

# **PERFORMANCE MANAGEMENT**

## ***GOOD PRACTICE GUIDE***

**2013**

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## 1. INTRODUCTION

### NHSScotland 2020 Vision

1.1 Since the launch of the Quality Strategy (2010), the Scottish Government announced its ambitious plans for integrated health and social care and set out the 2020 Vision and Strategic Narrative for achieving sustainable quality in the delivery of health and social care across Scotland.

1.2. Our vision is that by the year 2020 everyone is able to live longer, healthier lives at home, or in a homely setting.

1.3. We will have a healthcare system where we have integrated health and social care, a focus on prevention, anticipation and supported self management. When hospital treatment is required, and cannot be provided in a community setting, day case treatment will be the norm. Whatever the setting, care will be provided to the highest standards of quality and safety, with the person at the centre of all decisions. There will be a focus on ensuring that people get back into their home or community environment as soon as appropriate, with minimal risk of readmission.

### Values

1.4. Attitudes, ethics and values are just as important as technical excellence. The key values of NHSScotland have been identified as: person-centred, honest, caring, compassionate and integrated. These values will underpin our 2020 Workforce vision and leadership and management have a key role to play.

1,5. As public service leaders – members of the Executive and Senior Managers Cohort lead their organisation in delivering both the 2020 vision and ensuring it is underpinned by our shared values.

### Performance Management Good Practice Guide

1.6. This interactive document alongside the revised **NHS Circular PCS(ESM)2013/1** is intended to support all staff involved in the performance management arrangements for staff in the NHSScotland Executive and Senior Management Cohorts.

1.7. This Good Practice Guide uses hyperlinks. Once clicked, they transfer you to another website or another part of the document. To get back to the main document from a website, just close the web page. To get back to the main document from further down the document, please click on the return hyperlink.

You might be asked to register 'free' to gain access to some website material. These sites have been checked and approved by the working party for you.

1.8. The National Performance Management Committee (NPMC) – the body which has responsibility to ensure the effective and consistent application of pay and performance management arrangements for NHSScotland Executive and Senior Management cohorts – commissioned a sub-group of the Committee with

representation from Chief Executives, HR Directors, OD Directors and Staff Side representatives to refresh and consolidate the circulars and good practice guidance which underpin the performance management system.

Signed off by Derek Feeley

## **2. THE PURPOSE OF GOOD PERFORMANCE MANAGEMENT**

2.1. This guide is intended to be read in conjunction with the technical advice on the performance management process for Executive and Senior Managers in NHSScotland set out in **NHS Circular PCS(ESM)2013/1**. The performance management process is designed to develop and deliver successful leaders in the NHS.

2.2. Good performance management ensures staff are supported to deliver the objectives of the organisation and effectively achieve their personal objectives.

2.3 The performance management process should:

- Motivate and develop effective people
- Facilitate open and honest feedback
- Review and recognise effective performance or identify where support is needed to achieve this

2.4. As the performance management process supports the remuneration policy for Executive and Senior Managers a robust process, overseen by each organisation's Remuneration Committee, should ensure consistency and fairness. At a national level this process is overseen and tested by the National Performance Management Committee (NPMC) for the Executive Cohort.

2.5. It is the NPMC's role to ensure there is consistency between Boards and an accepted degree of correlation between Boards' overall performance and their assessment of executive performance.

### 3. THE PERFORMANCE MANAGEMENT PROCESS

3.1. As with effective personal development, effective performance management is an ongoing process that happens both formally and informally throughout the year rather than a time bound event.

3.2 The rationale and evidence base for performance management can be found [here](#)

3.3. There is a requirement that the process is formally recorded for staff within the Executive Cohort at least twice each year. It is good practice that this also applies to Senior Managers however this direction is set by individual Board Remuneration Committees.

3.4. Formal recording of performance happens as an outcome of detailed discussion between an individual and their line manager from the interim or mid year review at approximately 6 months and an annual performance review meeting.

3.5 The annual review should follow a consistent process as set out in **NHS Circular PCS(ESM)2013/1** and should:

- Confirm the purpose and scope of the role and key result areas
- Enable individuals and their line managers to share understanding of the job role and progression as a leader
- Agree objectives, outcomes and timescales for the coming year
- Weight these objectives to reflect importance, complexity, challenge and personal stretch
- Agree any development or support needed to effectively achieve these objectives
- Utilise resources such as the NHS Leadership Quality Framework, to ensure the values and behaviours needed for better performance outcome are agreed, and to inform personal development planning within current role and development as a leader in line with existing and future organisational goals.
- Review performance in respect of those objectives agreed for the previous year, discuss and agree an overall level of performance for the future year in accordance with NHSScotland policy.

3.6. This annual review will typically happen around May each year, and for staff in the Executive Cohort must be completed by no later than the end of May.

3.7. The interim or mid year review should:

- Discuss the agreed performance plan agreeing any changes that may be appropriate to reflect changing circumstances
- Provide an opportunity to take stock, gain perspective on what is happening and clarify any actions to be taken
- Identify where appropriate any support required
- Review the personal development plan, and ensure that whatever development actions were agreed at the performance review meeting are being taken.

3.8. This meeting will typically happen around October each year, and must be completed by no later than the end of November.

## 4. AGREEING WEIGHTING AND DOCUMENTING INDIVIDUAL PERFORMANCE OBJECTIVES

- 4.1 An objective is a statement of what we expect an individual to accomplish during the performance period.
- 4.2 There are three core elements of an individual performance objective i.e. agreed service outcomes focused on the **‘what’** that needs to be delivered or accomplished within the performance period, the agreed behavioural outcomes that focus on the **“how”** these will be most effectively achieved and the agreed weighting to reflect the relative importance or complexity of each objective.
- 4.3 Establishing clear objectives can be achieved following [5 steps](#):

**[Step 1](#)**  
[Gather Information to inform objective setting](#)

Information to support establishing and agreeing objectives may be drawn from a range of sources e.g. Corporate or Local Delivery Plans, the key accountabilities of the post or specific initiatives

**[Step 2](#)**  
[Establish key service outcomes and measures](#)

In some posts key areas of responsibility, performance outcomes and relative importance of each objective are very clear. For many however responsibilities and outcomes will vary by individual and should be discussed fully with the line manager.

Service outcomes should reflect the employee’s key responsibilities and crucial areas of delivery during the performance period and link where possible to corporate or strategic priorities.

**[Step 3](#)**  
[Establish key behavioural outcomes and measures](#)

Behavioural outcomes focus on the “way we will do things” to most effectively achieve service outcomes and to encourage and reinforce the leadership qualities and skills we wish to develop as an organisation.

**[Step 4](#)**  
[Agree weighting of individual objectives](#)

Weightings should be agreed for each objective and should reflect the importance or complexity of successfully achieving agreed service or behavioural outcomes. There is a total of 40 points that should be allocated across all objectives at the time of setting objectives.

**[Step 5](#)**  
[Document objectives](#)

The approved template set out in **NHS Circular PCS(ESM)2013/1** should be used to document objectives. Service objectives must be specific and unambiguous i.e. SMART to ensure clarity on when each has been achieved. Evidence and measures for each objective should also be agreed and unambiguous. Behavioural outcomes and how these will be evidenced or observed should be clearly articulated.

### [Sample Objective](#)

## 5. MARKING OBJECTIVES

5.1. Each objective must be assigned a weighting to reflect the agreed importance/expected complexity in relation to the others and the degree of challenge likely to be faced.

5.2. A total of 40 points should be allocated across all objectives and the weighting for each should not be equal.

5.3. Objectives and weightings assigned to them may be reviewed and changed by agreement in the course of the performance period.

5.4. When performance against the agreed objectives is being assessed, an achievement rating should be allocated to each objective as follows:-

Performance	Rating
Clear evidence that objective has been substantially exceeded	5
Clear evidence that objective has been exceeded	4
Evidence demonstrates that objective has been fully achieved	3
Evidence falls short of demonstrating full achievement	2
Evidence falls substantially short of demonstrating full achievement	1

An illustration of the differentiation between the 5 point rating scale is given [here](#)

5.5. The weighting for each objective should be multiplied by the agreed achievement rating and these scores added together to give a total score from a maximum of 200. This score is then used to indicate an overall performance rating for the member of staff as follows:

Performance Score	Rating
70 or less	Unacceptable
71 to 99	Incomplete
100 to 140	Fully acceptable
141 to 170	Superior
171 or more	Outstanding

5.6. The final assessment of performance should always be made by informed judgement but where performance rating differs from that indicated by the above process is being proposed the reasons for this must be recorded.

5.7. It is important that there is evidence to support each achievement score, and the ratings reflect performance throughout the performance year. [Sample performance indicators](#) for each of the performance ratings and guidance on

[avoiding performance rating pitfalls](#) might be useful when determining performance.

5.8 The final scoring can only happen as a result of a properly conducted end of year review between the member of staff and the line manager.

5.9 The recommendation on the final score is made to the grandparent by the reviewer at the end of the year following the review by the reviewer and reviewee.

5.10. An 'incomplete' level of performance often indicates that the role holder is new in the role, or that objectives have been recently changed. It is anticipated that more fundamental performance issues should generally have been identified and addressed during the performance year and not raised for the first time at the annual review meeting.

5.11 If an individual's performance is rated as 'incomplete' for reasons other than those given above, or if an individual's performance is considered unacceptable, an appropriate action plan should be agreed and taken forward in parallel with the performance review process. Further guidance is contained in the Management of Employee Capability Policy.

## 6. ASSESSING PERFORMANCE

6.1 Monitoring, assessing and supporting performance is an ongoing process that takes place informally throughout the year. The formal performance review process is structured around a minimum of two mandatory meetings i.e. the mid year Interim Performance Review and the end of year Annual Performance Review.

6.2 It is important managers do not rely only on formal reviews to understand how an individual is performing or to capture and record any significant changes but have regular and informal discussion throughout the performance period.

6.3 Detailed guidance on how to conduct a performance appraisal can be found [here](#)

### The Interim Performance Review Meeting

6.4 Interim reviews take place to monitor and reinforce an individual's performance progress, discuss any difficulties and ensure any development actions agreed at the previous performance review discussion are meeting identified needs.

6.5. The frequency of interim review meetings will depend upon the extent to which performance objectives and expectations are evolving, but for members of the Executive Cohort there must be at least one interim review meeting mid-way through the performance period and no later than the end of November.

6.6 Good practice guidance on planning and undertaking [interim reviews](#) is provided in the attached link.

### The Annual Performance Review Meeting

6.7 The Annual Review meeting normally takes place at the end of the reporting year.

6.8 It is essential the reviewer and the individual being appraised take time to prepare for the Annual Review meeting. Preparation should consider any issues that may be raised for discussion or evidence on performance outcomes that will support the appraisal discussion.

6.9 It is important to encourage the individual to complete and share a self assessment in advance of their meeting.

6.10. Following the meeting the reviewer should mark individual objectives in line with Section 5 of this document and arrange grandparent review and comment

6.11 Good practice guidance on preparing for and undertaking the [Annual Performance Review meetings](#) is provided in the attached link.

6.12 If faced with a [difficult performance management conversation](#): your Human Resources team will be happy to advise and support you should you so wish.

## 7. PERSONAL DEVELOPMENT PLANNING

7.1 Alongside the setting of objectives, the individual performance planning process needs to include a dialogue to identify any learning and development needs the individual might have to address in order to deliver the agreed objectives illustrating the behavioural outcomes to support effective leadership. Discussion of the personal development plan should also consider appropriate development to complement existing strengths, with the intention of preparing individuals for possible changes to the frame of their job or future Executive roles as a result of service redesign or organisation restructure. This is an important element in the performance management process, as it will link to effective leadership and management within the organisation and the wider NHS.

7.2 In particular consideration should be given to leadership and management development knowledge, skills and behaviours. The NHS Leadership Quality Framework can provide access to a number of leadership interventions available for all levels of leadership which you may find helpful:

<http://www.nhsleadershipframework.rightmanagement.co.uk>

7.3 Remember that maintaining and refreshing knowledge and skills is as important as obtaining them. Similarly, developing self awareness and emotional intelligence can enable Executive leaders and senior manager's to develop capacity to enhance their repertoire, move into territory often avoided or unknown.

7.4 It is important to note that there are many interventions to meet development needs. Different types of learning will suit different people for various reasons e.g.

- Appropriate content and focus
- Learning style
- Location
- Flexibility
- Availability
- Cost

7.5 Further support and guidance on identifying development needs and types of learning methods can be obtained from the HR or OD team within your organisation or by clicking [here](#).

## **Step 1: Gather information** ([click here to return to Section 4](#))

Information to help you write individual service objectives can come from a number of sources, for example:

- National policies and guidance
- Corporate plans (e.g. Local Delivery Plan, local authority plans, HEAT targets)
- Local service priorities
- Accountabilities inherent to the role (e.g. delivering an effective humans resources service)
- Related key areas of responsibility (e.g. health and safety)
- Specific initiatives (e.g. staff governance, clinical governance)
- Objectives carried forward or ongoing from the previous year's plan

## **Step 2: Establish key service outcomes and measures**

With many roles, key areas of responsibility, associated performance objectives and the relative importance of these objectives are clear.

However, this is not so for all roles, and key responsibilities, associated objectives and relative priorities should be fully discussed and agreed at the performance review meeting to reflect the current and changing frame of the job.

Objectives should then reflect these key areas of responsibility during the coming performance period.

A performance objective is a statement of what is expected to be accomplished during the performance period.

At least one performance objective should be agreed for each key area of responsibility, and each objective should highlight a specific intended achievement.

For members of the Executive Cohort, there should be between eight and ten performance objectives and these objectives should be 'SMART' (see below).

Where appropriate Boards can also give consideration to the inclusion of objectives related to national and/or regional contributions made by members of the Executive Cohort.

In most cases, the performance objectives for the current performance period will be known and can be developed at the beginning of the performance period. However, changing service needs or priorities may require performance objectives (and measurement criteria) to be amended or developed during the course of the performance period.

Any such changes or amendments should be discussed and recorded at the time of the mid-year review.

### **Step 3: Agree key behavioural outcomes and measures**

Decide which areas of behaviour are most critical for the individual during the performance period

Consider how you will evidence and measure the agreed individual behavioural objectives (e.g. see 'TRIO' below)

Think 'TRIO':

- Timing: what level of behaviour is required by when?
- Regularity: how often should the desired behaviour be demonstrated? Occasionally? In certain circumstances? At all times?
- Impact: what positive impact would you expect to achieve on service delivery, colleagues, patients, clients or the individual?
- Observable: how will you gather evidence, and from whom?

Remember:

- Behaviours are generally visible, and therefore measurable
- Behavioural objectives focus on the 'how we do things', rather than the achievement of a specific outcome ('the what')
- Behavioural objectives can be directly linked to the achievement of an individual service objective, or can underpin several
- Behavioural objectives should focus upon developing behaviours crucial to the successful achievement of individual service objectives and to support broader goals

Consider:

- Behaviours essential to the successful achievement of the critical (i.e. highest weighted) service objectives
- Behaviours essential to effective day to day performance
- Current levels of effectiveness against the qualities and behaviours outlined in the NHSScotland Leadership Development Framework
- Levels of behaviour required for future roles and responsibilities

### **Step 4: Agree weighting of individual objectives**

Each objective must be weighted to reflect the agreed importance, expected complexity and degree of challenge in meeting the objective. 40 points are to be distributed across objectives. Objectives should not be weighted equally.

## Step 5: Document objectives

The approved template set out in **NHS PCS(ESM)2013/1** should be used to document objectives.

Performance objectives and the way they will be measured should be specific and unambiguous, so that it will be clear to everyone when the objective has been achieved.

There are two main types of measures:

- Quantitative measures

Quantitative measures such as numbers, percentages, ratios or financial figures are useful for measuring, for example, financial results, service levels, intended targets, improvements, waiting times.

- Qualitative measures

Qualitative measures reflect the judgement and experience of those involved in setting the criteria. The basis for a qualitative measure could be feedback from those to whom a service is provided, or verbal consensus of those affected by the objective being measured, including proxy measures e.g. seeing change happening in front line leadership, power and control. Tools can be used to help determine effectiveness, e.g. 360 degree feedback.

The use of quantitative and qualitative measures will vary depending on the role. In roles where service delivery can easily be measured, more in the way of quantitative measures can be expected.

Performance measures should be discussed and agreed the same time as performance objectives.

### Use 'SMART' objectives

Objectives should be **s**pecific, **m**easurable, **a**chievable, **r**ealistic and **t**ime-bound

### Use action verbs

Begin each objective statement with an action verb that suggests proactive behaviour and results, such as 'achieve'; 'define'; or 'determine'.

### Develop objectives at the 'fully acceptable' level

It's important to remember that fully acceptable is a good rating, and means that expectations have been fully attained in terms of e.g. consistently meeting service requirements, completing tasks on schedule, achieving expected results, making contributions within areas of responsibility, or using effective problem-solving techniques.

In most cases objectives should be developed at a 'fully acceptable' level of performance. For clarity's sake, however, performance at the 'superior' and 'outstanding' levels may also be discussed as appropriate.

Agree objectives and measures that are realistic.

### **Good examples of Objectives from the NHS Scotland**

#### Principles for Setting Objectives

The purpose of setting individual performance objectives is to:

- Agree key outputs for the year between appraiser and appraisee
- Provide a benchmark for progress and prioritisation in year;
- Provide a benchmark of end of year performance rating;
- Communicate what is important to others; and
- Describe the essence of “what the role is for”.

#### Examples

*“Lead on the production of a financial plan for the Directorate that maximises the benefits from the Capital and Revenue allocations whilst improving efficiency and productivity, generating 2.5% cash releasing savings for x year. The plan will address creating the right culture across the Directorate to enable efficiency and productivity benefits to be delivered through continuous quality improvement.”*

- above example has key output and measurement

*“Ensure that our people are led through organisational change in a way that promotes collaboration between Directorate and across the wider public sector, demonstrating leadership behaviours that are consistent with our organisational values.”*

[Click here to return to Section 4](#)

## Sample performance category indicators ([click here to return to Section 5](#))

Outstanding: substantially exceeds all targets, consistently exceeds the highest expectations

- Achieves extraordinary results far beyond stated expectations
- Influences other to achieve quality results
- Successfully accomplishes tasks outside or scope of responsibility in spite of changing priorities and resource constraints
- Makes 'breakthrough' changes that have significant impact
- Anticipates problems and implements preventative measures
- Sought out as the professional or technical 'expert' for a functional area
- Viewed as a leader by peers, subordinates and superiors

Superior: meets all targets and exceeds most, consistently exceeds expectations

- Achieves greater than expected results with minimal direction
- Consistently demonstrates quality results
- Completes tasks on or ahead of schedule, often in spite of changing priorities and resource constraints.
- Makes a significant contribution within and beyond their area of responsibility
- Anticipates problems and implements contingency plans.

Fully acceptable: consistently meets expectations, matches shortfalls with overachievements

- Requires the expected level of direction and support
- Consistently meets quality requirements
- Completes tasks on schedule
- Achieves the expected results
- Makes an effective contribution within their area of responsibility
- Uses effective problem-solving techniques

Incomplete: misses some targets without counterbalancing overachievements; does not consistently meet expectations; produces less than required results

- Requires more than expected direction and support
- Quality of results is marginal or inconsistent
- Completes some tasks on time and others late
- Falls short of achieving expectations or requirements

Unacceptable: misses many targets, fails to achieve minimal performance expectations

- Requires substantial direction and support
- Quality of results significantly below standard
- Misses deadlines without adequate explanation
- Does not adhere to agreed policies and procedures
- Fails to meet expectations or requirements

[Click here to return to Section 5](#)

## **Avoiding performance rating pitfalls**

[Click here to return to Section 5](#)

Common pitfalls to be avoided when reviewing and rating performance include:

### The halo effect

The 'halo effect' occurs when an overall impression the reviewer has formed of a person, often on the basis of a positive or negative rating in respect of one particular objective or behaviour, unduly influences the ratings in respect of other objectives or behaviours. This often occurs with people who are especially friendly (or unfriendly!) with the reviewer, or when a person is seen as particularly strong (or weak) in one area.

### Undue leniency or harshness

If you are rating a number of people, review your ratings for any tendency towards undue leniency or harshness. As the whole point of a performance management and development process is to encourage and support high performance you would expect to see a 'skewed' distribution of performance ratings within a group, with a 70/30 split of competent performers to superior or outstanding performers. Incomplete performance (for reasons other than the role holder being new in the role, or objectives having been recently changed) should generally have been identified and addressed during the performance year, and not at the annual review meeting.

### Avoid using high or low ratings

Similarly if you are rating a number of people review your ratings for any tendency towards 'centralisation', again remembering that, as the whole point of performance management and development process is to encourage and support high performance, you would expect to see a 'skewed' distribution of performance ratings.

### First impressions

Whether your first impression is positive or negative, this should not be the basis for performance rating. Focus your evaluation on measurable performance, facts and behaviour.

### Personal bias

This occurs when a reviewer gives someone a higher than justified rating because that person has qualities similar to the reviewer (or a lower rating because they have dissimilar qualities). Also, reviewers can simply like some people better than others, unconsciously giving them higher ratings because of those feelings.

Some people will be aware of this tendency and will temporarily change their behaviour if they know a review is about to take place. Ensure your evaluation is based on performance during the entire performance period.

[Click here to return to Section 5](#)

## **The Interim Performance Review Meeting**

[\(click here to return to Section 6\)](#)

1. It is good practice to carry out interim reviews to review and reinforce progress, discuss any difficulties, and ensure that whatever development actions were agreed at the performance review meeting are meeting identified needs.

2. The frequency of these interim review meetings will depend upon the extent to which performance objectives and expectations are evolving, but for members of the Executive Cohort there must be at least one interim review meeting, mid-way through the performance period and no later than the end of November.

At the meeting:

- Summarise progress against the outcomes agreed for each objective
- Agree any actions to be taken to help with any difficulties
- Discuss and agree any changes to outcomes, timescales, priorities, etc.
- Check progress in respect of development actions agreed as part of the personal development plan and offer feedback, particularly in respect of changes in observed behaviour; ensure positive changes are recognised and encouraged

Do not rely on the mid-year meeting to know what is going on. Discuss performance and development regularly and informally, meeting to record any significant changes to the performance and development plans as often as necessary. [Click here to return to Section 6.](#)

## **The Annual Performance Review Meeting [\(click here to return to Section 6\)](#)**

The annual review process is a series of meetings which take place to assess an individual's performance against objectives for the previous year and look to the year ahead.

The annual review meeting normally takes place at the end of the reporting year. It is essential the reviewer and the individual being appraised take time to prepare for the Annual review meeting.

### **Before the Annual Review meeting:**

- Agree a date for the meeting at least a week in advance, ensuring that you allow sufficient time to discuss the role content, past and future objectives, and development needs for the performance period.
- Ensure that you have copies of the current job description and the appropriate performance review documentation, including where appropriate copies of previous performance and personal development plans
- Consider the purpose and scope of the role: has it changed significantly since it was agreed (or since the last performance review), and have the key areas of responsibility changed as a consequence?
- Consider performance against each objective agreed in the previous performance plan: think not just about what was achieved, but also about how it was achieved. Consider key service priorities for the coming period, and how these link to NHSScotland or Board objectives

- Consider those specific behaviours which you feel contribute to high performance and could be used more often to improve effectiveness
- Consider any specific behaviours which you feel do not contribute to high performance and if used less often might improve effectiveness
- Review what development has been undertaken since the last meeting, and the extent to which this has helped in achieving objectives
- Think about what development may be appropriate over the coming performance period

It is important to encourage the individual to complete and share a self assessment in advance of their meeting.

### **At the Annual Performance meeting:**

- Review performance in respect of each individual objective within the performance plan agreed for the appraisal period; recognise achievement, and what was learned from these achievements
- Discuss not only what has been achieved, but also how it has been achieved, including any specific behaviours that might be used more (or less) often to improve performance
- Review any favourable or unfavourable circumstances that have helped or hindered performance
- Agree the extent to which each objective has been achieved, and rate each objective accordingly
- Review the personal development plan, and discuss the effectiveness of the actions taken to develop their skills, knowledge and behaviours in the last year: what was useful and contributed to the achievement or the performance plan, and equally, what did not and why?
- Review the scope of the role, and the key areas of responsibility as summarised by the job description, agreeing any changes necessary for the coming period
- Outline your own objectives for the coming year and how they link to the Board objectives
- In that context, discuss and agree appropriate service outcomes and associated behaviours of objectives for the coming year, and agree appropriate weightings
- Building on the agreed performance plan for the coming year, summarise development needs for the coming year
- Discuss the personal development plan, and agree appropriate development methods to meet each identified need
- Agree the performance plan and personal development plan for the coming year, and ensure that you have copies of the completed performance plan documentation: if the personal development plan is to be completed later, agree a date to do this no later than the end of June
- Agree a provisional mid-year review date of no later than the end of November
- Agree any issues arising from the review that need further action e.g. any change in organisation structure or allocation of resources); agreeing who will take any issues forward, and how progress will be reviewed

### **After the Annual Performance meeting**

- The reviewer should mark individual objectives in line with Section 5 of this Good Practice Guide and arrange grandparent review and comment.

- Forward the completed performance plan and evaluation summary including the performance score to the next in line manager (the 'grandparent').
- Take forward any issues arising from the review that needed further action
- The performance score for the previous year will remain provisional pending feedback from the National Performance Management Committee no later than 30<sup>th</sup> September.
- Looking forward, the grandparent should review the agreed performance plan and the agreed personal development plan for the next (current) performance review period.

More detailed guidance on how to conduct a performance appraisal can be found [here](#)

## **DIFFICULT PERFORMANCE MANAGEMENT CONVERSATIONS ([click here to return to Section 6](#))**

What follows are some general principles to apply if faced with a difficult performance management conversation: your Human Resources team will be happy to advise and support you should you so wish.

### *Be ready*

*Know the message that you want to deliver and the outcome you expect.*

### *Be specific*

*When providing feedback, specific and timely information provides a 'map', giving people something they can act on. Using recent examples makes it much more 'real', enabling people to recall situations more quickly, thus enhancing the likelihood of a behaviour change.*

*Defining what effective performance would look like also gives a much more concrete sense of what is expected.*

*Remember to keep notes of your conversations throughout the year, so you are not scrambling at annual review time.*

### *Be timely*

*Although it is easy to procrastinate on challenging tasks, this is one that is best done sooner rather than later, both for you and for the person receiving the message.*

*If the feedback is tied to a specific incident, it is best that both parties have the incident fresh in their minds. If it is more general, the sooner the feedback is given, the sooner action can be taken to improve the situation.*

*Never 'save' difficult messages for future annual reviews. The delay will lessen the importance of the original message, and a 'negative' surprise in a review can be significantly demotivating.*

### Focus the conversation on the work, not the person

*It is important to depersonalise feedback, as individuals can become defensive if they perceive feedback as a criticism of their personality (e.g. “you’re always late with reports”, rather than “this report was late”): focus the conversation on outcomes and behaviours.*

*Where possible, word the situation as asking for something more from the person rather than something less. Be prepared to describe what you mean, and to offer examples. Where possible encourage the individual to identify potential solutions.*

### Describe the impact...

*...that changing behaviour or improving performance will have from a positive perspective. Explain how choosing to do nothing will affect their career and ongoing performance.*

*Also consider the extent of the impact. If the impact is insignificant, it may simply be a style difference and not worth mentioning.*

### Where possible discuss one or two areas at most

*As you are sitting down to have a conversation, have the thought, ‘less is more’ in the back of your mind.*

*Most people will tune out if you focus on more than one or two areas to work on. We all realise that there are at least one or two areas where we can improve. Generally discussing a long list of issues is not helpful, so make sure you choose wisely and consider the one or two areas that if improved would make the most impact.*

### Offer support

*Demonstrate a sincere interest in helping the individual make improvements. Ask for and listen to their perspective first, but recognise when it is no longer valuable to ‘rehash’ the situation. Be ready to move to action.*

*Do not be afraid to ask what you can do to help. Make sure that the person understands that constructive feedback is an important part of growth and development, and that you see it as an investment in the future.*

### Reach agreement...

*...about what the individual will do to change or improve their performance. Set timelines to complete agreed actions, and a time frame to review progress in others.*

### Take the time to praise and recognise positive behaviour

*Look for opportunities to provide positive feedback. Positive recognition goes a long way.*

### Be available

*After the conversation, let the receiver know you are available to support them, and explain any other resources that can be used to facilitate improvement.*

*Remember every situation is different.*

*People are different*

*Some people want greater compassion and need less support, while others may want you to be concise (possibly even blunt) with minimal compassion exhibited.*

*Invest some time in considering what the receiver may prefer in this situation. [Click here to return to Section 6.](#)*

## **Possible Approaches**

It is important to note that there are many interventions to meet development needs. What follows is a brief summary of possible approaches to development that may be useful when agreeing Personal Development Plans.

Action learning	New projects/task groups
Budding	Open learning
Case presentation/studies	Professional review and reflection
Computer based learning packages	Private study
Evening classes	Problem solving with colleagues
Further education/higher education	Professional associations/colleges/societies
Giving and receiving feedback	Research
Hobbies and recreational activity	Sabbaticals
Informal professional networking	Secondments
Internet	Shadowing
Job Rotation	Team Building
Managers briefings	Travel
Multi-disciplinary team meetings	Tutorials
	Video conferencing
	Vocational qualifications (SVQs)
	Voluntary/charitable work

An explanation of different types of learning methods can found by clicking [here](#)

## Section 2 - Performance Objectives [Click here to return to Section 4](#)

### Objective 1

(Complete one separate sheet per objective)

1.	<b>Describe overall Objective.</b> Achieve 5% reduction in annual spend by end March 2014 with no detriment to service provision					
2.	<b>What Corporate Objective does this support?</b> Strategic Financial Planning					
3.	<b>Describe the actions required to deliver this Objective.</b> <ul style="list-style-type: none"> <li>▪ Work with senior team to identify areas of improvement and potential cost savings for function. Plan in place by end April 2013</li> <li>▪ Align management lead to each activity and agree governance/review processes by May 2013</li> <li>▪ Incorporate agreed improvement activities into individual performance plans by end June 2013</li> <li>▪ Draft improvement /savings plan reviewed and agreed by end June 2013</li> <li>▪ Undertake monthly progress meeting escalating issues, support or action within 4 weeks of this being identified</li> <li>▪ Ensure quarterly audit of service standards/provision informs ongoing progress reviews</li> <li>▪ Ensure bi annual review of cost savings in line with projected targets of 5%</li> </ul>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;"><b>Half Year Update:</b></td> </tr> <tr> <td style="height: 20px;"> </td> </tr> <tr> <td style="padding: 2px;"><b>Full Year Review:</b></td> </tr> <tr> <td style="height: 150px;"> </td> </tr> </table>	<b>Half Year Update:</b>		<b>Full Year Review:</b>	
<b>Half Year Update:</b>						
<b>Full Year Review:</b>						
4.	<b>Describe behaviours which you require to demonstrate to achieve this.</b> 4.3 Encourage improvement and innovation <ul style="list-style-type: none"> <li>▪ Work with senior team to identify areas of improvement in current processes and provisions.</li> <li>▪ Support individuals develop actions with their teams to realise improvements and cost savings</li> <li>▪ Challenge current ways of working with all staff actively seeking opportunity for waste reduction, removal of duplication and better service outcomes for end users.</li> <li>▪ Encourage senior team to “walk the talk” and be exemplars for</li> </ul>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;"><b>Half Year Update:</b></td> </tr> <tr> <td style="height: 20px;"> </td> </tr> <tr> <td style="padding: 2px;"><b>Full Year Review:</b></td> </tr> <tr> <td style="height: 150px;"> </td> </tr> </table>	<b>Half Year Update:</b>		<b>Full Year Review:</b>	
<b>Half Year Update:</b>						
<b>Full Year Review:</b>						

	improvement at all times			
5.	<b>What is the expected outcome and how will success be measured?</b> <b>Outcome</b> – 5% overall cost saving + delivery of service improvements agreed in annual plan.  <b>Success measures:</b>  Improvements agreed reflected in positive service and end user audit returns Positive staff feedback on process improvement impacts to role and end user Formal feedback / experience of service users Budget delivered in line with agreed targets		<b>Half Year Update:</b>	
			<b>Full Year Review:</b>	
6.	<b>Timescales for achievement.</b>	<b>Overall Importance/ Complexity Weighting Of Objective (reflecting actions &amp; behaviours required)</b>	<b>End of Year Achievement Rating*</b>	<b>End of Year Score (weight x rating)</b>
	By End March 2014 and as defined by specific actions agreed	6		
7.	<b>Reviewer's comments / reasons for rating:</b>			

[Click here to return to Section 4](#)

**Overall Objective: Achieve 5% reduction in annual spend by end March 2014 with no detriment to service provision**

[\(Click here to return to Section 5\)](#)

Rating	Definition of Rating	Evidence of Achievement
5	Clear evidence that objective has been substantially exceeded	<p>&gt;5% savings achieved across all improvement activities by all direct reports.            Consistent input by end users on quality of service and how these continue to improve            Plan refreshed with new improvement and saving initiatives as original activities conclude.            All team leaders actively working to improve processes beyond outcomes set            Consistent staff feedback on personal involvement and motivation this provided.            Positive input of staff on the benefits of their contributions to final processes and outcomes            Scheduled senior management visits to teams across function in place with regular additional follow up on actions planned and outcomes achieved</p>
4	Clear evidence that objective has been exceeded	<p>All direct reports achieving 5% savings target. 5 of 12 direct reports achieving &gt;5% savings            Regular input across several areas of improvements to quality of service            Some positive feedback from staff on personal motivation from involvement or benefits of their input to processes being reviewed            One or two additional items added to improvement plan            Some team leaders working improvements beyond original outcomes set            Schedule of regular senior management visits in place with some additional activity</p>
3	Evidence demonstrates that objective has been fully achieved	<p>All direct reports achieving 5% savings targets            Quarterly audit of service provision demonstrates positive outcomes from improvement activities undertaken            Improvement plan activities achieved            Team leaders achieving outcomes set            Senior management visits take place</p>
2	Evidence falls short of demonstrating full	<p>Most but not all direct reports achieving 5% savings targets            Quarterly audit returns show ad hoc improvement, not always maintained</p>

	achievement	<p>Most improvement activities achieved although some are only partially delivered</p> <p>Most team leaders achieving outcomes set – teams not always actively engaged or involved in activities</p> <p>Ad hoc senior management visibility</p>
1	Evidence falls substantially short of demonstrating full achievement	<p>Majority of direct reports only partially achieve 5% savings targets – some areas where no improvements can be evidenced</p> <p>Quarterly audit returns show no evidence of improvement and in some areas poorer provision on occasion</p> <p>Ad hoc approach to undertaking improvement activities and few sustained improvements evidenced</p> <p>No evidence of team participation in improvement activities or knowledge of activities across function</p> <p>Little or no senior management visibility</p>

[\(Click here to return to Section 5\)](#)