

Performance & Reward 2021 Line Manager Guidance

You'll be having related conversations with your direct reports through the next few months:

- The year-end performance conversation that you will do between the 1 and 30 November
- A Reward conversation to talk them through their Total Reward statement, including pay review and bonus (where applicable). This will need to happen between 7 and 24 December

These two conversations are closer together than in prior years, due to our decision to bring pay review effective date forward to December, from April in previous years.

This guidance is to provide the performance and reward context to those conversations and specifically to guide you in having the year end conversation.

You will also need to have a 2022 goal setting conversation. Specific guidance around the reward and goal setting conversations will be provided nearer the time.

Overview of key dates:

End of Year, Pay Review & Goal Setting Key Events	November				December				January				February					
	1	8	15	22	29	6	13	20	27	3	10	17	24	31	7	14	21	28
End of Year Conversation Window Open in myHR Portal	1				30													
Have your conversation with team members and record in myHR Portal	1				30													
Pay Review effective date (01/12/2021)					1													
Goal Setting Conversation Window Open in myHR Portal						6				14								
Have your Goal Setting conversation with team members and record in myHR Portal						6				14								
Reward Statements Distributed to Line Managers						7												
Have your Reward conversation with team members						7		24										
CUK09 - CUK15 bonus paid in December Payroll									30									
SIP & MIP bonus paid in February Payroll																		28

- Performance Management Process
- Reward Process
- Line Manager Action

Performance assessment 2021

Like 2020, 2021 has been an unprecedented year; one where we've pulled together as a united team to deliver amazing things.

To differentiate performance of all individuals against that backdrop doesn't feel right. So, we're not going to be focusing on performance ratings this year. Year-end conversations will happen as usual but won't result in a rating being issued to anyone, rather the focus needs to be on quality conversations, reflecting on how we've done through the year, the challenges faced and what might be done differently moving forward.

What does this mean from a reward perspective?

Base pay: We will differentiate base pay increases in the margins this year, giving slightly more to the small groups of colleagues who have consistently overperformed in incredibly challenging times and giving less to those at the other end of the spectrum who've not hit the mark in terms of consistently meeting our expectations. All others will broadly receive the same uplift. A lower increase may be given where someone's compensation is already high versus our benchmark.

Bonus (Shore Incentive Plan): The majority of those eligible will receive a pay out based on the final agreed business performance multiplier, to reflect what we've delivered as a team in an extraordinary year. Individual performance won't feature in the bonus calculation this year, other than for those who've not hit the mark, where bonus pay outs will be adjusted downwards.

The Reward conversation you have with each direct report in December will allow you to remind individuals of their overall total reward package and confirm their pay review and bonus outcomes. Further guidance will follow nearer the time to support you with these conversations.

Year-end Performance conversation

Even though we're not issuing performance ratings for 2021 during the year end conversation, you should consider and discuss in the how your team members have performed over the year against expectations.

If you have a colleague who is still developing and has not fully or partially met expectations, you need to be clear about this during the year end conversation so they understand what needs to improve, what support they might need to get there and, importantly, what impact not meeting expectations will have on their reward.

Your team member should leave the conversation:

- Feeling clear about how they are performing. This is especially important for team members who have not consistently met expectations.
- Knowing what (if anything) they need to do differently
- Feeling motivated and supported as they move forward

If you are challenged from the employee about wanting to know their final rating please contact your HRBP who will support you with that conversation.

Here's how you can head into the performance conversation with confidence.

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Before the conversation

A bit of preparation will help the conversation flow and show your team member how invested you are

You'll find guidance about viewing and updating the performance documents on *my* HR portal [here](#) or at the bottom of this guide.

- 1) Well before the meeting, ask your team member to reflect on their performance by adding their comments to *my* HR portal
- 2) Use *my* HR portal to remind yourself of your team member's goals and read the comments they've added
- 3) Reflect on the progress they've made against their goals as well as their performance more generally
- 4) Make notes and talking points of examples you can take into the meeting. Include activities where praise is due, and where constructive feedback is needed

Don't just focus on **what** your team member has achieved. Think about **how** they've achieved it and the behaviour they've displayed. You can reflect on this by using our [culture essentials behavioural expectations](#).

During the conversation

As a manager, you will naturally lead the meeting but try not to dominate the conversation. Aim for about 50/50 in terms of who is talking and use open questions to encourage your team member to own their progress.

Do this by:

- Asking for your team member's views first, before sharing your own observations
- Considering your team member's preferences (e.g. a reflector with a strong focus on feeling as well as thinking) and how you can shape your questions and style in line with this
- Always celebrating strengths and achievements. Performance conversations are a great time to recognise and motivate your people
- Framing challenges positively by encouraging your team member to think about what they've learned
- Giving them constructive tips to grow

- Being clear about what action they need to take to maintain momentum or improve their performance
- Making sure there are no surprises – you should be having regular 1:1s so there shouldn't be anything your team member doesn't already know. [Click here](#) for more on 1:1's

Use the conversation guide on the next page to help you have a great conversation.

After the conversation

- 1) Add your comments and reflections to your team member's end of year document on *my* HR portal.
- 2) Ask your team member to update their performance and development goals on *my* HR portal, if any need updating.
- 3) Continue to regularly check in and review progress in each 1:1.

How to structure your conversation

Use the suggested questions to help your conversation flow.

1 Set the scene

Remind your team member about the purpose of the conversation and invite them to share their thoughts on how things are going.

Ask

Looking back over the last year, what were your key achievements and successes?

How do you feel you have performed against your performance and development goals?

2 Discuss their progress

Use some of these open questions to help you explore your team member's achievements, challenges and behaviours.

Ask

What accomplishments are you most proud of?

What challenges did you face and how did you overcome them?

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What did you learn from these experiences?

In what projects, tasks or situations did you display our Culture Essentials? How did they help you?

Are there any projects, tasks or situations where you could have used the Culture Essentials more?

3 Share your observations

It's time for you to share your observations from your pre-prepared notes.

Keep a balance between positive feedback as well as areas for improvement.

Always be clear, constructive and factual when you're sharing your observations.

In cases where you need to see improvement, be clear about what you need your team member to do differently in future.

4 Reflecting on the year

Now review your team member's performance and development goals. Use some of these questions to help you.

Ask

How have you performed against your performance and development goals?

Did anything get in the way of you achieving your goals?

Is there anything we could better support you with from an inclusion perspective (e.g. in relation to a health condition or personal circumstance)?

Tell me one thing I could do that will help me better support you as your manager?

5 Agree next steps

Agree actions your team member needs to take in order to maintain momentum or improve their performance.

Confirm with the team member whether they did or didn't meet expectations for the year, for example; meeting expectations or over/under performing.

More information on Performance Improvement Plans (PIP) can be found [here](#).

Avoiding bias

How we think can be influenced by life experiences, when the way you feel about an individual has an influence on how we view the performance of that individual, this can be unconscious. We can all think in a way that involves unconscious bias at some point, but it's important to be aware of it and not let it influence our decisions. [Click here](#) for more information on unconscious bias.

Supporting you

We recognise that not every performance conversation will be straightforward. If this is you, then read these articles before you head into the conversation.

Brush up on your feedback skills [here](#)

Heading into a challenging review? [Click here](#)

Address poor performance with these tips [here](#)

Need further support?

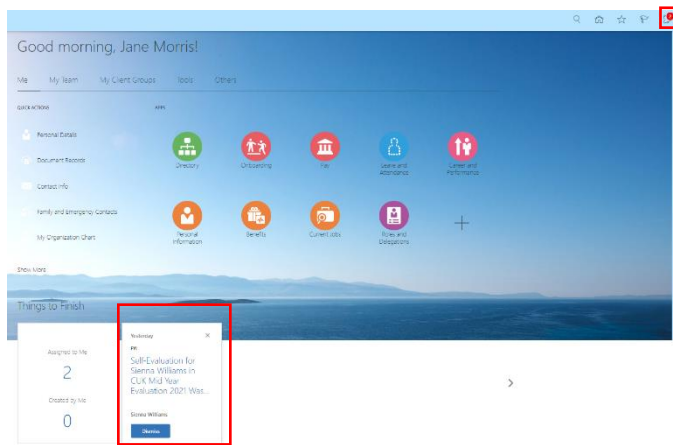
Get in touch with **People Support** or your **HR Business Partner** for advice.

Manager – End of year conversation

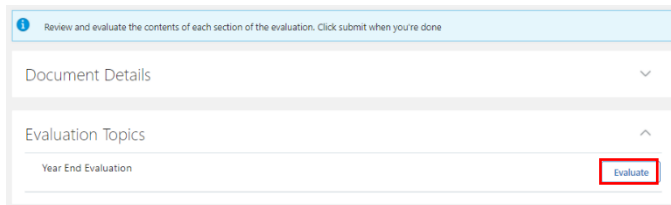
As a manager, you'll have access to review and edit the year-end conversation document before and after your conversation with your direct report. The document is managed in **My Team > Performance Overview**. You also have the opportunity to print the document if you find this useful.

Guidance on how to complete the year-end conversation document in *my HR portal* can be found below

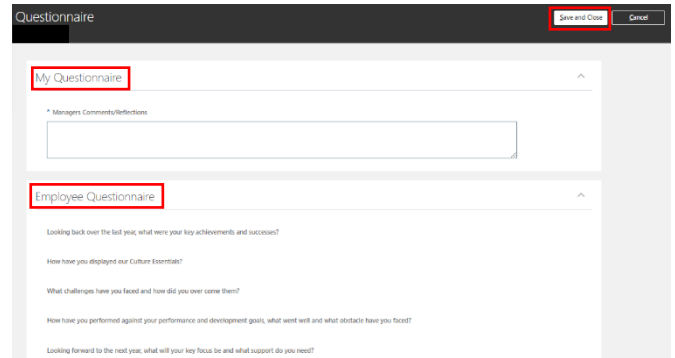
1. Once your team member has completed their comments and submitted the document, you'll receive a notification in myHR portal and via email.
2. The notifications can be found by hovering over the 'bell icon' or 'Things to Finish' at the bottom of the homepage.



3. By clicking on one of the notifications, you will be directed to the team member's performance document.
4. You can also access the team members document through **My Team > Performance Overview > Select the team member > CUK Year-End Conversation**.
5. You'll be taken through to the below page, click **Evaluate**.



6. You'll now see the manager comments box under **My Questionnaire**. Your team member's comments can be viewed in **Employee Questionnaire**. If you cannot see the questions and comments, **click the expand arrow** on the right hand side of **Employee Questionnaire**.
7. Once you have had the conversation and added your comments, click **Save**.



8. To submit the document back to your team member press **Submit**.
9. Your team member will receive a notification that you have submitted the document and the process is now complete.