

# Presentation summary

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## Preparing for performance review discussions during uncertain times

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# Overview

Presented by [Charles Handley](#) and [Vicky Feros](#), Directors at [Dalton Handley](#), our interactive online session provided current market insights and learnings from the GFC to equip business development (BD), marketing and communications professionals to engage in valuable and constructive performance review discussions.

A key focus was to proactively position non-monetary rewards, acknowledging that salary increases and promotions are unlikely this Financial Year due to COVID-19. Attendees were encouraged develop an action plan and were offered a range of takeaway tips. Here is a summary of our presentation.

The audience included BD, marketing and communications professionals primarily from legal, accounting and engineering.

# Past and present

## During the GFC

- 6-month firm-wide recruitment freeze
- Small government stimulus, which took longer to deploy
- Economic slowdown due to major liquidity and lending crisis
- 3+ years strong recruitment activity after GFC
- Heavily over-resourced BD functions; redundancies widespread
- Swift market upturn

## Today's COVID-19 environment

- Hiring freezes across most firms; business critical roles still being recruited
- Leaner teams, which are highly valued by partners
- No widespread COVID-related redundancies however some contractors stood down
- Big-4 likely to restructure in the coming months
- Strong, swift Government stimulus
- Government imposed recession with an end in sight, potentially
- Firms taking proactive measures to reduce costs and retain staff
- Business and recruitment activity slowly picking up in Asia
- Candidates continuing to look at opportunities, despite the market uncertainty

## Current firm approaches

- Salary freezes across most firms
- Any salary cuts seem to be in place for 3 months
- Most firms asking staff to take leave, or reduced hours
- Many firms have reduced partner draws
- Many firms have stood-down contractors
- Consulting and advisory teams are extremely quiet

# Firm approaches to COVID-19 (as 18/05/20)

Law

**ashurst**

Staff requested to adopt an 80% model in hours and salary for 3 months. Staggered bonus payments for eligible staff. 20% reduction in partner draws for 6 months. Salary freeze until November.

**Baker McKenzie.**

Voluntary options of adjusted hours, reduced hours and taking accrued carers or annual/long service leave.

**CLAYTON UTZ**

Recruitment freeze, voluntary option to purchase up to 4 weeks leave by EOFY.

**COLIN BIGGERS & PAISLEY LAWYERS**

20% salary reduction from May-September for those earning more than \$75k. 20-40% salary reduction for partners.

**DENTONS**

20% salary reduction for staff and 50% cashflow reduction for partners from May-June.

**gadens**

20% salary reduction until September.

**GILBERT + TOBIN**

50% reduction in partner draws. Salary reviews deferred. FY20 bonuses to be paid in instalments in July, September and December.

**Hall & Wilcox smarter law**

Impact on partner profits and distributions. Recruitment freeze.

**HERBERT SMITH FREEHILLS**

Salary freeze for min. 6 months, 50% of bonuses paid in July and the remainder paid by December. Reduced partner draws.

**HFW**

Salary freeze, staff to take 25% of annual leave by June 2020. A portion of partners pay to be deferred.

**HOLDING REDLICH**

10% reduction in partner draws.

**HopgoodGanim**

20% salary reduction for three months for staff earning more than \$65k.

**K&L GATES**

20% reduction in partner draws, 15% reduction in salaries for other lawyers and staff. Scheduled advances will be reduced by more than 20% for law firm leaders.

**macpherson kelley.**

20% salary reduction for 3 months.

**Maddocks**

Staff asked to purchase 5 weeks leave over the next 6 months. 20% salary reduction for executives and reduced partner draws.

**MILLS OAKLEY**

Reduction in casual workforce, reduction of hours for some transactional teams.

**MinterEllison**

Recruitment freeze, staff to purchase 6 weeks 'COVID-19' leave. 50% reduction in partner draws.

**NORTON ROSE FULBRIGHT**

Temporarily stood down 3% of staff. Recruitment and salaries frozen. Hours cut up to 20%. Temporarily suspended partner draws.

**sparkle**

Firm-wide salary freeze, optional part-time arrangements.

Accounting & Consulting

**BDO**

Up to 50% reduction in partner pay, reduced hours for all underutilised staff.

**Deloitte.**

20% salary reduction until September. 5-day firm-wide shutdown. 25% salary reduction for equity partners. 10 extra days leave to be used by January.

**EY**

Reduced partner draws. Up to 40% reduction in salary and hours for staff and 25% for partners.

**Grant Thornton**

Asked staff to reduce hours and pay by 20%. 20% pay cut for partners and executives.

**KPMG**

20% reduction in salary until September. 200 staff redundancies. 17% reduction in partner pay. Deferred promotions.

**LEK**

Staff asked to take 3 weeks unpaid leave by June. Salaries frozen, 25% reduction in partner pay until June. Reduced partner bonuses and dividends.

**pwc**

20% reduction in hours and salary, up to 40% for underutilised staff. Deferred salary reviews, bonuses and promotions to January 2021. Partner income cut up to 40%.

Engineering

**AECOM**

Temporary 20% salary reduction for senior executives.

**Jacobs**

10% salary reduction for senior executives and board members.

NOTE: Firms not listed have not made public announcements.

# Performance review framework

## 1. Objectives

### Typical objectives:

- Salary increase
- Promotion
- Bonus

### Other objectives:

- Developing new skills and/or taking on greater role responsibilities
- Identifying areas of improvement, skills gaps and further training requirements
- Other non-monetary rewards and recognition (Appendix 1)

## 2. The discussion

### Prepare:

- Define your objectives
- Detail your key achievements: context, your role, outcome
- Be curious and be across the market
- Arm yourself with intelligent questions and solutions
- Think about improvement areas
- Be aware of your development areas and solutions
- Proactively seek constructive feedback from colleagues
- Most firms have a platform for performance reviews; use this and submit your information on time

### Review your performance:

- Key achievements of going above and beyond. Be aware of what this is compared to where you are just doing your job
- Seek positive and constructive feedback from peers and partners in advance

### Planning for the future:

- Identify skills gaps/areas of improvement
- Define your key objectives
- How will you get there; where are the gaps and development areas:
  - New type of work
  - Greater responsibility
  - Skillsets
- Promotion, salary and timing of these
- Non-monetary rewards (Appendix 1)

## 3. Action plan

Formulate your short-term objectives – what do I want to achieve from my performance review?

Work out your medium to long term objectives – what is my next role, internally or externally?

Understand what you are worth and what non-monetary incentives appeal to you

Lock in your mid-year review with your line manager

Arrange fortnightly meetings with your line manager – overcommunicate, be transparent, check your performance against KPIs and re-establish focus

Think about courses to further your skills

Keep your CV updated with key achievements

Consult with peers, mentors and industry recruitment specialists to understand market developments

# Takeaway tips

**Appreciate the current climate** and limitations that your line manager may have

Don't be complacent

Focus on **non-monetary benefits** rather than a salary increase

Request a salary review mid financial year

Continue to **add value**: be proactive, enthusiastic and engaging

**Build your network** internally and externally to be ready for opportunities

**Stay front of mind** with stakeholders and continue to engage

Add specific **Key Achievements** to your CV

**Upskill** in a new area, e.g. writing, presenting, digital, data

**Remain positive** (even if you aren't feeling it!)

# Appendix 1: Non-monetary rewards and recognition

Additional time off	Greater flexibility in working hours (e.g. work 4 days in 5)	Continual professional development - firm organised	Study support – time off	Study support – financial
Charity/volunteer support – additional time off	Greater role responsibilities	Involvement in other projects e.g. innovation	Secondment to another office or team	Client secondment
Overtime allowances (food, taxi etc)	Discounted childcare, nanny etc.	Wellbeing benefits (gym, healthcare, counselling etc.)	Tangible recognition for exceptional performance	Team socials
	Career development and coaching	Pay mobile phone bill, home internet etc.	Other	

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