

13 Performance Management

1. Policy Statement

- 1.1. This Policy sets out the framework for a clear, consistent and effective assessment of employee performance and development (referred to as Performance Management).
- 1.2. Wherever possible individual employees (Job Holders) will be set objectives that feed into and support the Company's objectives. Each Job Holder has a duty to understand what they are required to achieve and how this will ensure the Company's future success and prosperity.
- 1.3. This Policy and the processes that operate under it will trigger the engagement of the Capability Policy in certain specified circumstances. If a Job Holder's performance falls below the levels of performance and competence that are expected this will be dealt with under the Company's Capability Policy.
- 1.4. Performance Management is central to successful delivery of the Company Objectives. The Company is committed to improving and building high levels of motivation and commitment amongst employees, fairly and objectively evaluating achievement against objectives, recognising and rewarding contribution and measuring effectiveness and outputs.
- 1.5. The Company is committed to promoting effective, relevant and sustained Continuous Professional Development (CPD) throughout employees' careers. This should be achieved by identifying training and development needs, whilst sharing best practice through recognising and sharing areas for improvement and excellence.
- 1.6. Performance Management is a confidential, ongoing and core activity for all employees. It involves an assessment of overall performance against a Job Holder's knowledge, skills, experience, attributes, duties and responsibilities and SMART objectives.
- 1.7. The Performance Management process requires on-going communication to develop open and constructive relationships and create a shared understanding of expectations about work. All employees must embrace the Performance Management process.

2. Purpose and Scope

- 2.1. This Policy applies to all of the Company's employees who have successfully passed their Probation Period and have been confirmed as permanent employees.
- 2.2. This Policy should be read in conjunction with the Capability Policy. The ethos of both policies is the same, however, the Capability Policy is more intensively focused on performance improvement and contains procedural safeguards and a system of warnings.
- 2.3. This Policy is not contractual and can be replaced or amended by the Company from time to time as may be required.

3. General Principles

- 3.1. Managers who are responsible for Performance Management (Appraisers) will apply this Policy fairly and consistently to Job Holders regardless of age, disability, gender

reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation, fixed term or part time status.

- 3.2. Appraisers will apply this Policy in a manner that achieves consistency of treatment and fairness between employees who have similar experience or levels of responsibility.
- 3.3. A Job Holder who is dissatisfied with the outcome of a Review Meeting may appeal using the Appeal Procedure.
- 3.4. It will usually be necessary for the Appraiser and the Job Holder to discuss Objectives and performance on an ongoing basis and thereby monitor progress, provide support and ensure that Objectives and other performance indicators remain relevant and up to date.
- 3.5. Performance Management and related issues will be kept confidential and only disclosed where it is appropriate to do so.

4. The Performance Management Cycle

- 4.1. Employees' Performance will be reviewed at least once per year.
- 4.2. Where an employee transfers to a new position part way through a Performance Review Cycle, the Company will determine whether the Review Period shall begin again and whether to change the Appraiser.

5. Preparation

- 5.1. Performance management is a shared responsibility requiring both Appraisers and Job Holders to undertake adequate preparation for Review meetings and engage fully with the process.

6. Review Meetings

- 6.1. The Review Meeting will be used to review performance in the previous Review Period and to set Objectives and plan for the following Review Period.
- 6.2. During the first part of the Review Meeting, the Appraiser and the Job Holder should seek to agree an assessment of the Job Holder's attainment of Objectives and overall performance against the performance criteria set at the beginning of the Review Period.
- 6.3. If the Appraiser and the Job Holder cannot agree an assessment of the Employee's attainment the Appraiser's assessment shall prevail (subject to the Appeal Procedure).
- 6.4. The second part of the Review Meeting will focus upon planning the Job Holder's objectives for the following Review Period, and setting out the success criteria for those objectives.
- 6.5. The Appraiser's assessment of the Job Holder's performance over the Review Period will be captured on a Performance Review Form.
- 6.6. Performance levels are assessed at 'A' Excellent, 'B' Good, 'C' Satisfactory, 'D' Improvement Required and 'E' Cause for Concern. These descriptors should be given their normal every day meanings and applied with this in mind.
- 6.7. The Appraiser will assess the Job Holder's performance at (A to E) in each area and provide comments where appropriate. For SMART Objectives comments will normally be

inserted along side each Objective. Any comments in the other areas may be included in the Notes of Review Meeting section.

- 6.8. If performance is assessed at 'D' Improvement Required or 'E' Cause for Concern the Appraiser should provide the Job Holder with examples and / or evidence to back up this assessment and wherever possible obtain the Job Holder's agreement that the assessment is accurate and fair. If the Job Holder does not agree this, then a detailed note of their reasons should be made in the Notes of Review Meeting section.
- 6.9. Other general areas such as Training Needs, Strengths and Limitations should be discussed, where possible agreed, and recorded.
- 6.10. If any of the items on the Performance Review Form are no longer applicable or new items need to be added, the Appraiser will agree this with the Job Holder.
- 6.11. The Appraiser will then carry scores forward to the Performance Summary. If any area includes a score of 'E' Cause for Concern or 'D' Improvement Required, this score must be carried forward to the appropriate field in the Performance Summary and the relevant Action Point followed.
- 6.12. Action Points include the requirement that performance areas assessed at 'E' Cause for Concern or that are twice running assessed at 'D' Improvement Required require a referral to Human Resources and / or the Company's Senior Management so that use of the Capability Policy may be considered.
- 6.13. SMART Objectives for the next Review Period will then be agreed with the Job Holder.
- 6.14. SMART Objectives that are set will ordinarily be reviewed at the next Review Meeting, however, for areas graded 'D' Improvement Required or 'E' Cause for Concern an earlier review date may be set.
- 6.15. The Appraiser will ensure a completed version of the Performance Review Form is signed off, filed appropriately and that a copy is provided to the Job Holder.

7. Objective Setting

- 7.1. Objectives should be SMART (Specific, Measurable, Achievable, Realistic, Time related).
- 7.2. Objectives will be set with a focus on: the Company Objectives and the Job Holder's knowledge, skills, experience and other attributes.
- 7.3. The Job Holder's Objectives should be reviewed throughout the Review Period to ensure they remain relevant.
- 7.4. Objectives should not only build upon the Job Holder's strengths but also support and develop areas where limitations are evident.
- 7.5. Objectives will take account of the Job Holder's aspirations provided these will contribute to attainment of the Company Objectives and are relevant to the Job Holder's position.
- 7.6. Each SMART objective should wherever possible include:
 - An outline of the criteria that will be used to measure success

- An explanation of any particular evidence or measure that will be considered when assessing success, and
 - Details of any support that will be provided to assist in the achievement of the objective in question
- 7.7. The Appraiser and the Job Holder should agree the Objectives wherever possible, but where this cannot be achieved the Appraiser's decision shall prevail (subject to the Appeal Procedure).
- 7.8. Job Holders will not necessarily all have the same number of Objectives.
- 7.9. The degree of difficulty or challenge entailed in an Objective should be taken into account in each individual case when determining the number of Objectives a Job Holder is set.
- 7.10. Whilst the Performance Review Cycle is normally annual, it is possible to set or agree Objectives over a longer time frame.
- 7.11. Performance Management is an assessment of overall performance; objectives cannot cover the full range of the Job Holder's role or responsibilities. Objectives will, therefore, focus on areas of priority.
- 7.12. Job Holders are responsible for ensuring that they receive the support agreed at the Review Meeting and to ensure any perceived failing in this respect is brought to the Appraiser's attention or raised with the Company's Senior Management either in confidence or by using the Grievance Policy.

8. Appeal Procedure

- 8.1. A Job Holder who is dissatisfied with the outcome of the Review Meeting and wishes to use the Appeal Procedure must inform the Company in writing of their wish to appeal within five working days of receiving the completed Performance Review Form.
- 8.2. The Job Holder will be invited to an Appeal Meeting with someone more senior than the Appraiser (the Appeal Officer). The Appraiser will be invited to attend the Appeal Meeting if this is considered necessary and appropriate.
- 8.3. The Job Holder must explain the grounds of the appeal and present any relevant evidence. Only matters put forward by the Job Holder will be taken into consideration.
- 8.4. Where it is necessary the Appraiser may respond to the Job Holder's grounds of appeal at the meeting, or be given a separate opportunity to respond to the grounds of appeal (either in writing or at a separate meeting).
- 8.5. The Appeal Officer will provide the Job Holder with written notice or confirmation of the appeal outcome. The outcome may also be communicated orally at the Appeal Meeting.
- 8.6. The Appeal Officer may decide to either:
- uphold the appeal;
 - dismiss the appeal and uphold the original Performance Management decision.
- 8.7. There is no further right of appeal.