



Muirhouse Housing Association

MUIRHOUSE HOUSING ASSOCIATION

Title of Policy: Performance Management Policy (staff)

Date of Adoption or Last Review: 30 March 2020

Lead Officer: Stevie McAvoy, Chief Executive

Date of Next Review: March 2023

**Regulatory Standards of
Governance and Financial
Management**

Standard 5
The RSL conducts its affairs with honesty
and integrity

1. Introduction

- 1.1 Performance Management supports Muirhouse Housing Association in meeting our Strategic Objectives as outlined in our Business Plan. It also supports the individual employee in understanding the key skills, competencies and behaviours needed to fill their role and helps identify the development needs for individual employees.
- 1.2 All mention of Muirhouse Housing Association (“MHA”, “us”, “we”) in this policy refers to the group, including, but not limited to Muirhouse Homes.

2. Purpose

- 2.1 The purpose of the policy is to ensure a shared understanding throughout MHA of the performance management process clarifying the purpose, roles, responsibilities and expectations. Through our Performance Management Framework we aim to promote our organisational values and hope to increase employee morale and wellbeing.

3. Scope of Policy

- 3.1 This policy covers all employees of Muirhouse Housing Association, whether in permanent roles or on fixed term contracts. This policy is also applicable to employees during their probation period.

4. Policy Framework

- 4.1 The policy is underpinned by our mission, values and principles (see Business Plan) and good management practice.

5. Roles and Responsibilities

- 5.1 Chief Executive:
- ensuring that the policy is implemented consistently throughout MHA.
 - supporting managers and staff in the interpretation and implementation of the policy.
 - advising on all aspects of performance management.
- 5.2 Line Managers:
- implementing and adhering to the policy, principles and procedures.
 - as the Chair of the Board acts as line manager and conducts the appraisals for the Chief Executive, the Chair will also be a ‘line manager’ for the purposes of this policy. The Chief Executive and senior staff take part in a 360 degree appraisal process, as covered in the Performance Management Policy for Board.
- 5.3 All staff:

- to participate in the process.
- to adhere to the policy and principles.
- maintain confidentiality.

6. Introduction to Performance Management

6.1 Performance management helps to create a shared understanding of our objectives and values, it also helps us to focus as a team and as individuals on the achievement of these. Fundamental to the approach is:

- an agreement between the staff member and manager about what is to be achieved, to what standard, how and by when, by setting clear personal objectives in line with our Business Plan and Operational Delivery Plan.
- an agreement between the staff member and line manager in relation to the skills, knowledge and competencies needed to achieve the personal objectives and support from the manager to ensure the development of these.
- regular, joint review of progress against the above to ensure continual improvement of performance and professional development.

6.2 The aims of performance management in MHA are to:

- promote good management practice and reinforce our vision, mission and values.
- ensure our employees are facilitated to work to a consistently high standard.
- deal promptly and effectively with performance issues and improve individual employees' performance and understanding of the role.
- encourage and support personal development and organisational learning.

7. The Benefits of Appraisal

7.1 If carried out effectively, a performance management process will provide benefits for the individual, the line manager and the organisation. It will increase morale and enhance wellbeing for employees in general.

7.2 Benefits of appraisal to the individual employee:

- valuable feedback received about performance.
- a better understanding of his or her role.
- recognition of his or her efforts.
- opportunity to recognise and address any barriers to employee's progress
- opportunity to discuss learning and development needs.

7.3 Benefits of appraisal to the line manager:

- strengthened relationship with the employee.

- information from the employee may contribute to improvements in the remit of the role.
- focussing on each employee and agreeing actions as an individual, contributes to better overall performance and morale.

7.4 Benefits of appraisal to the organisation:

- line manager has the opportunity to review how each employee's strengths can best be utilised.
- discussion of employees' ideas and expectations enhances communication in general.
- line manager is provided with a forum to communicate the aims and future direction of the department and organisation

8. Performance Management Process

8.1 The following is a broad outline of the key aspects of the performance Management process.

8.2 Objective setting at the start of employment

At the start of the employment, personal objectives will be discussed and agreed with the individual and their line manager based on their job competencies and the Operational Delivery Plan.

8.3 Probationary Period

New employees have a probation period with a view to reviewing performance monthly. At the end of the probation period a formal meeting between the employee and the line manager will take place. At this meeting, the line manager and employee will review the personal objectives agreed at the start of the employment. The employee is either confirmed in post or the probationary period may be extended for a reasonable period of time, usually 1 to 3 months. There will be regular dialogue between the employee and their line manager to discuss any problems that the new employee may be experiencing to identify the cause and find a workable solution.

8.4 Annual Appraisal Form

This is an agreement developed by the line manager and the individual of the overall personal objectives for the upcoming period and measures or indicators of success. The personal objectives are developed in the context of MHA's Strategic Objectives and the job competencies and must be specific, measurable, achievable, realistic and time bound. Quarterly review meetings will take place between the line manager and the employee to measure the effectiveness of the agreed personal objectives and to identify any further support, learning or development needed to achieve them. The design and content of the appraisal form will be developed by the Chief Executive.

8.5 Learning and Development Plan

This plan is developed jointly by the line manager and the individual determining the skills and knowledge needed to achieve the objectives. Any areas for further learning and development will be highlighted and the manager will provide the necessary support (e.g. coaching, time, funding) to ensure these needs are met. Retrospectively the effectiveness of the learning and development will be evaluated, and any completed training will be registered in the employee training register.

8.6 Continuous Management

Progress will regularly be monitored against the objectives agreed in the annual appraisal through the regular one-to-one meetings and the six monthly review of the Learning and Development Plan. The process involves:

- regular and constructive feedback from the manager on progress against objectives, and identifying the actions needed by the individual and/or manager to ensure the objectives are met
- actively learning from experience through the analysis of what went well or what could have been improved, why and what needs to be done differently in the future.
- dealing with performance problems as and when they arise, so that they can be resolved quickly and effectively.

8.7 Annual Appraisal

Annual appraisal is the opportunity to consider performance over the previous 12 months against the performance agreement and progress against the development plan and then to develop an agreement and plan for the next 12 months.

8.8 Six Monthly Review of Learning and Development Plans

This is an important opportunity to review and monitor overall progress towards the identified learning and development needs and to discuss whether any additional support or learning is needed.

These meetings also provide the opportunity to measure the effectiveness of the methods of learning that have been used during the review period.

8.9 Regular One-to-One meetings

These are vital to ensure ongoing monitoring, review and continuing improvement of performance by ensuring progress towards meeting objectives is being made through effective management of workloads and priorities, and provision of support as and when needed. The line manager and the employee should agree the regularity of these meetings and hold them as often as necessary, at least quarterly, depending on the level of support and supervision needed.

9. Handling Disagreements

- 9.1 If at any point in the process there are disagreements, or issues affecting the working relationship between the line manager and the individual these should be raised in the first instance in the review meetings and a

commitment and plan agreed to resolve them. Progress should be jointly monitored and reviewed. If the matter cannot be resolved in this way, the grievance procedure should be used.

- 9.2 In exceptional cases where there is a difficulty in communication between the line manager and the individual, it may be helpful during the appraisal process to involve an objective 'observer'. This may be the line manager's manager or another colleague whose role would be to observe and/or facilitate the process as necessary. The role, expectations and remit should be agreed among all parties beforehand.
- 9.3 There may be situations where employees have been supported through their induction, performance reviews and appraisals and still do not achieve the expected level of performance. Managers would be expected to start the process of managing underperformance. Early intervention gives more opportunity to resolve issues. Line Managers who ignore unsatisfactory performance will not help the individual or their team, as delayed interventions can escalate interpersonal conflicts and result in more formal approaches being required to address problems.
- 9.4 The aim should be to support employees to achieve the expected level of performance. The process starts from having an informal meeting, during which the line manager should explain exactly what aspects of performance are unsatisfactory, what targets and standards are expected and within what timescale. The line manager should encourage employees to explore what could be preventing them from achieving what is required and then explore together how such gaps can best be addressed.
- 9.5 If the results are not satisfactory, reasons for this should be discussed and new targets and standards set. This would again be confirmed in writing with clear expectations of tasks/behaviours explained. The employee should be informed that continued underperformance may lead to formal disciplinary action. Where further review(s) shows unsatisfactory results, the line manager may decide to instigate the formal process and invite the employee to a disciplinary hearing. This will be done following the Disciplinary Policy and Procedure.

10. Record Keeping

- 10.1 Good record keeping is a critical part of performance management to:
- be able to monitor progress over time against objectives and development plans.
 - ensure any agreements made are clear and open to scrutiny if necessary, for example, in cases of disagreement, management of underperformance and the use of disciplinary and grievance procedures.

- 10.2 Records should be kept of all review meetings. They will be kept in line with the Access Control Management Policy and the Privacy Policy. The following records will be kept:
- the annual appraisal forms should be completed, agreed, and once signed by all relevant parties
 - minutes of the quarterly performance review, including feedback, agreed actions, adjustments to the work plan.
 - notes of the quarterly performance review meetings should include feedback and action points and must be kept by both the manager and the individual for reference.

11. Monitoring the Performance Management Process

- 11.1 The Chief Executive will review the appraisals to ensure they are carried out in line with the policy and follow up any queries or issues in relation to the process, as well as drawing out organisational staff learning and development issues.

12. Diversity and Equality

- 12.1 We are committed to Equality and Diversity and will not discriminate in the operation of this policy on the basis of any of the protected characteristics in the Equality Act 2010. These are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 12.2 We aim to promote equal opportunities and comply with all current legal requirements relating to equal opportunities and the Equality Act 2010.

13. Confidentiality and Data Protection

- 13.1 All information provided to us by individuals will be treated in strict confidence and will only be discussed with other parties with the individual's (or their appointed representative's) prior consent. We will comply with the Data Protection Act 2018 and the General Data Protection Regulation 2016 when holding personal information in our files and on our computer systems.

14. Policy Review

- 14.1 This policy will be reviewed every three years or earlier if required.