



## **Our new approach to performance**

Open conversations that recognise  
the difference you make

we are Sainsbury's 

# Link: our new approach to performance

All around our business, we're constantly looking for new and better ways to operate, so we can achieve even more as a team.

You've told us that PDRs don't always work well for you. So we've been looking at different approaches to performance reviews. Evidence from the latest research and what other leading businesses are doing shows that there are more positive and useful ways to discuss your performance than the way we do it at the moment.

## That's why we're launching

**Link.** Links are regular, individual discussions with your manager – but instead of following a tick list and sticking to a formal rating structure, they're all about identifying and acknowledging the difference you make every day.

### Think Link

We've called our new performance discussions Links because they're all about making connections between business success and individual performance. They focus on each person's impact in the team, because it's our vital linking relationships that give colleagues a powerful collective purpose.

## So what does **the difference I make** really mean?



### It's what you do

Your key personal achievements that contribute to your team, the business or our customers



### It's how you do it

The way you go about delivering those achievements, in line with our values



### It's how we work better together

The difference you make to and through others – sharing knowledge, building on ideas and contributing to their growth and success.



## Why change?

**At the moment, we use a traditional structure for our PDRs. Usually, managers work from a fixed set of measures and KPIs and are highly focused on a colleague's overall rating.**

We think that this isn't always helpful. It means that the whole discussion is geared towards the rating that will be revealed at the end. It's easy for people to be defensive or to spend a lot of time justifying small things, because they're written on the form.

You tell us that you wish you could talk more about your development and growth

and what you're doing that contributes most to our business. That's the part of the review that matters to you. So we want to focus on that in Link, allowing you to have an open discussion about what you are doing to make a difference and how, going forward, you could make an even bigger impact.

We've been working with leading experts and large companies who have already moved to this kind of approach. They tell us that it's producing great results, for individuals, for teams and for business overall.

That's what excites us about this new approach. Our success is all about our collective performance. Every day, colleagues have a big impact on their teams and the business. It makes sense to focus on how you make a real difference to customers and colleagues – talking about it, rewarding it and continually improving what you do.

## 4 Link: the three elements of our performance approach

# The three elements of our performance approach

Whilst the Link conversations are a key element of our performance management approach, there are two other vital elements:

### SMART objectives

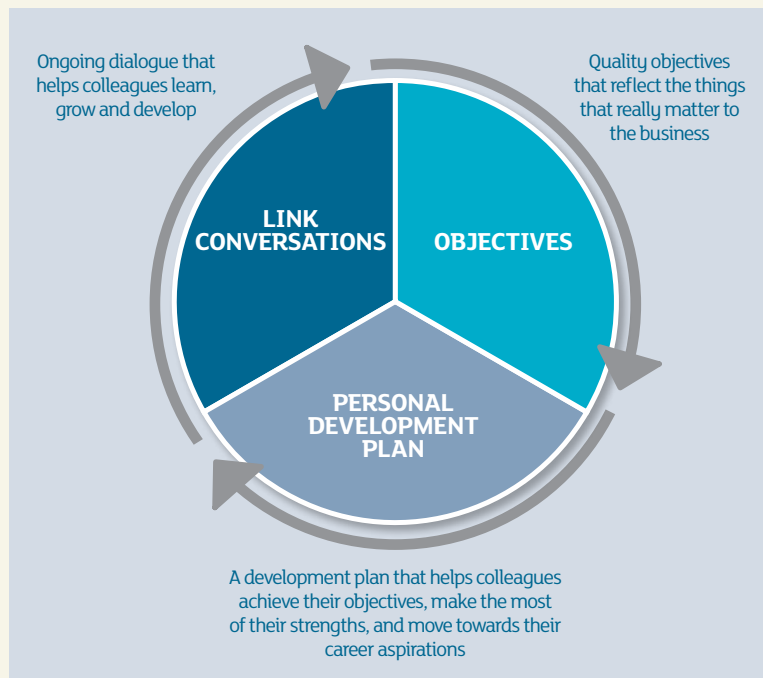
- You'll set these at the start of the year in agreement with your line manager

### Personal Development Plan

- We've updated this to be more action orientated to help you make the most of your abilities and support your progress towards your career aspirations.

You'll refer to each of these regularly as part of your ongoing Link discussions. You may also want to take time in some Link discussions to review your PDP or objectives in more detail.

In line with our new Link approach, we've also refreshed the templates for objectives and PDPs.



# All about Link

Get in the know about your Link



## Setting up

You and your line manager should aim to have at least four Link conversations a year. It can be more often if that's useful for you. Simply use the time you set aside for your existing one-to-ones for a Link.

Either yourself or your line manager can suggest you have a Link whenever you want. You might want to plan a Link when you come to the end of a project or a significant piece of work as it's a great opportunity for reflection and learning for continuous improvement. The important thing is that between you, you identify at least four opportunities a year for your Links.



## Preparing

You can prepare for your Link by thinking about your recent and future work: looking back, looking forward, and how you can drive your development. Remember to think about the difference you've made: what you've done, how you've done it, and how you've made a difference to colleagues too. It can be helpful to make notes to remind you about anything you'd like to talk about, but you shouldn't need to spend long preparing.

## WHAT YOU'LL DISCUSS



### LOOKING BACK:

- What contributions have you made and what was the resulting difference?
- How are you progressing against your objectives?

### LOOKING FORWARD:

- What have I learned from the last few months?
- What am I going to do to make more of a difference?

### DRIVING MY DEVELOPMENT:

- What personal development will I undertake – either to help develop skills for my current role, to develop my strengths, or for a potential role in the future?

# All about Link

## Get in the know about your Link



### Your Link conversation

Your Link will probably last around 45 minutes to an hour. In it, you'll discuss your work in terms of the difference you make. You and your line manager will explore the most important and useful things you've achieved and plan to achieve as well as how you support others to help them make an individual or team impact too.

Both when looking forward and looking back, you'll consider what it really means to **make a difference – what you do, how you do it and how we work better together.**

Your objectives should be the starting point in looking at the contribution you've made to date. But don't forget to look at other ways you've made a difference which might not be included in your objectives. It's up to you and your line manager together to decide what's most useful and important to spend most time on.



### Acting on it

At the end of your Link, you and your line manager will have talked about your recent achievements and decided what you're going to focus on doing more of, and what you can improve in the coming weeks and months. You'll

agree comments for each of the boxes on your Link form, to capture the conversation.

You won't get a rating at the end of your Link. But you should have a clear sense of what to stop, start and continue doing. It's really important that you go away from the meeting feeling clear, confident and motivated about making a bigger and better difference. The 'In a Nutshell' box at the end of the form helps ensure this by giving you space to agree the key points from your discussion.

### WHAT'S IN IT FOR ME?

**Link is about you and what you do that makes a difference to your colleagues, the business and our customers. At the end of your Link conversation you should be clearer than ever on your priorities going forward – both in terms of your objectives and your development. This focus will enable your manager to recognise, reward and support you to extend your performance to make a bigger difference to the business.**

# Your annual bonus

**Personal performance will continue to have a direct link to your personal contribution element of our annual bonus.**

Research and feedback both show that ratings often aren't helpful in holding constructive conversations. One of the big changes with Link is the removal of annual performance ratings. However, personal performance will continue to impact your bonus.

To clarify, the current bonus process gives managers the ability to allocate the personal element of the bonus across their teams based on individual performance. They are not fixed to giving specific percentages associated with a particular performance rating. Going forward, this flexible approach will continue under Link.

HR managers will continue to review bonus and pay review allocations with leadership teams to ensure fairness.

# Next steps

During the next few months we'll be running workshops to:

- tell you more about this new approach
- give you an opportunity to become more familiar with Link
- give you the chance to ask questions

You will still need to set your objectives at the start of 2016/17, and update your Personal Development Plan as normal. The new templates are available on Connect. As we progress through 2016/17 you will start to have Link conversations with your line manager. Ideally, the first one will be in May or June. We'll also shortly be launching the new Link online platform, which will allow you to capture your objectives, personal development plan and Link conversations all in one place.



# Our vision for Link



## WE HOPE YOU:

- See more clearly the difference you make to those around you, our customers and our business
- Enjoy a greater emphasis on teamwork and supporting the work of your colleagues
- Know how you can continue to improve your performance
- Feel valued not only for what you do but how you do it
- Have time to talk regularly about your development
- Get to the heart of what matters with your line manager more quickly
- Enjoy more constructive and motivating discussions

## More questions?

Ask your manager or HR business partner if you have further questions about Link.

