



PERFORMANCE MANAGEMENT REVIEW POLICY

Policy Classification: Staff

Status: Approved

Policy Lead:	Chief Executive Officer
Date Approved:	July 2019
Last Review Date:	January 2016
Review Due Date:	July 2022
Review Period:	3 years unless required earlier due to changes in the law, regulation, best practice or requirement of the Association

REFERENCE PAGE

Document Title:	Performance Management Review Policy
Aim:	Communicating the importance of two-way communication which is encouraged through Performance Management Review (PMR) and how vital it is to improve individual's performance and organisational success.
Objective:	6 Organisational Development: Continue to maximise our social impact by ensuring we operate effectively, and we develop and train our people to excel.
Scope of Policy:	Staff
Nominated Officer:	HR Manager
Approval Source:	Executive Team
Legal and Regulatory References:	N/A
Procedural References:	PMR Guidance
Consultation Completed:	Yes - Staff
Risk Implications:	2- Existing policy, substantial revision
Equalities Assessment:	All Eildon policies and key documents are developed with the clear objective of ensuring that they do not discriminate against any person and have negative impacts for equality groups. We will always welcome comments on the impact of a policy on particular groups of people in respect of, but not limited to, age, disability, gender reassignment, race, religion, sex or sexual orientation, being pregnant or on maternity leave and children's rights and wellbeing.
Accessibility:	Accessible electronically/online and in print. All documents can be translated and made available in audio, braille and large print versions upon request.

INTRODUCTION

Eildon Housing Association is committed to performance management because it provides a mechanism for individuals, teams and the organisation to:

- improve performance and productivity,
- provide employees with constructive feedback about their performance,
- identify specific areas of performance or operations that need improvement,
- highlight areas for skills and professional development,
- foster open communications, and
- motivate staff,

Performance is a shared responsibility between manager and employee; **everyone has a part to play in Eildon's success.** Managing employee performance is an integral part of the work that all managers undertake throughout the year. The two-way communication encouraged through Performance Management Review (PMR) is vital to improve individual's performance and organisational success.

ANNUAL REVIEW CYCLE

A minimum of four meetings are required for all employees; one per Business Quarter.

The Q4 meeting must be completed by the **middle of March**.

Q1	ALL	Set Individual Objectives for the year and review Job Specific Objectives to ensure they are still appropriate. Discuss any mandatory/job specific training requirements for the year.
	Care	<i>Focus is on PMR objective setting, agreeing the Individual Learning and Development Plan (ILDLP) for the year, which will be recorded in the corporate PMR form. Formal supervision will also take place at this meeting based on the "Supervision Record for Care Staff" form.</i>
Q2	ALL	Part of this meeting may involve updating and amending objectives where appropriate. Focus is on identifying T&D needs and professional development opportunities. Completion of Individual Learning and Development Plan.
	Care	<i>Focus is on high level update on progress against PMR objectives and the ILDP as set out in the PMR form, and carry out formal supervision based on the "Supervision Record for Care Staff" form</i>
Q3	ALL	Review progress against objectives and competencies.
	Care	<i>Focus is on high level update on progress against PMR objectives and the ILDP as set out in the PMR form, and carry out formal supervision based on the "Supervision Record for Care Staff" form</i>
Q4	ALL	Prior to the meeting the employee's Job Description and Job Profile should be checked and updates recommended if necessary. Review information obtained throughout the year and assess employee's performance against all objectives and competencies. Complete documentation and pass to Reviewing Manager.
	Care	<i>Focus is on year end PMR review, reviewing the ILDP for the year, and carry out formal supervision based on the "Supervision Record for Care Staff" form. Complete documentation and pass to Reviewing Manager.</i>

The minimum number of PMR/Supervision meetings per year is four. However, managers and staff may agree to hold additional, regular 121 meetings, or Support and Supervision meetings as per operational requirements.

When other types of Review meetings might be necessary:

- Probationary Review Meeting: As part of the induction and probation process, new employees should be issued with Job Specific and Individual Development Objectives. The initial meeting should take place within the first few weeks of employment. New employees will be reviewed six months after joining, and once they have passed probation will move to the normal review cycle.
- Interim Review Meeting: When an employee changes jobs an interim review should be conducted. The results of this review will be combined with those from the normal end of year review, and the combined ratings will be used to determine the annual rating.

JOB SPECIFIC AND INDIVIDUAL OBJECTIVES

In general, all employees should have 6 Objectives made up of:

- Job Specific Objectives: Employees should have **4 or 5 “Job Specific” objectives**. These are objectives based on the **job description**. The Job Specific objectives should **normally** be the same for all employees who hold the same job, however, there may be occasions where this is not appropriate or, within the objective some details or targets may be different.
- Individual Objectives: Employees should have **1 or 2 Individual Objectives**. These could be for specific work to support the delivery of departmental objectives or to support professional development, learning and development needs or to address performance related issues.

When should objectives be set?

- At the Initial Review Meeting in Q1.
- When an employee is appointed.
- When responsibilities are changed or added.

What should objectives look like?

- Linked to Eildon’s 5-year strategic plan and the corporate and departmental objectives.
- They should reflect Eildon’s values.
- Mutually understood, able to be measured and indicate a result or outcome.
- All Objectives should be SMART. See Eildon’s PMR Guidance document for more information on writing SMART objectives.

THE COMPETENCY FRAMEWORK

The 6 competencies reflect Eildon's 4 values: Caring, Committed, Connected and Creative, and exemplify how Eildon wants every one of its employees to behave:~

1. Caring about our Customers
2. Caring about the teams we work with
3. Committed to doing a great job
4. Connected to our Communities
5. Creative Change
6. Creative Leadership

All employees should demonstrate all six competencies as they carry out their work. Each of the six core competencies has 3 Levels with a number of behavioural statements for each level. Every post in the organisation has been assigned a level. See Eildon's Competency Framework document for more information.

THE PERFORMANCE REVIEW MEETINGS

There should be 'no surprises' for the employee in relation to their performance and progress against their Objectives and the Competencies, as issues should be reviewed and discussed at regular intervals throughout the year or when situations arise.

To get the most out of the performance discussion, consider the following when setting up the review meeting:

- Make sure the purpose of the review meeting is understood.
- Bring any documentation to the meeting that illustrates performance.
- Schedule the review meeting for a specific time, setting aside plenty of time for a thorough discussion.
- Allow time to adequately prepare for the meeting.
- Book a meeting room for the review meeting; ensure privacy and try to avoid interruptions.
- Either: prepare and exchange performance review forms prior to the review meeting or; hold a discussion about performance followed up by an exchange of completed forms within 10 working days of the meeting.

By the end of the discussion, the line manager and the employee should reach a mutual understanding of performance and any plans for development.

The review discussions and ratings may affect employee's remuneration therefore it is very important to keep accurate records of review meetings. A standard form has been designed for use by employees and managers. It is both the manager and employee's responsibility to ensure these forms are completed.

See the PMR Guidance for further information on how to conduct a meeting.

IDENTIFYING TRAINING, LEARNING AND DEVELOPMENT NEEDS

When considering training and learning and development needs, the manager and employee should consider the following:

- The Job Description & Job Profile requirements.
- Previous performance in relation to current work and completed projects.
- Future work and projects.
- Business and Individual objectives.
- Career aspirations.

Individual Learning and Development Plans should be completed by the end of the Q2 review meeting and these will inform the production of Corporate Training Plans and Budget setting. See PMR Guidance for more information.

RATINGS

Definition of Score for each Objective and Competency:

Score	Objectives	Competencies
1	Objective not met	Warning signs observed.
2	Objective partially met.	Majority of competency statements met.
3	Objective met	All statements met and evidenced at required level.
4	Objective met and exceeds the required standard. And in doing so... Evidence of better way of working as a result of meeting the objective. Demonstrates a comprehensive understanding of the job, is forward thinking and anticipates changes in line with Eildon's objectives. Is able to obtain cooperation and high performance from others; takes initiative.	All statements met and evidence of some behaviours demonstrated above required level.
5	Objective met and demonstrably enhancing organisational performance and achieving efficiencies. And in doing so... Recognised by others as extremely knowledgeable and leads by example. Anticipates and develops major objectives and ensures their implementation and success.	All statements evidenced at required level and higher; demonstrating an accomplished understanding of all statements.

See Eildon's Competency Framework for more guidance on scoring competencies.

Developing or Underperformance?

There may be times when objectives are not met and/or competency performance does not meet the required standard. This may be the case when an employee is relatively new in post and still developing the skills and abilities required to meet the fully competent post requirements. Or it may be due to underperformance. In either of these situations a score of 1 or 2 should be allocated as appropriate. Line managers should determine the reason(s) for underperformance and assess learning and developmental needs. Appropriate support and training should be put in place and an Individual Learning and Development Plan (ILDP) produced for a period of no more than 6 months.

HR should always be advised when an ILDP is put into place and the line manager should keep a record of regular 121 support meetings.

If insufficient development or improvement is not demonstrated within the agreed timescale and objectives or competencies are still not being met, then a formal Performance Improvement Meeting should be initiated in consultation with the HR department. See Performance Improvement Procedure, part of Resolution of Difficulties Policy.

Dealing with extenuating circumstances, changes in posts and absences

If an Objective, either Job Specific or Individual, is not being achieved through no fault of the employee, i.e. due to unforeseen circumstances, then the objective should be modified or replaced.

Where maternity leave or sick leave applies, ratings will be based on the employee's time at work and/or previous years' performance. Recognised disability will not adversely affect ratings.

REVIEW AND VALIDATION

The results of the Annual Review should be agreed and signed off by both the line manager and the employee. The forms should then be passed to the Reviewing Manager/Director. The Reviewing Manager/Director should:

- audit and check for consistency.
- meet with line manager and/or employee when a significant difference between the scores is noted.
- sign off reviews.

The reviewing Manager/Director may adjust the original rating awarded based on evidence or discussions with employee and manager.

RESPONSIBILITIES

The most important aspect of the PMR process is regular, ongoing communication between line managers and employees concerning what employees are expected to do and how well they are doing it. Everyone has responsibilities, and these are summarised below:

Employees

- Use the job description to become familiar with what the job requires
- Prepare for review meetings:
 - Examine the objectives set against performance and note areas in which performance has exceeded or fallen below expectations and identify the reasons for this.
 - Consider the competencies required for the job and provide examples to support performance.
 - Consider what learning and development might be needed to achieve objectives.

Line Managers

- Prepare for each performance review by:
 - Examine objectives set against performance and note areas in which performance has exceeded or fallen below expectations and identify the reasons for this
 - Consider the competencies required for the job and provide examples to support good performance or the need for further training
 - Consider what learning and development is needed to help achieve objectives
- After the Annual PMR meeting ensure documentation is completed and passed to the Reviewing Manger.

Reviewing Managers/Directors

- Check objectives across department and organisation for consistency.
- Meet with line managers when an inconsistency in scores is noted.
- Sign off reviews.

Executive Team

- Conduct an organisation-wide annual audit of all employee ratings to ensure ratings are consistent across the organisation and will advise HR of the final performance ratings.
- Ensure the PMR policy is implemented fairly and consistently across the organisation.

Human Resources

- Work with the Executive Team to monitor and review the PMR Policy.
- Provide advice and guidance on the implementation of the Policy.