

<p><b>Performance Appraisal Moderation Committee Report FINAL</b></p>	<p><b>July 2011</b></p>
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## 1. Introduction

1.1 On 1st April 2010, the St Helena Government (SHG) introduced a new Performance Appraisal System (PAS) for reviewing the performance of all staff within SHG. The system is designed to achieve the core objectives of staff motivation, performance improvement, staff development, workforce management and alignment of rewards to performance.

1.2 One of the activities introduced as part of the Performance Appraisal process was the validation and review of the system.

1.3 This report covers an element of the validation process and focuses on the compilation of the performance form known as the Report on Performance & Career Development (RPCD).

1.4 In order to enhance the process the Performance Appraisal Moderation Committee (PAMC) was set up to ensure compliance with guidance, validate the process and make recommendations if necessary.

1.5 The PAMC comprises the Chief Auditor, who is the Chairperson, the Human Resources Support Executive and two non-government members.

## 2. Terms of Reference

2.1 The Terms of Reference for the report were agreed between the PAMC and the Director of Human Resources and cover the following main points:

- whether the performance appraisal process was followed by line managers;
- that line managers conducted mid-year reviews;
- that line managers set targets at the beginning of the reporting year;
- that line managers conducted year-end reviews, assessing overall performance against targets and competencies;
- that Directors have signed off on the form.

2.2 The Committee will also include in their report recommendations for improving any element of the process that they feel is necessary.

## 3. Review Process:

3.1 In order to gain a comprehensive understanding and picture of the PAS the PAMC carried out an extensive review of the completed forms submitted to the Human Resources Directorate (HRD). In total 242 forms were reviewed, which is 38% of total returns.

3.2 The PAMC agreed to focus its attention on the more judgemental ratings and therefore all ratings of one, two, four and five were reviewed (see Appendix A for explanations of ratings). Further, to ensure that all ratings and Directorates were covered by the review a further sample of 5%, across rating three, was reviewed.

3.3 The approach taken ensured that all Directorates and ratings were reviewed and that the review focused on the more controversial assessments, where a higher level of evidence is required to justify the rating.

- 3.4 The PAMC group was split into two, one group taking all level ones, twos and the above mentioned sample of three ratings, the other group taking the four and five ratings. Each sub-group then split the sample further. To ensure a consistent approach, both sub-groups held a meeting to discuss and agree their findings. Further, the PAMC then held two meetings to come to a consensus on the report's conclusions and recommendations.
- 3.5 The report reviews each section of the PAMC form reviewed separately and brings together the overall issues in the conclusion.
- 3.6 The report will be submitted to the Chief Secretary through the Human Resources Director. The report will then be shared with all Directors through the Corporate Management Team.
- 4. Summary**
- 4.1 It must be noted that the findings stated here relate to the overall findings. In some cases we found very good evidence supporting findings, and that the forms had been completed to a high standard, but this was the exception. Any good practice found has been used to support the recommendations and will prove beneficial in future training. We plan to carry out a brief feedback meeting with each Director to discuss the findings relating to their Directorate.
- 4.2 The review has highlighted a number of serious concerns that have undermined the whole of the PAS. It is clear that employees, line managers and Directors have, in general, not followed the process in line with the guidance and this raises significant doubts over the validity of the whole process.
- 4.3 The form (see Appendix B) is poorly designed and needs to be further developed. It is overcomplicated, repetitive and requires numerous sign-offs. It follows the St Helena Government Education Department performance management form, May 2009, which is not appropriate to all employees within SHG. Further revision is required before the next round of assessments.
- 4.4 The review has highlighted that departments within SHG that are more professional-based, i.e. accountancy, are more suited to this style of performance review form and the forms have been completed well. The form does not suit all work areas within SHG and has been completed very poorly with regards to manual workers such as environmental staff. It is clear that a two-form approach needs to be developed and should be considered by HRD.
- 4.5 There is clear evidence that targets were not initially set, were poorly developed, are generally not in line with SMART objectives, and that mid-year reviews were not carried out. Evidence provided to support the end-year review of targets was extremely poor, with a lack of evidence and detail.
- 4.6 Self-assessment, where employees are asked to assess themselves against competencies or general comments about their own performance, should form part of any review process. Employees would be encouraged to reflect on their performance in the past year and provide examples. Further consideration of self-assessment

should be undertaken by HRD as part of the review of the form.

- 4.7 The review of the performance assessment by the line manager in Section 3 of the RPCD was very poor. In some cases no evidence was provided even for performance ratings of 4, where detailed evidence must be provided to substantiate the rating. In over 45% of the reviews the level of evidence was either not stated or not completed to the required standard. Further, in some cases the rating was incorrectly calculated, resulting in employees being given an incorrect rating.
- 4.8 It is not clear what benefit completing previous training in Section 4 of the form brings to the process, and HRD should consider its removal from the form.
- 4.9 Each form must be signed by the relevant Director. In doing so the Director is stating that he/she has seen and agreed with the performance appraisal and either recommends or not that the employee receives a performance reward. In all cases the form had been signed, but it is clear that this was just a paper exercise and Directors had not ensured that the form had been completed correctly and that the employee, based on the evidence of the form, should or should not receive a performance award. Directors must take responsibility for the poor completion of the forms and ensure that this does not occur in the future.
- 4.10 The training provided to employees, line managers and directors, has not resulted in the desired effect and it is clear that the training programme needs to be revised and carried out again. This should include completion of the form, worked examples, target-setting and the level of evidence required. The training should focus on the benefits of the process to the employee, the line manager and SHG.
- 4.11 The guidance provided with the form runs to 44 pages and deals with a number of issues, but is very detailed. A more simple "how to complete the appraisal" paper should have been developed, to act as a guide for both employees and line managers. This would detail the key stages that need to be carried out. If problems arose then the detailed guidance should have been used as a reference guide. Further, the guide is misleading in places and should form part of any review carried out by HRD.
- 4.12 We found no evidence of any employee completing the Performance Appraisal Appeal Form, even though it is common knowledge that a number of employees have since complained to Councillors about the process and want to appeal. This raises the point that the appeal process has not been clearly communicated to employees. Further, the form does not lend itself to an appeal. Training, further guidance and revision of the form with regards to the right to appeal should be carried out.
- 4.13 The group is in agreement that further thought should be given to a detailed competency framework covering all levels of staff, which lends itself to a much more objective assessment than the current subjective approach; and

which would take into account the different skill-base and levels within SHG. We recommend that the detailed competency framework that is currently being developed be integrated into the appraisal documentation to give a more objective assessment.

- 4.14 Finally, the findings indicate that the process has not been carried out correctly. Management need to decide, based on the level of issues raised within this report, whether the payment of performance awards should go ahead. This puts into doubt the whole process and management need to consider the implications.

## 5. Detailed Findings

### Section One

- 5.1 Section one of the form relates to the roles and responsibilities of the employee and includes any additional responsibilities outside the normal day-to-day role of the employee. This is completed by the employee.
- 5.2 Generally, this section was completed well across all Directorates. The roles and responsibilities are in the main taken from the job profile and it is questionable whether there is a need to repeat them within the form. HRD to consider if there is a need to include the roles and responsibilities as part of Section One of the form.
- 5.3 Any additional roles need to be included and this could form part of a more detailed employee self-

assessment. Currently, the form only asks for an assessment against the targets set and not against competencies. Employees would be encouraged to reflect on their performance in the past year, provide examples of good performance, issues they have overcome and areas for improvement. As part of the review of the form, consideration should be given to including a detailed employee self-assessment section.

- 5.4 The employee is asked to provide details on additional job roles and responsibilities that fall outside of the normal job role. This is an important element of the performance appraisal as it indicates what the employee has done above and beyond their normal duties; but it is clear that statements have not been taken into consideration in the final assessment of overall performance in Section 3. This could be further highlighted on the form as part of a self assessment section.

### Section Two

- 5.5 Section two covers set targets and the employee's assessment against targets at mid and year end.
- 5.6 This section was consistently poorly completed across all Directorates. It is an important part of the form as it looks at agreed set of targets for the year, documents the mid-year review and details the year-end review. It does provide some opportunity for employees to carry out an element of self-assessment.
- 5.7 There is clear evidence that targets were not initially set, or were poorly

developed. They are generally not in line with SMART objectives and do not link into Directorate Strategic Plans or section objectives. There is a clear need for detailed training on the setting of targets.

- 5.8 Guidance on when to update targets is not clear. They are a key element of the performance review and staff need to be clear on when they should be reviewed and updated. It is suggested that this is carried out in a separate meeting to the appraisal review as part of one-to-one meetings in March. This should follow detailed training on target-setting to be provided by HRD. Further detailed training and guidance is needed to support the setting of targets. Targets need to be in line with SMART objectives and linked into Directorates' Strategic Plans.
- 5.9 Evidence to support the mid-year reviews was extremely poor to non-existent and was the worse completed element of the form. The form does not lend itself to providing detailing evidence of the mid-year review and needs to be revised. There was no evidence that column six "Agreed Changes Following Mid Year Review" was used. Evidence provided lacked detail and examples to support the assessment. Training is required in this area.
- 5.10 The year-end review of performance against targets is an essential element of the appraisal process as it is a clear assessment against agreed delivery targets. It gives a clear indication if an employee has performed well in the year. There was some evidence that some thought had been given to complete

this section, but again it was lacking in detailed evidence to support claims. The main concern from the PAMC was that line managers did link the year end review into the summary of performance in section 3. We noted that in some instances, employees with high ratings had not achieved their targets and employees with low ratings had achieved all their targets. This brings into question the target-setting process and line managers not making the link with performance and competencies. Training is required in this area.

### Section three

- 5.11 Section three is the assessment of performance against competencies and was very poorly completed. In some cases no evidence was provided even for performance ratings of 4, where detailed evidence must be provided to substantiate the rating. In over 45% of the reviews carried out by the PAMC the level of evidence was either not stated or not completed to the required standard.
- 5.12 Further, in some cases the rating was incorrectly calculated, resulting in employees being given an incorrect rating.
- 5.13 The group noted that in some instances no evidence was provided against each of the competencies but a very detailed summary of performance provided by the line managers to support the rating was given. This may be due to the repetitive nature of the form and line managers only completing what they feel is relevant. HRD should

consider revising this section and training.

5.14 There is evidence that employees rated as a 3 were then recommended by the Director for a performance reward. It is clear that in some cases Directors have not reviewed this section as there is no clear link between this section and the Director signing off that the employee should receive a performance reward.

5.15 It is not clear as to why the line manager signs this section and then signs section 5. It is suggested that this is removed.

#### Section Four

5.16 This section focuses on career and personal development. The benefit of completing previous training in Section 4 is not clear and HRD should consider its removal from the form.

5.17 Limited evidence has been provided in detailing the agreed training required for future needs. This is an important element of the form, as it supports HRD to assess what training requirements are needed for the coming year. It is suggested that this section is further reviewed to make it more user-friendly. Perhaps a pull down menu of training courses and requirements could be included into the form. Further guidance needs to be provided on what training is available such as on-the job, desktop, courses, mentoring etc.

5.18 It is not clear from the documentation which training identified is to enable achievement of objectives/improve performance and which training is for

professional development of those individuals with potential to progress with SHG. It is suggested that the training requirements be split into 2 sections as this will then facilitate more effective planning and prioritisation of training needs.

#### Section Five

5.19 The final section is the sign-off by the line manager, employee, countersigning officer and the Director. The line managers' comments in section 5 are a repeat of the summary of performance in section 3 and an amendment to the form is required to remove this repetitive element.

5.20 Further space should be provided on the form for the employee to make comments. Currently the space to provide comments is extremely limited. It should be stressed that this element should be completed by the employee outside of the appraisal meeting, allowing the employee to gather their thoughts on the review and whether or not to appeal.

5.21 The form is not clear as to how an employee should appeal against the review. This needs to be explicitly stated on the form and we suggested a tick-box approach with a section allowing the employee to state their concerns. This would then be signed by the employee and passed onto the Director for further review. The current process has not worked as no employee has appealed against the process.

5.22 The group cannot see the need for countersigning officer's comments

and this should be deleted from the form.

## 6. Conclusion

- 6.1 The review has highlighted a number of serious concerns that have undermined the whole of the PAS. It is clear that employees, line managers and directors have generally not followed the process in line with the guidance provided and this raises significant doubts over the validity of the whole process.
- 6.2 The form is poorly designed and further revision is required immediately so that all concerned can have the necessary training before the next round of assessments.
- 6.3 The form does not suit all work areas within SHG and has been completed very poorly with regards to manual workers such as environmental staff. A two-form approach needs to be developed and should be considered by HRD.
- 6.4 There is clear evidence that targets were not initially set, were poorly developed, and are generally not in line with SMART objectives.
- 6.5 Further consideration of self-assessment should be undertaken by HRD as part of the review of the form.
- 6.6 Each form must be signed by the relevant Director. By doing so the Director is stating that he/she has seen and agreed with the performance appraisal and either recommends or not that the employee receives performance rewards. In all cases the form had been signed, this was clearly just a paper exercise and Directors had not looked to ensure that the form had been completed correctly and by the employee. Directors must take responsibility for the poor completion of the forms and ensure that this does not occur in the future.
- 6.7 The training provided to employees, line managers and directors, has not resulted in the desired effect, and it is clear that the training programme needs to be revised and carried out again.
- 6.8 We found no evidence of any employee completing the Performance Appraisal Appeal Form. This raises the point that the appeal process has not been clearly communicated to employees and that the form does not lend itself to an appeal.
- 6.9 The group is in agreement that further thought should be given to a detailed competency framework covering all levels of staff, which takes into account the different skill-bases and levels within SHG, and which lends itself to a much more objective assessment than the current subjective approach. We recommend that the detailed competency framework that is currently being developed be integrated into the appraisal documentation to give more objective assessment.
- 6.10 The findings indicate that the process has not been carried out correctly and management need to decide, based on the level of issues raised within this report, whether the payment of a performance award should go ahead. The issues put into doubt the whole process



and management need to consider the implications.

## 6. Summary of Recommendations

	RECOMMENDATION	Management Comments
1)	<p>The findings indicate that the process has not been carried out correctly and management need to decide, based on the level of issues raised within this report, whether the payment of a performance award should go ahead.</p>	
2)	<p>Further detailed training and guidance is needed to support the process. Areas which require training include:</p> <ul style="list-style-type: none"> <li>• Setting of performance targets – how to do and when. Targets need to be in line with SMART objectives and linked into Directorates' Strategic Plans;</li> <li>• Review of performance against targets;</li> <li>• Level of evidence required on the form;</li> <li>• The appeals process;</li> <li>• A simplified guide "how to complete the appraisal" needs to be developed, focusing on the key stages;</li> <li>• The Employee Guide needs revising, certain elements of the guidance are mis-leading such as section 5.3.</li> </ul>	

	RECOMMENDATION	Management Comments
3)	<p>The group recommends that the current form needs extensive revision. Issues raised in the report with regards to repetitive nature of the form and duplication, need to be considered. These include:</p> <ul style="list-style-type: none"><li>• Whether there is a need to include the roles and responsibilities as part of Section One of the form;</li><li>• Consideration should be given to including an employee self assessment section within the form so that employees can express how they have performed in the year and raise concerns on their own performance;</li><li>• The line-manager sign-off in section 3, which is repeated in section 5;</li><li>• The need for previous attended courses in section 4;</li><li>• Section 4 assesses what training requirements are needed for the coming year. It is suggested that this section is further reviewed to make it more user-friendly. Perhaps a pull-down menu of training courses and requirements could be included into the form;</li><li>• The summary assessment in section 5, which is a repeat of section 3;</li><li>• The employee comments in section 5 needs to</li></ul>	

	RECOMMENDATION	Management Comments
	<p>be reviewed and revamped as it is currently confusing;</p> <ul style="list-style-type: none"> <li>• The appeal process needs to be highlighted on the form; and</li> <li>• Countersigning element of section 5 to be deleted.</li> </ul>	
4)	<p>Directors and line managers need to take responsibility for the quality of information provided in the form. They should not be signing off on forms which do not have adequate information to support a performance reward. Commitment from Directors to the process to be sought through the Directors Group by HR.</p>	
5)	<p>Employees need time to reflect on the performance appraisal and should be given time after the meeting to provide comments and sign the form.</p>	
6)	<p>The appeals process needs to be revised, as the evidence obtained shows that no employee appealed; indicating that the process has not been understood. The form should be made clearer so that employees are aware of their right to appeal, a tick box approach should be considered.</p>	
7)	<p>The current form does not suit all employees within SHG and so consideration needs to be taken for a two-form approach to cover the different needs of</p>	

	RECOMMENDATION	Management Comments
	SHG.	
8)	Further thought should be given to a detailed competency framework covering all levels of staff, which takes into account the different skill-bases and levels within SHG, and which lends itself to a much more objective assessment than the current subjective approach.	
9)	Line managers need to link the year-end review into the summary of performance in Section 3 of the appraisal. The overall assessment should not just cover competencies but the performance against targets.	

**APPENDIX A:****Performance Rating**

Indicate the individual's performance for the review period covered

<b>5</b>	Excellent	Consistently exceeds role requirements in all key areas
<b>4</b>	Very Good	Above expectations, exceeding role requirements in a number of key areas
<b>3</b>	Good	Consistently meets expectations. This is the measured standard of the role
<b>2</b>	Improvement Needed	Partial meeting of role expectations. Development and Improvement required in some areas
<b>1</b>	Unsatisfactory	Significant development and improvement needed to meet the role requirements
<b>N/A)</b>	Not Applicable	Difficult to make a recommendation – too new in the job e.g. less than 3 months or new direct report

**Appendix B:****ST HELENA GOVERNMENT****REPORT ON PERFORMANCE & CAREER DEVELOPMENT**

(Revised February 2010)

This form is designed to help the St Helena Government to review and improve individual performance in meeting departmental goals and to provide a systematic basis for personal career development.

This form should be completed in conjunction with the Guidance Notes provided.

**Personal Details**

Name ..... Title .....

Post .....

Department ..... Section .....

Date appointed to post ..... Grade/Level .....

Period of Report From ..... To .....

Name of Line Manager/Reporting Officer .....

**PERFORMANCE APPRAISAL FOR REPORTING PERIOD**

*Sections 1 to 3 are to review what you have done in the reporting period*

**SECTION 1** Section to be completed by Employee

Please list your role and responsibilities (staff/budget, i.e. resources):

Please state any additional job roles or responsibilities that fall outside of your normal job role.

Strategic Plan Objective	Department Objective	Your Performance Objective	Your Performance Target	Mid Year Review	Agreed changes following Mid Year review	End Year Review

**SECTION 2** *Section to be discussed and agreed with Line Manager*

**EMPLOYEE ASSESSMENT** Assess your performance against agreed targets for the reporting period

Targets for this section will have been agreed at the beginning of the reporting period with your Line Manager. You and your line manager will discuss progress on these targets at your mid year review and at end of year review.

Please list any long-term targets you hope to work towards and achieve

Any other mid – year review comments by Line Manager

Line Manager Signature \_\_\_\_\_

Agreed \_\_\_\_\_

Date \_\_\_\_\_



**SECTION 3** Section to be completed by the Line Manager before the Appraisal Interview

**PERFORMANCE ASSESSMENT**

**Aspects of Performance** Please comment on strengths and weaknesses on aspects of performance, giving examples from your assessment in Section 2 to illustrate. Please indicate an appropriate rating for each competency using the guidelines below.

<u>Competencies</u>	<u>Performance Rating</u>
<p><u>Personal Effectiveness</u>                      (How effective is the Job Holder in his/her current role, e.g., reliable, flexible, productive, efficient)</p>	<input type="checkbox"/>
<p><u>Leading/Working as part of a team</u>                      (Personal example and enabling others to give of their best, e.g., motivate, direct, responsive)</p>	<input type="checkbox"/>
<p><u>Organisation/Initiative/Judgment</u>                      (How effective is the Job Holder in using their own initiative and judgement, this includes organisational skills, solving problems and taking decisions)</p>	<input type="checkbox"/>
<p><u>Communication/Customer Service</u>                      (How effective is the Job Holder in communicating with colleagues and customers, both written and verbal)</p>	<input type="checkbox"/>
<p><u>Management of Resources</u>                      (This includes management of human, financial and other resources)</p>	<input type="checkbox"/>
<p><u>Personal Development</u>                      (How important does the Job Holder take personal development in his/her career)</p>	<input type="checkbox"/>
<p><u>Delivering Results</u>                      (How effective is the Job Holder at meeting deadlines, presentation of work and accuracy, accountable)</p>	<input type="checkbox"/>

**SUMMARY OF PERFORMANCE**

Highlight any achievement that falls outside of the Appraisee's job description

Evidence of Performance

Give an overall summary of performance of the Job Holder during the reporting period.

**OVERALL PERFORMANCE RATING**



(this rating should be based on performance in general)

Prospects for career development and promotion for the employee

Signed \_\_\_\_\_ Date \_\_\_\_\_

**Performance Rating**

Indicate the individual's performance for the review period covered

<b>5</b>	Excellent	Consistently exceeds role requirements in all key areas
<b>4</b>	Very Good	Above expectations, exceeding role requirements in a number of key areas
<b>3</b>	Good	Consistently meets expectations. This is the measured standard of the role
<b>2</b>	Improvement Needed	Partial meeting of role expectations. Development and Improvement required in some areas
<b>1</b>	Unsatisfactory	Significant development and improvement needed to meet the role requirements
<b>N/A)</b>	Not Applicable	Difficult to make a recommendation – too new in the job e.g. less than 3 months or new direct report

**CAREER AND PERSONAL DEVELOPMENT**

**SECTION 4** Section to be agreed at the Appraisal Interview.

List any academic, professional or technical qualifications achieved or local courses attended, or studying undertaken, during this reporting period.

Training/Learning	Why did you need this training?	How did the training help you to do your job better?

Please list any agreed training and learning objectives or other staff development activities required for the next reporting period

Development required	Why do you need this	Time Scale

Training need is/is not supported by Line Manager.

*(delete as appropriate)*

.....

Line Manager's Signature

There is/is not a clear linkage to career path/aspirations

*(delete as appropriate)*

.....

Line Manager's Signature

**SECTION 5** To be completed at the end of the Appraisal Process for the Reporting Year

**LINE MANAGER'S COMMENTS**

Please provide a summary assessment of the employee's performance and potential

Signature \_\_\_\_\_ Date \_\_\_\_\_

**EMPLOYEE'S COMMENTS**

I have read/am aware of/ acknowledge the comments made by the Line Manager and discussed at my Appraisal Interview.

I agree/do not agree with my overall rating of this performance\*.

I have nothing to add/ I wish to add the following\*.

*\* Delete as appropriate. If the Job Holder does not agree with the comments made by the Line Manager, he/she is not required to sign below but should provide a brief statement indicating their objections. If necessary, the Head of Department (or another nominee) will meet the Job Holder and the Line Manager to seek a solution. A member of the Human Resources Department may be asked to assist.*

Signed \_\_\_\_\_ Date \_\_\_\_\_

**COUNTERSIGNING OFFICER'S COMMENTS**

Comment further, if you so wish, on the assessment of performance of the Job Holder and the assessment of potential.

Signature \_\_\_\_\_

Name \_\_\_\_\_ Date \_\_\_\_\_

**DIRECTOR**

Please sign to acknowledge that you have seen and agreed with the performance appraisal, support/do not support recommendation for career progression/promotion.

I do/do not recommend the employee for a performance reward.

Signed \_\_\_\_\_ Date \_\_\_\_\_

## Completion Guidelines

**SECTION 1** *Section to be completed by Employee*

**SECTION 2** *Section to be discussed and agreed with Line Manager*

**SECTION 3** *Section to be completed by the Line Manager before the Appraisal Interview*

**SECTION 4** *Section to be agreed at the Appraisal Interview and will be looking ahead for the forthcoming year*

**SECTION 5** *To be completed at the end of the Appraisal Process for the Reporting Year*