

CHANGING THE CULTURE: THE MOVE TO PAY FOR PERFORMANCE

FOCUS ON EFFICIENCY

In early 2014, University of California (UC) President Janet Napolitano announced all non-represented staff would be moving to a 'pay for performance' (P4P) merit program by appraisal year 2015-16. As an early adopter, the UC Davis campus rolled out its pay-for-performance program for the appraisal year 2014-15 with no additional resources focused on change management, communication or training.

While the program was hardly a failure, it was not widely embraced or adopted by managers or staff. It became clear that changes would be required for the 2015-16 program. Post-survey results indicated four program areas needed to be the focus of improvements, including: ratings and rating descriptions, systems and tools, writing performance appraisals and calibration.

In September 2015, a Pay for Performance Task Force convened. It consisted of human resources professionals from UC Davis and the UC Health System in Sacramento. The task force focused on developing overarching principles regarding calibration and merit distribution and on identifying approaches to improve the four focus areas. Finally, task force members developed then submitted a set of recommendations to executive leadership.

In February 2016, task force leaders were directed to move forward with approved changes to the program. This time, a purposeful change management methodology was applied to the project at the outset.

Human resources for project management, change management and communication were temporarily reallocated to form a small project team focused on the P4P initiative. The team had five weeks to transform the UC Davis campus approach to its P4P merit program.

Applying a focused change management methodology drove the decisions regarding communication tactics, training, manager support and sponsor education. For the first time, both the Davis and Sacramento campuses utilized one intuitive website housing all information related to Pay for Performance (P4P), <http://P4P.ucdavis.edu>. Inconsistencies in messaging across the enterprise were significantly reduced. On the website was a resource library of tools for managers, supervisors and employees that included template presentations, process and workflow diagrams, and sample self-assessments, videos, infographics and FAQs.

MILESTONES

- Jun
2016
 - Performance appraisal cycle concludes.

- Mar
2016
 - Project launched

- Feb
2016
 - Approval received; direction to apply change management framework to project.
 - Project team formed.

- Dec
2015
 - Recommendations for future P4P program presented to leadership.

- Sep
2015
 - P4P Task Force convened.

- Jul
2015
 - UC Davis is an early adopter, beginning P4P for 2014-15 appraisal year.

- Early
2014
 - UC President calls for mandatory pay for performance by 2015-16 appraisal year.

- Sep
2013
 - Campus and Health System HR merge.

QUANTIFICATION AND RESULTS

In a post-program survey, 67 percent of participants believed the program significantly improved from the previous year. In addition,

67 percent of survey participants applied principles developed regarding calibration;

82 percent of survey participants applied principles developed regarding merit distribution;

Resource library of materials developed for managers, supervisors and employees to ensure consistent messaging across employment groups. The library housed program principles, process diagrams, 'how-to' documents, presentation templates, FAQs and more;

Mixed media was developed for communications, including infographics, videos, email, news bulletins, a website and face-to face information sessions by request; and

Talking points were regularly distributed to all HR partners located in schools, colleges and divisions.

An employee feedback mechanism was created via a dedicated address, P4P@ucdavis.edu.

OPPORTUNITIES AND SOLUTIONS

One authenticated website houses all P4P information for employees on both campuses, no matter what their roles in the organization. A robust library of tools and resources are available on the website to support managers and supervisors in their performance management. Other communications strategies include a variety of media. HR business partners across both campuses utilize prepared talking points, presentation templates and tools in their respective organizations.

IMPACT AND BENEFIT

Program principles provided a framework for leadership decision-making around calibration and merit distribution, thereby increasing consistency of the practice across the organization. Messaging across both campuses was clear and consistent, and complaints to executive leadership regarding program execution significantly decreased. Requests for new addresses or updates are made within the application.

LESSONS LEARNED

1

Using proactive change management focuses the initiative on ways to increase employee adoption and usage of the new program, while providing a framework for communication, training and management support.

2

Resourcing initiatives with change management, communication and subject matter expertise increases the probability for initiative success.

3

Active, visible executive sponsorship is critical to initiative success.

PROJECT TEAM

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Initiative Messaging: Simple and Positive

At UC Davis our goal is to reward higher performance with higher pay

