Portsmouth Hospitals NHS
NHS Trust
Best hospital, best people, best care

PERFORMANCE APPRAISAL POLICY

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Version Tracking

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4	05.05.16	Removal of interim arrangements for phased appraisal performance review window and incremental progression, strengthened focus on talent management, health and wellbeing.	OD Manager
3	02.04.15	No changes upon review	OD Manager
2.1	22.01.15	Inclusion of NED to band 8a link and review date extended	OD Manager and DDNC
2	03.04.14	Implementation of Incremental Pay Progression Band 8c, 8d and 9	OD Manager
1	09.01.14	Replacement for Appraisal and Personal Development Review Policy v10	OD Manager

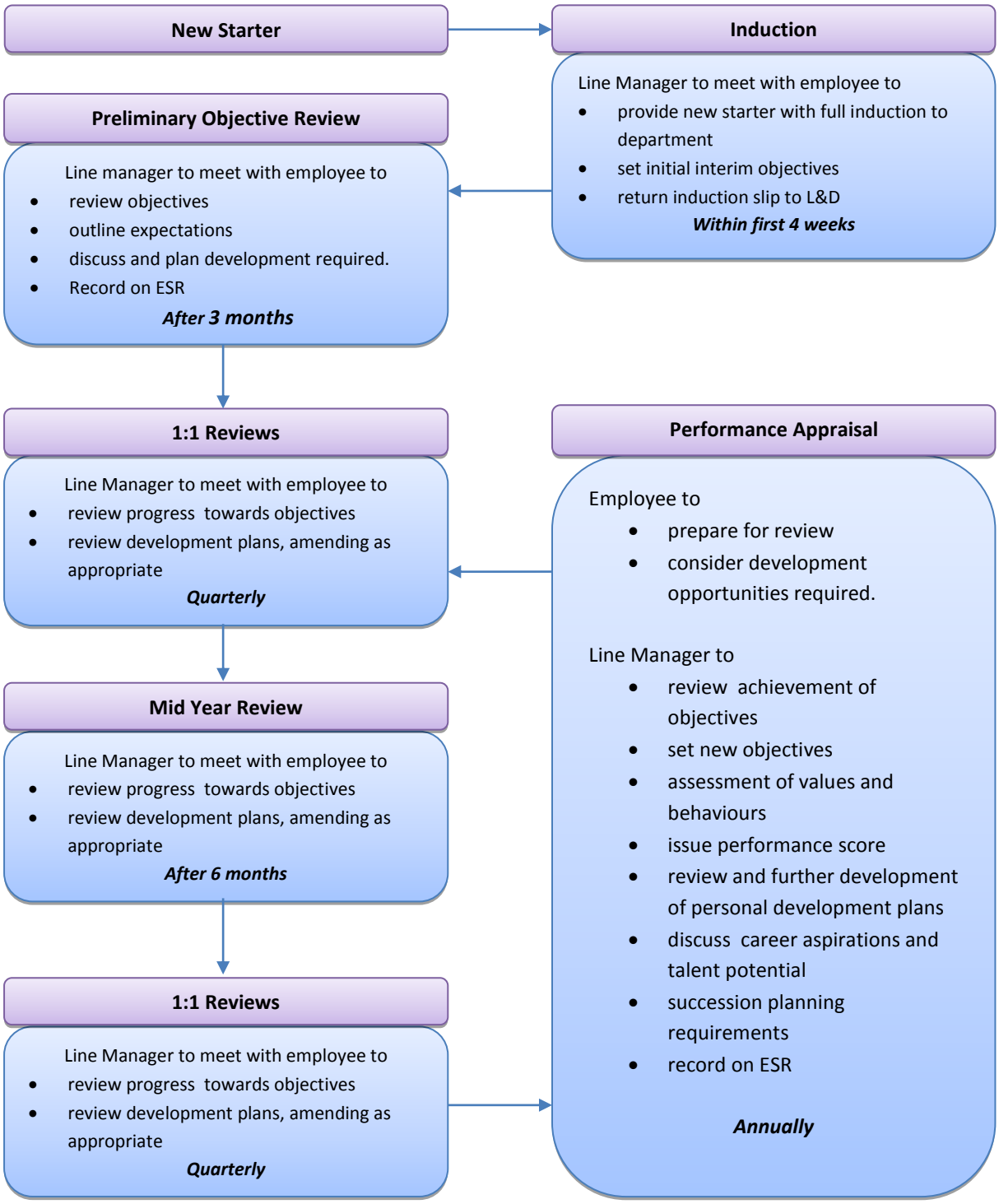
CONTENTS

1.0	**INTRODUCTION**	4
2.0	**PURPOSE**	4
3.0	**SCOPE**	4
4.0	**DEFINITIONS**	5
5.0	**DUTIES AND RESPONSIBILITIES**	6
5.1	**INDIVIDUALS /APPRAISEE**	6
5.2	**LINE MANAGERS / APPRAISERS**	6
5.3	**CLINICAL SERVICE CENTRE (CSC) MANAGEMENT TEAMS**	6
5.4	**HUMAN RESOURCES/ORGANISATIONAL DEVELOPMENT**	7
5.5	**OCCUPATIONAL HEALTH, SAFETY AND WELLBEING**	7
5.6	**EXECUTIVE MANAGEMENT TEAM**	7
6.0	**PROCESS**	7
6.1	**GUIDING PRINCIPLES**	7
6.2	**PROFESSIONAL COMPETENCIES, COMPLIANCE AND REVIEWS**	8
6.3	**SETTING OBJECTIVES**	8
6.4	**TIMING OF PERFORMANCE APPRAISALS**	9
6.5	**PROTECTED TIME**	9
6.6	**TALENT AND SUCCESSION PLANNING**	10
6.7	**360˚ FEEDBACK**	10
6.8	**PERFORMANCE GRADING SYSTEM AND FURTHER ACTION**	10
6.9	**PAY PROGRESSION IN BANDS 8C, 8D AND 9**	11
7.0	**TRAINING REQUIREMENTS**	12
8.0	**REFERENCES AND ASSOCIATED DOCUMENTATION**	12
9.0	**EQUALITY IMPACT STATEMENT**	13
10.0	**MONITORING COMPLIANCE WITH PROCEDURAL DOCUMENTS**	13
Appendix 1 – Overall Performance Score Table		14
Equality Impact Screening Tool		15

QUICK REFERENCE GUIDE

This policy must be followed in full when developing or reviewing and amending Trust procedural documents.

For quick reference the guide below is a summary of actions required. This does not negate the need for the document author and others involved in the process to be aware of and follow the detail of this policy.



1.0 INTRODUCTION

Portsmouth Hospitals NHS Trusts ('the Trust') vision is: "To be recognised as a world-class hospital, leading the field through innovative healthcare solutions focused on the best outcome for our patients delivered in a safe, caring and inspiring environment."

Delivery of this vision depends on every member of staff.

There is much evidence that effective Performance Appraisal and staff development has a positive contribution to patient outcomes and is supported by the standards set out by the Care Quality Commission and the NHS Constitution.

Performance Appraisal ensures that managers fairly and equitably review the performance (good and bad) of their employees and ensures that each employee is delivering high quality care to patients, is competent in their role and is treating colleagues with dignity and respect.

Performance Appraisal also gives employees an opportunity to feedback concerns and areas of potential development to their managers and ensures that positive outcomes occur.

Performance Appraisal is not a one off event, but an on-going process throughout the employment contract.

2.0 PURPOSE

This Policy details the Trusts staff Performance Appraisal system and is part of the wider Performance Management Framework. It enables managers and employees to participate in and deliver a meaningful Performance Appraisal process, and create an environment for success.

This policy ensures that:

- Employee performance is assessed against values and behaviours
- Employee performance is reviewed against previous objectives resulting in a performance grade
- Work related objectives are agreed for the following year and are linked to Trust objectives
- Talent conversations occur enabling employees to have the opportunity to discuss their future career aspirations and potential development opportunities are identified
- Successors to critical posts are identified and developed
- Employees and managers are given details of opportunities that are available, through the Trusts Performance Management Framework, to ensure they are developed in a way that brings job satisfaction, but also brings increased quality of care to patients and supports the Trust in meeting its objectives.

3.0 SCOPE

This Policy will apply to all employees of the Trust in pay bands 1-9 and Executive and Non Executive Directors. Medical and Dental staff are covered by a separate procedure.

This policy sets the lead responsibility for performance management and development with line managers, who will be supported by Human Resources (HR), Organisational Development and Learning and Development.

Portsmouth Hospitals NHS Trust is committed to promoting and supporting the health and wellbeing of all employees. All employees with a line management responsibility should

actively support a positive approach to employee health and wellbeing, ensuring this is discussed as part of the Performance Appraisal conversation, as well as during ongoing discussions. For further information please see the Resources section of the internet.

'In the event of an infection outbreak, flu pandemic or major incident, the Trust recognises that it may not be possible to adhere to all aspects of this document. In such circumstances, staff should take advice from their manager and all possible action must be taken to maintain ongoing patient and staff safety'

4.0 DEFINITIONS

4.1 Performance Appraisal

Meeting to discuss achievement of objectives for the previous year and demonstration of values and behaviours, career aspirations of an individual and the development required to achieve the required objectives and aspirations.

4.2 Appraisee

An employee participating in the Performance Appraisal process who's performance and development is being assessed.

4.3 Appraiser

An employee participating in the Performance Appraisal process that is assessing performance and facilitating development. This may or may not be the appraisee's line manager.

4.4 Objectives

A specific result that a person or team aims to achieve within a time frame and with available resources.

4.5 Talent Conversation

A conversation held with employees regarding their aspirations, ability and potential for future career development.

4.6 Talent Management

The process of recruiting, identifying, nurturing, developing and retaining staff with critical skills or areas of talent within the organisation.

4.7 Successors / Succession Planning

Identification of critical posts within the organisation and developing identified members of the workforce to fill these posts in the future through a systematic evaluation and training process.

4.8 Personal Development Plan (PDP)

An action plan based on reflection and goal setting for personal development and aspirations that support the successful achievement of objectives.

4.9 Competencies

A set of defined behaviours, skills, abilities and attributes a person is required to have to be successful in their job, which can be used to measure performance.

4.10 Performance Assessment Score

A score used to categorise performance of an individual against completion of objectives, demonstration of values and behaviours and completion of essential skills training.

5.0 DUTIES AND RESPONSIBILITIES

5.1 INDIVIDUALS /APPRAISEE

Individual employees are responsible for:

- Self-assessment of their achievements and progress against objectives from the previous year.
- Discussing development achievements, progress and needs at Performance Appraisal meetings and 1:1's throughout the year with their appraiser.
- Agreeing a Personal Development Plan (PDP) with their appraiser.
- Attending and completing all required elements of study days, courses and development opportunities to achieve their PDP.
- Maintaining and providing evidence of learning at Performance Appraisals ensuring all required essential training is completed.
- Being open to discussion about their own health and wellbeing

5.2 LINE MANAGERS / APPRAISERS

Line managers/team managers are responsible for:

- Ensuring all employees have a full Performance Appraisal annually, with quarterly 1:1's as a minimum to discuss performance and development during the appraisal window of March to September.
- Providing all new employees have a full local induction within one month of commencing employment with the Trust, and initial objectives are set within the first 6 weeks of employment with the Trust.
- Ensuring meaningful objectives are set which support overall Trust objectives.
- Ensuring all employees have the opportunity to discuss their career aspirations and development requirements.
- Agreeing an annual PDP with all employees and providing support to meet this plan.
- Provide regular feedback on achievement and progress required to ensure continuous development occurs.
- Identification of successors to critical posts, implement appropriate development plans and develop contingency plans.
- Ensuring that all employees have equal access to development opportunities.
- Collating information from PDPs and using this to inform training plans/training needs analysis.
- Promoting the importance of health and wellbeing to all employees and ensuring this is discussed within the review.
- Recording the Performance Appraisal on the Electronic Staff Record (ESR)

5.3 CLINICAL SERVICE CENTRE (CSC) MANAGEMENT TEAMS

CSC management teams are responsible for:

- Applying the policy to all employees and reporting information on completion of the review process as required.
- Setting speciality and departmental objectives in support of the Trusts Strategic Aims during the Performance Appraisal window of March to September.
- Producing an annual Training Needs Analysis using the information from individual Personal Development Plans linking to workforce strategy and workforce plans.
- Ensure all employees responsible for undertaking Performance Appraisals have received Performance Appraisal training.

- Ensuring that teams are aware of the Health and Wellbeing policy and its application during Performance Appraisal.

5.4 HUMAN RESOURCES/ORGANISATIONAL DEVELOPMENT

The Human Resources team is responsible for:

- Providing advice and guidance on the application of the Performance Appraisal policy where necessary but managers and employees should refer in the first instance to this Policy and the guidance referred to herein.
- Providing training to line managers and appraisers on the policy.

5.5 OCCUPATIONAL HEALTH, SAFETY AND WELLBEING

The Occupational Health, Safety and Wellbeing team is responsible for:

- Development of action plans for the promotion of health and wellbeing at work as a means of improving the wellbeing and work performance of employees

5.6 EXECUTIVE MANAGEMENT TEAM

The Executive Management team is responsible for:

- Setting the strategic direction within the organisation, developing the Trust strategic aims and objectives and ensuring that these are cascaded to Clinical Service Centre Management Teams.

6.0 PROCESS

6.1 GUIDING PRINCIPLES

6.1.1 Principle 1 – Fundamental Right

All employees have a fundamental right to come to work and:

- Understand what is expected of them.
- Understand how they are performing against those expectations.
- Understand where they need to improve and develop.

6.1.2 Principle 2 – Application

This Policy will apply to all non-medical employees of the Trust.

6.1.3 Principle 3 – Continuous Development

Development is not a one off (i.e. Performance Appraisal) or intermittent event and therefore:

- One to ones with employees are mandatory
- Mid-Year reviews are mandatory
- On-going feedback must be provided on all issues (both positive and requiring improvement)
- Talent should be spotted and encouraged for those who want to progress

6.1.4 Principle 4 – Meaningful Process

Meaningful at all times. On-going development, 1-1's and yearly Performance Appraisal must be meaningful and not just a 'tick box' exercise.

6.1.5 Principle 5 – Meaningful Objectives

Objectives set must be:

- Centred around patient care
- Relevant to the overall Trust objectives
- In line with the departments objectives
- And have the staff members' development in mind

6.1.6 Principle 6 – Values and Behaviours

The Trust is committed to engaging and developing staff in the application of our values and the standards of employee behaviours. Trust values are reflected throughout this Policy.

6.1.7 Principle 7 – Shared Responsibility

Both employees and managers share responsibility for ensuring Performance Appraisal and personal development takes place and is part of everyday practice.

6.2 PROFESSIONAL COMPETENCIES, COMPLIANCE AND REVIEWS

It is recognised that certain staff groups, such as Midwives, Nurses and Allied Health Professionals have and use specific competencies or undertake specific reviews in line with their professional bodies' requirements and competencies.

6.2.1 Policy Flexibility

This Policy is designed to be used flexibly. Managers are asked to use their discretion and expertise in setting objectives based on:

- Professional competencies
- Trust objectives
- Departmental objectives
- Personal objectives

6.2.2 Departmental Competencies

If staff groups do not have specific competencies set, departments (managers) are advised to set their own in line with Trust/CSC/Departmental aims, Job Descriptions, Person Specifications and the Values and Behaviours Framework (in Documentation section). Please refer to section 6.3 of this Policy for information on strategic aims, which can be used as a guide.

6.3 SETTING OBJECTIVES

Objectives must:

- Be in line with SMART objectives – Specific, Measurable, Achievable, Relevant and Time – bound.
- Be specific to professions clinical and professional requirements and competencies (i.e. midwifery, nursing, AHPs), as stated above in section 6.2.
- Have in mind organisational (Trust) objectives, departmental objectives and personal development.
- Where appropriate and agreed by employee look to develop employees managerially and talent spot.
- Have succession planning in mind

In setting objectives managers should keep the following in mind and use as a tool:

- The Trusts Strategic Aims and Objectives

If necessary objectives should be adjusted as the year progresses (in 1-1s or Mid-Year Reviews).

6.4 TIMING OF PERFORMANCE APPRAISALS

Performance appraisals should be timed to coincide around or just after overall Trust objective and financial budget setting to ensure effective cascade of objectives throughout the organisation. Therefore performance appraisals for managers and leaders should take place between March and September. All other staff appraisals should be scheduled to take place throughout the year.

Departments have responsibility to organise this.

Alignment of managers' and leaders' performance appraisal dates aids in planning objectives around Trust/departmental objectives, ensures performance appraisal is a high profile yearly event and ensures all staff are working towards the same overall goals.

6.5 PROTECTED TIME

It is a mandatory requirement that all employees have a meaningful Performance Appraisal each year.

Employees must be given adequate notice of their Performance Appraisal and adequate time to prepare. Performance Appraisal meetings must be of a sufficient length to ensure a meaningful and constructive discussion takes place.

Managers of all levels are required to allocate protected time so that Performance Appraisal take place and are not cancelled or changed. This principle applies to 1-1s and mid-year reviews.

6.5.1 1-1's and Mid-Year Reviews

It is a fundamental and mandatory principle of this Policy (Principle 3) that 1-1's should occur on a regular basis. A 1-1 is a meeting between a manager and an employee, of any length, which should be used to:

- Review objectives set (progress, challenges, any adjustments that need to be made etc.).
- Progress on Essential Skills.
- Discuss any concerns, give feedback and support.
- Progress against personal development plan

All 1-1's of whatever length must be documented and recorded in the employee's file.

6.5.2 Occurrence of 1-1's

It is recommended that 1-1's should occur at least once every two months, but must occur a minimum of every quarter.

6.5.3 Importance of 1-1's

Regular 1-1s feed into the yearly Performance Appraisal conversation and ensure Performance Appraisal are meaningful and are dealing with 'real' issues.

1-1's are vital in giving employees and managers an opportunity to discuss on-going development or concerns. It is recognised that at times of increased activity it is not always easy to conduct 1-1's. At busy times managers are encouraged to think creatively as to how they can conduct 1-1's with employees.

1-1's are essential in keeping employees talking and communicating with one another. They keep employees and managers 'on task' with objectives set and enhance the progression of development.

6.6 TALENT AND SUCCESSION PLANNING

6.6.1 Talent Management

All employees should have the opportunity to develop to their full potential and where possible this should be supported and encouraged. The Performance Appraisal conversation is the natural place for this to occur, and should focus on exploring career aspirations, interest in future roles and where development opportunities may exist and able to be incorporated into the Personal Development Plan. Further guidance is available in the **Maximising Potential** guide produced by the NHS Leadership Academy.

6.6.2 Succession Planning

It is vital that consideration is given during the Performance Appraisal conversation to where an employee fits into the succession plans for a department and across the organisation, and that the individual is developed and supported as necessary to assume these positions in the future.

6.7 360˚ FEEDBACK

The following employees are required to undertake 360˚ Feedback at least once every 2 years:

- All Senior Leaders band 8b - 9
- Medical Staff in Clinical Director roles and above
- Executive Board

Please see Resource and Guidance Section for more information and details of the process.

6.8 PERFORMANCE GRADING SYSTEM AND FURTHER ACTION

A key component of the Performance Appraisal process is the consideration of the overall performance score, and the requirement to take appropriate action based on the score attained.

The overall performance score is calculated by considering the following:

- Completion of objectives
- Behavioural score
- Essential skills compliance (Automatic 2 or 1 if not compliant)

The table in appendix 1 shows the recognition and/or action that should be taken when an employee has received their Overall Performance Assessment Score, this will vary according to individual employees and roles they occupy, however it is important to note that grades of 2 or 1 should be countersigned by the managers manager, and performance management should be considered in accordance with the Trusts Capability Policy.

Note – there is nothing in this policy that states an individual cannot achieve a score of '5'.

6.9 PAY PROGRESSION IN BANDS 8C, 8D AND 9

There is no automatic incremental progression or retention into the last 2 points of the Band 8c, 8d and 9 pay-scales. This is in line with Agenda For Change Terms and Conditions section 1.11-1.16 and Pay Circular (AforC) 1/2016, published on the 1st April 2016 (for circular, see Resources section of the intranet).

For employees in Bands 8c, 8d and 9, pay progression into the last two incremental points in a band will become annually earned, and only retained where the appropriate local level of performance is reached in a given year.

When an individual is due to progress to the 5th (penultimate) incremental point of the banding scale and has not met the required level of performance and delivery for a given year, a decision will be made as to whether or not they will receive automatic pay progression into that incremental point.

When an individual is in the last two incremental points in bands 8c, 8d and 9 and has not met the required level of performance and delivery for a given year, a decision will be made as to whether or not they will stay at their current point or drop to the incremental point below (incremental point withdrawn). Employees cannot drop below point 4. Refer to Section 6.9.4 for further clarification on withdrawing incremental points.

Incremental progression or retention into or within the last two incremental points will be determined by the employee's performance which will be primarily measured by the employees score on the Overall Performance Assessment Scoring system (see Performance Appraisal paperwork). Grade 2 or 1 require remedial action.

When an employee drops to the incremental point below they will not be entitled to pay protection.

6.9.1 Decision to stop progression or withdraw an incremental point

Any decision to stop progression or withdraw an incremental point should not be a surprise to the individual and should be undertaken as part of an on-going performance review process including 1-1's, Mid-Year reviews and the yearly Performance Appraisal.

6.9.2 Performance Appraisal Period

If the individuals incremental progression date does not occur between March and September (The Trusts Performance Appraisal Review period) then the Performance Appraisal meeting should form part of the on-going discussion around performance and the employee should be informed that at their next incremental date, progression to the next incremental point may not occur (be withdrawn).
If the employee has been previously informed over a reasonable period of time that they may potentially not progress to the next incremental point or potentially have an incremental

point withdrawn, a formal review meeting should take place 1 month before the incremental progression point to review the individual's performance and establish whether or not sufficient improvement has been made. At this meeting the employee will be informed if incremental progression or withdrawal of increment will occur.

6.9.3 Right to Appeal

An employee has the right to appeal, under the terms of the Trusts Appeal Procedure, when decision has been made to stop their incremental progression or withdraw an incremental point (in that given year).

6.9.4 Guidance for managers re: Pay Progression

The Payroll system will not automatically pay the penultimate and final point of the Band 8c, 8d and 9 salary scales. Managers must inform Employee Resourcing 1 month before their employees incremental progression date whether or not the employee will progress to the next point, stay at top of scale or have one of their incremental points withdrawn.

Employee Resourcing should be informed via manager self service. Managers should state whether or not a) the employee will be awarded the point b) the employee will be staying on their current point c) the employee will have a point withdrawn. For guidance see ESR Manager Self Service MSS Manual.

7.0 TRAINING REQUIREMENTS

All line managers are required to attend the Trusts Performance Appraisal training which can be booked via ESR or the Organisational Development Team O.D@porthosp.nhs.uk .

8.0 REFERENCES AND ASSOCIATED DOCUMENTATION

LINKS TO WEB DOCUMENTS:

Performance Management Framework

Performance Appraisal Form (all staff)

Agenda for Change Pay-scales

Management and Leadership Development Framework

Leadership Academy Talent Management Guide

Leadership Academy Maximising Potential Guide

Managers guide to setting SMART Objectives

Your Appraisal Guidance

Guide to Effective 1:1 Meetings

Discussing Health and Wellbeing in Appraisals

Coaching Style Questions

9.0 EQUALITY IMPACT STATEMENT

Portsmouth Hospitals NHS Trust is committed to ensuring that, as far as is reasonably practicable, the way we provide services to the public and the way we treat our employees reflects their individual needs and does not discriminate against individuals or groups on any grounds.

This policy has been assessed accordingly.

Our values are the core of what Portsmouth Hospitals NHS Trust is and what we cherish. They are beliefs that manifest in the behaviours our employees display in the workplace.

Our Values were developed after listening to our employees. They bring the Trust closer to its vision to be the best hospital, providing the best care by the best people and ensure that our patients are at the centre of all we do. We are committed to promoting a culture founded on these values which form the 'heart' of our Trust:

- **Respect and dignity**
- **Quality of care**
- **Working together**
- **Efficiency**

This policy should be read and implemented with the Trust Values in mind at all times.

10.0 MONITORING COMPLIANCE WITH PROCEDURAL DOCUMENTS

This document will be monitored to ensure it is effective and to assurance compliance.

Compliance to this Policy is mandatory.

Minimum requirement to be monitored	Lead	Tool	Frequency of Report of Compliance	Reporting arrangements	Lead(s) for acting on Recommendations
All aspects of Policy	Abi Williams	Data Collection, Spot Checks, Score Levelling	Every 6 months	Policy audit reported in Integrated Performance Report.	All aspects of Policy

Appendix 1 – Overall Performance Score Table

Managers have discretion to think of creative ways to reward and recognise their employees good performance, see Total Reward section for more details.	5	4	3	2	1
Consider nomination for Trust wide reward (i.e. Employee of the month/Best People Awards)	✓				
Department/CSC recognition	✓	✓			
Depending on appropriateness, aspirations and skills of individual:					
Include in departmental/CSC succession plans	✓				
Consider coaching/developing others	✓	✓			
Increase responsibility/take on new projects	✓	✓			
Lead on developments/research/service changes	✓	✓			
Give individual increased autonomy and/or flexibility regarding their role and their individual development opportunities	✓	✓			
Consider the Leadership & Management Development Programme	✓	✓			
Involvement in wider health community projects/care pathways	✓	✓			
Involvement in departmental decision making, wider contribution to the department	✓	✓			
Objectives and Personal Development Plan to include training and development opportunities to increase productivity and effectiveness in role and ensure completion of objectives and behaviours (for example) Relevant training courses Shadow colleagues Increase awareness of other roles/departments			✓	✓	✓
Any decision to award a Grade 2/1 must be checked and countersigned by the manager's manager.				✓	✓
Consider performance management under the terms of the Trust Capability Policy.				✓	✓
Bands 8c, 8d and 9 - Employee will potentially not receive automatic pay progression into the last two points of the band (see section 11 of this Policy)				✓	✓
Discuss with Operational Human Resources.				✓	✓

See Total Reward section in the Performance Management Framework for further guidance.

Portsmouth Hospitals NHS
NHS Trust

Equality Impact Screening Tool

To be completed and attached to any procedural document when submitted to the appropriate committee for consideration and approval for service and policy changes/amendments.

Stage 1 - Screening			
Title of Procedural Document: Performance Appraisal Policy			
Date of Assessment	20th December 2016	**Responsible Department**	Organisational Development
Name of person completing assessment	Abi Williams	**Job Title**	Organisational Development Manager

Does the policy/function affect one group less or more favourably than another on the basis of :		
	Yes/No	**Comments**
• Age	No	
• Disability Learning disability; physical disability; sensory impairment and/or mental health problems e.g. dementia	No	
• Ethnic Origin (including gypsies and travellers)	No	
• Gender reassignment	No	
• Pregnancy or Maternity	No	
• Race	No	
• Sex	No	
• Religion and Belief	No	
• Sexual Orientation	No	
If the answer to all of the above questions is NO, the EIA is complete. If YES, a full impact assessment is required: go on to stage 2, page 2		
More Information can be found be following the link below www.legislation.gov.uk/ukpga/2010/15/contents		

Stage 2 – Full Impact Assessment			
What is the impact	**Level of Impact**	**Mitigating Actions** (what needs to be done to minimise / remove the impact)	**Responsible Officer**

Monitoring of Actions

The monitoring of actions to mitigate any impact will be undertaken at the appropriate level

Specialty Procedural Document:	Specialty Governance Committee
Clinical Service Centre Procedural Document:	Clinical Service Centre Governance Committee
Corporate Procedural Document:	Relevant Corporate Committee

All actions will be further monitored as part of reporting schedule to the Equality and Diversity Committee