

PERFORMANCE MANAGEMENT WORKING GROUP

**REPORT OF THE POLICY AND PERFORMANCE
SCRUTINY COMMITTEE**



March 2022

SUMMARY OF REVIEW:

1. In December 2021, the Policy and Performance Scrutiny Committee commenced a review of Performance Management in the Council. The Committee established an informal working group of 5 Members – Councillors Debono, Gallagher, Ismail, Khondoker and Heather were Members of the informal working group.
2. The Working Group held two meetings and received evidence in relation to the past system of performance appraisal within the council along with the current model of Quality Conversations, and how this links in with the Council's strategic objectives/values. Followed with a presentation of the findings from the initial research and discovery phase.
3. During consideration of the evidence, it was noted that the Council wished to utilise a number of different engagement strategies, such as focus groups, surveys and one to one consultations, and to look at how performance management is dealt with in other organisations, as a 'one size' fits all approach is not always suitable.
4. The Working Group considered evidence as to how the Council wished to embed the CARE values framework into the performance management system for staff, and to ensure managers are confident that they can manage performance management and development effectively.
5. The Working Group noted the strategic plan for performance management, and that the CARE framework is intended to underpin this. There needed to be recognition of CARE values, and embed these into a performance management framework. This will assist in recruiting and retaining staff, however there need to be clear communication of new strategies, and objectives of the Council, to all staff, as often it did not appear they were always cognisant of them.
6. The CARE values are (i) collaborative - to ensure, and the Council is more effective when staff work collaboratively as one team, with partners, colleagues, managers and residents (ii) ambitious – challenge ourselves to be the best, and be ambitious in creating new solutions that deliver best for communities (iii) resourceful – look to way to make things happen, especially when faced with new or difficult situations, by making the most of what we have, coming up with solutions, thinking creatively in approaches, and finding ways to effectively and sustainably use resources (iv) empowering – respect differences, champion diversity in the workplace, and supporting and enabling colleagues to do their best.
7. The Working Group were informed that the Council had introduced a system of Quality Conversations, (QC), which had replaced the previous paper based performance appraisal system, and the online appraisal system, which was discontinued in 2019. The online appraisal system had been discontinued, as the information technology had become unfit for purpose, and lacked the flexibility for a varied and changeable working styles. Other elements also did not work effectively, such as the inconsistent application of ratings, and staff feeling that the appraisal system was just a 'tick box' exercise, and some groups of staff, such as repairs staff, who could not access the online system.
8. Quality conversations had started in September 2019, prior to the COVID 19 pandemic, as it was felt that there needed to be more regular conversations, and better communications

with staff and managers in 3 key areas, well-being, performance and learning and development, and that these should take place every 4-6 weeks. This had proven useful during the pandemic, in view of health and safety concerns of staff, and to ensure staff were well motivated. In response to the pandemic managers were advised to hold more frequent conversations, with an increased focus on health, safety and well-being, more regular checks on progress, and shorter term goals, and in response to the changed working environment. During December 2021 additional templates for objective setting and creating personal development plans were shared with all staff.

9. The Working Group considered the results of the staff survey and noted that 82% of staff had said that they had regular conversations or 1:1s with their managers. The staff survey had taken place in March/April 2021 during the pandemic. The Working Group were of the view that the frequency of conversations between staff and managers was an important feature of effective performance management, however it had to be ensured that managers had the resources in place to deliver this.
10. There was an average rating of 3.75/5 on how clear staff were about the purpose of 1:1's or QC. An average rating of 3.12/5 on how useful QC's or 1:1's are for improving performance, and average rating of 2.95/5 on how Islington improves overall performance.
11. The top 4 motivators for people in their jobs were pride in their work, make a difference to peoples' lives, feeling valued for their work, and interesting work. The 4 lowest scoring motivators were rewards and benefits package, general terms and conditions of employment, Islington values, pension.
12. The Working Group also considered the issue of how management dealt with poor performance, and the impact of this on other members of staff. It was noted that in the staff survey, staff did not always feel that managers dealt effectively with poor performance, and that whilst there should be a supportive approach and opportunities for staff to improve, there also need to be accountability if staff had continuing poor performance.
13. Quality Conversations should be monitored and reassessed against performance. There also needed to be clear guidelines, and procedures put in place, in order to ensure that poor performance is dealt with. Discussions had taken place with Trade Unions on how to deal effectively with poor performance, with a revised improvement procedure in place. The language around poor performance was previously punitive in nature, however with the new system of Quality Conversations, it would make the process more supportive, and ensure managers were able to institute a development plan, whilst recognising the consequences of poor performance.
14. In terms of quality conversations the main themes that emerged from the focus groups/interviews were every manager has his own unique approach to managing QC's, managers are not sure whether they are doing it right, effectiveness of QC's is viewed on the managers capability, managers can struggle with well-being conversations, and feel pressured to give advice and solutions, effectiveness of staff/manager relationship, QC's do not manage under-performance, difficult to keep non-office based staff engaged with the process, for non-office based staff good feedback from residents is the best motivator, a 'one size' fits all approach may not be suitable for Islington.

15. Positive aspects of QC's included that it is better than the IT based appraisal system, allows genuine conversations with managers, allows manager to understand staff better, provides a forum to cover key topics and to understand their roles better and what is needed for service improvements/better allocation of resources, can make staff more pro-active, and when done well people feel valued, listened to and invested in.
16. Some suggestions emanated from the focus groups/questionnaire of what could be improved are Islington's values need to be embedded, a more holistic approach needs to be taken, a more strategic approach with objectives tying in with Islington's organisational priorities/wider aspirations, reducing inequalities, and the green agenda. There also needs to be more input into performance management from people other than management, and performance conversations need to hold people more accountable.
17. In addition, aspects of the old appraisal system with objectives/milestones could be included to give a clearer focus on tracking performance, frequency of QC's needs to be more flexible, particularly for managers with a lot of staff as every 4-6 weeks are too time consuming, needs to be a more consistent framework, a new training approach needs to be embedded, shared platform to record conversations to ensure a more consistent approach, any online system needs to be accessible to non-office based staff, and there needs to be a quality check process and how effective they have been.
18. A concern was expressed that managers did not always appreciate staff going above and beyond their duties, even when this was to assist residents. There were a lot of excellent staff working for the Council, and there is a need to assess how as part of objective setting, staff can understand their role about making a difference to residents. There is also a need to assess what skills managers need, and to identify where managers were not effectively supporting, and developing staff. The view was expressed that dashboards were an excellent method of monitoring staff and service performance and it was noted that this was being explored.
19. The Working Group noted that a new guidance toolkit had been issued to managers, and that this would focus on specific wellbeing conversations about mental and physical health. Development workshops about managing mental health are also available for managers to attend.
20. In terms of career development 44% of staff agreed that Islington would help their career development, 36% disagreed, and 20% stated that they were happy in their current job. The 3 main barriers to career development cited by staff were lack of promotion opportunities (42%), being unsure of the next steps (36%), and a lack of confidence (28%).
21. The Working Group were also informed that the Tackling Racial Equality Working Group had instituted a focus on diversity, and proactive and targeted development for BAME staff, and to build on this with the Black on Board programme, SOLACE, reciprocal mentoring programme etc. Cross borough data on career development, and progression, was also taking place, together with work with London Councils.
22. The Working Group also received evidence in relation to other London Councils, and outside organisations as to their approach to performance management. 18 Councils who responded indicated that regular check-ins with staff were a feature of 94% of Councils.

83% have an annual review with over half having mid-year reviews. Only 1 Council uses appreciative enquiry which is strengths based performance conversations. 94% of Councils include goal setting, behaviour/values and personal development in discussions, however only 33% or fewer include equality/inclusion, performance measures, or recognition or reward.

23. The Working Group were of the view that any recognition scheme introduced should not be based solely on the view of a manager, and reference was made to a 'peer recognition' scheme that could be considered.
24. In terms of next steps, the Working Group were informed that there will be a workshop event with the Corporate Management Board, and Be Islington Leadership network to explore what performance means for Islington Council, so co-creating a clear purpose, principles, and impact measures. There will also be a workshop with HR colleagues to explore casework, focused on performance management, and organising demonstrations of performance systems to explore what different systems can offer. Following the CARE framework introduction the next stage of the CARE values campaign focuses on embedding values into team and individual performance conversations, to identify a team/service within the Council for Organisational Development to partner as a test group and work alongside the teams to build in the public. E learning, a career development course and online workshops for staff had been introduced.
25. The Working Group were of the view that it would be beneficial to include an office based and non-office based team in teams identified to be a test group. There will also be a workshop event with the Race Equality Network and others staff forums to explore performance development.

RECOMMENDATIONS:

1. Council officers to make sure that the current approach to performance development is being utilised by managers with recent improvements fully embedded. A communications campaign from April 2022 onwards will reinforce messages linking Quality Conversations to objectives and development planning for 2022/23, referring managers to a curated selection of supporting development resources and tools, linked to our CARE values.
2. Staff performance and development continue to be reviewed, with the aim being to design, deliver and evaluate a new approach which is fit for purpose for a diverse population of roles and work styles through trialling approaches with different work groups.

COUNCILLOR THERESA DEBONO

**Chair of Policy and Performance Scrutiny Committee
Chair of Performance Management Working Group**