

PERFORMANCE MANAGEMENT POLICY

29 November 2010**1 PURPOSE OF REPORT**

- 1.1 The purpose of the report is to ask the Board to note the changes to the Draft Performance Management Policy.

2 SUMMARY

- 2.1 Consideration of the Draft Performance Management Policy was continued from the Joint Board meeting on 16 March 2007 so that input could be obtained from Unison.

3 MAIN REPORT

- 3.1 Various improvements have been made over the 3-year period which has been incorporated into this draft policy.
- 3.2 The more practical aspects of managing performance and streamlining the policy have meant it has become a more tailored document to meet the needs of the Joint Board's staff in its application.
- 3.3 It is the intention to develop this policy further hence, the document is for noting at the present time as it will continue to evolve to meet the strategic and practical needs of the Joint Board.

4 FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications arising from this report.

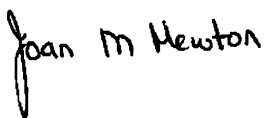
5 ENVIRONMENTAL IMPACT

- 5.1 There are no adverse environmental impacts arising from this report.

6 RECOMMENDATIONS

- 6.1 Lothian Valuation Joint Board is recommended to:

Note the updated Draft Performance Management Policy.



Joan M Hewton
ASSESSOR

29 November 2010



DRAFT

PERFORMANCE MANAGEMENT POLICY

Personnel & Office Services
MARCH 2009
Performance Management Policy

PERFORMANCE MANAGEMENT POLICY FRAMEWORK

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PERFORMANCE MANAGEMENT POLICY FRAMEWORK

1 INTRODUCTION

- 1.1 Lothian Valuation Joint Board aims to achieve a corporate approach to managing performance through the Performance Management Policy
- 1.2 The Performance Management Policy incorporates core components which will assist in achieving strategic objectives, operational performance and high quality service delivery.
- 1.3 The Performance Management Policy enables the Joint Board to identify resource requirements and efficiencies through action planning, monitoring and review.
- 1.4 Performance Management schemes will be developed and tailored to meet their distinctive operational needs.

2 GENERAL STATEMENT OF POLICY

- 2.1 Lothian Valuation Joint Board will strive to achieve its aims and objectives by the most economic, efficient and effective means available within financial constraints.
- 2.2 It is in the interests of the Joint Board to maximise the current and future performance of its employees and a framework for managing performance and will enable the Joint Board to implement schemes, tailored to specific organisational needs, which will support objective setting, continuous monitoring and measuring of performance at functional, team and individual levels.
- 2.3 The aims of the policy are to:-
 - (1) enable the Joint Board to achieve its strategic aims and objectives by implementing schemes for managing performance at team and individual levels
 - (2) encourage the Assessor to examine structures, policies and procedures, and establish effective schemes for managing and improving performance
 - (3) encourage best practice in identifying and supporting employees' training and development needs
 - (4) enable line managers, who have devolved responsibility for the performance and development of their staff, to identify individual training and development needs and career aspirations through a formal, structured appraisal process
 - (5) support line managers in clarifying standards, setting objectives, and working towards achieving individual and team performance targets
 - (6) provide a structured process for measuring and reviewing organisational, team and individual performance to ensure that investment improves performance

- 2.4 The Performance Management process supports the on-going day to day management of services, resources, finance and information to meet the needs of customers, users, partners and members of the public.

3 *PERFORMANCE MANAGEMENT PROCESS*

- 3.1 The process concentrates on developing and integrating objective setting and performance monitoring at individual and team levels.
- 3.2 The appraisal process starts with the Executive and cascades to encompass every employee within the scope of the scheme – this is essential to ensure that each individual knows what his or her individual contribution is and what is expected of them in terms of outputs and standards of performance.
- 3.3 Line managers implement the scheme, which is developed through the Executive, Human Resources Manager and the Trade Union Staff Representatives.
- 3.4 Communication and consultation procedures are developed to ensure that the principles of managing for performance are known and understood by every employee.

4 *CORE COMPONENTS*

- 4.1 The Joint Board will adopt the Performance Management Policy and will incorporate core components in schemes for managing performance.
- 4.2 **Core Components for Performance Management Scheme**
- Aims, values, contributions to the Joint Board’s strategic objectives, and service plans
 - Pyramid performance monitoring
 - Management information systems
 - Annual appraisal and employee development plans
 - Structured communication

Appendix A describes the significant elements of each of the core components.

5 *ROLE OF THE EXECUTIVE and HUMAN RESOURCE MANAGER*

- 5.1 The Executive and Human Resources Manager will provide advice, support and assistance to managers to enable them to implement the Policy
- 5.2 Awareness presentations for Managers and open presentations for groups of employees will be organised utilising resources existing within the Joint Board.
- 5.3 The Executive and Human Resources Manager will produce guidance notes for managers who will be responsible for conducting the annual appraisal interviews, and employees whose work will be appraised.

- 5.4 Scheme procedures will include induction for new employees into the scheme.
- 5.5 The Assessor has overall responsibility for ensuring that the operation of the performance management scheme supports the development of skilled and competent employees.

6 *KEY PERSONNEL*

- 6.1 The Assessor will be responsible for developing strategic aims and objectives, priorities and service plans, and for reviewing communication structures and management information systems.
- 6.2 The Assessor will appoint a Review Board who will oversee the development of annual appraisal including procedures, policy statement, documentation and timescales for the implementation and operation of the performance management scheme
- 6.3 The Review Board will ensure that procedures are implemented to collect and collate training and development needs which are identified through the appraisal process, and ensure that these needs are met cost effectively and timeously.

7 *MONITORING THE POLICY*

- 7.1 The Assessor will allocate, review and evaluate the resources used in managing performance in line with strategic and operational aims and objectives.
- 7.2 Relevant service quality and performance indicators that are already in existence should be utilised to provide scheme monitoring information.
- 7.3 The Assessor will monitor the scheme for managing performance to ensure that it complies with the principles of Best Value.
- 7.4 Monitoring should not focus purely on the performance management process but should also ensure that the scheme is supporting the efficient and effective delivery of Joint Board services to the defined quality standards.

8 *REVIEW*

- 8.1 The Performance Management Policy will be reviewed from time to time to ensure that the appropriate framework is in place to support the Joint Board in managing performance.

9 *LOCAL AGREEMENT*

- 9.1 This document is a local collective agreement between the Joint Board and the recognised Trade Union. Every effort will be made by both parties to ensure this document will be maintained as a local collective agreement and adjusted by agreement to meet changing future needs. In the event of failure to reach agreement both parties reserve the right to terminate this local agreement by giving four months notice in writing. In such circumstances the terms of the local agreement will cease to apply to existing and future employees.

DESCRIPTION OF CORE COMPONENTS

2 CORE COMPONENTS

2.1 Aims, values and contribution to the Joint Board's strategic objectives and service plans

2.1.1 Agreed strategies, plans and priorities will be disseminated to every employee through established communication networks and structures.

2.1.2 Managers and supervisors will produce annual work plans in conjunction with their teams, at divisional, sectional and individual levels which define key functional areas tasks/projects, estimated variance in resource requirements, timescales and outputs.

2.2 Pyramid Performance Monitoring

2.2.1 Support will be provided for employees to gain the skills and knowledge which will empower them to deliver and improve services.

2.2.2 Key tasks, performance standards and targets are set on a team or individual basis. Teams adopt the principles of continuous development and improvement in service delivery and monitor their progress towards achieving targets.

2.2.3 Team leaders hold regular meetings with their teams to advise on progress, address issues and encourage innovation and commitment.

2.2.4 A work plan summary, or list of section objectives, is set up and accessible to all employees within the section, to record and measure progress and achievements.

2.3 Management Information Systems

2.3.1 Every function must be able to examine its performance on a regular basis to measure progress and re-define priorities.

2.3.2 The Assessor will ensure that systems are in place which will provide the relevant information to measure performance.

2.3.3 Performance information is accessible to all employees.

2.4 Annual Appraisal & Employee Development Plan

2.4.1 The scheme for managing performance recognises that the success of the Joint Board in achieving its strategic aims is largely dependent on the enthusiasm and motivation of its employees and managers.

2.4.2 The scheme includes a formal structured annual appraisal interview for every employee, starting with the Executive and cascades to include all employees in the scheme. Each employee will normally be interviewed and appraised by the immediate line manager and the interview record will be passed to the Review Board.

- 2.4.3 The first face-to-face meeting is designated the “initial interview” and is used to agree the basis for the appraisal interview which takes place twelve months later. In between, there are frequent, preferably monthly, discussions to monitor performance and progress.
- 2.4.4 At the initial interview there is discussion of the sections work plans and priorities, the appraisee’s job description or job outline and the key areas or major tasks of the job. The appraisee’s current skills, knowledge and competencies are discussed and agreement reached on individual objectives for the next year. Training needs will be discussed.
- 2.4.5 The annual appraisal interview covers, as a minimum, discussion of the employee’s achievement in relation to the key objectives set at the initial interview and subsequent progress interviews; feedback on how the employee has performed overall; discussion about the employee’s skills, knowledge and competencies required for the job and agreement reached on individual key objectives, and the training or development for the next year. .
- 2.4.6 The interview record is signed by both the appraiser and the appraisee and passed to the review board for comment and signature.
- 2.4.7 The completed appraisal document will be retained on a secure site for access by appropriate personnel within the Joint Board.
- 2.4.8 Meeting the training and development needs
- (a) Any training or development needs are identified and discussion takes place to decide how these needs can best be met to help the employee meet the standards required in their current post and also develop the individual for future posts to the mutual benefit of the Joint Board and the employee.
 - (b) These identified training needs are collected, collated and co-ordinated to ensure value for money from investment in training and employee development.

2.5 Structured Communication

- 2.5.1 The performance management scheme requires a free flow of relevant information. Meetings take place regularly at every level and the purpose of these meetings is clearly defined.
- 2.5.2 Meetings at strategic management level are used to discuss current issues, agree priorities, set direction and monitor progress.
- 2.5.3 Team meetings are held regularly at operational management level and are used to resolve operational problems and encourage awareness of the wider issues which impinge on the function. Teams examine how they can co-operate and collaborate with other internal/external partners and customers to improve performance.
- 2.5.4 Emails, News bulletins and notice boards are used to supplement and provide written confirmation of information which is provided through the team briefing process.