

# Calibration Resource Guide for TMG

June 2017



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## 1.0 Background

This resource guide provides an overview of the calibration process for TMG (The Management Group).

In June 2014, Roger Couldrey, Vice-President (Administration), announced the long-term work plan to revitalize the compensation program for TMG. In partnership with Human Resources, the TMG Total Compensation Redesign Sub-Committee was established and they developed a total of 30 recommendations that are intended to enhance and revitalize the Total Compensation Program for TMG.

The introduction of a calibration process was one of the recommendations developed. The calibration process is designed to promote greater consistency in the application of the performance review assessment and allocation of merit awards in the annual salary review process.

Calibration is a best practice. Some areas of the University have already adopted a calibration process; for others it may be new this year. Calibration is being introduced in Summer 2017 as part of the performance review and merit allocation processes.

## 2.0 What is Calibration?

Calibration is a process that will encourage greater consistency across the University in the application of the TMG Achievement Program ratings in the annual performance review and related merit allocation processes.

The introduction of the calibration process is intended to address concerns that have been voiced by TMG and managers of TMG:

- The lack of consistency in interpreting and assigning performance ratings; and
- The lack of consistent connection of performance rating to the reward received through the merit allocation process.

Simply stated, the calibration process is intended to promote consistency across the University and create a better connection between performance and the allocation of merit pay.

## 3.0 Benefits of a Calibration Process

- Supports McMaster University's pay for performance philosophy for TMG. With the belief that this is the ideal approach to recognize and reward members of TMG, it is important that processes be introduced that will better enable recognizing and differentiating levels of performance and providing merit awards that are reflective of performance achievement and the principles of merit allocation which consider individual performance in combination with position in the salary range.
- Clarifies, reinforces and promotes a common understanding of the definitions of achievement levels and their application.

- Improves consistency when making performance achievement and merit decisions.
- Helps to ensure the accountability and effectiveness of the process.
- Reduces rater biases.
- Encourages managers to have higher quality discussions with their employees and deliver honest messages about performance.
- Many employees will appreciate being recognized and rewarded based on their performance achievements in an environment where multi-source feedback is taken into account and inter-rater bias is addressed.
- Organizations that embed performance calibration into their overall performance management process report increased engagement, attraction and retention of key talent, which results in better overall performance.

## 4.0 Roles and Responsibilities for Calibration

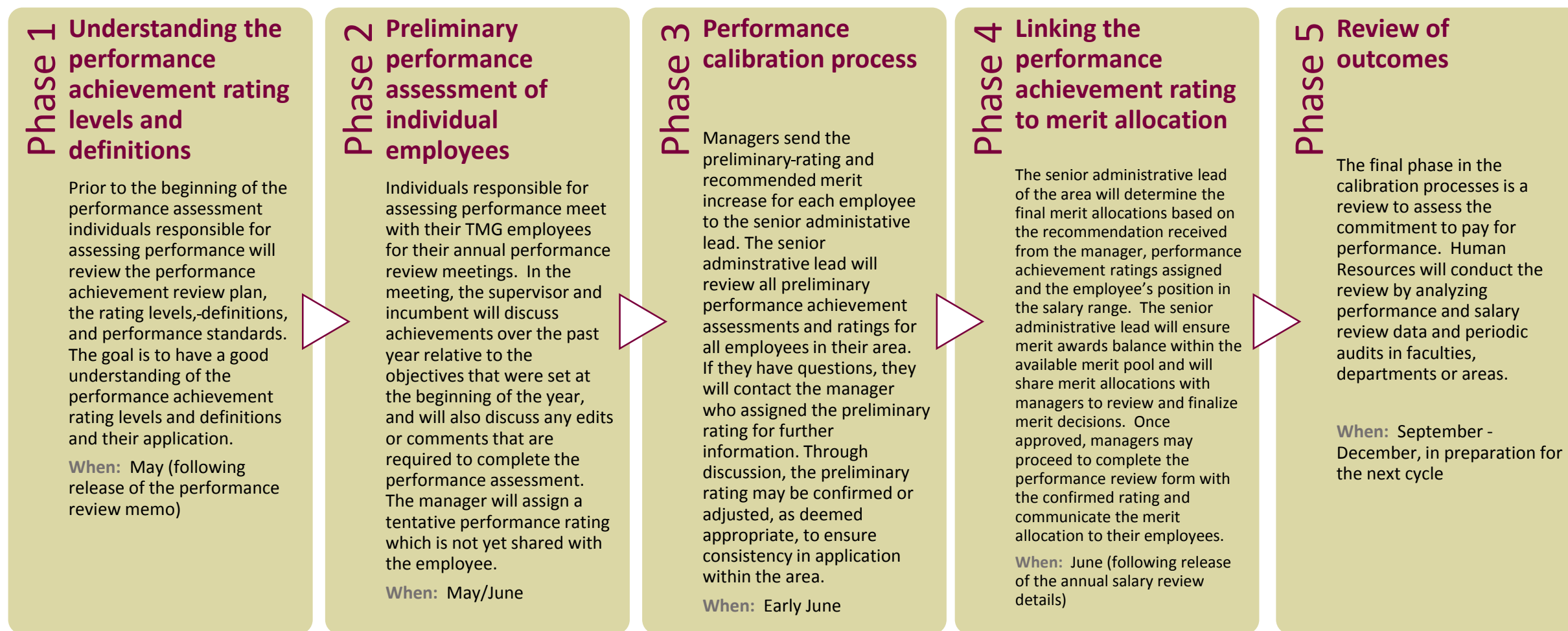
A successful calibration process requires active interest and participation of many people including:

<b>Who?</b>	<b>Roles and Responsibilities</b>
<b>Senior Administrative Lead</b>	<ul style="list-style-type: none"> <li>▪ Leads the calibration process for the faculty, department or respective area.</li> <li>▪ Clarifies roles and expectations, confirms the process and mechanisms to be used.</li> </ul>
<b>Managers of TMG employees</b> (Deans, Chairs, Faculty, and TMG who manage employees in TMG)	<ul style="list-style-type: none"> <li>▪ Participate in the calibration process with the Senior Administrative Lead for the area.</li> <li>▪ Prepare for the calibration process by completing the performance review.</li> </ul>
<b>TMG Employees</b>	<ul style="list-style-type: none"> <li>▪ Participate in the annual performance review process by completing the performance review and preparing for the performance review meeting with their manager.</li> </ul>
<b>Human Resources Services</b>	<ul style="list-style-type: none"> <li>▪ Facilitates the calibration process by providing guidance and advice on the process.</li> <li>▪ Reviews and audits outcomes across the University to provide feedback and to further refine the calibration process to promote greater consistency across the University.</li> </ul>

The Senior Administrative Lead will vary depending on the area of the University. In the case of departments which have few TMG, the departments may be grouped together based on reporting relationships to facilitate the calibration process. A list of groupings for the calibration process can be found here:

<http://www.workingatmcmaster.ca/link.php?link=comp:Compensation+Design+Recommendations>.

## 5.0 The Calibration Process



It is expected that every faculty, department or area follow the calibration approach. This will help to ensure that the standards used to assess performance achievement and merit allocation are consistently applied across the University. Remember – Culture shifts, including using Calibration Meetings as a tool, take time, practice and patience.

\*Note: Dates indicated are for the 2017 performance review process and may change in subsequent years.

## 6.0 Preparing for the Calibration Process

- Prior to the beginning of the performance assessment, individuals responsible for assessing performance should review the performance achievement plan, the ratings levels and definitions.
- The manager meets with their reporting employees to conduct the performance review. Things to consider as you assess your employee could include:
  - What behaviors did you observe?
  - What did you see firsthand?
  - What impact did the individual's accomplishments have on your faculty, department or area?
  - What significant accomplishments went above-and-beyond the individual's job requirements?
  - What unusual circumstances took place this year that presented an opportunity for excellence?
  - Focus on results and behaviors, not employees' efforts, intentions or improvement.
- One rating reflective of overall achievement is to be assigned. Considerations in determining the overall achievement rating are:
  - Work objectives – What was achieved relative to established work objectives.
  - Leadership capabilities – How the work was performed relative to the TMG Leadership Capabilities
  - Individual Development
- Manager ensures completion of the following for each employee:
  - Annual Objectives and Development Goals for TMG
  - Proposed achievement level rating
  - The manager should hold performance ratings until after the calibration of all ratings with the senior administrative lead.

## 7.0 Running the Calibration Process

- The senior administrative lead for the area gathers the proposed performance rating and merit allocation from supervisors of employees in TMG. Note, the senior administrative lead does not receive the entire performance review to protect employees' personal information.
- The senior administrative lead may contact the supervisor and ask questions and introduce additional performance data, provided they have firsthand knowledge of the individual being discussed.
- The senior administrative lead determines the final performance achievement rating, which may include the preliminary rating being confirmed or adjusted, as deemed appropriate, to ensure consistency in application within the area.
- Once all employees' ratings are considered, a final check on the relativity of the ratings can be completed.

## 8.0 Finalizing the Calibration Process

- The final step in the calibration process is to link the performance achievement rating to merit allocation.
- The senior administrative lead determines the final merit allocations based on:
  - Recommendations received from the manager
  - Performance achievement ratings assignments
  - Employee's position in the salary range
  - The approved merit matrix
- The senior administrative lead shares final merit allocations with supervisors to review and finalize merit decisions.
- Once approved, supervisors complete the performance review form with the confirmed rating and submit to Human Resources.

## 9.0 Tips for a Successful Calibration Process

- Communicate the planned approach to all involved.
- Ensure those involved understand the process and their responsibilities.
- With discussion, be prepared for questions about some ratings and the potential to change as the senior administrative lead endeavors to ensure a consistent application of performance ratings across the area.
- Keep the discussions focused on performance standards and behaviors. Keep it relevant and stay focused on the objectives.
- Ensure everyone involved has the opportunity to provide appropriate input.
- Participants are encouraged to focus on fairness.
- Speak about what you know, not what you've heard.
- Understand the performance achievement ratings definitions so that you can assign appropriate ratings to employees.
- Rely on data to determine the level of performance.
- Remember – the power of calibration goes beyond performance ratings. The discussions will yield important insight into the University's talent pipeline and overall development needs.

## 10.0 Review and Audit

As with any new program, a key component involves conducting reviews to assess the effectiveness of the program. Human Resources Services will conduct the review by analyzing performance and salary review data and conducting periodic audits. As part of the review, feedback from program participants may be requested.

## 11.0 Helpful Resources

If you need information or assistance with understanding the calibration process for TMG, these resources may be helpful to you:

- For departments in the Faculty of Health Sciences please contact:  
Faculty of Health Sciences (FHS)  
Human Resources  
Telephone Ext. 22207
- For all other faculties or departments (excluding FHS), contact:  
Human Resources, Total Rewards:  
Telephone Ext. 24607

For online resources, visit: <http://www.workingatmcmaster.ca/compensation/>





Revised: June 2017  
Human Resources Services