



EMPLOYMENT COMMITTEE – 6 DECEMBER 2018

REVIEW OF PERFORMANCE DEVELOPMENT REVIEW PROCESS

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose of the Report

1. The purpose of this report is to provide the Employment Committee with an overview of the changes made to the County Council's performance review process and guidance.

Background

2. The performance management work stream of the People Strategy consists of a number of initiatives that support managers in ensuring that employees know what is expected of them and that they also have a range of policies, procedures, tools and systems to support the effective management and productivity of their teams.
3. As part of this work it was identified that the current Performance Development Review (PDR) was not as effective as it should be in helping to manage individual performance, therefore it was agreed to carry out a more comprehensive review.
4. The current Performance Development Review has been in place since 2012 and its key characteristics are:
 - It is mandatory for all staff;
 - It is an annual process, with the main review taking place in the spring;
 - There is a 6 month interim review which should be completed in the autumn;
 - It is manager-led (i.e. the manager completes the majority of the sections and the employee only completes comments on the summary);
 - There is a separate section for Leadership Behaviours and the Council's values and behaviours both of which have been replaced by the Performance Management Framework and refreshed organisational values and behaviours;

- Only the values and behaviours together with the summary sections provide an opportunity to comment on the performance of those in a non-management role.
5. Through engagement with managers and employees, the following issues with the PDR process were identified:-
 - Some services had created an adapted version of the form to meet their needs;
 - It had become more about the process and completion of paperwork than the quality of the performance conversation;
 - The recorded rate of completed reviews across the Council was low and did not indicate a robust approach was being taken to performance management.
 6. The People Strategy Board was consulted on a proposal to replace the Performance Development Review with a revised performance management process, renamed the Annual Performance Review (APR).
 7. Departmental Management Teams were also consulted on the APR design and their feedback was used to refine the final design.

Annual Performance Review Design

8. The APR has been designed to align with the Council's Performance Management Framework, the values and behaviours and the 360° feedback tool. The APR will sit within a cycle of more regular one-to-one/supervision meetings, to ensure that there is continuous all year round management of performance and development.
9. The key principles of the new APR process are:
 - Annual review is mandatory – every employee is entitled to an annual review;
 - The process is employee driven – the reviewee will be expected to complete their section first;
 - Non-seasonal – line managers can choose when to carry out reviews across the year rather than being restricted to a particular 'season';
 - Frequent one-to-one/supervision meetings – 6 month interim reviews will not be carried out. Instead managers will be expected to carry out more frequent one-to-one meetings/supervision, where actions, performance and objectives will be discussed regularly;
 - In order to support the development of people managers, senior managers will have access to review APRs.
10. The expected outcomes of the proposed change are:

- All managers carry out effective performance reviews with staff who report directly to them;
 - Improved performance and productivity levels throughout the organisation;
 - Line managers have a higher level of knowledge, skill and confidence in managing performance;
 - Reduced voluntary employee turnover; increased motivation and job satisfaction;
 - Improved one-to-one/supervision practice across the Council.
11. The APR form has two sections for the employee and line manager to complete. It has been designed in consultation with users to ensure it is simple, scalable and adaptable to all roles across the Council. A summary of the sections of the form and review process are:
- Section 1 - Employee
- Looking back and reflecting
 - Looking forward
 - Performance summary
- Section 2 – Line manager
- Line manager reflections
 - Wellbeing and attendance
 - Looking forward
 - Specific professional requirements (if applicable)
 - Performance summary
12. A copy of the APR form is attached at **Appendix A**. Guidance to signpost employees and managers to resources which will support them in having effective conversations about performance and development have been developed.

Implementation

13. The APR was launched in November 2018, with activity taking place through December 2018 and January 2019 to reinforce messages about the change.
14. Staff and managers will complete E-learning to aid their understanding of the new process and documentation, and to ensure they are aware of how the APR process brings together a range of other tools such as the Performance Management Framework and 360° degree feedback tool.
15. Departmental Management Teams will receive presentations to ensure they understand the key changes to reinforce completion of the new APR process within their services.
16. The transition from the PDR to APR process will be monitored and reviewed by the People Strategy Board and a 12 month post-

implementation review will be undertaken. The Employment Committee will be asked to consider this report in Spring 2020.

Recommendations

17. It is recommended
- a) That the Committee notes the contents of this report and provides any comments or feedback; and
 - b) That a further report be submitted to the Committee in Spring 2020 regarding the post-implementation review of the Annual Performance Review Process.

Background Papers

18. None.

Circulation under the Local Issues Alert Procedure

19. None.

Equality and Human Rights Implications/Other Impact Assessments

20. An Equality and Human Rights Impact Assessment has been completed for the Annual Performance Review. There are no issues arising out of this assessment.

List of Appendices

Appendix A - Annual Performance Review form.

Officer to Contact

Andrea Denham, HR Service Manager
Tel 0116 3055261
Email: andrea.denham@leics.gov.uk