

Performance Excellence Program for TMG in Bands F Through M

Exception for 2022 Payment in Recognition of Work Efforts Due to COVID-19

This has continued to be another exceptional year and members of TMG have risen to the challenge to support McMaster's academic and research mission. It is recognized that many TMG have continued to support the University despite the challenges that working through the pandemic may have presented. For this year's assessment and payouts in September 2022, in order to recognize the extraordinary work effort required by many TMG, the program is being expanded for a second year to allow for additional one-time payments that may be allocated to recognize the significant workload that TMG has shouldered in response to COVID-19. For last year and this year only, the Performance Excellence Program pool is increased to \$250,000. In addition, for last year and this year only, program eligibility is not restricted to those who have a performance rating of Outstanding; rather, TMG who have a performance rating of Outstanding or Successful and who demonstrated extraordinary work effort are eligible. Individual payments may not exceed a maximum of \$1,500 for employees in Bands F through I or a maximum of \$2,000 for employees in Bands J through M. Payments will be made in the form of a one-time, lump sum payment.

For this year, rather than complete a nomination form for each employee, the nominations will be completed using spreadsheets that Human Resources will send to department heads in July.

Purpose:

The Performance Excellence Program for TMG in Bands F through M is intended to reward truly exceptional performers who are clearly leaders amongst their peers and have noticeably excelled in their performance over and above what would normally be expected in their role. It is intended that high potential employees would be included.

High potential employees consistently and significantly outperform their peer groups in a variety of settings and circumstances. While achieving these superior levels of performance, they exhibit behaviors that reflect the university's culture and values in an exemplary manner. Moreover, they show a strong capacity to grow and succeed throughout their careers within an organization — more quickly and effectively than their peers may.¹

For this year:

- The program is being expanded on a one-time basis to allow for additional one-time payments that may be allocated to recognize the significant workload that TMG has shouldered in response to COVID-19.
- The Performance Excellence Program pool is increased to \$250,000.
- Program eligibility is not restricted to those who have a performance rating of Outstanding; rather, TMG with a performance rating of Outstanding or Successful and who demonstrated extraordinary work effort are eligible.

Eligibility:

- The Performance Excellence Program applies to members of TMG who are incumbent in positions that have been evaluated in Bands F through M. (Note that employees who participate in other variable pay or bonus plans are not eligible to participate in this program.)
- To be eligible for a payment from the Performance Excellence Program, the recipient must be in their role for the full performance cycle from July to June.

¹ Adapted from the Article: "Are You a High Potential" in the June 2010 Harvard Business Review

- Recipients must be actively employed by the University on the date of payment.
- Nominees must have a completed Annual Performance Review and received a rating of Outstanding or Successful.

Assessment Criteria:

Eligible members are to be assessed based on the following criteria:

- Delivers exceptional results by building trust and credibility among stakeholders;
- Initiates or actively participates in broader strategic initiatives that have delivered results which contribute to the advancement of McMaster's strategic goals;
- Actively participates in University project initiatives and/or committees which are external to the TMG member's normal role and which address University goals. Participates at a level that clearly demonstrates potential above and beyond the scope of the TMG member's normal role;
- Grows and demonstrates leadership capabilities that are at an exceptional level and which facilitate University objectives;
- Builds positive relationships, promotes and encourages others while engaging in collaborative projects and University activities;
- Seeks out opportunities to engage in community initiatives that are complex in nature and are in support of University goals;
- Demonstrated extraordinary work effort in response to COVID-19.

Program Features:

- The Performance Excellence Program Pool is \$250,000 for July 2022.
- The Performance Excellence Program pool will be distributed to each of the President and the Vice-Presidents on a pro-rata basis reflective of employee salaries.
- The President and Vice-Presidents will be responsible for allocating their portion of the Performance Excellence Program pool based on submissions to them using the assessment criteria noted above.
- The Performance Excellence Program payment may provide up to a maximum of \$1,500 for employees in Bands F through I or up to a maximum of \$2,000 for employees in Bands J through M. This will be paid as a one-time, lump sum payment, subject to applicable taxes and deductions. Performance Excellence Program payments are not eligible for pension, Group RRSP or benefit purposes.
- Only those meeting the criteria will be considered. Not all members of TMG will be eligible or receive a payment.
- Individuals may be awarded a payment in some years and not in others and payment amounts will vary based on specific contributions and degree of success in a given year. Receipt of a Performance Excellence Program payment in any given year is not a predictor of receipt of subsequent payments.
- The value of individual payments should reflect the level of achievement relative to the above eligibility criteria.

Program Administration:

- Assessment of the Performance Excellence Program is conducted concurrently with the salary review process for TMG.
- The Department Head will complete a spreadsheet provided by Human Resources identifying eligible employees based on the program purpose, eligibility and assessment criteria and documents the achievements in support of the recommended payment. Please do not communicate recommendations to employees until the final approval is received as the President or Vice-President may approve, amend, or decline nominations.
- The Dean or AVP reviews the Performance Excellence Program Payment Recommendations with the Department Head and determines which recommendations will

move forward in the process and emails the Performance Excellence Program Payment Recommendations to Human Resources.

- Human Resources will collect the recommendations, validate the employees' eligibility, summarize all recommendations, including whether the overall total is within the pool allocated and will forward to each of the President and Vice-Presidents, the recommendations applicable to their area for review and decision.
- The President or Vice-President reviews all submissions for their reporting area and has responsibility to approve, amend, or decline recommendations. In the event that the recommendations exceed the available pool, the President or Vice-President will determine the reductions required to ensure the available pool is not exceeded.
- Approved Performance Excellence Program payment recommendations are to be emailed to Human Resources for payment.
- Departments are required to self-fund Performance Excellence Program payments.
- Self-nominations are not permitted.

Notes:

- The Performance Excellence Program amount and maximum payment amounts are subject to review and change.
- If the full pool allocation is not utilized in a given year, it does not carry forward.
- The Performance Excellence Program was introduced as a pilot program and may be amended or cancelled at the discretion of the University.
- The Performance Excellence Program will be reviewed to assess and, where possible, improve the associated administrative process.
- For the 2023 payouts, the pool for the Performance Excellence Program will be \$100,000.
- For the 2023 payouts, the original eligibility criteria and the requirement to have a performance rating of Outstanding to be eligible for these programs will be reinstated.

Performance Excellence Program for TMG (Bands F through M)

Process Map for July 2022

1

•July 5 to July 20: The department head should review the Performance Excellence Program overview and identify eligible employees who qualify based on the program purpose, eligibility and assessment criteria. The department head completes the Performance Excellence Program Payment Recommendation Spreadsheet provided by Human Resources and submits it via email to Human Resources who will compile the Recommendation Spreadsheets for each Dean / AVP. Please do not communicate recommendations to employees until the final approval is received as the President or Vice-President may approve, amend, or decline nominations. **The deadline for submission to Human Resources is July 20, 2022.**

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•July 27 to August 12: The Dean / AVP reviews the Performance Excellence Program Payment Recommendations with the department head. The Dean / AVP may accept, amend or reject recommendations received. The Dean / AVP will email to Human Resources the spreadsheet with those recommendations they are approving for further consideration by the President or Vice-President. The Dean / AVP should inform the department head of changes to the recommendations and confirm which are moving forward. Human Resources will compile the Recommendation Spreadsheets for the each of the President and the Vice-Presidents. **The deadline to submit the spreadsheet to Human Resources is August 12, 2022.**

3

•August 12 to 17: As the program pools are allocated to each of the President and Vice-Presidents, Human Resources will collect the recommendations, validate the employees' eligibility, summarize all recommendations, including whether the overall total is within the pool allocated and will forward to each of the President and Vice-Presidents, the recommendations spreadsheet applicable to their area for review and decision. **Human Resources will send the information by August 17th.**

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•August 17 to September 1: The President or Vice-President reviews all recommendations submitted for their area. The President or Vice-President may approve, decline or adjust any payment recommendations. In the event the recommendations exceed the available pool, the President or Vice-President will determine the reductions required to ensure the available pool is not exceeded. To enable these decisions, Human Resources will provide the President and Vice-Presidents with summary information showing the total of all nominations relative to their available pool. The President or Vice-President will email the approved recommendations to Human Resources for payment. **The deadline to submit the approved recommendations to Human Resources is September 1, 2022.**

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•September 19 to 21: Human Resources will send to the Dean / AVP and department head letters that can be given to the employee to inform them of the approved payment. These letters will be editable so a personal message may be added. Human Resources will arrange for payment of the approved recommendations. The department head will communicate the payment to the employee and give them the letter confirming the payment which will be paid in the September 24th pay deposit. **The target date to communicate the payment is September 21, 2022.**