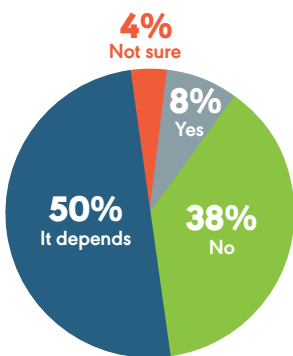


# COVID-19 BEST PRACTICES:

## Performance Management, Severance & Non-COVID-related Reorganizations

### Are organizations 'pausing' on formal performance management practices during Shelter-in-Place (SIP)?



### Carefully Considering the Circumstances.

*"There is a decrease in the "standard" performance management issues in general given the current environment. We are addressing matters as they arise and coaching leaders on the right timing to address, depending on the individual circumstances."*

*"If effort is being demonstrated by the employee there may be a pause, but if no effort by the employee we will move forward."*

*"While we are not pausing on performance management practices, we have set some guidelines/context for managers.*

- We expect anyone on a current performance plan to be evaluated by the manager with support from HR to decide whether they need to be modified or extended to ensure fair measurement in the context of genuine constraints on the employee's ability to demonstrate performance in the current environment (working from home).
- As a general philosophy we encourage managers to continue delivering performance feedback and to continue to work with employees on areas of concern although expectations may need to be modified as per the above.
- We would only expect new formal performance plans to be initiated if they can be set up in a way where expectations are truly measurable and fair in the current climate."

### Different Approaches for Different Roles.

*"In manufacturing, this has been paused."*

*"If the PIP (or lesser step) can be continued 'as is' or with modification during the work from home period, we will continue or potentially extend. If it can't realistically be continued (e.g., sales rep being counseled for sales acumen, but isn't calling on customers now), we may shift to more development focus for an interim period."*

*"Working in a grocery retail environment, we are not pausing performance management but are definitely looking at it from a different lens—i.e. how COVID-19 may be negatively impacting someone's work (especially attendance). As for metrics, we have seen a decrease in performance management, but we are experiencing discrimination and irrational behavior cases related to the pandemic.*

- We have paused on performance management for anything related to sales goals while the business works to re-evaluate and define goals, however other performance management has continued. We are just working with the manager and the colleague to be sure that we are supporting the colleague and that the change of office to WFH or anxiety due to what is happening is not what is causing the performance issues."

### **Document. Document. Document.**

*"We are generally pausing active performance management terminations but still documenting where appropriate."*

*"We paused for the first 2 weeks, but since the SIP orders have extended, we've resumed performance management practices in virtual methods."*

### **Increasing Flexibility.**

*"We are relaxing attendance policies for people who need to miss work due to COVID-19."*

*"We are pausing on performance issues that are related to COVID-19 and are defining 'related' fairly broadly."*

*"We are proceeding per usual process, but we've have decided to remove the 'time bound' elements of PIPs during SIP. We have separated employees for poor performance emanating from the period preceding SIP orders."*

*"We have continued to advance cases already in flight; however, we are taking a closer look to determine if extensions to PIP timelines should be granted. Also, if the creation of any new plans should be delayed."*

*"Attendance related issues are mostly paused for now. Proceeding with regular work as time warrants. COVID-19 is top priority over all others."*

### **Addressing New Goals.**

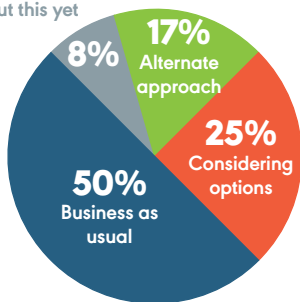
*"Most of our formal performance reviews (annual) were due in February. Goal setting for 2020 is being done virtually, for the most part, as most of the workforce is working from home."*

*"We had completed our performance appraisal process prior to SIP. We are looking at changing goals, individual performance plans, etc."*

*"We communicated a more flexible due date for the entry of performance goals and modified the questions related to the mid-year check in but otherwise, we're continuing to focus on the importance of managing performance as priorities rightfully shift."*

**What specific plans does your organization have to address performance management through the end of June—or until SIP is lifted? And how are you planning to handle Annual Performance Reviews if still under SIP? (especially for those with a June end to the fiscal year)**

Have not thought about this yet



**Moving Forward—with Modifications.**

*“Our process begins Mid-April and concludes in July. It is still occurring, but we have simplified the process and removed some steps, like one over approval and condensed the form.”*

*“Will proceed with our regular approach to rewards with more guidance around how to think about the impact of COVID on opportunities for impact (e.g. sales quota or retail physical stores).”*

**Pausing Involuntary Terminations.**

*“We are aiming to hold off involuntary terminations of all kinds through April 30th (as it stands); this timing will likely be extended. Some may proceed after extra review and consideration (e.g. repeated SOP violations, gross misconduct). We may also consider offering a soft landing/mutual term when we wouldn’t normally consider such.”*

*“Severance benefits will remain the same however we have delayed delivery of RIFs during this time.”*

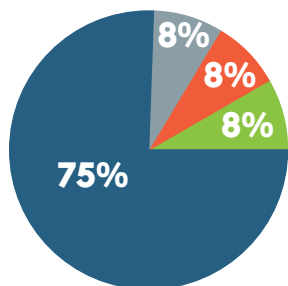
**Changes May Come.**

*“Our fiscal year just ended, 2/29/20, and we did not change our process. At this time, we are not considering any changes to our process for next year but that could change.”*

*“Considering options though will likely be BAU, as even though WFH is unusual having managers in different locations for their employees is not.”*

*“We are moving from a permanent management to performance development culture at the end of FY20. We are currently assessing and putting plans in place to end ‘performance ratings’ per se.”*

**Are you enhancing severance offered during this unprecedented time?**



- No, we are sticking to our existing policies.
- We do not offer severance.
- Yes, for some employees
- Yes, for all employees

**WHAT ARE YOU DOING DIFFERENTLY?**

**Aligning policies and processes.**

*“We aren’t changing our policies, but we’ve reviewed our agreement, employee FAQs, and other documents to ensure all business units are aligned and have a consistent process.”*

**Easing the Transition.**

*“Employees will receive an enhanced severance amount during this time.”*

*“Mainly a more generous offering for healthcare.”*

*“We have increased our career transition periods for people being separated for poor performance by 50% (e.g., 60-day transition now will become 90 days).”*

*“We don’t offer a standard severance package for involuntary performance or compliance terms, only for restructuring/layoffs. The offering of a mutual term/ severance package occurs on a case by case evaluation in conjunction with Employment Legal. During COVID-19 if an involuntary performance or compliance related termination will proceed after additional review, we may offer a small severance pkg. for circumstances we wouldn’t otherwise normally do so.”*

*“We are thinking additional months of COBRA and perhaps extending notice periods.”*

**Nothing...Yet.**

*"So far, we don't have any severance cases."*

*"This is more of a 'hasn't been thought about yet' answer."*

**Temporary Changes.**

*"We have paused terminations for Q1 with some exceptions such as policy violations resulting in terms for cause. We're exploring if it's a blanket pause in Q2 or if exceptions will be made for investigations or business-critical separations."*

*"We have paused reorganizations that would involve displacements of more than just a few people."*

*"Adjusting exit dates but continuing with plans."*

**Retention Commitment.**

*"We did pause for March and April and are not decided moving forward."*

*"We will not be eliminating any positions during the SIP period."*

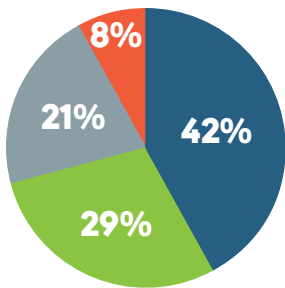
*"It's possible if there is a reorganization/restructuring in which we have all hand-raisers (people who have requested to leave with a package), we may proceed but otherwise, we are formally pausing restructurings that would result in involuntary separations/layoffs."*

*"Business-Dependent Decisions."*

*"We have paused some and are moving ahead with others depending on the business needs of the impacted groups."*

*"These decisions will take greater consideration given the circumstances. None at this time."*

**Please indicate how your organization is handling legitimate reorganizations (unrelated to COVID-19) at this time?**



- We have paused any reorganization plans.
- We are going ahead with planned reorganizations.
- We have no plans to reorganize at this time.
- Undecided