

Norfolk County Council's (NCC) new Performance Development approach (July 2017-Dec 2018)

Context

A new performance development approach was introduced in 2018 to contribute to the development of an effective and efficient performance culture, engaging managers and union stewards in its development.

One of NCC Principles is to be evidence-based to target work where it can make the biggest difference. This work was linked to our refreshed vision, values, strategy and planning processes across NCC. The financial context is that between 2010-11 to 2017-18, local authorities "are the most squeezed of all areas of state activity, having fallen by 28.6 per cent over the past seven years" (Chu 2018). Our budget is £1,376 bn with employees making up £235 bn of the overall budget.

Appraisal in 2017 involved reviewing the previous year captured in a system of rating to evaluate and setting of SMART objectives for the next year. A pay increment could be withheld when performance is unsatisfactory, and when an employee is not at the top of their grade. Ratings were inputted into an HR Oracle system by managers.

Why collaboration/partnership was required?

Senior Management did not believe the existing scheme was serving us well and whereas UNISON Shop Stewards had previously supported the scheme, it had become devalued in their eyes too. Elements of appraisal had changed 6 times over the previous 8 years. A Systems thinking approach was taken, because we needed a wide range of perspectives to understand the blockers and enablers. Research evidence on change in the public sector was that planned and emergent change was effective as an approach. (Rodrigues and Hickson, 1995 quoted in Sminia, Van Nistelrooij 2006, p101). Additionally, collaboration with an external facilitator with specialised skills was used in the Manager workshops and our Intelligence & Analytics team provided analysis of the final survey.

Project Methodology

External Research and Internal Diagnosis

This followed an evidentially-based assessment of what were the critical success factors for appraisals to work (CIPD 2016). Our research told us we needed to change and to focus on clear meaningful goals linked to future plans and to build development based on employee strengths to increase engagement and motivation. The Internal Diagnosis involved were interviews with 35 UNISON Shop Stewards, Managers and HR Business Partners and followed up with a survey, with an 80% return. Together these told us;

- The most frequent words to describe appraisal are "box ticking", "a chore", "subjective" and "meaningless"
- 57% agreed 'ratings discussions take energy and focus away from performance and motivation'. 32 employees (0.54%) were rated 1 or 2 in 2017/18 and no managers were included.
- 54% agreed expectations are established and accountability created
- 36% agreed there are frequent coaching 'check ins' and/or development.
- 25% agreed there is 'meaningful and frequent feedback based on an understanding of strengths and how to maximise them

Directorate Teams (NCC's top 53 Managers) where the diagnosis results were fed back and the principles of a new approach to 'test' findings gain decisions on the new approach.

Developed a new scheme based on interview data and survey data

5 separate groups (29 people) were invited for a 2 hr review to identify what worked well, what needed changing and ideas. These groups were UNISON Shop Stewards, Employees, Managers of Technical disciplines, Social Work managers and managers with additional complexities e.g. NCC employees based in France. This feedback was integrated into final design.

We recognise the importance of effective performance development in delivering quality outcomes for the Norfolk population, so measuring the success of this intervention is one of our HR vital signs. Our target is that 95% of employees should have written and agreed goals. All managers were invited to attend a workshop to understand the key changes.

Manager workshops

NCC partnered with Gavin Drake, Mindspan Ltd to co-deliver 3 hours practical workshops to bring relevant understanding to practice, discussion and included practical exercises to develop skills and understanding on how we engage employees for higher performance and growth

52 Coaching for Performance Workshops (March – June 2018)

985 Managers attended

94% of respondents identified the training as excellent or good

98% of respondents are confident to start conversations or 'have a go'

Feedback was reviewed after workshops and Video clips of training elements were recorded for reinforcing learning and for all employees to access.

Metrics

All employees were invited to complete a short pulse survey in September, at the 6 month stage to measure the effectiveness of the new approach,

In summary:

- 91% had a performance development discussion
- 84% said it was of value or limited value
- 57% agreed their work goals were linked to the future service plans and strategy
- 75% agreed their manager recognises their strengths and contribution
- 47% said they are coached to develop and succeed through work and other opportunities

After six months, 28% identified that the performance development approach had had a positive effect on the quality of conversations, (increasing to 33% for managers).

Data from the survey was analysed to understand what additionally makes the difference to whether there is a quality conversation? We now know there is a 91% likelihood of a quality conversations when goals are linked to future service plans (38%), I am coached to develop and succeed through work and other opportunities (29%) and my manager enables me to turn big ideas into plans that can be implemented (24%). This will drive further interventions to improve quality of conversations.

At December 2018 rate of recording written goals agreed into Oracle is 50%.

Stories

“Changing from a deficit model of appraising performance will make the whole process much better for colleagues and I really valued the insight into the new model...In the morning, before coming to the session yesterday, I attended the first Library Manager meeting following our restructure, to use resources more efficiently. It was brilliant that a large proportion of the team (people on grades G and H) in the room had attended your workshops. It made my job so much easier... describing the direction of the council and their contribution to it. In the past in similar meetings, the old team waited to be told what to be done. This time, they all ‘got it’ straightaway and realised their own and their team’s contribution to the Library Service and the County Council’s ambitions and realised their role in making a difference.”

“I have contacted Senior Management Team colleagues to suggest we adopt this approach with Teachers Performance Management to ensure this process is embedded across the Virtual School. Thanks for keeping the session moving and relevant to practice”

Costs

Total of £54,800 total made up of £23,200 fixed costs design, delivery venue costs, cards and £31,600 salary costs including ‘on costs’ of 25%

Why is this different to the approach you would normally take?

- Use external research as a starting point taking an outside-in perspective
- Use joint diagnosis of business problems rather than programmatic change as well as co-design
- Take a practical system thinking approach
- Started from a different position of what I don’t know, rather than what I do

What could have been better?

If we had more time and money briefings for all employees
Inputting date of ‘Written Goals Agreed’ into Oracle