ESSEX FIRE AUTHORITY
Essex County Fire & Rescue Service

MEETING	AGENDA ITEM
Audit, Governance & Review Committee	**14**

MEETING DATE	REPORT NUMBER
20 January 2016	**EFA/021/16**

SUBJECT	
Achievement First Appraisal Process	

REPORT BY	
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PRESENTED BY	
Lindsey Stafford-Scott, Director of HR and OD	

SUMMARY

This report provides members with a summary of the implementation of the Service's Achievement First Appraisal process to date and an update on the review of the process agreed as part of the Action Plan responding to the Cultural review.. This review has been considered by SMB and recommendation one approved as set out in the body of the report.

RECOMMENDATIONS

Members of the Audit, Governance and Review Committee are asked to review and note the contents of the report.

BACKGROUND

Achievement First

An appraisal scheme for the Service was introduced across the organisation as part of the Workforce Transformation Programme in April 2014. Prior to this, there was no formal performance management process used consistently across the organisation.

The scheme is called Achievement First and follows a traditional cycle whereby objectives are set during April, reviewed at the mid-point in October and annually in March, with new objectives set again in April.

The policy statement for Achievement First sets the purpose as *'to ensure that all of our people will have regular, structured feedback about their performance, development needs and aspirations'.* It confirms the objectives as being to:

• Maximise individual and Service performance;
• Reinforce the Service's values and desired behaviours;
• Recognise good performance; and
• Set objectives for the year ahead.

The comprehensive policy and accompanying toolkit provides clear guidance on how to manage and take part in the process. This is supported by an eLearning package and skills based training sessions, as well as step-by-step visual graphics on how to complete the forms.

Achievement First was launched with a series of briefings and training for managers and whilst there was some resistance to what was seen by some as additional work for managers, a return of 87% was received for the initial cycle of objective ('planned achievement') setting. Although, the service had set a target of achieving a 90% return rate in recognition of the importance it places on performance management.

Competency Framework

As part of the Workforce Transformation Programme a Competency Framework was developed through a series of engagement events with a wide representation of staff across all duty systems both uniformed and non-uniformed. The Competency Framework describes the behaviours the Service values, building from the core values of openness, accountability, respect and involvement. There are nine competencies 'clustered' into three areas – Inspire, Engage and Aspire. Each competency is split into four levels with both positive and negative indicators.

The competency framework is not only used for the Achievement First process, but is integrated into learning and development, recruitment and career development. For 2015 completion as part of Achievement first is optional, although the plan is that it will be mandatory from 2016 onwards. The aim of the competencies is to place an emphasis on the importance of behaviours and 'how' work is approached and undertaken.

Current Situation

March 2015 was the first annual review for objectives set during April 2014. The expectation of Service Managers was that they would meet with their staff to complete the review process and set new planned achievements and submit both of these.

Unfortunately at the time of reporting, the return rate has dropped significantly with end of year completed review forms at 59.27% and planned achievements at 67.29%

The current process which requires the completion of electronic forms can be time consuming and often leads to the situation whereby Appraisal meetings have been held but the paperwork has not been completed and submitted. An eHRM system which provides an online appraisal process could address this issue and is being considered currently.

Feedback from managers on the reasons for the low return rate includes:

- I haven't had time, I'm too busy with the day job;
- I talk to my staff every day, I don't need to meet with them separately;
- If there was more flexibility with timescales for setting and reviewing that would help – if you have a lot of officers under your command no sooner have you completed an appraisal then you are mid-term reviewing it;
- They may suit the promotion process but not the firefighter or officer who wishes to remain in post, as they become repetitive in their commentary every year – so does this achieve enough?;
- Too much for the second line manager to do – so they have a lot of forms to go through; and
- I've held the meetings but still need to type up the paperwork.

Cultural Review

The Cultural Review identified (para no. 147) that the *'introduction of appraisals into the service is a significant step forward and it is acknowledged that this has not been an easy process. However, the focus on the number of appraisals completed over the training of appraisers and appraises and analysis of quality needs revisiting'.* Initial training was carried out for all managers as part of the launch and quality checks were undertaken as part of the monitoring of the first round, which resulted in further e-learning and training sessions. However, it is acknowledged that training for appraisees could also have been beneficial.

The cultural review also references achievement first in other areas, recognising that the resistance from the FBU to the competency framework has impacted '*the opportunity for a systematic system of well-embedded and high quality staff appraisal to identify future managers, refocus the organisation on strategic priorities and address low morale*'

Recommendation 30 states *'set clear and consistent expectations that annual appraisals need to be completed by all managers across the service and introduce an audit to ensure that the quality of the appraisal meetings and paperwork is actually delivering a satisfying process which will take the service forward.'*

External View

It is not uncommon for organisations to receive negative feedback on their appraisal processes. Personnel Today in an article published on 11 August 2015 summarises that *'appraisals are renowned for stirring up strong opinions. Critics condemn them as a tick-box exercise and waste of time, while supporters commend regular performance discussions for helping employees to achieve goals and move the business forward.'*

A Linkedin article from November 2013, stated that their research had found that 70% of all organisations dislike the performance appraisal process they have and that less than 30% of organisations feel that that their existing processes drive any level of performance.

Increasing numbers of organisations like Accenture and Deloitte have dropped the formal appraisal process altogether. However, it should be noted that in general, these are progressive, private sector organisations with established performance management cultures and whilst the annual appraisal process has been stopped, there is still a requirement and strong emphasis on regular, documented discussions.

Good performance management should be regular (preferably documented monthly), proactive discussions on progress, achievements, support required. Any annual appraisal and associated review then becomes an extension of the regular discussions which should be dealing with objectives set anyway.

Some organisations that are choosing to retain a process are building in more flexibility to recognise that goals that are set annually are likely to change and many are putting the emphasis back on recognition and removing any kind of rating.

There is also a move to team based objective setting rather than individual appraisals.

The Service's scheme does not include a rating and has an emphasis on development and valuing people. However, as highlighted in the cultural review, whilst it is an improvement on the lack of formal arrangements previously, if it was part of a more holistic performance management culture, i.e. where regular one to ones, team meetings, stand-ups etc. were the norm, then the prospect of seeing the benefits would be more likely to increase the take up as well as the value to the organisation. If a more integrated performance management culture was prevalent, this could also lead to the organisation being able to consider removal of a formal appraisal process.

The options considered by the Strategic Management Board re given below. Option one is the preferred option at this time. It is recognised that regardless of the option, training for managers and their direct reports will be required to successfully embed a performance management culture into the organisation.

No	Description	Implications/Notes	Recommendation
1	Continue with current arrangements and Cycle (with improvements suggested in Implications/notes column)	• Reasonably established process that can still evolve with organisational change e.g. management review and expectations/requirements of manager with associated training • A communication strategy would help support increase in quality and quantity of returns • Training for appraisers and appraisees to support continued embedding. • It is also recommended that the paperwork is reviewed and simplified with clear signposting if additional forms are required for training etc. • Confirm process for 'dip sampling' percentage of returns for quality checking including how this will be measured, used and fed back. • The management review provides an opportunity to strengthen the expectations that the organisation has on managers and to provide the relevant training and support to embed a more holistic performance management culture	It is recommended that this option is taken forward.

		• Consider option of team based objectives for 'career firefighters' who do not want to progress. • An eHRM system which enables online completion would support an improvement in current process	
2	Remove requirement for annual appraisals	• Performance management within the organisation is not mature enough to support this option • If selected there would need to be clear guidance, training and monitoring of performance management being undertaken e.g. monthly/quarterly one to ones/team meetings that dealt with performance management and captured the conversations.	This option is not recommended
3	Current process but with revised 'cycle' so that appraisals are spread throughout the year and not all required to be done within one/two months	• This was part of some of the feedback from managers. However, given that in effect, we have allowed returns throughout the year as we have continued to request those not returned in April and they have continued to filter through. This feedback is somewhat contradictory. • As in (1) above, if the annual appraisal was more of an extension of regular performance management conversations, this would not seem such an issue for managers. Performance management should be an integral (not separate) part of all managers roles. • Whilst some managers may consider that this option would allow them more time to complete the process, it would require greater HR resource to set up and administer to ensure that expected return dates for each manager are captured, monitored and reported on. • An eHRM system which enables online completion would support an improvement in current process	This option is not recommended
4	Continue with process and make it mandatory requirement for managers linked to their performance and increment (i.e. withhold an increment if not carried out)	• If enforced this option could potentially increase returns • However, on its own, this reinforces a 'command and control' culture making it a compliance rather than supportive, developmental, performance management approach • If (1) above is adopted it would be more positive to make it a 'requirement' as part of any managers role via the management review with training,	This option is not recommended

		coaching and an integrated performance management approach. • An eHRM system which enables online completion would support an improvement in current process	

RISK MANAGEMENT IMPLICATIONS

The Fire Authority has accepted all 35 recommendations within the Cultural review Report. Failure to adequately respond to these recommendations would be inconsistent to that decision and could impact on the trust and confidence of stakeholders.

Cultural Review recommendation 30 states *'set clear and consistent expectations that annual appraisals need to be completed by all managers across the service and introduce an audit to ensure that the quality of the appraisal meetings and paperwork is actually delivering a satisfying process which will take the service forward.'*

FINANCIAL IMPLICATIONS

The costs of an eHRM system to support improvement would be subject to a costed business case and further financial approval.

LEGAL IMPLICATIONS

There are no legal implications arising from this report.

EQUALITY IMPLICATIONS

There are no equality implications arising from this report.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications arising from this report.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985	
List of appendices attached to this paper:	
List of background documents (not attached): ECFRS Achievement First Appraisal Policy ECFRS Competency Framework Cultural Review	
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