truthfully. Is creative when resolving customer problems and concerns.

Communications - Communicates ideas, thoughts and suggestions in a concise yet thorough, well organized, accurate and articulate manner when either speaking or writing. Uses the most appropriate and effective manner to communicate so messages can be easily understood.

Positive Attitude - Demonstrates a positive and professional attitude toward work, customers and colleagues; Projects a positive outlook; Is pleasant to work with; Achieves a positive relation with and is helpful to coworkers, supervisor and customers; Contributes to a favorable public image of NCHFA; Has merited the trust and respect of others within and outside the department

Quality of Work – Produces work that is complete, accurate and error-free; checks accuracy of own work; recognizes and corrects errors; requires little or no supervisory review

We Act

We work with integrity and professionalism. We manage resources wisely. We do what we say we will do.

We promote cooperation and teamwork. We forge strong partnerships.

Honesty and Integrity - Respects our Core Values: Ensures that all laws and regulations are followed and upheld; Manages time wisely, demonstrating the ability to effectively carry out responsibilities and meeting job expectations. Shows respect for NCHFA property, practicing appropriate use of equipment and supplies.

Judgment/Decision Making - develops alternative courses of action and makes decisions based on logical assumptions, which reflect factual information; takes responsibility for those decisions

Teamwork / Team Orientation - Responds promptly and with respect to the needs of co-workers, demonstrates creativity and flexibility while helping resolve their problems and concerns. Actively participates in team meetings and other activities, motivating others and demonstrating a positive influence.

Productivity – consistently completes work assignments, facilitates workflow and reports progress to supervisor as needed, learns and uses technology and equipment to improve productivity

Dependability – Conscientious, responsible and reliable with respect to work completion, deadlines and attendance and punctuality; uses resources, including time, effectively and efficiently.

Accountability – delivers the value and performance, goals expected with no surprises; responsible for own actions

Accepts feedback - Accepts feedback in a professional and open manner

We Lead

We invest to improve lives and communities. We seek long term solutions.

We pursue new capital to solve housing problems. We innovate to respond to needs.

We strive for excellence.

Job Knowledge - Is technically competent and well versed in his/her field of expertise; keeps knowledge and skills current

Problem solving – Recognizes and provides fair and prompt resolutions to work related problems

Flexibility – Adjusts appropriately and with ease to unexpected situations and changes.

Sense of Urgency - Demonstrates a bias for action; Focuses on speed without sacrificing quality; Sets priorities and seizes opportunities; Has high energy and excitement around projects and assignments.

Initiative and Innovation - Takes reasonable risks and uses job knowledge to improve NCHFA processes, products, services and programs, improve efficiency and reduce costs. Shows a willingness to adapt to change. Anticipates customer and NCHFA's future needs, identifies potential products and services to meet those needs.

Year _____

[illegible]

Part Two: The Goals

Instructions: Employee should add goals and major projects and tasks and professional development goals as they develop and as agreed up on with the supervisor. Employee and Supervisor should highlight successes and areas for development and growth. Add rows as needed

Agile Goal Setting					
Date	Short term goals/Projects/Tasks - What needs to be accomplished?	Date	(Employee) Comments Successes / Issues	Date	(Supervisor) Comments Successes / Issues

Part Three – Year End Summary Comments

Date	Year-End Comments (optional)	(Supervisor)
Date	Year-End Comments (optional)	(Employee)

This form should be printed and signed and submitted to HR at the end of the 12-month conversation period.

These topics have been discussed by:

Employee Signature _____ Date _____

Supervisor Signature _____ Date _____