Performance Management Program Guide

April 2024

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Performance Management Program Overview

OLG's Performance Management Program is a collaborative, ongoing process that ensures individual employee goals are aligned with the organization's purpose and strategic priorities. The program supports employees and their people leaders in having meaningful conversations that drive outcomes, employee development and ultimately deliver on performance goals.

Benefits of Effective Performance Management

Performance management fosters a culture of performance. Specifically, performance management is an important mechanism that helps everyone:

- Clarify responsibilities and agree upon standards of performance.
- Set clearly defined goals and link them to strategic priorities, department goals and provide a shared purpose.
- Develop and improve skills and abilities.
- Ensure meaningful and frequent feedback on employees' performance and development.
- Review progress and adjust goals as needed.
- Encourage People Leaders to be performance partners and coaches.
- Create a work environment that meets both the needs of the organization and the needs of every employee at OLG.

It's important to remember that the most important aspects of performance management are the ongoing discussions and interactions an employee has with their People Leader.

Key Responsibilities

Employee's responsibilities

- Take ownership for creating your own goals.
- Work with your People Leader to set goals that meet the **SMART** criteria.
- Be open to feedback; recognize that feedback is essential to personal growth and monitor performance.
- Keep your People Leader informed of progress or obstacles in achieving the goals and seek assistance when required.
- Conduct a realistic self-assessment and fully participate in the performance management review meeting.
- Reflect and discuss accomplishments, areas for development, opportunities and career interests during check-ins, feedback and performance conversations.

People Leader's responsibilities

- Commit to the Performance Management Program and support the established process timelines.

- Communicate OLG's strategic priorities and division/department/team goals /priorities to employees.

- Ensure employees know what to expect in terms of performance and behaviours.

- Create an environment that encourages open communication, two-way dialogue and employee self-reflection.

- Establish goals with each employee using the **SMART** criteria.

- Continuously monitor performance for each employee and provide thoughtful, ongoing feedback.

- Review and modify goals as required throughout the year.

- Conduct ongoing check-ins, feedback, development and performance conversations, year-end review and sign off from employee.

People & Culture's role is to provide the program overview to all employees and to facilitate the shift towards a feedback-rich culture that drives employee development and performance. People Leaders and employees are equipped with ongoing training, support and tools to be successful in achieving their performance goals and OLG's enterprise priorities.

People & Culture facilitates calibration sessions with People Leaders to discuss and align on standards of performance to ensure consistency in performance assessments and outcomes for individuals across teams.

OLG is committed to creating an inclusive culture across the organization by preventing and removing barriers for persons with disabilities. OLG will take into account accessibility needs as well as any individual accommodation plans within the performance management process for employees with disabilities. Please advise your immediate People Leader or HR Business Partner of any accommodation requirements.

Performance Management

OLG's strategic priorities guide initiatives for each division/department/team and which supports individuals to develop relevant and aligned goals. The performance management cycle officially begins each year by establishing goals that connects what an employee will achieve throughout the year, with the organization's overall success. The alignment ensures that division, department, team and individual goals are working to deliver on OLG's Strategic Priorities, and that initiatives and measures within individuals' goals contribute to OLG's overall strategy for the fiscal year.

Goal Setting **Ongoing Feedback and Check-ins** **Year End**

Goal Setting

Employees, in collaboration with their People Leader, identify four (4) to six (6) goals to be accomplished over the coming fiscal year. Each goal should include activities and timelines and the measures that meet the **SMART** criteria and are aligned to division/department goals and OLG's Strategic Priorities.

When setting meaningful goals, the **SMART** criteria is applied:

Specific: a clear and specific outcome

Measurable: a precise quantity and/or quality measurement (i.e. can be described as a KPIs)

Attainable: a goal that is realistic but challenging

Relevant: a relevant goal to your role and OLG's Strategic Priorities

Time-bound: a clear timeline for the outcome

QUESTIONS TO ASK: Is this Goal SMART?

Criteria	Questions to ask
Specific	• What are the specific details of what is to be achieved? • How will it be achieved? • What is the desired result/outcome?
Measurable	• What are the quantifiable, concrete results that will evaluate whether or not the goal has been met? • Is the overall benefit clearly defined?
Attainable	• Are the necessary tools, information, and other resources available to meet this goal? • Are new skills/knowledge required?
Relevant	• What is the impact in achieving this goal? • Does it support the organization/division/group/team priorities?
Time-bound	• Are deliverable dates identified and clear (when will it be achieved, completed)?

Role Specific Goals:

Some employees find it difficult to set goals if their role involves mostly work that comes to them on a daily/weekly basis and is not easily planned in advance. To establish goals, one might:
- Look for opportunities where specific tasks/activities are reflective in team goals and outcomes and leverage this information to identify goals.

- Develop a goal focused on process improvement and streamlining.

- Review activities that support OLG's [Game On](#) Strategic Playbook and Strategic Priorities for the fiscal year.

Winning Culture Goal:

All OLGers should have a personal winning culture goal that demonstrates how they plan to contribute to a fun, inclusive and performance-driven culture at OLG. As employees develop their goals, it is important to think about how their actions support the culture at OLG, which can outline Initiatives (and actions) and Measures of success.

Responsible Gambling (RG) Goal:

All relevant employees who work in OLG's lines of business, are required to embed Responsible Gambling (RG) in one or more performance goals. For more information refer to the RG Tip Sheet.

Employees should work with their People Manager to ensure the spirit of the following RG value statement is reflected in their goals:

- *Through PlaySmart, OLG aims to be a world leader in helping players – new and seasoned – build knowledge, understand the risks, gain insights into personal playing behaviours, engage in positive play habits, and know how to obtain help if needed. To make this happen, the customer journey will be supported by enhanced choice and optionality for customized responsible gambling tools, deploying the full power of state-of-the-art technologies and education platforms, for employees and players, to maximize player health.*

Key Components of an Effective Goal at OLG:

Each goal, should:

- Be clearly stated
- Include Measures, an indication of how a goal will be successfully completed
- Include Initiatives, actions/activities that will be undertaken to deliver the outcome
- Where relevant, tie to the OLG Truths – referring to not only what is being accomplished but how, in a manner consistent with OLG truths

Ongoing Feedback & Check-Ins

Performance management is year-round. Throughout the year People Leaders and employees are encouraged to have frequent check-ins or one-on-ones. These conversations create opportunities to check-in on the progress of the employee's goals, and for feedback on performance. These discussion should include wins, challenges/obstacles and support required. Thoughtful feedback, both positive and constructive should support employee development and overall performance.

In these conversations, the manager and employee should:

- Reach a shared view of performance and development to date, including capturing completed or upcoming milestones.
- Confirm expectations moving forward
- Agree on an action plan to sustain or, if necessary, improve performance over the remainder of the year
- Ensure any development plans are on track and continue to align to current and/or future career goals
- Ensure there are "no surprises" at year-end

Tips for employee's Feedback & Check-In conversations:
- During these conversations with your manager:
  - Be open to feedback, ask questions for clarification, and engage in a candid two-way discussion about your performance and development
  - Be an active participant
  - Identify any challenges to achieving your core job responsibilities, development goals and suggest ways to overcome these challenges

    o   Update and review goals and project milestones as needed to reflect operational changes

    o   Agree on an action plan to sustain or improve performance and achieve development goals

Tips for People Leader's Feedback & Check-In conversations:

- During these conversation with your employee:

  - o Provide thoughtful and constructive feedback on the employee's performance and development to date that includes specific examples of strengths and areas of improvement

  - o Encourage two-way dialogue and self reflection. Ask questions and actively listen to the employee's point of view

  - o Clarify expectations moving forward, both in terms of job responsibilities as well as goals

  - o Ensure any development plans are on track and continue to align to current and/or future career

  - o Agree on an action plan to sustain or improve performance and achieve development goals

Year-End

The year-end review is an assessment of an employee's overall performance for the year. Throughout the year, employees have set and reviewed goals and participated in ongoing discussions with people leaders about performance and progress. The year-end review provides a final opportunity to look back over the past year, review performance, identify accomplishments and lessons learned to plan for the year ahead. Employees are required to complete a self- assessment, to comment briefly on each goal and to the degree it has been achieved, if timeframes have been met and assess the quality of the work completed. At the end of the year, employees will meet with their people leaders for a one-on-one meeting at the end of the performance period.

Tips on preparing for Annual performance review meeting

Employee's preparation for performance review meeting

- Complete self-review by completing the year-end review in Workday
- Identify achievements from the past year and areas to improve
- Ensure the self-review is well written and include specific examples
- Be prepared to take in feedback

People Leader's preparation for performance review meeting

- Ensure the evaluation reflects an employee's performance over the whole period of time covered by the review

- Ensure there isn't anything in the year-end review that you haven't already told the employee
- Look at concrete, observable examples of performance, behaviours and skills gathered over a period of time

Assessing and rewarding performance

The overall performance rating will be calculated automatically, based on the goal ratings and weightings. The rating scale of overall performance is as follows:

Rating Scale	Description of Performance Evaluation
Exemplary	**Far exceeds challenging goals and** expectations in all areas. Demonstrates exceptional performance while modeling the OLG's truths in how the goals are achieved. Results have been achieved with significant contribution to the goals of the department, division and OLG.
Exceeds	**Consistently exceeds expectations.** Excellent quality of the work completed, both in the results and how they were achieved. Performance has a high positive impact to the department and/or division.
Delivers	**Continuously delivers** on all individual performance goals and meets all expectations of the role. In some areas, the job performance may exceed expectations.
Requires Improvement	**Delivers on some expectations of the job,** but not all. There are some performance gaps that have been identified and require improvement.
Does not Meet	**Has not met the expectations of the role;** and there's been little to no improvement following performance discussions.

Rating Distribution

- The rating distribution curve offers greater flexibility in recognizing unique achievements
- Rating distribution guidelines have been created to promote consistency across OLG so that goals are assessed against common criteria

Pay for Performance

OLG's Variable Pay Plans reward eligible employees for their contribution towards the successful achievement of enterprise and individual goals. For more information on the Variable Pay Plan please visit Pay for Performance on InsideOLG.

Major Activities and Timelines

Timeline	Activity
April - May	• Employees with their People Leaders begin to identify, draft and finalize goals in preparation for new year's performance management cycle • Workday –Goal Setting is open to start the process
May - January	• Employees and People Leaders to have short and frequent conversations on performance and development throughout the year. Review of employee goals and project milestones • Workday – open all year to facilitate feedback conversations and employee progress of goals
January/February	• People & Culture communicates on upcoming performance year-end assessments • Employees complete self reviews and People Leaders complete reviews
February/March	• Calibration sessions – HR Business Partners and People Leaders discussions
March/early April	• People Leader/Employee discussions and sign off's due (Workday system closed after deadline)

APPENDIX

Performance Review Conversation Tips
For Employee and People Leaders

Giving Effective Feedback:

- **Be timely**: provide both positive and constructive feedback soon after you see the behaviour demonstrated

- **Be specific**: focus on one area at a time, avoid general comments and if possible, include examples to demonstrate the statement

- **Balance the content**: apply the "sandwich approach". Begin with comments on areas of strengths and accomplishments, to provide reinforcement to the employee on what they should continue to do. Then identify areas for improvement, conclude with a positive statement

- **Be realistic**: focus on feedback that the employee has control to change and offer alternatives and/or advice

- **Be consistent**: connect the feedback to the outcome, measurement and time frame established when the task was assigned

- **Be open**: actively listen to the other person's view, collaborate on an action plan

- **Follow up**: feedback is a continuous process, after providing the feedback, follow up and let the employee know you are available if they have questions

Receiving Feedback Effectively:

- **Listen to the feedback given:** avoid interrupting and know that the feedback provided is positive and supportive

- **Be aware of your responses:** ask for balanced and specific feedback that includes examples, ask questions to clarify

- **Be open:** be receptive to new ideas and opinions

- **Understand the message:** actively listen, repeat key points to demonstrate the feedback has been understood