
Performance and Development Dialog

Helping Managers to support stronger
Performance and Development



What is P&D Dialog?

A process of regular dialog and review between employees and their line manager with the goal of continuous improved performance and reward for the individual and the business.



What else is P&D Dialog?

Performance and Development Dialog is a set of documented activities of employees and managers, aimed at ensuring agreed results and **behaviors**.

The goal is to give clear direction and support to employees' performance and skill development in such a way that the employee proactively contributes to the expected results of the organization.



The strategic challenge

Today *What we are*

The world's
largest
Coatings and
Specialty
Chemicals
Company.

Tomorrow *What we want to be*

The world's **leading** Coatings and Specialty
Chemicals company.

- **Most value creating** (5 year targets)
Outgrow our markets (weighted avg).
Best 5 EBITDA margin.
Best 3 OWC percentage to sales.
Year-on-year EVA growth.
- **Most sustainable** (5 year targets)
Best 3 DJ sustainability index.
Step change in people development
Best 5 in recordable injury rate.



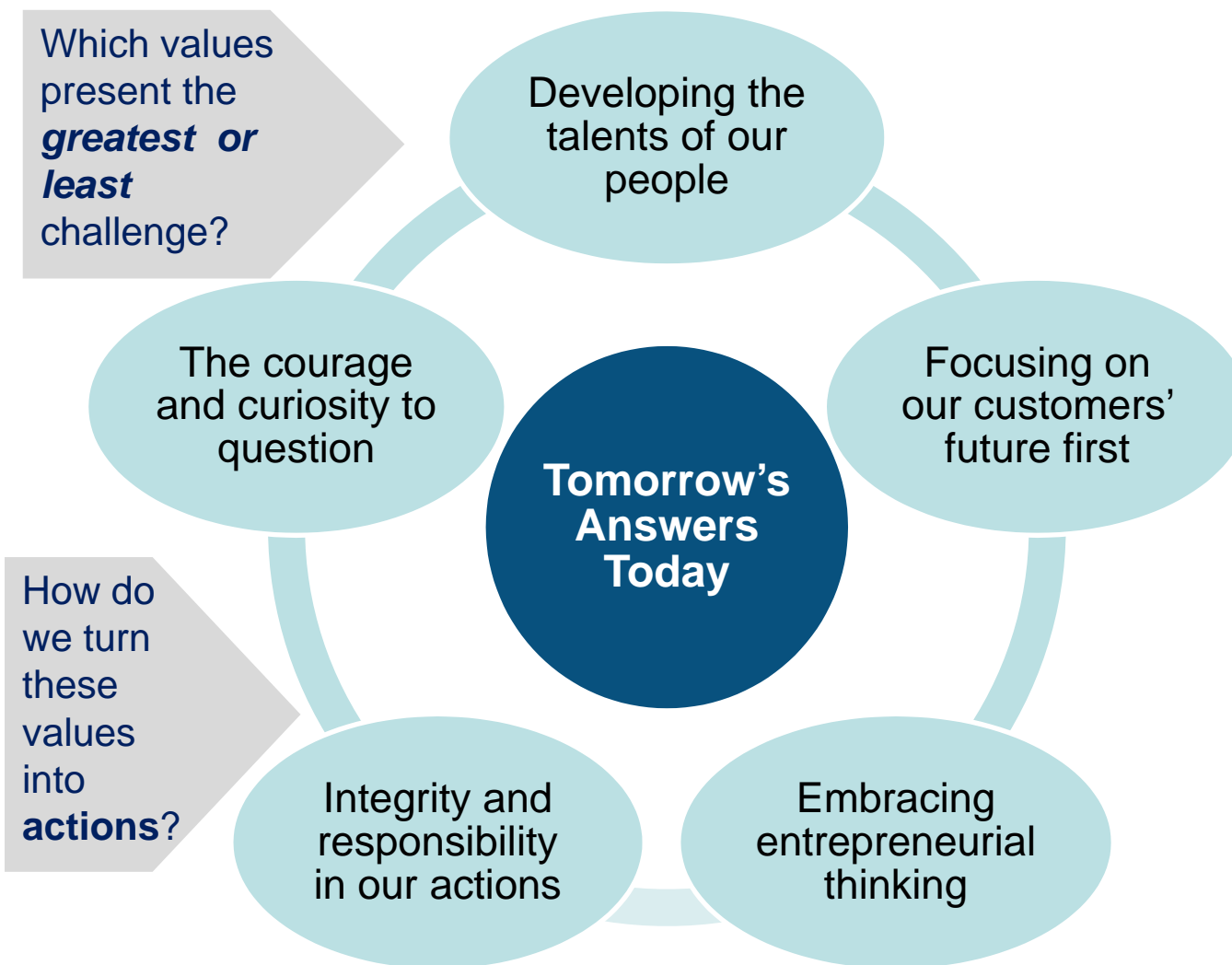
What are top challenges this presents to your business?




Our core values



In trios, consider in *your* businesses



Building on values to enhance P & D



We need to be specific about what our new values mean in terms of behaviors and actions.

We need to describe those behaviors and actions practically and consistently.

We need a common language for talent reviews, assessments, recruitment and appraisals.



Values into action: Success Factors

SUCCESS FACTORS

For Executives

Create Customer Value

Create Strategic Value

Develop Organizational Capability

Dare to Re-invent

Influence and Inspire

For Managers

Enhance Customer Experience

Make Business Opportunities

Develop Your Team

Dare to Change

Lead by Example

For Everyone (the 5 "D's")

Delight Your Customer

Deliver Results

Develop Yourself

Dare To Improve

Demonstrate Integrity

Values

↑
Customers' Future First

↑
Embrace Entrepreneurial Thinking

↑
Develop the Talents of our People

↑
Courage and Curiosity to Question

↑
Integrity and Responsibility in our Actions



Understanding Success Factors

Success Factors describe the result of how you achieve your objectives in a way that is aligned with:

- AkzoNobel's values
- the required level of employee capability agreed with his/her manager.



Growing capabilities

No expectation of annual progress from one level to next

That will depend on outcome of discussion between manager and employee



Level 4 – Role Model

Influence beyond team, recognized expert, creates new standards.

Level 3 - Proactive

Near mastery of skills, active knowledge sharing and positive influence in team, new performance levels .

Level 2 - Active

Proactive, proficient, circle of influence with self but growing within team.

Level 1 - Responsive

Basic skills, understands, reactive, does as asked.

Two vital steps

1

Choose 1 to 3 success factors critical to business needs

- Choose 1 - 3 success factors critical to achieving results.
- Success factors should describe the impact of actions/behaviors in a way that is aligned with our core values.
- Identify and agree specific actions for development.

2

Ensure employee takes responsibility

- Help employee recognize accountability for process and action.
- Employee must self assess and be responsible development actions.
- Manager has critical role in providing support and direction.



Setting objectives

Specific and measurable

Motivating

Achievable

Relevant

Trackable / timebound



Objective setting

- Strive for clarity; avoid misunderstandings .
- Focus on strategic direction /focal points.
- Align employee goals with business strategy/objectives and personal accountabilities.
- Gain employee buy-in for commitment, achievement and satisfaction.

