

**An Examination of the Performance Management Process
within ESB International**

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July 20th, 2009

**Dissertation submitted in partial fulfilment of the requirements for the Honours Degree
in Human Resource Management**

Declaration

I hereby certify that this material, which I now submit for assessment is entirely my own work and has not been submitted in whole or in part for assessment for any academic purpose other than in fulfilment for that stated above.

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ACKNOWLEDGEMENTS

To everyone who was kind enough to support me by participating in this study. Also for their time, expertise and valuable insights.

I am very grateful to my husband and friends for the ongoing support during the completion of my studies during the last number of years.

ABSTRACT

Performance Management is an important process for all organisations. This process should be a flexible and a continuous cycle. However it must be realised that, performance management is a complex and often difficult task. The employee relations mechanisms within ESB International provide an agreed process for performance management. This study will explore the current process, the workings of it, considering that each of the businesses have significant differences in their key accountabilities. The analysis sets out to identify the current performance management process framework provided by the organisation and how it contributes to the overall success of the organisation. It will also examine feedback given by employees as to how this process is working in reality and what value they put on it. There has been a significant improvement noted in the last survey in regards to some elements of the process however evidence would suggest that further development is required. Performance management should be challenging, motivating and rewarding. Drawing on these analyses, specific recommendations are made in regards to the workings of the current performance management process for the organisation in the management its employees.

List of Abbreviations

CIPD	Chartered Institute of Personnel and Development
ESBI	ESB International
ITDP	Individual Training and Development Plan
PCD	Professional and Career Development.
PMP	Performance Management Process

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Chapter 1

Introduction

1.0 Introduction

ESB International have a proven successful international track record in investing, building and maintaining power generation projects and is a trusted partner in the energy industry. As illustrated below ESB International has a range of businesses which are all operating under the current performance management process, yet their objectives and strategic business plans are seen to be very different from one another. ESB International also has the facility to tap into the extensive pool of resources from ESB when required.

1.1 Context of the Study

This puts into context the importance of this study as managements current thinking is that 'one hat fits all' when employees from all business are engaging with the performance management process even though they are all contributing differently to the value chain and the organisational structures within each of the business lines seen to be quite different. Considering the recent introduction of competencies to the process it will be worthwhile to see how these are integrating into the performance management process. ESB International (ESBI) is a wholly owned subsidiary of Ireland's Electricity Supply Board (ESB), a vertically integrated utility that has a number of ring fenced divisions operating independently in the Single Electricity Market. ESB International is responsible for the non-regulated business in the ESB group and is unique in the sense of it operates across all areas of the Energy Value Chain. It originates, outsources, construct, manages, operates and maintains energy assets in Ireland and overseas. ESB International employees over 1300 staff. The turnover is over 850 million per annum. It has presence in over 25 countries and projects in over 100 countries.

As a group, ESBI has four distinct businesses:

1. ESB International Engineering & Facility Management (ESBIe-fm)

A provider of commercial engineering, environmental and asset management services to ESB Group and other clients.

2. ESB Independent Generation (ESBIg)

An independent power plant generator and trader of electricity in the Single Electricity Market (SEM)

3. ESB Independent Energy (ESBIE)

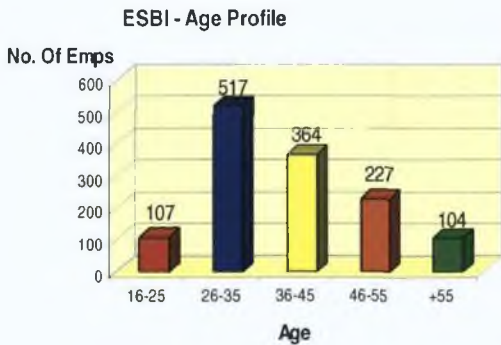
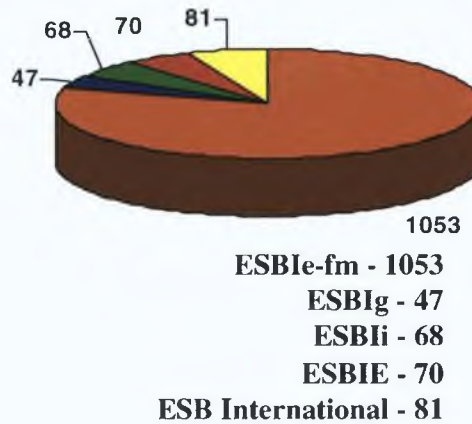
A competitive electricity supply business in the Single Electricity Market (SEM)

4. ESB International Investments (ESBIi)

Responsible for the identification and development of international electricity investment opportunities in accordance with ESB Group Strategy.

Figure 1.1

**ESB International
Staff Number
2009**



**Figure 1.2
ESB International
Age Profile**

1.2 Key Research Questions

The overall objective of the report is to take a ‘snapshot’ view of the current understanding of the employees in the area of performance management and to determine the ‘value’ that is placed on such a process. The researcher will attempt to determine what performance management is and how it is being applied to ESB International. It will also review the progress of the recent introduction of the competencies and assess the employees understanding of these. The key research questions asked during the interviews and the questions posted during staff satisfaction surveys seek to establish the effectiveness of the performance management process expressed by the various stakeholders. It will look at the opinions of both management and employees and the overall impact it has on the business performance. Finally, the research question wishes to establish if “one hat” really does fit all within ESB International and if not, what measures and process changes, would be suggested to make the process a robust one.

1.3 Research Methodology

The research being carried out for this project will use historical staff surveys and interviews carried out by the researcher. The interviews were conducted with different levels of staff from across the businesses who are directly involved with the implementation of the performance management process which impacts the company’s overall successes or not. The researcher decided to pilot the interview questions first and based on the initial feedback from the first respondent, necessary adjustments were made to the questions in preparation for the rest of the interviews that followed. These changes gave the researcher more access to the thoughts and opinions of the employees on the performance management process.

The primary research element consists of using interviews within the organisation with relevant stakeholders who are affected by the success of the performance management process. Also an interview conducted with the head of human resources to gain an insight into the organisations view of the workings of the process. The rationale for the choice of methodology is explained in Chapter Three.

1.4 Conclusion

The introductory chapter has indicated the structure of the report, and given an outline of the key research objectives and methodology, used in the study of the performance management process within ESB International. It also gives an outline of how the organisation is structured and what each of the business lines do.

Chapter 2

Literature Review

2.0 Introduction

This chapter identifies the research objectives of this project, while examining the theories and literature which support it. The academic sources provide a greater understanding of the concept of what performance management is and how it has evolved. It will review various definitions of performance management, and it will also look at the impact of performance management has on employees and the importance of leadership contributing to the process

2.1 The Concept of Performance Management

Achieving and maintaining satisfactory performance is a central aspect of a manager's role in any organisation. The Oxford English Dictionary definition of performance is "carrying out" Performance is often referred to as the "output" or the achievement of the objective.

What is performance management?

It is commonly suggested in literature that performance management is a natural process of management which contributes to the effective management of individuals and teams to achieve high levels of organisational performance within an agreed framework. However performance is not just about 'what' you achieve but also 'how' you achieve it. It was stated by Bates and Holton (1995) that 'performance is a multi dimensional construct, the measurement of which varies, depending on a variety of factors'. They also stated that it is important to determine whether the measurement objective is to assess the performance outcomes or behaviours (input). This concept was well described by Brumbrach (1988), 'Performance means both behaviours and results. Behaviours emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviours are also outcomes in their own right – the product of mental and physical effort applied to tasks – and can be judged apart from result'. It can be argued therefore that 'Performance' is about how things are done (Behaviours – inputs) as well as what is done (results).

This is referred to by Hartle (1995) as the 'mixed model' of performance management, which covers competency levels and achievements as well as objective-setting and review. The term "performance management" has been one of the key areas that have been developed in the management of people in recent years.

According to research provided by the CIPD, other writers have tended to define performance management as a more operational process. For example, Briscoe and Claus (2008) say: *'Performance management is the system through which organisations set work goals, determine performance standards, assign and evaluate work, provide performance feedback, determine training and development needs and distribute rewards'* Depending on the organisation it can take on several different meanings and use various systems whether online tools or paper based forms to support the roll out and implementation of performance management.

2.2 How Performance Management has evolved

According to CIPD 'We have tracked the evolution of performance management since the early 1990s from a heavily bureaucratised procedure focused on objective-setting or merit rating to a more wide-reaching and inclusive process integrated with other related practices such as career management, talent management and development'. Research would suggest the approach to performance management has changed over recent years and is now recognised as enhancing individual and team performance which will contribute to bottom-line results. Performance management nowadays promotes the concept of having a two way conversation. Both the reviewer and the reviewee bring something to the table.

Ireland in particular has seen a significant increase in foreign investment since the 1970's and particularly during the Celtic tiger a tremendous growth of multinationals emerged. The impact of these multinationals on employee relations over the years has contributed to the trend of the establishment of innovative employee policies and procedures and new techniques being developed to support the implementation of performance management systems. These techniques are constantly highlighting the importance of linking an individual's goal to the overall strategic objective of the organisation, thus making the individuals goals, meaningful ones.

Everyone in an organisation needs to have a clear understanding as to how to their individual contribution adds value to the overall achievement of the organisational objectives.

According to the research carried out by the CIPD, 'In the latter half of the 1990s, performance management was developing rapidly as more knowledge-intensive work demanded better and better ways of directing and managing performance. The result was that many organisations were experimenting with different performance management systems. Many of the systems and processes studied in the past CIPD investigations were less than five years old and many were still in the process of development or redevelopment. However, in recent years we have seen evidence that there has been much more continuity in performance management, with organisations making relatively small changes to an established process rather than redesigning or redefining the objectives of that process'. ESB International has too made many changes to its process in the past number of years based on the feedback given in employee surveys.

Effective performance management must have access to a framework that sets out how the process must work to ensure both parties benefit from it. Porter (1985) expressed that 'Performance management can only be effective where the organisation has a clear corporate strategy and has identified the elements of it's overall performance which it believes are necessary to achieve competitive advantage'. There must be particular emphasis placed upon the relevancy of objectives to the overall objectives in the organisation. For many years it was often assumed that performance management and a performance appraisal is one of the same and somehow the linking of individuals goals the organisational ones where often missed.

According to CIPD, they have tracked the evolution of performance management since the early 1990's from 'a heavily bureaucratised procedure to a more wide-reaching and inclusive process.

Armstrong and Baron (1998) conclusions suggest "that during the 1990's there was a movement away from concentrating solely on the hard 'what' of performance, as evidenced by a focus on objectives and outputs, towards a greater emphasis on the 'inputs' or behaviours of the individual. At the same time they reported less enthusiasm for ratings, performance related pay (PRP) and outputs.

The new style of performance management they identify also requires a switch of ownership, from a system owned and policed by HR to a process designed for, and operated by, line managers'. They too stated that it is important to determine where the measurement objective is to assess performance outcomes or behaviours (input).

In recent years it can be said that organisations are increasingly seeing employees as their most important asset. An appraisal was generally considered a formal assessment where a rating was assigned usually at year end, often seen to be owned by the human resource department and not line managers.

Where in recent years the evolution of performance management is considered a continuous integrated cycle, focusing on the individual's personal development, their values and behaviours as well as their objectives and seen a significant shift in the view that performance management is owned by the business lines and human resources are only there to facilitate training or offer support if required.

In order to support individual's development some organisations have introduced competencies as components of performance management. As outlined on the CIPD website, 'Competences describe what people need to be able to do to perform a job well'.

Competencies (more helpfully, 'behavioural competencies') are defined as the dimensions of behaviour that lie behind competent performance. Though the language used does not help in making the distinction, to perform well it is necessary both to be able to do a job at a technically competent level and to have behaviours that reinforce those technical skills; an obvious example of behaviour is the surgeon who needs a good bedside manner and to be able to communicate with colleagues, in addition to surgical skills'. During 2008, ESBI also introduced behavioural competencies (See Appendix E) during the PCD (Professional & Career Development) and the mid year review meeting which was implemented to support line managers in their discussions with their staff on their personal development.

Behavioural Competencies underpin, support and contribute to job performance. Each of the competencies shows a natural progression based on the acquisition of experience. By assessing competencies as well as actual achievements in the job, people can get better feedback and can then perform better in the future.

A competency describes the behaviour or actions that can be seen when a job is being done well. Senior Management across the businesses agreed the competency framework to help individual's development and business development as well as meeting the needs of the customers. The competency framework focuses on soft or behavioural skills and supports technical competencies

How are the competencies used?

- They are utilised by the interview panel to support the recruitment and selection process.
- In the promotion process, competencies will continue to support the process and all staff will be able to access the competency menu themselves.
- When coaching and mentoring the competency menu supports development and assists with identifying appropriate learning interventions
- Competencies assist in the review of performance when integrated into the performance management process.
- In relation to the PCD (Professional & Career development) or ITDP meeting with an employee, when using the competencies in assessing a person's performance against the desired competencies, a development gap may be identified in one or more areas. It is then possible to identify what actions the person might take (or what training to undergo) in order to overcome this gap. This in turn feeds into the ITDP process and training interventions can be agreed with the manager to support this.

According to Dr. Gerry McMahon in his guide on "Performance appraisals, given to the researcher during April 2009 for research purposes only, explains that 'Competencies may be described as observable skills or abilities to complete a managerial task successfully e.g. interpersonal skills, communication skills, teamwork, drive, analysis, people orientation. It is a mechanism which allows for staff to be appraised on the competencies that are most important to job success. The key competencies associated with high performance may also be incorporated into the organisation's selection, training and development systems.

Though competency based appraisal does provide some scope for comparing people, its real strength is in analysing the progress of the individual and in directing attention to those areas where skills can be improved'.

According to Wood and Payne, 1998:27, the ten most common competencies found in competency frameworks are: Communication, achievements / results orientation, Customer focus, teamwork, leadership, planning and organising, commercial / business awareness, problem-solving, analytical thinking, building relationships

Dr. Gerry McMahon in a article given to the researcher during April 2009, explains that a “A formal system of Performance management or appraisal is central to the process, involving the regular sharing of information between management and other employees about their work performance and potential. Later on in this study, the primary research will try and determine the workings of this system as it stands today.

2.3 The Impact of Performance Management

The CIPD would suggest that “Surveys suggest that individuals and managers in organisations with performance management systems quite like it, and especially its emphasis on personal development, although performance-rating (often linked to PRP) often provokes hostility” Performance management gets to the very heart of the organisation. It needs to reflect and support the organisation’s culture, strategy and style. Armstrong and Baron (1998) define Performance management as a ‘strategic and integrated approach to delivering sustained success to organisations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors’ Attracting and retaining top talent is key to the organisations survival today. The performance management process should be flexible and a continuous cycle which encourages personal development. Highly admired companies have often captured the attention of others due to their ability to effectively manage performance which represents being able to get the best out of people. Providing feedback is one of the most important communications skills for any organisation. Receiving feedback can also be hugely beneficial for enhancing personal awareness. It is important for organisations to create a culture of giving and receiving feedback as ultimately this will improve the overall organisational success.

In 2004 and 2005, during a study conducted by Fortune Magazine, in conjunction with Hay Group, it found that companies were most admired due to some critical success factors around Performance Management. The first key success factor found that all functions of an organisation must be confident to implement the strategy effectively, so therefore there must be an ability to translate the strategic goals into specific accountabilities. The second key success factor was the ability to drive accountability throughout an organisation. Constructive feedback must be used to hold people accountable for delivery of these goals.

According to the research of CIPD, 'Performance reviews can be regarded as learning events, in which individuals can be encouraged to think about how and in which ways they want to develop.

Performance management is concerned with the encouragement of productive discretionary behaviour, as defined by Purcell and his team at Bath University School of Management 'Discretionary behaviour refers to the choices that people make about how they carry out their work and the amount of effort, care, innovation and productive behaviour they display. It is the difference between people just doing a job and people doing a "great" job.

Members of any organisation learn from their experience of a performance review and their discussions with their boss what the organisation values. These conversations have to be a dialogue between both parties and time given to it. They need to demonstrate the value of open and honest conversations. According to CIPD, 'fully realised, performance management is a holistic process, bringing together many of the elements which go to make up the successful practice of people management, including in particular learning and development'.

2.4 Consequences of Poor Performance Management

As mentioned earlier in this chapter. It is vital that performance management is in place and is a continuous cycle to ensure that employees know what they need to do, have the skills to do it and deliver to a satisfactory standard. It must also be realised that performance management is a complex task and managers must have the skills to manage performance effectively. CIPD research highlights the importance of front line managers and how their behaviour relates directly to employee engagement, job satisfaction, advocacy and 'performance'.

Performance management is 'a process which contributes to the effective management of individuals and teams in order to achieve high levels of organisational performance. As such, it establishes shared understanding about what is to be achieved and an approach to leading and developing people which will ensure that it is achieved' (Armstrong, Baron 1998). Through the current process objectives are set and this implies there is agreement about these objectives. However, according to survey results only 37% said "I see a clear link between job performance and pay.

Employees do feel however which is illustrated in the staff survey results of 2008 (See Appendix A) that they are given the opportunity to develop, but further analysis of these opportunities show that this has been focussed around ensuring that employees were given the technical and health and safety training that is required to fulfil business needs only rather than focussing on personal development or what is considered the 'soft skills' also.

It must be also considered that inconsistencies can happen when there are performance ratings in place if not used correctly. The link between performance ratings and pay can potentially influence the impact performance management has on employees. If there are inconsistencies in the assigning of ratings to individuals, this can influence the value placed on the performance management process by employees if they think the system is not being used fairly. Therefore it is vital that an organisation monitors how the ratings are being used to ensure that the system in place is perceived as fair and constructive.

The viewpoint of CIPD would be that 'Performance management is not easy to implement. It should be 'owned' by everyone in the organisation, and especially line managers – it is emphatically not about guardianship by personnel departments. Surveys suggest that individuals and managers in organisations with performance management systems quite like it, and especially its emphasis on personal development, although performance-rating (often linked to PRP) often provokes hostility. Schemes can be over-detailed and require too much form-filling, and there can be a lack of definition in terms of what is meant by performance and how to achieve it. Schemes can be less successful than they might be because of lack of training, especially at the beginning.'

2.5 The importance of Leadership

Performance management takes place in all organisations. This can comprise of occasional conversations, counselling or evaluating an individual's performance ad-hoc. On top of the daily operational aspects of a manager's job, it's important that they devote time to a dialogue about an individual's performance on the job.

CIPD's view point on performance management states that, 'Performance management is difficult to implement. It is about ownership by everyone in the organisation, and especially line managers - it is emphatically not about guardianship by personnel departments'.

Therefore leadership is critical to the achievement of high performance. It is essential in helping others aspire to and attain high levels of performance for themselves and an organisation. Leading for performance requires that the leader can bring out the best in people.

It is a fundamental aspect of performance management within any organisation that the "leader" believes in it, and is a role model in making it an integral part of the overall business objectives. The cascading of this process must start the top of the organisation. Leadership has been given many different definitions, However one thing is clear; leadership is a process where a leader influences the direction of a unit in achieving its objective. Mintzberg (1973) believes that leadership is an integral part of a managerial role. Mintzberg identified three managerial roles, interpersonal, informational and decisional. The interpersonal element is key to successfully manage performance.

2.6 Conclusion

The Literature Review has examined the most up-to-date research available on Performance Management. It would appear that the concept of performance management has evolved over the years and that this is considered a continuous cycle and must be experienced as a "learning event". This Literature Review looks at the reasons behind why this research is being carried out and forms the basis of the research question and objectives.

Chapter 3

The Methodology

3.0 Introduction

This chapter will explain the methods used to obtain the information for this research. It will describe the research methods adopted and the research problem asked. It will also give an overview of all participants involved in the study.

3.1 Key Research Objectives

This study attempts to examine the Performance Management Process and question whether the current thinking of management that “one hat fits all” is the right concept. The research problem evolved from the question: Are the employees engaging with the Performance Management Process? Do they receive feedback? It was also discovered during the last staff survey conducted by Ipsos Mori who reported that “The majority are participating in setting their work objectives however more needs to be done in linking reviews to improved performance and pay. 73% of employees said that “clear work objectives have been agreed for me with my manager/ supervisor, however only 37% said “I see a clear link between job performance and pay”. This research will try to ascertain why employees are not seeing the value in the year end review process shown in the evidence published in the recent staff survey conducted during 2008. The research will also look at the organisation profile which was carried out by an external consultant on behalf on the organisation and how this profile supports the roll out of the performance management process or not.

The research will also review the company’s approach to performance management, their ability to frame behaviours with the recent introduction of the behavioural competencies (See Appendix?); during the mid year review meeting and the progress management are making to date in integrating these into the formation of their individual training and development plans.

Evidence of these competencies being used in reality and employees understanding of them should emerge from the open-ended questions asked by the researcher.

In order to answer this question this will require a certain depth of qualitative and quantitative information in order to formulate a conclusion.

3.2 Research Strategy

Quantitative information will be obtained from historical staff survey results and analysis will be carried out on a 360 degree group profiler report that was produced during late 2007 by an external consultant on the management within ESB International. According to Tull & Albaum (1973) a survey research "is a term that is susceptible to a variety of interpretations" thus their definition is "the systematic gathering of information from (a sample of) respondents for the purpose of understanding and/or predicting some aspect of the behaviour of the population of interest"

Also according to CIPD '360 degree feedback became increasingly talked about in the 1990s, if not widely used. It consists of performance data generated from a number of sources, who can include the person to whom the individual being assessed reports, people who report to them, peers (team colleagues or others in the organisation), and internal and external customers. It can also include self-assessment. 360 degree feedback is used mainly as part of a self-development or management development programme, and is felt to provide a more rounded view of people, with less bias than if an assessment is conducted by one individual'.

The researcher has chosen these methods, as the historical staff survey results and a 360 degree profiler report are made available for research and can be useful to determine trends and variation between business units. The 360 degree profiler report will help establish where the organisations expertise lies and also the management's skills within it.

The researcher will gain qualitative information by conducting semi-structured interviews with employees. This approach provides the opportunity to do in-depth interviews with participants, thereby gaining access to rich comprehensive data which can be analysed as it concentrates on the here and now. The researcher believes that qualitative interviewing enables the interviewer to build rapport from the outset which in turn creates an informal atmosphere where the interviewee should feel at ease to respond openly.

It will also ensure the consistency of data collection, as all respondents will receive the exact same questions asked in the exact same way. This can be described as painting a picture of the organisation, which reflects reality, as the questions are asked in the here and now.

3.3 Research Design

The researcher will first pilot the interview questions and then based on the analysis of the pilot interview conducted, of the information received, will make the necessary adjustments to the interview questions format in order to maximise the potential outcome. It is important to pilot the interview questions first as it will demonstrate from the outset if the designed questions by the researcher will give enough evidence to examine the performance management process. Pilot interview questions can be found in (Appendix B)

Secondly the researcher will design questions that will only be asked of the human resources manager. It would be the view of the organisation that the human resource manager is ultimately responsible for ensuring that the organisation has an up to date and robust employee relations processes. Performance management is one of these processes. Therefore the questions asked of the human resource manager will attempt to ascertain the organisations viewpoint on the current performance management process.

Thirdly the researcher will analyse data produced from a group profiler report that was carried out in late 2007 by an external consultant. The data collected in this report is highly confidential to the organisation therefore it was requested that only some of the report will be referenced in the findings and not printed.

Using qualitative methods is highly beneficial, especially in the case of researching employee relations procedures as these tend to be quite complex and behavioural based. By using qualitative research it makes it more feasible to discover some of the underlying opinions of the respondents and gain more of an insight into the workings of the actual process in the here and now. The researcher has gone to every effort to ensure the confidentiality of the respondents as the questions asked of each of the respondent is considered highly sensitive information. By using this method, data collection, analysis and eventual theory can happen simultaneously (Strauss and Corbin, 1998).

The general research question, determines the type of questions that need to be developed in order for the Performance Management Process to be examined.

3.4 Staff Survey's

A census survey is completed each year by employees using an online self completion methodology. The report examines the survey results at overall level, with comparisons to Ipsos MORI Top 10 Norms and the previous year's data where possible. Each year the results are used to determine the workings of the performance management process, based on the questions asked. A Quantitative research is research involving the use of structured questions where the response options have been predetermined and a large number of respondents are involved. (See Appendix A). For example a well designed employee survey can provide an organisation with some useful information that is continuously focusing on improvements. However where as qualitative research is much more subjective than quantitative research and uses very different methods of collecting information, mainly individual, through for example in-depth interviews. The nature of this type of research is exploratory and open-ended. However the researcher feels that just using a survey alone doesn't fully investigate the opinions of employees and the workings of the performance management process in reality. The findings of these surveys are published on a business unit level only and do not drill down to individual management levels.

3.5 Qualitative Research - Semi- structured interviews

Qualitative research certainly excels at generating information that is very detailed. The researcher also believes that qualitative research has special value for investigating complex and sensitive issues. The researcher decided to use semi-structured interviews. This made the process of interviewing to be a flexible one.

At the most basic level, interviews are conversations. Qualitative research sometimes begins with a specific focus, and according to Silverman (1993) has been critical of the notion that it should be regarded as an open-ended form of research. 'Qualitative interviewing would seem to be better suited to such a situation, since the interview can be directed at that focus and its associated research questions'.

Semi-structured interviews are conducted with a fairly open framework with a pre-prepared list of questions which allows for focused, conversational, two-way communication. They can be used both to give and receive information. Interviews can provide the interviewer the opportunity to pose open-ended questions. The advantage of open-ended questions is that it offers the respondent to answer the question how they see fit. However open-ended questions do demand more effort from the respondent which can sometimes result in unanswered questions.

As mentioned by Dr. Gerry McMahon in his guide on "Performance appraisals" With the 'questionnaire' the respondents complete the form at their own leisure and in their own time. However with an 'interview' questions are put by the interviewer in a face-to-face meeting. The main strength of this technique is that it can be informal, yet in-depth and structured, with ordered sets of questions. The interview questions used for this research can be viewed. (See Appendix D). Therefore its flexibility allows the interviewer to pursue useful lines of questioning which might not have been considered at the outset. However it does not afford the respondents anonymity. Accordingly, interviewees may not be completely open and honest'.

The success of the data collection is determined by the ability of the interviewer to great a rapport with the interviewee from the outset. The face to face interviews were considered more conducive to conversation and so interviewees are given more opportunity to express their personal opinion and views. The questions posed by the interviewer can be found in (Appendices D) the interviews were recorded using a digital Dictaphone and were later transcribed in detail. (See Appendix H). By interviewing a number of different employees it allowed the researcher to look for comparisons and contrasts in the information gained. The range of jobs roles and the length of service from the respondents allowed the researcher to drill down in the views and opinions of the respondents as the list of respondents where both performance reviewers and performance reviewees, thus giving a balanced view point. By interviewing the human resource manager it enabled the researcher to gain in-depth information on the opinion of the organisation and its senior management team as to how the performance management process is working today. Below the list of respondents can be found in table 1.

Table 1- List of Respondents that took part in this study

	Title / Role within the organisation	Participates in the process as a	Area of business
1	Senior Pay role Administrator (Pilot interview)	Reviewer	HR
2	Engineer	Reviewee	Engineering & facility Management
3	IT / BP Consultant	Reviewee	IT
4	Communications	Reviewee	Group Centre
5	Engineer	Reviewer	Civil & Structural
6	Head of HR	Reviewer	Group Centre
7	Commercial Manager	Reviewer	International Investment
8	Facility Manager – Key Accounts	Reviewer	Engineering & facility Management

3.6 Recording and Evaluating the Data

The relevant literature on the topic has helped determine the research question and supported the formulation of questions asked during all interviews. All of the interviews were recorded and transcribed in detail. The researcher transcribed the interviews verbatim. The transcripts can be viewed under (See Appendix H)

This data was then analyzed and interpreted representing themes that had emerged from the original literature review conducted. This involves reducing a large volume of raw information, and categorising it into significant patterns and integrating it into a framework or theory that shows what the data revealed (Patton, 2002). This began with the process of 'breaking down, examining, conceptualizing and categorizing data' (Byman and Bell, 1990; 61). Once this occurred coding took place, wherein the data was assembled to make connections between the categories that formed.

This involved the process of selecting core categories, or elements, and systematically relating them to other categories that linked to the research objectives of this study. In chapter four the themes would be broken down and addressed where possible. Hence allowing a theory or concept to form, which answers the question; Are the employees engaging with the Performance Management Process? And does 'one hat fit all'.

3.7 Validity

It is important to mention the validity, in qualitative research. It is important to acknowledge that it will depend on how well the researcher is able to derive meaning from the participants' language as it was intended. Saunders *et al* (2007) explain that interviews exhibit a high level of validity, due to the interaction between interviewer and respondent. For example, the type of rapport that is created between the interviewer and interviewee can impact the validity of the analysis. This means that the researcher must remain as neutral as possible. While the researcher probed in certain areas to gather more data, and in some cases may have modified the questions in some way, the data collected reflected the interviewee's views and opinions only. The research respondents would be later transcribed verbatim.

3.8 Reliability

Reliability is concerned with whether an alternative researcher or researchers would produce similar information or analysis. The method of using interviews allows the interviewee to express their opinion on the performance management process at that particular moment in time, and therefore will reflect the reality of the situation only.

Therefore it must be said, that if the same questions were asked to the same respondents at a later stage, potentially other information may come to light. Saunders *et al* (2007) also suggest that the lack of standardisation of the questions being asked, may lead to uncertainty about the reliability of the data. While it cannot be stated that the exact same results would be found with different respondents, the aim of this project is to attempt to gain a general assessment of respondent's opinions on the process as it stands today.

3.9 Ethical Considerations

There are two main ethical concerns which may arise during the research project. Firstly, all research must not affect or have any impact on any of the participants. This was ensured by keeping all information confidential to the researcher. In particular the researcher had to agree to only reference the group profiler report conducted on the organisation during 2007 as a supporting document to the analysis only and could not submit the complete document as this is a highly confidential document. All participants were explained prior to agreeing to participate in the research the reason for the research and were assured that all information would be kept confidential and no information would be available or traced back to the interviewees. All interviewees were asked if they would mind being recorded and explained that all interviews would be transcribed but would not be available to anyone but the researcher. In order to adhere with these two main concerns, the researcher agreed to keep the identification of the respondents anonymous and only document their job role and the area of business they represent.

3.10 Conclusion

This methodology set out to define and explain the theory behind why both qualitative and some quantitative methods will be used in this study. The methodology explained that this research will use qualitative data collection techniques mainly in order to gain rich data, to support the researcher in the examination of the performance management process.

Chapter 4

Findings and Discussion

4.0 Introduction

This chapter presents the findings chapters. The examination and the effectiveness of the performance management process will be broken down into themes that emerged from both the quantitative and qualitative research carried out.

The objectives were as follows:

- To examine the performance management process and identify the effectiveness of the Performance management process
- To determine the opinions of the employees as to workings of the current performance management process and the introduction of the competencies
- To analyse if 'one hat fits all' under the current management process

4.1 Effectiveness of the Performance Management Process

Theme - Performance Objectives

The researcher first conducted a 'pilot interview' to trial the interview questions to assess in advance if they would give enough information to examine the process in detail. The researcher wanted to build on the questions that are already asked of employees during the staff survey each year. During the pilot interview it was felt that the questions were not open-ended enough and the researcher felt the interviewee was giving quite short answers, hence not creating the opportunity to gain much of an insight into their experience of the process and how effective it has been for them. Therefore this led the researcher to evaluate the questions post the pilot, and made the necessary amendments to the interview questions. This enabled the researcher to gain more in-depth information to examine the process in detail.

Armstrong and Baron (1998) define Performance management as a 'strategic and integrated approach to delivering sustained success to organisations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors'.

The evidence found by the interviews conducted and from the findings reported in the staff survey found that "73% of staff have agreed objectives" this year within ESB International. Therefore the performance management process seems to be working to some extent in particular the objective agreement meeting which takes place in the beginning of year. There is however to some extent confusion as to what these objectives mean, and also whether these objectives are to be smart and stretching. From the interviews conducted the evidence would suggest that all respondents have objectives agreed, however the agreed number of objectives within the organisation is eight, which among the interviews this was not always the case.

Theme - Time allocation

From analysing the data collected, there were couple of references made to the length of the review meetings. Respondents acknowledged that not enough time is given to the actual meeting. If these meetings are rushed and not prepared in advance, little to no feedback is given which ultimately means that there is no opportunity for learning. The following was transcribed; one respondent said the process was "*Em, Haphazard. Em, it was a bit rushed*" and another felt it was "*Well, as I said, I think more time should be allocated both by the reviewer and by the reviewee and more thought should go into it and the reviewee should really think about what they want out of the meeting rather than what the reviewer wants out of the meeting*". Giving time to the process did seem to an issue for the group of respondents interviewed. One respondent indicated that the last performance meeting lasted "*About maybe, I'd say a half an hour*". One would question if this is enough time to give constructive feedback to a reviewee and does it promote a culture of where a reviewer gains the opportunity to receive feedback.

Theme – The strategy

As mentioned earlier in chapter two, in 2004 and 2005, during a study conducted by Fortune Magazine, in conjunction with Hay Group, it found that companies were most admired due to some critical success factors around Performance Management. The first key success factor found that all functions of an organisation must be confident to implement the strategy effectively, so therefore there must be an 'ability to translate the strategic goals into specific accountabilities'. Part of the research conducted was to assess if employees knew what the 'organisational' strategy is and if their 'objectives' were linked to the strategy.

The following questions were asked, "Can you tell me what the ESBI organisational strategy is? And are your objectives linked to the strategy"? Only 4 respondents from the eight were able to respond to this question positively, and were able to show some evidence of their understanding of what the strategy is. There were several references made to where they could find the strategy, but many found it difficult to verbalise what the organisational strategy is. Also many were unsure as to whether their own objectives were linked to the organisational strategy or not. As noted in the staff survey results, it was reported that '72% of employees felt that they understand the mission, vision and values of the organisation, However only 56% of employees felt that effective communication was treated as a priority in my company'. This would suggest that employees are most likely receiving the strategy, however not fully aware of what this organisational strategy means for them and how it fits with their role. The research would question how the strategy is cascaded across the organisation.

During the interview with the human resource manager he gave the following answer as to the question if he thinks individuals objectives are linked to strategy, he responded by saying *'I'd say it goes to a certain level because if you start at the top of the organisation. At the top of the organisation they've got no choice. The SMT or the executive SMT they have to get their objectives into the objectives people will be reporting to them so down to just the senior manager level or the direct reports to the reports to the executive director. I've no doubt it works there because those people obviously get their...their...they know what the business objectives are. They're very close to the top so they can see a direct line of sight from what the whole business has to do and what they need to get the people who report to them to do.'*

As it goes down further I don't know I'd say it's very mixed' these comments would also suggest that not everyone in the organisation understand the strategy.

Theme - Constructive feedback

Another key finding from the research was the whole area of giving and receiving feedback and how employees were experiencing or not as the case may be. Performance feedback is crucial to an organisations success and must be given, both the positives and the areas for improvement. Evidence would suggest from both the interviews carried out and the group profilor report that feedback is not one of the organisational strengths and needs attention. Interviewees where asked, if they receive feedback from their managers and how they experienced the feedback?

The evidence provided by the respondents suggested to the researcher that generally speaking it's nearly always a "nice and friendly conversation" at year end. A conversation takes place to rate the objectives that were agreed at the beginning of the year and however there seems to be a lack of actual observed feedback given. During this meeting both parties need to agree the rating given. As outlined by the human resource manager *'A bit more of the empathic listening skills would be good, em, and I think the other part of the, they need to have the ongoing conversations as well. Performance management is not three times a year'*.

However one of the respondents said *"So we went through them and they were graded. I can't remember what the numbers were...whatever I to...oh no it's the letters"* A second respondent mentioned *"Em, well it was just, he just kind of say, expanded on the results he gave me. Another said "Yes, to a certain degree but not em, I felt it could have been more constructive than it could have been. There's things I suppose that should have been discussed and weren't. Feedback that I could have been given on how I was doing. I don't think I got the, an honest feedback lets say"*. This particular respondent felt *"I just felt it was the same old, same old, same as every year. You know? I felt that nothing had really changed"*.

All of this would suggest that the conversations held are not always constructive or of great quality. Results from the employee surveys also suggest that employees do not see the link between performance and pay. Evidence would suggest that the grading system of letters and numbers isn't working so well. Factual feedback isn't on the agenda at year end and it could be said that the rating of the objectives is the only focus of the meeting.

Another respondent answered when asked about feedback said, *"I did. Yes. I found it very positive. Em, I am very very open to feedback as a matter of fact. I suppose, I would be known for going out and seeking feedback. I don't have a problem with it. Any of my managers, I give them reasonably accurate feedback...em...and I know now that, particularly the guys that work for me, they know they're going to get feedback and we review things...and we review things in a constructive manner.* This participant openly admits to the fact that they look for feedback which is great, however based on the results given by the group profiler report, for the general population this is generally not the case as the profiler is suggesting that the general management population doesn't either give or solicit feedback.

The organisational group profiler found, that of the participants who completed the report in 2007 that feedback is *"neither essential to give nor to ask for it"* The report presented the following statement to the organisations human resource development manager *"The profile is consistent with an organisation where expertise and logical thinking are of the utmost importance"* *The importance, ratings and skills profiles seem to reflect an organisation requiring a high degree of specialist knowledge and expertise, relied upon experience and credibility, and an ability to consistently deliver bottom line results through injections of energy. With expertise taken for granted, denotes a high level of peer respect, feedback is regarded to be neither essential to give nor to ask for.* The report also concluded that when *"feedback is given, the group profiler results indicate that it is given softly with not too much bad news*

4.2 The Performance Management Process

Theme - Competencies

The organisation introduced behavioural competencies into the mid year review meeting during 2008. The meeting is an opportunity for dialogue and exploring opportunities for professional development. The researcher was very much involved in supporting the roll out of these competencies at the time, so part of the research conducted considering a year has passed was to determine the views of the interviewees as to how the competencies were working for them and if they understood why they were introduced. Each employee is to agree three behavioural competencies which reflect their role with their manager and the key output of the discussion should be the individual training and development plan (ITDP). These behavioural competencies should support the manager to have a meaningful discussion on personal development opportunities. The organisation is striving to have a balanced training plan for employees. They want managers to not just focus on the technical abilities but also the behavioral and personal development of their employees.

Due to the recent introduction of the behavioural competences, the employee surveys will not offer any evidence of their progress to date as they are new to the process. So the researcher developed questions to gain some insight as to how the employees were thinking.

A picture was painted for the researcher that some confusion exists as to what the competencies are used for, also if there are weightings behind them, and most of the respondents felt that there were, even though the organisation had decided that there would be no grades, levels or weighting used with the introduction of the competencies and all staff were briefed to this effect. The competency framework document outlines that *'Each of the competencies shows a natural progression based on the acquisition of experience'*. This message seems to be diluted or lost in the recent launch of the behavioural competencies.

One of the respondents said the following *“Again being subjective, there are certain competencies which I think would be probably more relevant to each and every role. S, em...I’m not sure are there levels or weightings behind them. That doesn’t make sense to me but I know that certainly some of them would be more relevant to every particular role.*

Another respondent said *“Em, I would say there probably is. I suppose that there are generic competencies that everybody has to have in a particular job and I think then that there is other competencies that really depend on the job itself so I suppose if we you looking at weighting its probably not 1 – 5 ratings but your probably saying that there is certain things that everyone should have and then there is other ones depending on the job that they are going to be in.* Evidence would suggest that employees are unclear as to the purpose of the behavioural competencies and what part they play in performance management.

Theme – The System & the Process itself

The last question asked during the interviews was to establish if the interviewee had a magic wand, what recommendations if any they would suggest to improve the performance management process. As only one part of the process is on-line, one of the respondents felt, *‘Ok. I think the process; I don’t know if there is any way around it, I think the actual process of filling forms is difficult. I don’t know if there is a way around it and that’s being truthful with you’.* The organisation does not as of yet have an online system to capture the performance, the training and the competencies for each individual. Hence the reference on a few occasions to the *“form filling”*. This seems to be an issue for managers that have bigger numbers of people reporting to them. The performance management process should be concerned about satisfying the needs of all stakeholders. Another respondent felt *‘Well to improve the process, I think...em...it possibly needs to be simplified a little bit. I think more time needs to be put into explaining to people exactly the...what’s involved in it. For some reason it still really isn’t part of our day to day’.*

Theme - Staff Survey

The staff survey is research carried out each year involving the use of structured questions where the response options have been predetermined and a large number of respondents are involved. In ESB International's case the staff survey is conducted to identify how satisfied employees are with different aspects within the organisation. Areas such as training and development, leadership, communication and performance management are addressed. For the last number of years the questions asked during the surveys have remained the same, which allows comparison to be made year on year. The results of these surveys are then published on the internal intranet site for all stakeholders to view.

4.3 Conclusion

Evidence would suggest that the performance management process is working within ESB International and one hat fits all. It does function as a continuous cycle. However the actual management of performance is slightly inconsistent. The organisation has come along way, certainly with the recent introduction of the behavioural competencies; however some work is needed to embed them even further.

Chapter 5

Conclusion and Recommendations

5.0 Introduction

This closing chapter gives a final overview of the research findings relative to the overall objectives of the project. It then suggests some recommendations based on the conclusions, and calls for further development on the area of Performance Management within the organisation to further embed the process

5.1 Final Overview

This research set out to review the literature available and the current thinking regarding performance management. The methodology used quantitative research documentation such as staff survey results, and the 360 degree profilor report. The qualitative approaches used semi-structured interviews to further research and examine the performance management process. The analysis and findings shed light on the following recommendations.

5.2 Recommendations

Training for “quality conversations”

The first conclusion that can be found from the research conducted is that there is a clear need for regular training to take place for reviewers on giving and receiving feedback. As also highlighted by the human resource manager when asked if the business has benefited from having a performance management process in place he suggested ‘I think the challenges are really, are people using and seeing the benefits of it’.

All participants of this study highlight the need for improved year-end conversations training must be provided to both parties and not just the reviewers. The organisation must also consider developing a training programme for reviewees.

To date the organisation has only really held staff briefings on how the performance management process works and provided actual training courses to the managers conducting the performance reviews . The course outline can be reviewed. (See Appendix H).However no particular training has been provided to reviewees on how to get the best out of their performance review. Understanding the process is one thing, however engaging with it is something different. The organisation needs to reinforce the message that a performance review is a dialogue. And that preparation is required from both parties.

The researcher believes that more development is required as to how individuals are rated at year end to ensure consistency To support this argument even further if you consider the evidence provided by the 360 degree profilor report with regards to ‘feedback’ and how the managers deal with it, this also demonstrates that it needs addressing. So therefore adequate training for both reviewers and reviewees must be made available.

Cascading of the organisational strategy

In adhering to best practice the goal setting of individuals should be in line with the overall objectives of the organisation. Therefore the second recommendation is that the organisation needs to address the cascading of the organisational strategy. As referenced by a number of the research respondents during the interviews that they know where to locate the strategy on the internal intranet site, however it was clear to the researcher that few were able to describe what the actual organisational strategy is. Therefore were unable to verify clearly if their objectives were linked to the strategy? Appropriate cascading of the strategy to an individual level needs particular attention. Every organisation must have a main purpose; this can be described as the mission of the organsiation. This must be clearly defined and understood and viewable to all stakeholders. Also based on the results shown in the staff survey (See Appendix G) only 57% of employees feel that effective communication is treated as a priority within the organisation. A communication plan must be drawn up for each of the business lines individually and just the organisational as a whole to ensure that briefing to employees happen on a more frequent basis.

Build on the existing system

Based on the comments made with regards to “form filling”, a complete performance management system should be online. This would support the managers who have staff operating overseas. The system should not take away from the promotion of conversation, however if less time is spent on filling forms by utilising technology this could also promote more the concept of it being a two-way communication process. Quality goal setting is key to this, and achieving consistency in the approach and standards is what will allow managers to differentiate *actual* performance between individuals in a credible way. A key skill here is in ensuring that objectives have clear outputs or measurable criteria and the objectives cover both soft and hard aspects of performance. Another recommendation is to review the ITDP process so that it focuses more on personal and career development than on immediate training needs so a balanced development conversation takes place on both soft and hard skills with equal emphasis on technical ability and ‘behaviours’.

Competencies

The third recommendation identified is that briefings need to be held with all levels within the organisation to explain why the competencies were introduced and emphasise the point that they are not graded or have weightings against them. These competencies are only used to support both parties in having a “quality” conversation. The authors believe that this could be delivered by the managers after they have been briefed by the human resources manager at their monthly staff briefings and maybe at each briefing, take one or two of the behavioural competencies each month and workshop them to ensure everyone understands them. HR should support the processes from an admin and training perspective. But line management to be fully responsible for carrying out performance management and this to be reflected in their own performance objectives. Each manager should have one of the eight agreed objectives relating to agreeing performance objectives and personal development plans for their employees, so that they clearly understand their key responsibility areas and can proactively meet the demands of the business and develop their own know-how.

Staff Survey

Organisations that take time to assess how satisfied their employees are, promote a culture of engagement. The staff survey is a good measure as to how employees are feeling on various aspects of the organisation. However after analysing the questions posed during the last staff survey, a recommendation would be to increase the number of questions asked about the employee's experience of performance management. There are only five questions asked and considering the fact that all of the research suggests that high performing organisations are associated with engaged and informed staff, more questions should be added to the survey.

5.3 Conclusion

All of the research and evidence from the participants suggest that there is a need for quality conversations to take place. The organisation needs to develop it's techniques in giving and receiving feedback. Performance management supports the development of the individual and the development of the organisation. There needs to be a sense of dialogue taking place during the performance review meetings. Through performance management a shared vision and purpose of the organisation can be achieved.

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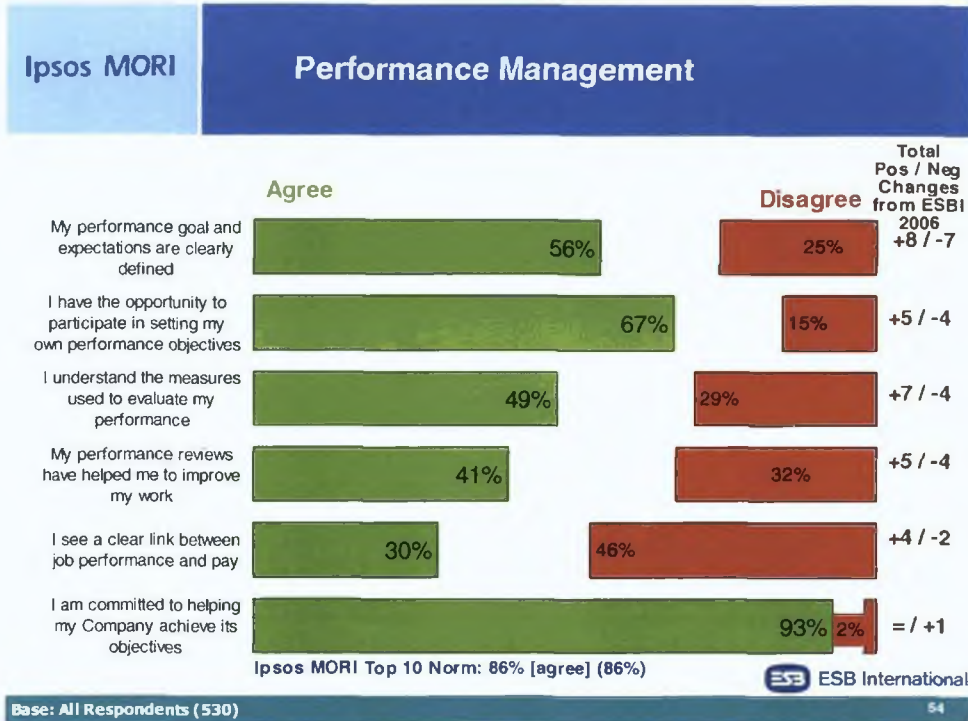
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Appendices

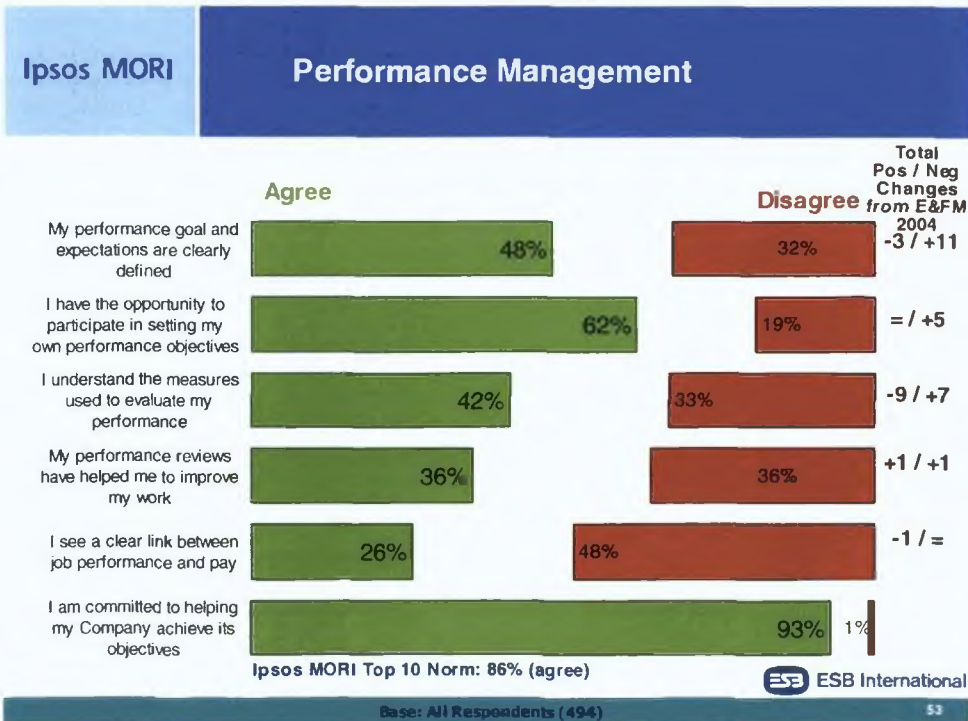
Appendix A

Staff Survey Results 2005 – 2008

2005

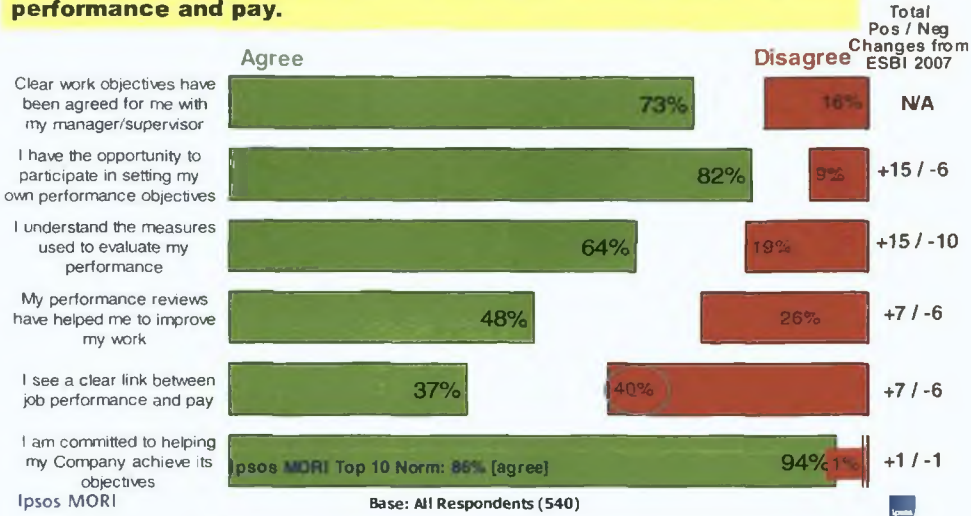


2006



Performance Management

The majority are participating in setting their work objectives however more needs to be done in linking reviews to improved performance and pay.



Appendix B

Interview Questions

**PILOT INTERVIEW QUESTIONS FOR ESBI STAFF ON THE PERFORMANCE
MANAGEMENT PROCESS**
INTERVIEWER: Sinéad Scott

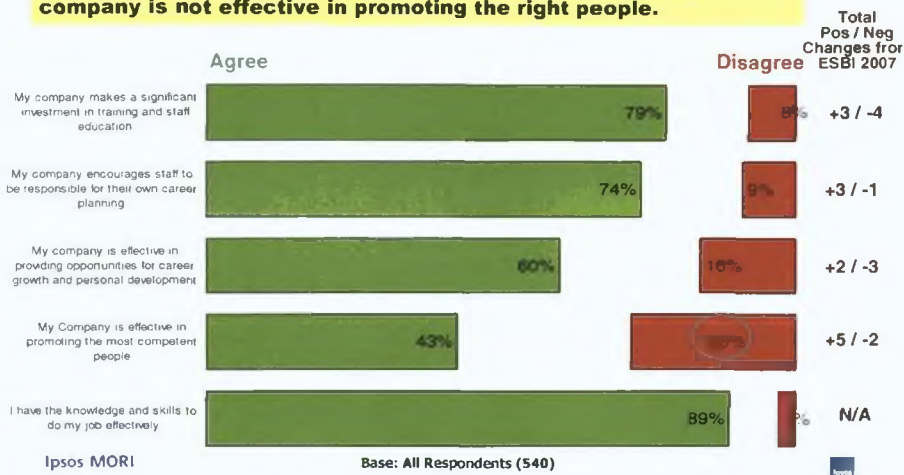
1. What was the duration of your last performance meeting?
2. Where you encouraged talking openly?
3. What is your understanding of what an objective / SMART goal?
4. Do you have objectives agreed since the beginning of the year? If no? What to you expect to discuss at your year end review to be?
5. Can you tell me what the organisational strategy is?
6. Are your objectives linked with the strategy? If not? To what are they linked?
7. Did you review your objectives during your mid year/ PCD meeting?
8. What is your understanding of the reasoning behind introducing competencies?
9. Are their levels or weightings behind the competencies?
10. Did you agree a further 3 competencies with your line manager? What are they?
11. Do you feel that the competencies are relevant to your job?
12. Describe the format of your last year end review?
13. Did this meet and fulfil your expectations?
14. Can you tell me, what you think should happen at a year end review meeting? Is your performance linked to your pay?
15. Did you receive feedback from your manager; can you tell me how you experienced this feedback?
16. Where any actions agreed to improve on the feedback received?
17. What recommendations if any would you suggest to improve the process?

Appendix C

Staff Survey Training & development results 2008

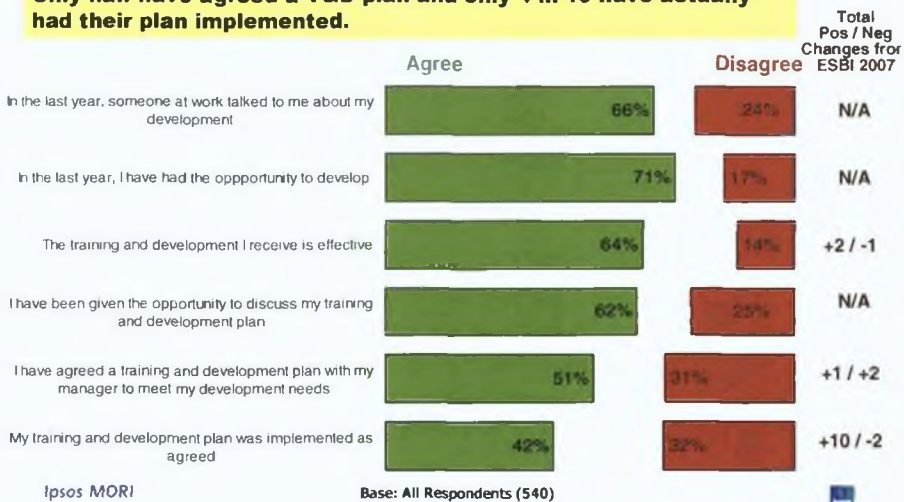
Company Training and Development

Promotions continue to be an issue with 3 in 10 still feeling the company is not effective in promoting the right people.



Personal Training & Development

Only half have agreed a T&D plan and only 4 in 10 have actually had their plan implemented.



Appendix D

Interview Questions

INTERVIEW QUESTIONS FOR ESBI STAFF ON THE CURRENT PERFORMANCE MANAGEMENT PROCESS

INTERVIEWER: Sinéad Scott

1. Do you have objective agreed for this year? If yes, How many?
2. What is your understanding of what an objective / SMART goal is?
3. Can you tell me what the ESBI organisational strategy is?
4. Are your objectives linked with the strategy? If not? To what are they linked?
5. What was your overall experience your objective agreement meeting?
6. Did you have a mid year / PCD review? If yes, can you tell me the format of this meeting?
7. What is your understanding of the reasoning behind introducing competencies?
8. Are their levels or weightings behind the competencies?
9. Did you agree competencies with your line manager? What are they?
10. Do you feel that the competencies are relevant to your job?
11. Do these competencies link into your ITDP?
12. Describe the format of your last year end review?
13. Did this meet and fulfil your expectations?
14. Can you tell me, what you think should happen at a year end review meeting? Is your performance linked to your pay?
15. Did you receive feedback from your manager; can you tell me how you experienced this feedback?
16. Where any actions agreed to improve on the feedback received?
17. What recommendations if any would you suggest to improve the performance management process?

Appendix E

INTERVIEW QUESTIONS FOR HR MANAGER ON PERFORMANCE MANAGEMENT PROCESS **INTERVIEWER: Sinéad Scott**

Role: HR Manager ESB International

Note: I have interviewed employees from across the businesses to gain an insight into their experiences of the PM Process. Now I would like to ask you some questions as the head of HR.

I would like to ask you as the HR manager for ESBI the following questions:

1. What were the objectives behind the implementation of the performance management process?
2. How does the current process ensure these objectives are met?
3. Do you think the business lines are linking individual objectives to strategy?
4. Who owns this process?
5. What in your opinion should the line manager achieve from this performance management process?
6. What in your opinion should the employee achieve from this performance management process?
7. Are the year end reviews linked to pay? If not? Should they... if yes? Why?
8. How can the organisation ensure that both parties of the performance
9. Has business performance benefited from the introduction of the performance process? If so... how do you know?
10. What parts of the process works well in your opinion and in what areas does it need to improve on?

Appendix F

Competency Menu

Core Competencies

Customer Relationship Management

Effective communication

Implementing Business Processes

Individual Competencies

Managing & Adapting to Change

Negotiating & Influencing

Teamwork

Technical Skills & Knowledge

Promoting a Safety Culture

Work Organisation & Planning

Self Awareness & Improvement

Commercial Focus

Managing Stakeholders

Developing & Implementing a Business Plan

Leadership

Shaping the direction of the Business

Managing People

Competency Menu – Core Competencies

<p>COMPETENCY - Customer Relationship Management. - “Focuses efforts to meet and/or exceed internal and external customer needs in line with ESBI brand values”</p> <ul style="list-style-type: none"> a) Recognises the value of both internal and external customers and behaves in a friendly and professional manner to all customers. b) Develops positive and responsive relationships with customers/client base and demonstrates increasing knowledge of customer needs / expectations. c) Demonstrates a flexible attitude to meeting multiple customer needs and is capable of recognising and prioritising urgent and important customer requirements as they arise. d) Is aware of contractual agreements with customers and strives to balance the service levels required with value required by the Company. e) Takes personal responsibility for continuously raising the quality and standards of customer service and raises customer issues to the appropriate level to enable their resolution. f) Puts the customer first and enhances teams’ awareness of how their business area supports and contributes to customer care. g) Promotes pro-active customer care within and across teams and encourages relationship building, high standards and reciprocity of service levels. 	<ul style="list-style-type: none"> h) Takes a pro-active and sensitive approach at client meetings with a view to meeting customer needs in a responsive and commercially viable manner. i) Keeps abreast of customer developments and seeks out opportunities for increased or diversified services to clients. j) Ensures systems and processes are in place and are followed in order to deliver consistent and quality service levels to customers and to measure the effectiveness of customer care. k) Agrees clear and stretching, customer-related performance objectives for all team members on an annual basis and ensures these are adapted where necessary, to meet changing customer requirements. l) Promotes a culture of quality customer care in all stakeholder interactions and takes a lead role in building positive, personal relationships and ensuring we meet or exceed our promises to our customers. m) Develops strategic understanding of our value chain and ensures seamless customer service levels are provided across all business units and companies within ESBI.
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<p>COMPETENCY - Effective communication. - "Sharing information and knowledge in an open and interactive way."</p> <ul style="list-style-type: none"> a) Maintains a professional, courteous and respectful manner when communicating with colleagues and customers. b) Familiarises self with various communications channels e.g. Solas, Outlook, Telephone Messaging, Staff briefings, ESBeye etc. c) Seeks out and follows communications procedures and policies e.g. Internet Usage, Customer service Standards, Report Writing Templates etc. d) Participates actively in meetings and at briefings by preparing appropriately, listening attentively, sharing information and contributing to discussion/debate in a constructive manner. e) Presents clear and concise written information and delivers minutes and/or reports in a professional and timely manner. f) Avoids jargon, creates opportunities to share information/know-how and explains complex information clearly and simply. 	<ul style="list-style-type: none"> g) Understands own communications preferences and actively adapts style/approach to achieve best results. h) Networks positively internally and externally and facilitates relationship building through introductions, sharing knowledge and ideas and maintaining a friendly and approachable communications style. i) Demonstrates a mature, objective and respectful approach to solving communications and or relationship issues and an ability to deliver difficult messages in an honest and clear manner. j) Plans and implements a communications strategy that addresses all structured communications platforms including monthly, quarterly and annual staff meeting, the Information and Consultation Process, staff briefings and other fora e.g. staff survey results, management conferences etc. k) Actively seeks to remove barriers to effective internal and external communications and promotes platforms that allow for transformative channels and practices. l) Personally delivers a clear and consistent strategic message to key stakeholders, e.g. shareholders, customers and employees.
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COMPETENCY - Implementing Business

Processes. - 'Managing resources, developing/implementing/adhering to policies and procedures.'

- a) Builds and in-depth knowledge of best-practice policies and procedures applicable to own role / field of work.
- b) Contributes to business excellence by ensuring all work procedures and processes are adhered to in the course of ones work.
- c) Maintains professional standards, practices and procedures and keeps self-informed of updates or changes to same.
- d) Actively questions business processes to improve efficiency e.g. cost of the process or turn-around time (cycle time) of the process and effectiveness e.g. whether the process delivers the right outputs.
- e) Where approved, amends business processes and procedures to achieve identified improvements in efficiency and effectiveness.
- f) Liaises with relevant practitioners, experts and professionals when adapting processes and ensures a systems approach is adapted to implementing changes.
- g) Promotes compliance with processes and procedures and ensures staff are adequately trained in new and existing processes and procedures.
- h) Promotes the use of SLA's, and quality and safety controls, in business practices and procedures.
- i) Ensures policies and procedures are legally compliant and meet quality and safety standards.
- j) Monitors the application of processes and encourages others seek to find ways of overcoming weaknesses identified.
- k) Audits key business processes and controls to ensure maximum efficiencies in response time, cycle time and cost, together with delivering effective outputs – 'Is it doing what it says on the tin.'
- l) Overseas the project management of the design, implementation, testing and evaluation of new systems and business processes.
- m) Encourages others to continuously strive to improve operational excellence by ensuring 'best-practice' systems and behaviours are followed in business policies, procedures, controls and systems.

Competency Menu - Individual Competencies:

<p>COMPETENCY - Managing & Adapting to Change - "Instigating change and understanding its impact; dealing with change and ambiguity in a positive and proactive way".</p> <ul style="list-style-type: none">a) Is willing to try new ways of working and finds practical ways to implement useful suggestions for change.b) Recognises change as an iterative process and manages time so that ongoing changes are accommodated in a non-disruptive way.c) Demonstrates ability to re-organise work as priorities demand and is flexible and helpful at times of peak business demands.d) Continuously seeks to improve / adapt services by seeking feedback from internal and external customers and demonstrates a willingness to adopt changes where practical.e) Explains rationale for potential change to other stakeholders in a clear and measured way that highlights the benefits and potential risks in an objective and balanced manner.f) Listens to and questions change recommendations and once convinced, supports the change initiative and encourages others to take responsibility for the change.	<ul style="list-style-type: none">g) Keeps up-to-date with best practice and new developments elsewhere and works with others to identify where change is needed and how to bring this about.h) Brings a structured approach to change management and when leading change projects or teams, ensures all stakeholders are kept up-to-date of progress and are clear about their responsibilities and deadlines.i) Innovates by considering new and different methodologies, technologies and developments and encourages and supports others to think differently, find new information and continuously seek improvement.j) Evaluates the impact of change to the business by seeking concrete feedback / measures on performance (post-implementation) to assess whether potential yield or improvements are being achieved in line with the change objectives.k) When leading change, acts as its champion and understands and coaches others in the techniques and methods to help people through the change process.l) Develops change strategy in an inclusive manner that is sensitive to different stakeholder and business needs and ensures a change-communications strategy is developed to support the change process and is rolled out in parallel to it.
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COMPETENCY - . Negotiating & Influencing - 'Exploring the needs and concerns of others, identifying agreement, presenting alternatives and reaching agreement through compromise.'

- a) Participates positively in meetings and discussions by actively sharing knowledge and experience when debating issues and contributing to decision making.
- b) Offers well thought through rationale based on analysis of all pertinent information and seeking to balance customer and business needs.
- c) Seeks to develop close relationships with stakeholders to gain an insight and understanding of their perspective.
- d) When faced with opposition or competing demands, remains calm and confidently explains rationale and allows people time to digest this, prior to seeking solutions / a way forward.
- e) Is self-aware and can adapt influencing style to suit the needs of the situation or other stakeholders and generally focus more on mutual benefits than potential obstacles to success.
- f) Strives to maintain personal objectivity by seeking to understand different perspectives and demonstrating empathy and respect with various stakeholders.
- g) Demonstrates an ability to look at the big picture and ensure decisions are not rushed or unbalanced.

- h) Where appropriate, is willing to take a stand on issues and professionally explain reasoning to others in a firm, objective and balanced manner.
- i) Is equally comfortable managing up as down and networking positively across stakeholders to build relationships and opportunities for gaining leverage.
- j) Experienced at presenting to and negotiating with internal and external stakeholders and is adept at presenting positive arguments and using a range of influencing strategies to generate support and win over stakeholders.
- k) Manages and motivates others by ensuring business goals and objectives are clear and encourages others to adopt a results-oriented communications style.
- l) Demonstrates strategic awareness of stakeholder issues and strives to manage and balance the push-pull of business dynamics until a win-win situation can be found.
- m) Liaises with and influences negotiation teams that are engaged with key project-stakeholders such as, investors, employees or potential business partners.

COMPETENCY - . Technical Skills & Knowledge - “ Has and applies the specific skills and knowledge related to the job”

- a) Competent at basic technical level of the job and knows when and to whom to direct technical queries and or how to find technical experts, records and information on intranet.
- b) Demonstrates increasing ability to address technical issues directly through increased professional know-how or ability to access relevant systems, sites and experts.
- c) Comfortable and competent at contributing to the design, testing and final specification stages of technical projects in own area.
- d) Is pro-active at sharing know-how with less experienced staff members and with customers and where appropriate; is professionally qualified in own Field.
- e) Develops technical know-how outside of own Field and builds knowledge of overall business services and how they interact and support one another.
- f) Has strong customer awareness and key technical contributor and resource planner on projects and or new developments and service solutions to the business / customer.

- g) Has a good grasp of technical layers and dimensions in cross-functional teams / projects and capable of sharing own expertise in a straightforward manner to fellow technical experts and in a jargon-free manner to others / customers.
- h) Is increasingly capable of project-managing the implementation of technical initiatives and solutions including budgeting, materials and resource planning, and managing technical teams and experts.
- i) Has a strong business acumen and communication skills with ability to draw-up and deliver clear technical specifications, plans, tenders and reports to clients and other stakeholders.
- j) Good knowledge of the Power Sector (Electricity and Renewable Markets) and high level awareness of Corporate Governance and Regulatory issues both domestically and within the EU environment.
- k) Follows and anticipates market trends and developments in technology and services and capable of assessing and recommending competitive scenarios / new business opportunities for ESBI.
- l) Has strong product knowledge across all business lines and encourages and supports research & development to maximise technical know-how / capability.

COMPETENCY - . Promoting a Safety Culture. - 'Being responsible for the safety of self and others'

- a) Promoting and committing to a safety culture by following instructions and demonstrating commitment to safety through actions at work.
- b) Demonstrates awareness of the importance of safety when carrying out all tasks and familiarises self with the Company Safety Statement.
- c) Complies with all safety guidelines and practices and ensures others do likewise.
- d) Is aware of the implications of their own actions for the safety of others.
- e) Promotes safety at every opportunity by supporting and engaging in safety initiatives.
- f) Monitors safety performance and conscientiously reports all Near Misses and promotes their reporting to others.

- g) Incorporates learning from incidents at every opportunity and communicates learning.
- h) Actively promotes identification of hazards and reduction or elimination of risk on jobs / in the work environment.
- i) Reinforces the safety culture through developing innovative ways to instil a commitment to safety.
- j) Demonstrates visible safety leadership by placing safety as the first item on every meeting agenda, regularly discussing safety issues with staff and visiting staff and reinforcing the importance of safety.
- k) Briefs staff on the importance of safety at every opportunity.
- l) Retains ultimate responsibility for the safety of staff in own business line.

COMPETENCY - . Work Organisation & Planning - "Accomplishes specific goals through allocation of effective use of time, people and resources."

- a) Is self-organised and proactively plans tasks and activities on a daily basis.
- b) Is aware of own accountabilities and, where priorities or objectives are ambiguous, seeks immediate clarity from Manager.
- c) Prioritises own work on the basis of importance and or urgency and liaises closely with manager and customers to ensure priorities are aligned.
- d) Builds in contingency time into diary and work plans so that the unexpected can be managed without impacting on key milestones or deadlines.
- e) Maintains clear and up-to-date records so that progress can be monitored and work organisation or resources can be adjusted where appropriate.
- f) Demonstrates an ability to self-organise and plan so that potential barriers such as time pressures are anticipated and overcome.
- g) Recognises the competence of others and engages their expertise as required.
- h) Keeps stakeholders up-to-date of progress and when alerting them of problems also proposes practical solutions.

- i) Demonstrates professional and systematic project management skills e.g. allocation of tasks and resource management against budget and timescale.
- j) Helps others to understand their key strengths and effectiveness and encourages them to focus on delivering specific results.
- k) Ensures tasks and accountabilities are divided to reflect individual experience, competence and workloads within teams.
- l) Encourages teams to evaluate projects post completion to agree 'lessons learned' to be communicated and applied to future projects.
- m) Ensures all projects are professionally managed and tests the feasibility of project plans in order to identify potential pinch points and anticipate timely allocation of resources as appropriate.
- n) Demonstrates an ability to translate large-scale objectives and or lengthy project pipelines into specific objectives that are easily understood and manageable,
- o) Encourages internal stakeholders to question systems, processes and modus operandi to improve efficiency and effectiveness of delivery.
- p) Ensures consistency in productivity by adopting a proactive, planning culture that is flexible and that aims to maximise return on investment.

COMPETENCY - . Self Awareness & Improvement. - “Understanding of self and impact on others’.

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| <ul style="list-style-type: none">a) Is open to learning and recognises the value of behavioural as well as technical competence.b) Participates in mentoring and coaching interventions as appropriate.c) Is sensitive to others and adept at seeking and generating consensus and co-operation.d) Remains calm under pressure and maintains a balanced and rational approach to problem solving.e) Seeks others’ perspectives and demonstrates an aptitude for active listening e.g. use of open questions and reflecting back to check understanding.f) Strives for self development and welcomes constructive feedback on personal style, performance and competence.g) Demonstrates mature coping behaviours such as, controlling impulses, maintaining objectivity and sympathising to diffuse tensions.h) Is open to change and capable of seeing the big picture and helping others with adapting. | <ul style="list-style-type: none">i) Adapts own communications and motivational style to bring out the best in others.j) Is a positive team contributor and supports and encourages the development of others.k) Maintains confidentiality as appropriate and encourages others to adopt a professional and sensitive approach to relationships at work.l) Is socially adept and proactive at networking and communicating regularly with all stakeholders.m) Is self-aware and creates time for reflection / self learning.n) Is comfortable with both ambiguous and complex business scenarios and keeps an open mind until all information has been gathered before coming to a decision.o) Is a relationship builder with the ability to inspire, influence and develop others. |
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COMPETENCY - Commercial Focus. -

“Focuses on providing long-term added value to the business and makes good timely, commercially sound business decisions.”

- a) Challenges methods and systems to improve efficiency and effectiveness.
- b) Aims to meet stakeholder requirements in a timely and cost effective manner.
- c) Has in-depth knowledge of own role and how to add value to the business e.g. in customer service, cost control and professional know-how.
- d) Plans work and projects in order to achieve maximum return on investment in resources.
- e) Understands the strategy and goals of the business and balances long and short term business objectives / requirements.
- f) Understands and is comfortable with ESBI Financial Tools and has a good overall knowledge of the organisations financial processes, budgets and controls.
- g) Demonstrates commercial awareness through effective cost management and technical innovation in the provision of services and products.
- h) Demonstrates strong industry awareness and an ability to position own business to meet the changing competitive environment.
- i) Demonstrates a good grasp of general management functions such as finance, marketing and HR.
- j) Understands the regulatory environment and keeps up to date with relevant legislation, directives and operating standards.
- k) Motivates staff to set high standards in a cost aware environment.
- l) Sets clear objectives so that each business and each individual knows what's expected of them.
- m) Controls costs and adds value through effective management of resources and by encouraging staff to develop and share their know-how.
- n) Seeks to build a culture of commercial success by ensuring staff are market aware and understand the impact of developments and trends in the competitive environment.

<p>COMPETENCY - Managing Stakeholders. - “Identifying key people / groups who can influence the achievement of your business objectives and managing these relationships to achieve optimum results.”</p> <ul style="list-style-type: none"> a) Prioritises the stakeholders when agreeing performance objectives and work schedule. b) Understands the need to balance and differentiate between business and stakeholder goals when trying to address stakeholder needs and professionally manages expectations. c) Actively questions and listens to the stakeholder and influences through empathy and by delivering on promises. d) Demonstrates an ability to understand a stakeholder’s value to the business and builds positive relationships with key stakeholders. e) Keeps stakeholders fully informed in a proactive manner of work in progress, responsibilities, accountabilities, key milestones, deadlines and outputs with a view to instilling and maintaining confidence to commitments. f) Capable of standing back and viewing issues from the perspective of others to ensure objectivity in decision making. 	<ul style="list-style-type: none"> g) Builds facilitative relationships and networks to improve efficiency of service to stakeholders. h) Builds buy-in and influences by including stakeholders at the earliest stage possible so that commitments are clear and objectives are agreed. i) Is sensitive to cultural and behavioural differences and adapts communications and or business management style appropriately. j) Takes responsibility for working with stakeholders to overcome obstacles and work through a satisfactory conclusion. k) When developing business plans and interventions, undertakes a comprehensive stakeholder analysis to assess impact and viability of plans. l) Is capable of undertaking large scale change-management or financial investment projects that can have a significant impact on stakeholders and the business.
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<p>COMPETENCY - Developing & Implementing a Business Plan - “Sets, communicates and reviews goals and targets in line with the Business Strategy.”</p> <ul style="list-style-type: none"> a) Has a good understanding of the overall ESBI Business Strategy and value chain / vertical integration business model. b) In developing the business plan, ensures it supports the strategy and enables people to clearly understand key goals and objectives. c) Takes an inclusive approach to business planning that accounts for various stakeholder requirements and welcomes team suggestions for delivering results. d) Breaks business planning into three phases: Diagnosis, design and implementation to ensure the end product is robust and achievable within timescales and budget. e) Ensures the business plan is supported and facilitated by appropriate resource, cost management and communications plans. f) Ensures all staff / teams are aware of their own roles and responsibilities in relation to meeting the objectives in the business plan. 	<ul style="list-style-type: none"> g) Where appropriate, has developed contingency plans to mitigate potential risks and or emergent threats in the external environment. h) Together with the team, identifies the critical success factors and potential barriers to the business plan and ensures these are closely monitored during implementation. i) Takes overall responsibility for managing the roll-out of the business plan and communicating progress with key stakeholders in a pro-active and structured manner. j) Ensures sub-plans e.g. project plans, being developed within the business are supportive of and congruent with the objectives of the business plan. k) Together with the team, evaluates the business plan at year-end to assess lessons learned / areas to be addressed in future business planning.
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COMPETENCY - . Leadership -

'Supporting and encouraging others to achieve a shared vision by generating enthusiasm and inspiring commitment'

- a) Adapts style and approach to meet the differing needs of individuals and situations.
- b) Is willing to innovate and draws on experience and knowledge to provide wider perspectives or see connections.
- c) Listens well and appreciates the need to provide direction and advice while allowing people the freedom to learn by experience and fulfil their potential.
- d) Encourages others to develop technically and professionally by agreeing stretching performance and learning objectives with them.
- e) Leads by example and encourages others to seek out practical solutions to problems that balance the needs of the business, its people and its customers.
- f) Demonstrates high professional standards and an appreciation of different stakeholder needs and passes this knowledge and work ethic on to colleagues through example and encouragement.

- g) Shows appreciation to others for their contribution and endeavours to catch them doing things well and praising / thanking them.
- h) Collaborates well and encourages networking, positive working relationships and a results-orientation among peers and colleagues.
- i) In a crisis-situation, can stay calm and direct others effectively to identify priorities and resolve problems in a safe, efficient and economic manner.
- j) Influences at every level and motivates people to perform at their highest level.
- k) Easily translates strategic goals and plans into the various business lines and ensures individuals and teams understand the strategy and have clearly agreed their own business objectives on an annual basis.
- l) Focuses time on achievement of strategic priorities and acts as a catalyst in leading an bringing about change.

COMPETENCY - . Shaping the Direction of

the Business - "Takes a long-term focus for the business and provides guidance and direction on how to realise the strategy.

- a) Overtly displays commitment to the development and implementation of strategy e.g. participates in information gathering exercises, volunteer's information and supports business planning initiatives.
- b) Understands the Company values and strategy and ensures business plans and behaviours support same.
- c) Can assess the broader costs and benefits of a particular strategy / plan and explain ESBI business line interdependencies to all stakeholders.
- d) Communicates annual business goals clearly and ensures the allocation of resources reflect the objectives that have been agreed e.g. budgets, development plans etc.
- e) Establishes appropriate key performance indicators for each strategic direction and assists managers to translate these into deliverable performance objectives.
- f) Understands how external developments are likely to influence / impact on ESBI and ensures business lines are ready to anticipate and respond to customer or market demands / opportunities.
- g) Uses an awareness of best practices in other organisations to improve ESBI's standards, methodologies and performance management / measurement.
- h) Has the ability to think outside of the currently accepted strategies and can challenge the status quo from an informed perspective.
- i) Inspires others by providing clarity of business direction, and a commercially sound rationale to achieving business goals and priorities.
- j) Ensures representative participation in strategic planning and takes an inclusive and balanced approach to strategy development.
- k) Is open to constructive feedback from key stakeholders in relation to leadership style, relationship management and motivational impact.
- l) Is adept at influencing in a non-directive style such as through group facilitation, listening skills, coaching, team leadership and providing high-level direction or strategic insights to business planning and development.
- m) Takes a Corporate viewpoint to business direction and planning that balances local and wider organisational needs together with the various stakeholder needs.

COMPETENCY - . Managing People -

‘Managing people to achieve business results through a supportive environment in which they can work effectively’.

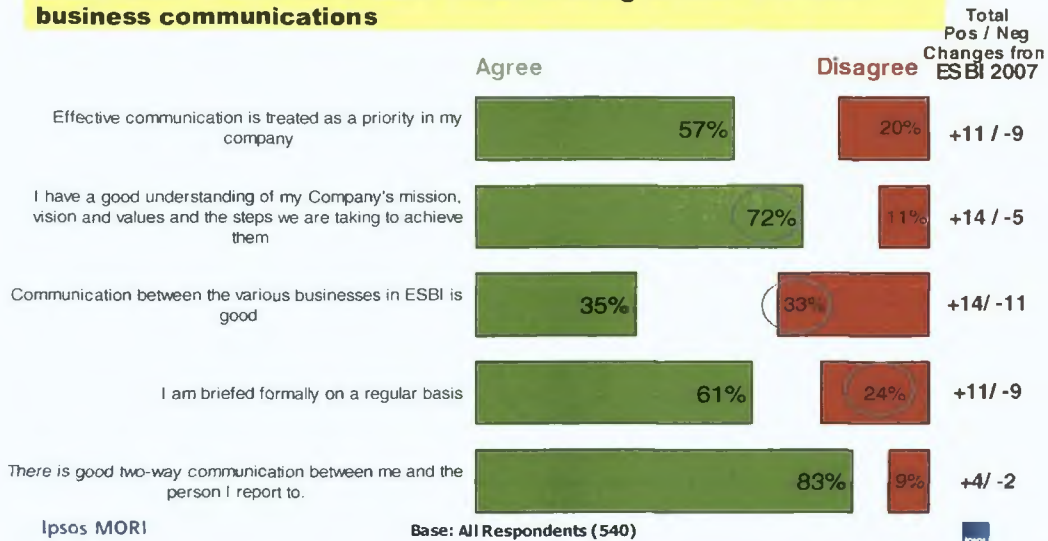
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| <ul style="list-style-type: none">a) Effectively manages the allocation of tasks and responsibilities and builds supportive working relationships.b) Gives time to the performance management process to ensure quality conversations take place at each phase and there is mutual ownership in achieving business and learning objectives.c) Forecasts and manages resource and capability requirements so that knowledge and service demands can be successfully met.d) Maintains credibility by actively listening to people and acting promptly on information / data about people satisfaction and performance management.e) Relates well with people and is competent at handling grievances, diffusing tensions and building trust.f) Communicates openly and directly with people and acts on promises.g) Manages positively and provides specific feedback and support. | <ul style="list-style-type: none">h) Mentors and coaches team members and encourages learning, development and knowledge sharing.i) Knows strengths and weaknesses on an individual basis and delegates responsibilities clearly and appropriately.j) Seeks to be challenged and welcomes constructive criticism.k) Involves and consults the team in business planning and decision-making and gives people responsibility and accountability for achieving agreed targets.l) Promotes organisational values and ethics and creates a rewarding environment in which people are motivated and fulfilled.m) Cultivates a progressive work environment where people continuously seek to improve services, products and methodologies.n) Communicates business objectives, plans and performance in a manner that provides clarity to people and allows them to identify with the business strategy. |
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Appendix G

Staff Survey Communications 2008

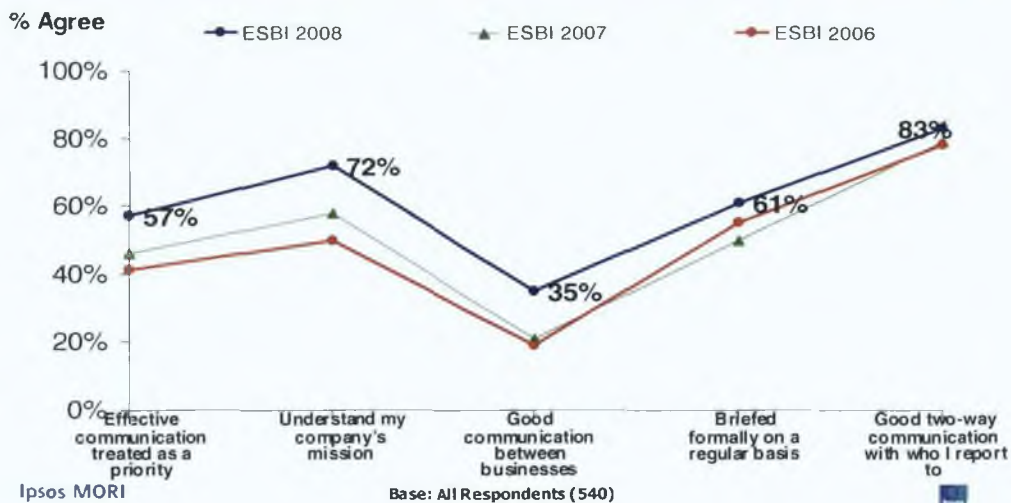
Communication

While there has been a significant improvement in numbers, there is still more to be done around formal briefing of staff and inter-business communications



Communication – Overall

Improvement on all aspects, showing a positive upward trend since 2006. Encouraging uplift in those understanding the company's mission.



Appendix H
Transcript from all interviews conducted
Interview 1

**PILOT INTERVIEW QUESTIONS FOR ESBI STAFF ON THE CURRNT
PERFORMANCE MANAGEMENT PROCESS**
INTERVIEWER: Sinéad Scott

Role: Senior Payroll Administrator

Length of service: _____ 10 years _____

What was the duration of your last performance meeting?

About 45 minutes.

Where you encouraged to talk openly?

Yes.

What is your understanding of what an objective / SMART goal is?

Well it's a measure of my responsibility. We have 8 objectives, we agree them at the beginning of the year with our reviewer and then we review them at the end of the year.

Do you have objectives agreed since the beginning of the year? If no? What to you expect to discuss at your year end review to be?

Yes.

Can you tell me what the organisational strategy is?

Not really. Its up on the website but to tell you what it is, no, sorry.

Interviewer: What website is that located on?

Solas

Interviewer: The internal intranet site?

Yes

Are your objectives linked with the strategy? If not? To what are they linked?

I don't think so. Well, if I'm not aware of the strategy I really couldn't give an answer on it.

Did you review your objectives during your mid year/ PCD meeting?

Yes.

Interviewer: Were they still relevant?

Some of them. 90% I would think.

What is your understanding of the reasoning behind introducing competencies?

I don't really understand them.

Are their levels or weightings behind the competencies?

No, I wouldn't think so.

Did you agree a further 3 competencies with your line manager? What are they?

I did, yes. One is around self-awareness and improvement, em, it's to remain calm under pressure and to maintain a balanced and rationale approach to problem solving. The other is around work organisation and planning. To prioritise my own work on the basis of importance and urgency linked closely with my manager and my customers to ensure priorities are aligned and I have a third one. It is around team work. To manage my team resources to ensure that they have the know how to ensure that current and future workloads can be met and balanced.

Do you feel that the competencies are relevant to your job?

To mine? Yes. I have a team to manage and if they're not aware of their responsibilities and if I can't manage them and if I don't know I have the resources, I can't manage them. If I don't prioritise my own work, I'm never going to get the team to get on with theirs.

Describe the format of your last year end review?

Ok. My manager set up the meeting in my calendar and I met with her for about 45 minutes and we went through the objectives that we had set at the beginning of the year and how they went and then we really set the ones for the following year.

Did this meet and fulfil your expectations?

To a certain degree it did but I think there's still a long way to go.

Can you tell me, what you think should happen at a year end review meeting? Is your performance linked to your pay?

Well I think there should be an open and frank discussion between the reviewer and the reviewee and everything should be, if there are any problems or any issues there that's the place to discuss them. Also that, your objectives and your goals should be clearly defined and they should be linked to the job that you are actually doing.

Interviewer: And why do you think it doesn't happen that there's not an open discussion?

Because there's not enough time allocated to it and there's not enough thought put into it by the reviewers and the reviewees I suppose.

Did you receive feedback from your manager; can you tell me how you experienced this feedback?

Yes, to a certain degree but not em, I felt it could have been more constructive and it could have been. There's thing I suppose that should have been discussed and weren't. Feedback that I could have been given on how I was doing. I don't think I got the, an honest feedback lets say.

Interviewer: How did you experience that feedback? How did you feel afterwards?

I just felt it was the same old, same old, same as every year. You know? I felt that nothing had really changed

Where any actions agreed to improve on the feedback received?

Not really, no.

Interviewer: So you probably think that, if it was the same old, same old last year...

If I go in this year its going to be the very same as next year.

What recommendations if any would you suggest to improve the process?

Well, as I said, I think more time should be allocated both by the reviewer and by the reviewee and more thought should go into it and the reviewee should really think about what they want out of the meeting rather than what the reviewer wants out of the meeting. You really need training for both the reviewers and the reviewees.

Interviewer: So training for both aspects?

Yes

Interviewer: And have you ever received training since you've been in the organisation on performance management?

We have but I still think there's a long way to go. It has started but there is a long way to go to get it where it should be.

Interview 2

INTERVIEW QUESTIONS FOR ESBI STAFF ON THE CURRENT PERFORMANCE MANAGEMENT PROCESS

Role: IT Consultant

Length of service: 8 Years

Do you have objective agreed for this year? If yes, How many?

Yes. Seven.

What is your understanding of what an objective / SMART goal is?

An objective is a way of kind of measuring your performance, measuring the goal that you have for the year. Not necessarily maybe a project you have or a piece of work but kind of more to progress you as an employee and I suppose on a personal level as well.

Can you tell me what the ESBI organisational strategy is?

Em. The organisational strategy as I understand it at the moment is to expand our market share in the UK. Em, that's certainly primarily my focus anyway. And, to become a centre of excellence.

Are your objectives linked with the strategy? If not? To what are they linked?

Yes. To a point, yes. Certainly in improving my ability to do my role but I don't necessarily see a direct link. I just kind of see a link as in if I'm better at what I do then the business will benefit but I don't see an exact direct link.

What was your overall experience your objective agreement meeting?

Em, Haphazard. Em, it was a bit rushed and it was, I was a bit unsure of why, what objectives I was meant to come up and what objectives my manger was to come up with. It seemed unclear as to who was to come up with the objectives and I think last year it was more based on projects you were doing whereas this year it was more based on skills and that kind of thing so it was a bit hard to kind of figure out. Skills and development whereas last year it was certainly more kind of projects that needed to be completed by certain dates.

Did you have a mid year / PCD review? If yes, can you tell me the format of this meeting?

No. My objectives would have been my review meeting.

Interviewer: So both of them would have been done together.

Yes

What is your understanding of the reasoning behind introducing competencies?

Em, I don't, I suppose its taking the focus away from individual pieces of work and actually ensuring that you reach a certain professional level. Em, I'm not sure why that's the focus now as oppose to individual pieces of work but my thoughts when I heard that is that it means from a group its easier to select who is appropriate for different projects based on their competencies.

Are their levels or weightings behind the competencies?

There, at the end of the year I know there is a scoring system which used to be numerical and now is categorised I suppose. Em, but I'm not really too sure.

Did you agree competencies with your line manager? What are they?

Yep. Em, I cannot recall straight away. I know they're around, mainly around project management competencies and that sort of thing

Do you feel that the competencies are relevant to your job?

Yes, but I think more negotiation skills and things like that would be better because my role is changing from a purely IT based role to now a more kind of managing people role so I don't know whether the competencies are going to come along with that. They seem to be very much focussed on me working on my own as an individual whereas I do a lot of actual working with groups of external people.

Interviewer: So more like say project management?

Exactly. Exactly, yes.

Do these competencies link into your ITDP?

No but I have tailored my ITDP to cover negotiation skills and a couple of the other kind of people skills courses that are on that.

Interviewer: So you've picked courses yourself to identify those.

Yes.

Describe the format of your last year end review?

Em, well it was basically meeting with my line manager and going through my objectives for the previous year and rating how well I had done in each, each objective.

Interviewer: Did you get to input into that?

Yea, well I didn't really disagree with anything that was; it was fairly good so I didn't need to in any way change anything. I know it's a two way thing but at that late stage in the year what are you really going to change.

Did this meet and fulfil your expectations?

Em, yea, as I said, it was a fairly good review so I didn't come out feeling that it was. I suppose if its bad you kind of wonder why they'd wait until the end of the year before you got any and that's one of the problems with having the beginning objectives and the mid year review. If it all happens in the same kind of month or something like that its just by the end of the year if you get a bad result you feel you didn't have enough time to rectify anything. Last year was a good review anyway so it was grand, it was ok, but it was very much a tick the box exercise.

Can you tell me, what you think should happen at a year end review meeting? Is your performance linked to your pay?

Em, I think you should definitely go in to your year end review knowing what it's going to be because if you've had a very, if you've had a good half year review, ongoing contact with your line manager, you should really know how your going to do at your year end review. The year end review, I would almost, I suppose, well in my view the year end review would really be with a view to looking at next year rather than looking at the previous. Ok lessons learned maybe but more lessons learned and how to apply them going forward. So, I'd nearly see that as being maybe taking the place of the one in January or wherever the new objectives you know. I'd like to kind of get them as part of the last year but that's just my own, how I'd like to look at it. I'd nearly see the midyear reviews being the equivalent of the end of cause you know what I mean that's the big one there going to, that's the way I look at it.

Interviewer: So it's more or less giving you an indication of where you are at that time so more or less if you keep on going as your going, its going to be a good year end?

Yea. And at the year end then we'll just cover to make sure again that everything's gone grand and now next year, these are the big skills we'll be looking for and we'll meet in January to iron out the projects your going to be working on. That's the way I see it.

Did you receive feedback from your manager; can you tell me how you experienced this feedback?

Em, well it was just, he just kind of say expanded on the results he gave me. Em, some of the marks or whatever he gave me. All positive and it was grand. He just kind of like explained why I got this and got that in different categories and talked me through it.

Interviewer: That's more or less around the numbers. What about you personally? Did you receive feedback from your manager with regard to you?

Not that I can recall, no.

Where any actions agreed to improve on the feedback received?

No.

What recommendations if any would you suggest to improve the performance management process

I think just maybe the, if one thing say understanding how it works, but I think maybe a little more description of what the theory behind it is and what the science behind it is. But, why is it here? Why does it work? Why is it not just a tick the box exercise? That kind of thing. Because I would kind of be interested in personally, and I know other people have said, well you know why are we doing it? And I can see benefits and everything like that but just is it, where did this come from and that kind of thing and I think more input into. Because I suppose there's implicitness involved in this because if your working maybe in HR and there's training involved in it you understand something you studied who never did that I think everyone would kind of know this where for us, its just here's another thing that's coming from HR. And it's the same with IT as well, if new technology comes in and we're there, "well why isn't anyone using it?" because we've been studying it and we know. I think maybe treat people like they really, really need to know designs behind what your doing because it's obviously someone somewhere decided that performance management was the way forward but that never was communicated.

It's just here it is now and now you have to follow it. That would be my recommendation anyway. Maybe just to have a 'where did performance management come from', a bit of a history or a blurb or something to it. That's just on you know maybe getting people to buy into it. The other thing with performance management is that it's just so unclear. I suppose it's a complete culture change where your manager would always tells you what he wants you to do or what he wants you to do, no its going the other way sometimes. You know, your being given a blank piece of paper and told come up with your objectives and its likebeing led rather than leading them and it's a bit of a culture change there that may be needed to be addressed as well because its difficult for maybe staff to suddenly change after working for maybe 10, 15 years to turn around and say, well this is where I want to be in a years time.

Possibly the only other thing that I would say is the actual physical filling in of the form seems to be a bit haywire as well. Who holds them? Where do they go? Are they uploaded? I think an online or digital system might be easier because you generally get black or white print outs and there thrown on your desk and its like fill out that out quick and your writing it down and then your putting it back on someone else's desk and they loose it and say 'well your meant to hold on to your own one and I emailed it to you' and its just there's lots of papers flying around everywhere and your scrambling looking for last years so maybe a system to hold everything together you know or something.

Interviewer: I think that's the whole idea of our wonderful SAP going forward. That's going to be all centralised hence why there's a whole investment in making it an online system with the success of the online ITDP which...

Yes, that's made life easier for pretty much everyone.

Interview 3

INTERVIEW QUESTIONS FOR ESBI STAFF ON THE CURRENT PERFORMANCE MANAGEMENT PROCESS

Role: Engineer

Length of service: 3 Years

Do you have objective agreed for this year? If yes, How many?

Yes. Eight.

What is your understanding of what an objective / SMART goal is?

An objective is em, a goal which you intend to achieve within the coming year.

Can you tell me what the ESBI organisational strategy is?

No.

Interviewer: Would you know where to find it even?

It would be on Solas.

Are your objectives linked with the strategy? If not? To what are they linked?

Yes.

What was your overall experience your objective agreement meeting?

Em, normally I set the objectives before we have the meeting and then me and my line manager sits down and once he's in agreement then there the ones that are set. And, the meeting itself I found it was very helpful. Usually the line manager is kind of you know, he is accommodating to what I want so.

So I initiate it. I write down all the objectives from my side and what I think should be there and then he reviews them and if he agrees, which he usually does, we go with them. Now we do discuss them and go through the details of them in the meeting but before the meeting I'll have basically filled in that form.

Interviewer: And how long would that meeting be?

About maybe, I'd say a half an hour.

Did you have a mid year / PCD review? If yes, can you tell me the format of this meeting?

Yes. Well first of all we just made sure we had the competencies that had come from the ITDP down (part of that form). And then also we just made sure that the objectives were still applicable. And that was really that. And I suppose it's really just in general to review how things are going and that you're on line to achieve the objectives.

What is your understanding of the reasoning behind introducing competencies?

Em, I suppose... Are you talking about the competencies in relation to the ITDP? I suppose it's in a way just to trigger, em, training gaps in your performance. Em, you know so you just see where there's a gap maybe in competencies that you have and then that leads on to training.

Interviewer: Ok, so the ultimate output is your ITDP?

The ultimate output from the competencies? It's I suppose is helping you in defining training on your ITDP... Yes.

Are their levels or weightings behind the competencies?

Em, well I know that there's a focus on particular competencies which I presume comes from what you're looking for from the UCI strategy. I haven't read the UCI strategy but I presume that's what's in it so lets so at the moment I know there's three competencies that they focus on. Em, so yes, I presume obviously the weighting is greater on those three than the others.

Did you agree competencies with your line manager? What are they?

Yes.

Interviewer: What are they?

Other than the three? They're negotiating. Em, knowledge and skills and planning and something management that I can't remember. Planning and I'm not sure, I don't know organisation or something.

Do you feel that the competencies are relevant to your job?

Yes. Definitely, yes. In fact I'd say that all the competencies are relevant to my job it just depends which ones are you know relevant to you more so.

Interviewer: So you see them as being individually to you at this moment in time? The ones that you agreed with your line manager?

Yes.

Do these competencies link into your ITDP?

Yes. So for, if, whatever, each of those competencies were linked to one of my training requests. In some case there was specific training that had been obvious for the last year I wanted and then we looked at that and we tried to decide, you know we went through the competencies, and what did that relate to. So maybe we did it backwards for a couple of them.

Describe the format of your last year end review?

Em, you mean the meeting? Em, we sat down and we looked at the, really it was to look at if whether the objectives had been met and to what extent they had been met. So we went through them and they were graded. I can't remember what the numbers were...whatever 1 to...oh no it's the letters. Em, and we went through them and we discussed them and my line manager allocated whatever grade to each one and if I had any issues I said it to him and we discussed it.

Did this meet and fulfil your expectations?

Yes. Yes, definitely.

Can you tell me, what you think should happen at a year end review meeting? Is your performance linked to your pay?

Em, I think what should happen is what happened, well in my case anyway which is em, a review of the past year, your performance in general, em, I don't think it should be specifically to do with what's just written down on the form. There should be general chat about your performance because I'm sure there's, you know, there's a chance that you will not have maybe have attained all the objectives on that form but you might not be performing well so that needs to be discussed as well. Em, but then in relation to the specifics and the objectives I think each one should be discussed and a grade should be put against them and that's where, that relates to your bonus then at the end.

Interviewer: My next question would be, 'Is your performance linked to your pay?', and you know it is?

Oh Yes. Yes. But in saying that, there's a very small range, as in, em, whether you perform well or not so well. You're most probably going to fall in between the seven and ten percent bracket so I find that the incentive linked to pay isn't that em, well I wouldn't be driven by it. It would be more purely satisfaction from my part of my job but it wouldn't be really linked to my pay.

Interviewer: So when you're talking about a small range you mean for someone who is doing an average versus a high performer, the gap between them is very little?

Yes.

Did you receive feedback from your manager; can you tell me how you experienced this feedback?

Are you talking about the mid-year?

Interviewer: Your last year-end meeting.

Em, did I receive feedback? I did. Em, well I have a very good relationship with my line manager so we would be very honest with one another so whether it was, there was some negative sides to it, there was some positive sides to it, em, I found it very helpful.

Where any actions agreed to improve on the feedback received?

Em...yes. Say for example, em well to be honest this might not have been the last, I think it was the year before last, it was the year end review and my line manager found that I was too blunt in my report writing so that would have led on to the next year having report writing training.

Interviewer: And did that help that?

Yes. I used to review a hundred pages.

Interviewer: So more work then?

Yes.

What recommendations if any would you suggest to improve the performance management process?

I think there should be more involvement than...very often the line manager isn't necessarily the person who is over-viewing and managing what you do. And, like say for example, my project manager, em, wouldn't have much involvement in my reviews whereas he would be the one who would be, I suppose, just as aware of how I'm getting on or would have opinions on how I'm working. And gives me feedback, you know, in the coffee dock or in the corridor whereas I think he should be involved in the reviews as well. You know sometimes he might say something to me and, say if it's a negative thing, he'll go 'look, I think you should really be doing this', and I would have liked to have heard that three months previously but it's just the fact that they're busy and he's running around whereas if he was involved in those meetings it would give him a chance to sit and think 'right, well what do I need to tell her'. So I think maybe involvement. Maybe not necessarily your project manager, it could be an engineer who's working with you but I think, and I'm not talking about for the whole meeting, but I think maybe calling someone who is directly involved in what your working with maybe to give feedback. I think it would be a good idea. You know?

Interviewer: Any other recommendations based on your experience on the process or the workings?

Em, yea again this is to do with the line manager (not in my case now) but very, when I started here my line manager had nothing to do with what I did so, as in, he had no idea what work I was doing so I think...even sometimes when you change roles in the company, lets say for example on Wednesday I'm going to Ringsend. Now my line manager is going to be still based in PowerPlant. So...you know...how he is going to assess how I work in Ringsend, I don't know.

Interviewer: How long are you going to be in Ringsend for?

Three months.

Interviewer: And has he planned any kind of interim updates or how are you going to keep him informed?

Yes. Well I just said to him that we'll sit down and, to be honest I know we've done the midyear meeting but we want to actually do it again because once I'm in that role a lot of my tasks will change so we just want to make sure that the forms are up-to-date so we are actually going to meet again in a month whatever or a couple of weeks.

Interviewer: Is this a promotion or?

No this is purely just to...

Interviewer: A new project?

Oh sorry, yea...it's em...it's just a new...I'm just finishing up on my project at the moment and its just the next one, the next role you know.

Interview 4

INTERVIEW QUESTIONS FOR ESBI STAFF ON THE CURRENT PERFORMANCE MANAGEMENT PROCESS

Role: Civil Engineer

Length of service: 20 Years

Do you have objective agreed for this year? If yes, How many?

Yes. Eight.

What is your understanding of what an objective / SMART goal is?

An objective is...em...a goal to be...a specific goal to be completed within a time period which is relevant to your roles and responsibilities.

Can you tell me what the ESBI organisational strategy is?

The organisational strategy, essentially, is driven by the ESB strategy, the 2020 strategy, which is essentially to invest in infrastructure both in renewables and related infrastructure between now and 2020.

Are your objectives linked with the strategy? If not? To what are they linked?

Absolutely. Yes.

What was your overall experience your objective agreement meeting?

My most recent meeting was, I think, very good in that we reviewed the objectives that had been set at the beginning of the year and my manager asked me to just talk about the bigger picture and out of that came some new objectives. One of which was to, within a specified time period, to draw up a new organisation plan for Civil and Structural and that's embedded in there and I think its probably most important. It wasn't one of my objectives and yet it was the most important that came out of the discussion.

Did you have a mid year / PCD review? If yes, can you tell me the format of this meeting?

Not included in Interview.

What is your understanding of the reasoning behind introducing competencies?

Well I think it brings clarity to the staff members in terms of having a balanced set of competencies or skills. It identifies the key competencies and therefore informs your development as an individual and as part of the company.

Are their levels or weightings behind the competencies?

Yes. Em...well, communications was one, customer relations was another, health and safety.

Did you agree competencies with your line manager? What are they?

I do, yes. Absolutely. Yes.

Do you feel that the competencies are relevant to your job?

Not included in the interview.

Do these competencies link into your ITDP?

Not included in the interview.

Describe the format of your last year end review?

First of all we went through the specific objectives and we discussed what had been achieved in terms of has it been done, has it not been done and so on. We established the facts if you like. And then, we had a broader discussion around...em...performance and about how...where there any major issues which weren't covered by the objectives and by what we had been discussing. So...

Did this meet and fulfil your expectations?

Yes. It did yea. It wasn't...the actual, the latest meeting was actually better but because it hit the nail on the head but it did yea. It gave me a fairly clear understanding of what my manager expected of me in terms of...em...being more strategic and spending less time on day to day issues. Which in turn then kind of informed me about setting my objectives for next year...for this year. So, it was...I suppose, the main thing I'd say about it is that it was a little bit on the short and snappy side.

Can you tell me, what you think should happen at a year end review meeting? Is your performance linked to your pay?

Not...there isn't a direct link...but I think in reality there is yea.

Did you receive feedback from your manager; can you tell me how you experienced this feedback?

Not a lot now I have to say.

Where any actions agreed to improve on the feedback received?

Absolutely. Yes.

What recommendations if any would you suggest to improve the performance management process?

Well to improve the process, I think...em...it possibly needs to be simplified a little bit. I think more time needs to be put into explaining to people exactly the...what's involved in it. For some reason it still really isn't part of our day to day. Its starting to get there...em...I would say possibly a manager and the team that he or she reviews should possibly meet once or twice a year as a group to discuss the whole process. A general meeting should take place maybe a couple of weeks before the whole process takes place with the manager discussing what he or she thinks is important, gets some feedback. Because it seems very much an individual...and it's a bit isolated, a bit isolated and if you had a form like that a couple of weeks before, maybe a month beforehand where the group, the manager and his or her reportees sat down (obviously there not going to discuss individual objectives and reports and so on) but they could discuss the issues around what are important around the process and you know and maybe have somebody from HR sit in at those sessions. Maybe twice a year because it tends to be something, its still something that you do, you put on to your sheet, you stick in a drawer and you kind of forget about it a little bit. I hope that's not being too blunt but...

Interview 5

INTERVIEW QUESTIONS FOR ESBI STAFF ON THE CURRNT PERFORMANCE MANAGEMENT PROCESS

Role: Communications Officer

Length of service Since 1990

Do you have objective agreed for this year? If yes, How many?

I do, yes. Don't know...four or five.

What is your understanding of what an objective / SMART goal is?

It's the goal setting; it's the important work that I have to do. It's kind of the highlighted...I mean I do a lot of work but it would be the high level objectives for the year that I would focus on. Mainly..they're the most important aspects of my role I suppose.

Can you tell me what the ESBI organisational strategy is?

Not really and I should.

Interviewer: Would you know how to get your hands on it?

I would. On the intranet, on our intranet solas and I should know what it is.

Are your objectives linked with the strategy? If not? To what are they linked?

I would say, not to some degree but I mean as a...we're a kind of a central area kind of area that we provide services to all parts of the business so by us helping other elements or other parts of the company, we're helping the strategy in that regard. Yes, so in a kind of second hand way, yes we are helping the strategy.

What was your overall experience your objective agreement meeting?

Em...basically I would say it's just something that has to be done. It's a necessary evil. You know there's dates these things have to be done by and we have to comply with that so that's kind of the first thing and I suppose that's kind of a bit negative that, you know, your doing it cause you have to do it. And I suppose we don't all fit in easily into the organisation which is mainly engineering and I think it maybe fits better for engineers. So we're trying to fit into a structure that doesn't always fit for you so your trying to fit into something that might not be perfect for you so it's a necessary evil.

Did you have a mid year / PCD review? If yes, can you tell me the format of this meeting?

I have. Well, we went through the objectives again, tweaked them if necessary because if you know if some things aren't working or some things have changed or maybe the emphasis is changed as well so that's the good part of it because you can actually change it. Yea so we went through everything and kind of saw like some things haven't been done I suppose and kind of you know, how are you're trying to get these things covered so that you can have the right boxes ticked at the end of the year so that your working through all the objectives that are set for you.

What is your understanding of the reasoning behind introducing competencies?

I suppose it's to make it more relevant. Em...but, you know, at times I wonder because it's just more things to read that you know you pick three or four competencies and trying again the ones that can't fit you so, again trying to make something fit. But I suppose it's trying to make it more relevant so you know that these are the areas that you should be trying to focus on so I suppose that does make it a little bit more relevant. A lot of reading in it.

Are their levels or weightings behind the competencies?

I believe so but I couldn't tell you.

Did you agree competencies with your line manager? What are they?

I did.

Interviewer: What are they?

I don't know. One is definitely communications. Sometimes your doing these things and your doing them because you have to do them and, as I say, trying to make them fit into your job and your kind of picking the ones out that make a bit of sense to you and I couldn't tell you what the other ones are at this point but em...the ones that were relevant.

Do you feel that the competencies are relevant to your job?

Some of them you can make fit I suppose. Em...again, our job in communications kind of covers a multitude of things you know we get asked to do things that may not even be our job so we kind of cross areas so yea I suppose we can go 'yea we do this, this and this'.

Do these competencies link into your ITDP?

They were to a degree. Again, in your ITDP you're trying to pick things that would help you in your job so again, if the competencies are relevant as well, then between the two yes they would be linked.

Describe the format of your last year end review?

Em...as in would have met with my manager? From that level? It would have been quite a positive experience to the point of, from my understanding of the training that had been given, from my point of view as someone who is filling this in. It's always meant to be a very positive experience and it was that. But sometimes then you think, well everything's just happy and wonderful. And I know it's not meant to be, nothing negative is meant to be brought up particularly as well so its just you come away feeling wonderful. But then you would wonder how real that is as well at times.

Did this meet and fulfil your expectations?

Well it met my expectations because that's what I was expecting but I don't know. Again, sometimes, I suppose I'm here quite a long time and a bit cynical sometimes about how you've to tick boxes. So, yea, I came away feeling the joys of life for about a minute but the reality is that it doesn't change anything really and it just seems sometimes a little bit false that it's just so positive.

Can you tell me, what you think should happen at a year end review meeting? Is your performance linked to your pay?

I don't know. I suppose it's different again with managers and staff. Everybody interprets how this process works differently. I suppose I just feel that it's a little, and I mean I don't think I necessarily need to hear all negative things but, it's too hiked up, it's too positive that I believe its not real. It's almost like you can't say anything bad in this hour long meeting. So, kind of, I don't know maybe I'm just cynical because I've been here so long, that its nearly too positive that it becomes not real.

Interviewer: Is your performance linked to pay?

No. I don't think so. To me that's something that's kept completely in the dark. It doesn't seem to be particularly...I mean, I like to think, I mean I do a good job and I put in effort so I'd like to think I'd get rewarded but it doesn't always seem that way.

Did you receive feedback from your manager; can you tell me how you experienced this feedback?

All very positive. And maybe that's what I deserved but I thought my manager was taking her instructions very far that this has to be so positive. As I say, it became nearly unreal.

Where any actions agreed to improve on the feedback received?

There was probably more actions from the mid-year than the end of year.

What recommendations if any would you suggest to improve the performance management process?

I think more training for managers, because again, you know, I feel that they can interpret things differently and one element of it is, you know the stretch goals? I don't think that's being interpreted correctly, I don't understand it particularly and when I talk to people in different areas, their managers have different understandings of how it works and I'm not sure which is correct. So there's a bit of ambiguity. Maybe that can be cleared up. I don't know but its one element of it anyway. Again, this is something that I think it works in some areas better than it works in others and I think, you the company is an engineering company and I think it works better that way. It's improved from previous versions of the performance management system anyway and I suppose we just need to keep looking at trying to improve it all the time.

Interview 6

INTERVIEW QUESTIONS FOR ESBI STAFF ON THE CURRENT PERFORMANCE MANAGEMENT PROCESS

Role: Facility Manager – Key Accounts

Length of service: 12 Years

Do you have objective agreed for this year? If yes, How many?

Yes. Eight.

What is your understanding of what an objective / SMART goal is?

It's an agreed...em...em...I can't use the word objective can I? It's an agreed piece of work or item that has to be undertaken by me...em...when I say agreed, agreed between myself and my line manager. Em, and the objectives should be business related and focussed on a specific area.

Can you tell me what the ESBI organisational strategy is?

Em...organisational strategy? Can you be more specific?

Interviewer: Like what's the next kind of 5 year plan let's say of the ESBI?

I can, yes. I suppose the intention is to have flexibility within the engineering groups and to have the skills and capabilities to deliver the green agenda as in 2020 framework.

Are your objectives linked with the strategy? If not? To what are they linked?

Not specifically...by virtue of the business lines.

Interviewer: So what are they linked to?

They're linked to the performance of the projects for which I'm responsible which is the Asia key account. It is, that they are linked to the people side of the...em...office and they are linked to the financial side of the project. The O&M project deliver a reasonably strong financial position for ESB International and they're important in that respect.

What was your overall experience your objective agreement meeting?

It was my first objective agreement meeting with a) in my new role and b) with my new boss so it was, it was a rather strong learning experience for me. Em...previous to that my objectives have been set in a different environment which I've been in and worked in for quite a number of years and I was very comfortable in that environment. Em, the new objective setting environment allowed me or exposed me to a different level of objective and different objectives both in their type and in their scale.

Interviewer: Ok, so they've gone kind of more financially driven probably?

Absolutely.

Did you have a mid year / PCD review? If yes, can you tell me the format of this meeting?

No...oh sorry, I beg your pardon, I did. Last Friday, I did. Em, and we just reviewed the objectives. They're all still valid, em, and I got some preliminary feedback from my boss highlighting a number of areas where he was very, very happy with and identifying a couple of areas where he'd like me to spend more time on in the second half of the year.

What is your understanding of the reasoning behind introducing competencies?

I suppose its, my understanding so it's a subjective opinion but I suppose it's to standardise capabilities across the business and to maybe contribute to flexibility and to ensure that personal development across the business is done in a reasonably structured manner.

Are their levels or weightings behind the competencies?

Again being subjective, there are certain competencies which I think would be probably more relevant to each and every role. S, em...I'm not sure are there levels or weightings behind them. That doesn't make sense to me but I know that certainly some of them would be more relevant to every particular role.

Did you agree competencies with your line manager? What are they?

No.

Do you feel that the competencies are relevant to your job?

N/A

Do these competencies link into your ITDP?

Ok the situation with the ITDP is that we had a discussion on it but we haven't yet agreed on the ITDP, I haven't completed my ITDP however last week I did have a discussion with my line manager and there were three or four areas that I'm going to work on. We agreed to reconvene the meeting next week to discuss and agree the ITDP. There are three areas that were discussed. One is the HR for line managers programme, the other is on conflict management, and the other is on time management. I suppose, the bones of it are there, it just needs to be structured and agreed.

Describe the format of your last year end review?

Yea...its probably a bad example in that I changed jobs probably about two months into the programme. I had agreed in a previous job, I had agreed objectives when I was in engineering. I then was moved into the resource strategy project in March and for various reasons didn't have agreed objectives in the revised role. Partially my responsibility I will accept. However, the review discussion at the end of the year was a review of the resource strategy project and it was em as if a number of objectives had been agreed and I think both myself and my line manager were comfortable in that respect.

Did this meet and fulfil your expectations?

It did actually. I found it a very useful meeting. I got a lot out of it. Last year was a different year from normal. I ended up having three jobs in the course of last year. It started the first two months in engineering. The majority of the year was then spent in resource strategy and I then finished the year, the last month of the year in the facility management group. So it was an unusual year. There was a promotion involved which I would view as a positive but my meeting with my reviewer last year, I thought, was a very positive meeting and a very constructive meeting.

Can you tell me, what you think should happen at a year end review meeting? Is your performance linked to your pay?

Em...well I would...I have a big thing that review meetings and pay should be separated, that in my opinion is vital. I think reward and pay or sorry reward and review meetings when put together they become confrontational. I'd like to see them as separated. So, quite obviously reward has to be linked to performance...em... but, I think that, for a performance management meeting at the end of the year to be an open discussion, I think there needs to be some separation between the two of them. An absolute open and honest discussion where somebody is able to put forward a potential weakness, an area for improvement or otherwise that would allow them to do so with out fear of financial conflict.

Interviewer: Is your performance linked to pay?

It is by virtue of the fact that I'm linked to the SM matrix.

Did you receive feedback from your manager; can you tell me how you experienced this feedback?

I did. Yes. I found it very positive. Em, I am very very open to feedback as a matter of fact. I suppose, I would be known for going out and seeking feedback. I don't have a problem with it. Any of my managers, I give them reasonably accurate feedback...em...and I know now that, particularly the guys that work for me, they know they're going to get feedback and we review things...and we review things in a constructive manner.

Where any actions agreed to improve on the feedback received?

Not really, again by virtue of the fact that I was changing jobs, so I was being handed over, and I don't mean that in a negative sense, I was going into a different environment.

What recommendations if any would you suggest to improve the performance management process?

Ok. I think the process; I don't know if there is any way around it, I think the actual process of filling forms is difficult. I don't know if there's a way around it and that's being truthful with you. But, I think there's a lot of administration that goes with the process and I think that can be difficult. Particularly for me and all of my reviewees who are outside of the country and separated by several time zones. I think maybe more templates or maybe more guidelines maybe available and I'm referring to practical examples here. Em ...or objectives I think sometimes people can put in objectives for the sake of having to tick eight boxes or 6 and 2 or whatever your potential split is. I think there should always be an objective in there as regards training. If you're a junior member of staff it should be your own training your own development. If you're a line manager or more senior it should be mandatory that you are responsible for the training of the people who report to you. Em...I agree with the health and safety objectives, the commercial objectives, I think they are vital. Em...and I would also like to see a bit more flexibility in a couple of areas as well. I know we all operate on a 6 - 2 split but not all jobs are capable of having a 6 - 2 split.

Interview 7

INTERVIEW QUESTIONS FOR ESBI STAFF ON THE CURRENT PERFORMANCE MANAGEMENT PROCESS

Role: Commercial Manager

Length of service: 12 Years

Do you have objective agreed for this year? If yes, How many?

Yes. Four.

What is your understanding of what an objective / SMART goal is?

My understanding is it's the items that need to be, I suppose, completed...em...in the year...eh...that we're actually in at the moment. And the objectives are meant to be something that are actually attainable but stretching.

Can you tell me what the ESBI organisational strategy is?

The overall ESBI strategy? Well the growth strategy, I suppose incorporates basically the growth in the international market which is the UK and there is also a strategy to actually develop the...em...consultancy and fm business and look at more consultancy contracts abroad. And I think there is a very strong kind of health and safety strategy basically where we have a zero, a target of zero L.T.I.'s.

Are your objectives linked with the strategy? If not? To what are they linked?

Yes, they're linked to the UK strategy which is...which is what we're responsible for here.

What was your overall experience your objective agreement meeting?

Em, it went well. I suppose it's a new area for ourselves here so...em...it was more a kind of a conversation about how we were getting on, where both parties thought we should be going, and it was very much a two way thing rather than someone just dictating to you what your objectives should be.

Did you have a mid year / PCD review? If yes, can you tell me the format of this meeting?

Not yet.

What is your understanding of the reasoning behind introducing competencies?

Em, I suppose my understanding is that for a number of jobs there is different competencies required and if to get people to actually understand what those competencies are and to actually develop them so that people are better in their jobs and can better handle the jobs that they're in.

Are their levels or weightings behind the competencies?

Em, I would say there probably is. I suppose that there are generic competencies that everybody has to have in a particular job and I think then that there is other competencies that really depend on the job itself so I suppose if we you looking at weighting its probably not 1 – 5 ratings but your probably saying that there is certain things that everyone should have and then there is other ones depending on the job that they are going to be in.

Did you agree competencies with your line manager? What are they?

Yes. Eh well we've technical competencies basically and then there's kind of team leading and all that kinda leadership competencies as well.

Do you feel that the competencies are relevant to your job?

Yes.

Do these competencies link into your ITDP?

Yes.

Describe the format of your last year end review?

Eh, it was a meeting basically that myself and John had and it started off with John asking me how I felt I got on and we discussed that for a period of time with John coming in then and kind of looking at with where he thought it was, where he thought I got on and then we discussed improvements that could be made and things that were done well as well. Em so it was very much a two way conversation. It wasn't any way dictorial or any way, like there was feedback given, good feedback and I suppose I won't say negative feedback but it was actually constructive I would say. Em, so I would have thought that went very well.

Did this meet and fulfil your expectations?

Yes.

Can you tell me, what you think should happen at a year end review meeting? Is your performance linked to your pay?

I think, similarly, it has to be a two way review. I don't think the manager should actually be completing all the review. If anything I think it should be the other way around. I think the staff member needs to actually communicate how they felt they got on and in times when they didn't feel they got on to actually communicate why they didn't feel like they get on cause I think then that makes it very clear to see if both parties are kind of on the one wavelength or is there something that's actually missing. So I think if the staff member is given the majority of the time to actually, in the review it's actually better.

Interviewer: Is your performance linked to pay?

Em...Is my performance linked to pay? Em...its not linked to pay as such but I would think, its not meant to be but, I think it is.

Did you receive feedback from your manager; can you tell me how you experienced this feedback?

Yes.

Where any actions agreed to improve on the feedback received?

Yea, em, I suppose there was a couple of things basically in relation to my interaction with certain people and not and kind of different ways of interacting with those people. And I suppose just kind of continuous interaction with some people who might not be grasping different parts of the pieces of work that we're doing so to make sure we communicated it properly and all that and that was kind of my responsibility to do all that then.

What recommendations if any would you suggest to improve the performance management process?

Em...I think I would involve HR a bit more in it. Em...especially initially and em...if there's new managers. I think its good for HR to be sitting round the table and to be able to give feedback both to the manager who is actually done the performance and also to give the staff member a kind of, somebody, a contact in HR if there is certain things that, you know, are causing them an issue and they don't want to talk to the manager about it and want to talk to somebody else better to get a feel on different things. Em...or in relation to if they wanted to kind of look at different courses on their ITDP and they felt that you know HR were looking at these courses and could tell them what the courses entailed rather than their manager kind of feeding it back. So, I think if HR was more involved I think it, I think it would be good.

Interview 8

INTERVIEW QUESTIONS FOR ESBI STAFF ON THE CURRENT PERFORMANCE MANAGEMENT PROCESS

Role: HR Manager ESB International

Length of service: ESB Since 1977 and 1 Year in ESBI

Note: I have interviewed staff from across the businesses to gain an insight into their experiences of the Performance Management Process

I would like to ask you as the HR manager for ESBI the following questions:

What were the objectives behind the implementation of the performance management process?

You mean initially or...? Em, well I think its obviously its to up the business performance. I would see it and I think the reason that it tends to be introduced anywhere in the ESBI is to get that connection between the individual performance and the organisational performance and to have that connection between them so I see it in two respects. One is that their connection on what a person does contribute to the business so they understand how they contribute to the business. And that's all to do with the conversations that go on. And then secondly then is that they benefit from the business doing well and that they get a performance bonus so there's a money piece and there's a conversation piece. So I don't think ESBI would be that different from anywhere.

How does the current process ensure these objectives are met?

Em...well ideally, I mean as its structured, I'll give you the ideal case. As its structured it's a cascaded system so if you go back to what I've said the business objectives are set, they feed down to the senior business line managers, they then set objectives for the next line below them and then they set objectives for the people below them. So ideally, all by the time you get to the very bottom of the pyramid the people who's objectives are at the bottom have been informed all the way from the objectives that are given at the top. And therefore, if they work to those objectives therefore the business objectives are going to be achieved. So it's a cascaded system and that's the way its meant to work and even the timing of the system and the process that's the way it should work. And it should always cascade down and also at the end of the year the feedback should be all the way so the people at the lowest level should be doing their feedback sessions first and then up and up and up. So it has to cascade rather than having them all take place at the same time, that would be the way it should go.

Do you think the business lines are linking individual objectives to strategy?

I'd say it goes to a certain level because if you start at the top of the organisation. At the top of the organisation they've got no choice. The SMT or the executive SMT they have to get their objectives into the objectives people will be reporting to them so down to just the senior manager level or the direct reports to the reports to the executive director. I've no doubt it works there because those people obviously get their...their...they know what the business objectives are. They're very close to the top so they can see a direct line of sight from what the whole business has to do and what they need to get the people who report to them to do. As it goes down further I don't know I'd say it's very mixed. I know some areas anecdotally certainly the targets go down and people divide out their own targets into projects for the people that work for them and it goes all the way down. Plus the other operational things that need to go on anyway, they're aren't just strategic things I mean there are operational things that have to get done as well. But I'd say at some level it breaks down and I'd say that depends on the depth of the organisation. Some of the organisation within ESBI are shallow, some are very deep and I think the deeper the organisation the more diluted it gets.

Who owns this process?

Well it's owned by the line managers I would say. It's not owned by HR certainly. It's owned by the line managers and it should be owned by the line managers. HR facilitates it, work with it, put all the systems and the structures in place but ultimately it has to be owned. I would think each senior line manager owns it down and each individual owns what's below them. That would be the way I would see it.

What in your opinion should the line manager achieve from this performance management process?

Well I suppose firstly what they should achieve is that they should allow them to manage the performance of the people that are working from them, the organisation below them. So at any level they know that the things they are trying to achieve and what the priorities are, are being carried out by the people below them. So at an organisational level they're sure that we are doing the right things and people are concentrating their efforts on the right things. That people aren't doing what they think...you know...what they think they like to do...they like to do things but that their doing what the company needs. But also it gives them a measure and a structure for really seeing are the people performing at an individual level. Because, if they have a measure and it's objective and not subjective, you should have measurable targets.

What in your opinion should the employee achieve from this performance management process?

Well the main thing for the employee, well would be one of two things, one is clarity, clarity at an individual level, clarity at what's expected of them. And we know that even looking at other broader HR things, that's one of the causes of organisation stress on an individual if they don't have clear objectives. Everyone is very clear as to what they should be doing. So that's good. But also clarity I think from it about how they contribute to the business and back to one of the things I said initially about what its like to deal with performance management that, its like the old anecdote of the guy sweeping the floor in Nassau and he was asked what he was doing and he said 'I'm putting a man on the moon', you know, that was what as far as he was concerned he was contributing to the space project even though all he had to do was sweep the floor but he could see all the way to the end.

Are the year end reviews linked to pay? If not? Should they... if yes? Why?

Yes.

Interviewer: Why?

Why are they? Well we do have a, I mean we have, if you like we have a dual-strand system. We have a conversational piece and we also have a performance bonus payment. We have figure of 10% payable to all members of staff which is linked to their performance. So..em..it is, there is that linkage there. Now you could have a performance system without any payment. We have one that is linked to pay and how good that linkage is up for debate but there is a linkage...yes.

How can the organisation ensure that both parties of the performance

Prepare, prepare. They need to prepare. And its not days of preparation. I think most managers do very little preparation and I think most staff do very little preparation. A little bit of thinking before you go into your meetings is very good. I think that's the first thing. Getting people to prepare and think about what they are doing. And the second thing is to give more time from the reviewers point of view, to give more time listening. That's the second thing, I've a third thing coming up now but that's the second thing. Giving more time listening. A bit more of the empathic listening skills would be good, em, and I think the other part of the, they need to have the ongoing conversations as well. Performance management is not three times a year. It should be, those would be the formal, so you've got the target setting, you've got the mid-year and you've got your end of year. In between that there needs to be adjustment. If you were sailing a ship across the Atlantic you wouldn't wait until your half way across to do your first adjustment, 'Are we still heading form New York or not?', because if your so far off target by then you're not going to make it anyway so there is the constant...there needs to be other constant conversations going on as well. Conversations, by the way, dialogue not monologue.

Has business performance benefited from the introduction of the performance process? If so... how do you know?

I think on the whole it has and I think we would not be as high performing if we didn't have it, in the absence of it. We are dealing with a lot of professional people. The vast majority of staff in the organisation are very professional. They need clarity, they need understanding of what they're doing. I don't think you could say we could never have one. Even if you didn't have a formal one you would still end up having an informal one. You would still end up with something. As it is we have put a very well structured process in place. I think the challenges really are people using that and seeing the benefits of it. But I think certainly that in the absence of it the performance would not be as good. I don't think it could be.

Interviewer: So you've said a whole lot of how's but how do we really know?

Well its hard to measure at an individual level em you could say like at a marco level if the company is doing very well, you could say they are. How do you measure in the absence what would be the test if we didn't have it...it would be very hard to measure what that is. My own view is that it does certainly give a lot of clarity about what we're doing compared to people who I would see doing things what we wouldn't want them to do lets say. People who didn't know what was expected of them. Em...and it does...I think there is a good structure here. There's very clear business plans put together. I've worked in other parts of the organisation and inside of ESBI and I think that the business plan and strategy is always very clear about what we say we're going to do and its always very easy to go back and see are we actually doing something for that. Its not wishy-washy. So I think because the business plan objectives and the business strategy is clear, that also helps the performance management to be clear. I think it has...it's very hard to say exactly the evidence of it apart from the fact the business does well.

What parts of the process works well in your opinion and in what areas does it need to improve on?

I think the processes are very, very good like a support. Everything is there. You needn't add anything new in to make it work. You've got everything in place. You've got the training. I think the level of training given to people on the system itself, the support from the system, the support from HR, all of these things are there so in terms of doing something well, in terms of putting the system together, I don't think anyone could say well the system doesn't help me. So...the best thing we have about it is that we have a very, very good, robust process. Em, and really I think that what works worst is down to I'd say individuals and managers not really putting the time into it that they should. Its not seen, its not given the level of importance that it requires...em... and I think that's a challenge for us, I mean, because we have so many people here. Em...I think the level of quality is so variable, we need to get the overall quality of it...if we could get everyone up around where the best people are we would really be doing. I think the people who use the system well, you'd leave them to do that really well but I think the people who aren't, we need to get on there and find out why that's not happening.

Appendix I

Training Course outline on Managing a Performance Management System

Number of participants: Six to Eight

09:00

Introduction

- Issues identified
- Outline of programme
- Personal learning objectives articulated

09:15

Workshop

Break into groups ;

- One group consider what makes a meeting between manager and staff member work effectively and productively for both.
- Other group consider barriers to successful meeting: what causes the meeting to become negative and, sometimes, emotional with consequent damage to relationships.

10:15

Feedback from Groups

- Issues both positive and negative are noted on flipchart.
- Tutor facilitates discussion to identify crucial elements in meeting: participants now know *what* they must do to have successful outcomes to their meetings.

11:00

Break

11:15 Case Studies

- Participants now put into practice what they know.

The tutor will brief the participants on a particular case involving an employee who has underperformance issues and who is about to meet his or her manager. (The case study may be in a written handout provided by ESBI HR and based on actual situations faced by managers in the organisations)

11:25 Preparation for Case Study

- Participants are divided into two groups : one group become managers, the other staff members. Each group prepares according to their assigned role.

11:35 Role Play

Two participants are selected by tutor (or volunteer) to play the role of a manager giving feedback and employee receiving it. They are recorded on DVD for approximately ten minutes.

Other participants are tasked with noting how effective the meeting is, basing their analysis on the earlier-established list of elements that make such meetings work or not work. They will be asked to give their feedback in due course.

12:15 Feedback

Tutor takes observations on how the meeting went.

The DVD is now viewed with the tutor making inputs on the observed behaviours of the two participants.

Issues that will be identified include;

- Getting emotional
- Poor listening
- Making assertions
- Debating unclear objectives
- Relying on hearsay

Break

- 14:00** **Continue Review**
Tutor will lead discussion on what are the effects on the meeting participants of the issues identified. Participants learn that for feedback to be effective each side must have SMART objectives. Lack of clarity leads to difficulties and deteriorating relationships and, usually, underperformance. Unclear objectives or lack of agreed objectives drive both the manager and the staff member into making assertions and excuses and undermining their credibility.
- 14:30** **Listening**
Listening becomes a major issue and this is explored in great detail. The tutor will administer a questionnaire that benchmarks each of the participants listening skills. They learn how to become more effective listeners and are assigned particular behaviours to work on back in their workplaces. They see how active listening can greatly contribute to lessening emotions in a difficult performance review meeting.
- The tutor will focus on questioning techniques and the participants learn the crucial difference between closed and open questions and how they can shut down or extend a conversation. They also learn the technique of defusing angry exchanges.
- 15:15** **Break**
- 15:30** **Second Role Play**
- The tutor will select two participants to role play manager and staff member in a performance review meeting. (This meeting can be an objective-setting meeting or a review meeting).
- The meeting is recorded and reviewed following the pattern of the morning session.
- 16:30** **Personal Commitments**
The tutor has all [participants review their notes from the day and commit to exhibiting the selected behaviours back in the workplace.

Course End.