

An Exploration of the performance  
management system in B&Q

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BA (Hons) in Human Resource Management

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# An exploration of the performance management system in B&Q

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## Declaration

I hereby certify that this material, which I now submit for assessment of the programme of study leading to the award of B.A (Hons.) in Human Resource Management is entirely my own work and has not been taken from the work of others save and to the extent that such work has been cited and acknowledged within the text of my work

Signed: Kelen Jones

Date: 20.07.2009

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# ***Performance Management***

***An exploration of the performance management system in B&Q;  
to determine how the company can effectively manage and improve  
organisational performance using the existing performance management  
system.***

***Karen Ferris, BAHRM (Hons)***

## ***Chapter 1 – Setting the Scene***

***In theory the Performance Review process can be thought of as a positive interaction between a “coach” and an employee, working together to achieve maximum performance. In reality, it’s more like finding a dead squirrel in your backyard and realising the best solution is to fling it onto your neighbour’s roof.***

***-Scott Adams (The Dilbert Principle)***

### **Introduction**

#### ***Aims of the Research***

This paper is an exploration of the performance management system (PMS) in B&Q; the aim of this research is to evaluate the system in use; and to make recommendations to the company about the system in question. This dissertation aims to determine, using the existing system, how performance management (PM) can be improved. The other areas this research paper will examine are the company Human Resource (HR) policies, the aim here is to discover if the policies support the effective management of performance and performance improvement in the organisation.

#### ***Research Areas***

This dissertation will examine the methods employed by the organisation, in the communication and implementation of its PMS. It will look at the management teams knowledge and understanding of PMS's to gain an understanding of the skills and competencies required to conduct and evaluate performance in a fair and unbiased manner, further examining the organisations role in training and skilling its managers to implement the PMS's and continually evaluate performance measures.

The second part of this research will consider the company's main HR policies and practices; namely recruitment and selection, training and induction, absence management, talent management and reward to determine if they adequately support or address the management

of performance in the organisation. This research aims to establish if the companies HR policies and practices are aligned with and support the overall objective to improve performance and PM in the organisation.

The specific issues which this research will endeavour to address are; how effective is the current system and how can the organisation endeavour to improve organisational performance. The current PMS is still very much in its infancy in terms of any tangible results or performance improvements but it has been in operation now for almost eighteen months. The real issue here however is that the organisation acknowledges and almost accepts that PM is not something that they have ever been particularly good at doing, but a considerable amount of time and money has been spent in developing and implementing a new PMS. So how does B&Q, and particularly its flagship store in Liffey Valley take what they have got in terms of a PMS and work within the parameters of that system to develop a high-performing organisation and one that excels at managing performance continuously and consistently.

One of the issues in evaluating the PMS is the inconsistency of the performance reviews being carried out across the store. This however in no way suggests that the system in use is flawed or even unworkable; it only implies that there are some obstacles to carrying out performance reviews in a continuous and consistent manner. To explore or discover the reason for this it is imperative that this research examines and focuses on the management team's role in performance evaluation and management. This again in no way implies that either the management team or any particular manager is either failing or lacking in their commitment to their role or the organisation, only that if the organisation have a system and they have managers that are both committed to their people and the business, we need to discover what the missing link is.

### ***Reason for Choosing Research Topic***

The reason for choosing this area of research is two-fold; firstly since the implementation of the new PMS, feedback has not been sought from the management team and those managing people performance to ascertain how the system is working for them. As the companies

managers are tasked with managing performance it is important to learn from their perspective if they have been able to make performance improvements within their teams. It is crucial to the success of the PMS to gauge if the management team fully understand the system, and are utilising the tools available for their intended purpose. Secondly, to gain an appreciation of how PM is integrated with the companies policies and practices an evaluation of these policies is necessary to determine if they support the management of performance or are they surplus to the PM process.

### **Organisational Context**

B&Q is a large Home Improvement retailer operating in the United Kingdom and Ireland, which employs over 33,000 employees in 343 stores and in the company Store Support Office in Southampton. The company is owned by the Kingfisher Group which owns a number of other Home Improvement retailers operating in France, Italy, Poland, Turkey and Russia.

### ***Performance Appraisal***

B&Q have had a performance appraisal system in place for over a decade, with twice yearly reviews of people performance to determine firstly if the performance expectation was being met and secondly to ascertain in the individual being reviewed had performed sufficiently to qualify for a pay rise. The system and its processes were very subjective and it came down to individual assessment to determining if the individual's being evaluated warranted a pay review. The appraisal system lacked the support of any other evaluation methods and therefore no rigorous processes were in place to ensure continued performance improvements.

### ***Introducing Performance Management***

The company introduced a new PMS over eighteen months ago, which was initially rolled out for the customer advisor population and later administrative and supervisory grades. At the same time a secondary PMS was introduced for the management population within the last six months. The initial introduction of the system to the different grades was approached by degrees as part of the "Aisle Ownership" strategy. The aisle ownership concept basically

means that each customer advisor in all 343 stores is accountable and is held responsible for their own aisle(s) in the store. An essential element of “aisle ownership” is the PMS that supports the attainment of organisational goals. Other HR policy and practice areas which are integrated into “aisle ownership” are job autonomy, talent management, recruitment and selection, performance related pay (PRP), learning and development and decision making to name a few. The PMS has been integrated with the bi-annually appraisal, but this is currently under review and will most likely only be conducted annually for pay review purposes in the future.

The current PMS defines job roles and areas of responsibilities for each member of the team along with an ongoing process of two-way communication, goal setting, reviewing achievements against set targets and personal development planning. Managers are required to formally discuss performance expectations and objectives with each member of their team at least twice a month in conjunction with daily/weekly informal dialogue and performance feedback.

Performance expectations are established for each team member depending on their levels of competence and attainment within the companies learning and development framework (LDF). Once determined this is formally recorded on an “aisle ownership review” document which in theory is continually updated and reviewed against progress. Since its introduction eighteen months earlier with the customer advisor population the same process has been followed for administrators and supervisory staff.

The PMS introduced for the management team is called the “Podium” review in which the management team are continuously assessed against three criteria; Results, Standards and Behaviours. A traffic light system is used to determine performance against these three criteria. Scoring a red in more than two out of the three categories will result in that particular manager not making podium position in the review month, however managers have the opportunity, through ongoing coaching and support to regain podium position the following and subsequent review periods. If a manager fails to make the podium for three or more months then a formal performance improvement plan will be implemented.

### ***Research Intentions***

This research is not intended to investigate and evaluate every element of the PMS in B&Q, but rather to conduct an examination of how performance improvements can be made in the business by working with the systems in place. The reason why this study will only focus on the areas outlined earlier, is that for anything to work well it needs to have a strong solid foundation to begin with. If an organisation has the right foundation in anything however simple or complex then chances are they will achieve their ultimate goal. As mentioned earlier B&Q acknowledge that PM is something they have never really excelled at, this paper aims to discover what the underlying cause of this failure is and therefore suggests ways in which PM can be improved for the good of the organisation.

## ***Chapter 2 – Performance Management***

### **Literature Review**

#### ***Performance Management Defined***

Many definitions are offered on the subject of PM and PMS's from the comprehensive to the concise. Performance is often defined in terms of output – the achievement of some quantified objective. But performance is not only a matter of what has been achieved but how it was achieved. Armstrong (2006) defines PM as a “*systematic process for improving organisational performance by developing the performance of individuals and teams. It is a means of getting better results from the organisation, teams and individuals and managing performance within an agreed framework of planned goals, standards and competence requirements*”. In reality PM as defined by Armstrong is not a system at all, but a systematic way of approaching the development and continuous improvement of the organisation and the people in it. It is a constant cycle of setting and agreeing targets for performance improvement with individuals and teams that mutually benefits both parties. Where good performance is recognised and areas of poor performance are made explicit in a joint effort to improve and agree an expected standard.

#### ***Understanding Performance Management***

Part of the problem of understanding PM and PMS's is the lack of agreement over what it entails. However consensus on the subject has established that unlike performance appraisal which reviews and reflects on past performance, PM is a continuous process of identifying, measuring and developing performance. Aguinis in his definition of PM established that there are two main parts to managing performance, “*performance management is a continuous process of identifying, measuring and developing the performance of individuals and teams and aligning performance with the strategic goals of the organisation*”

Consideration of the definitions two main parts-

1. *“Continuous process – Performance management is ongoing. It involves a never-ending process of setting goals and objectives, observing performance, and giving and receiving ongoing coaching and feedback.*
2. *Alignment with strategic goals – Performance management requires that managers ensure that employees’ activities and outputs are congruent with the organisation’s goals and, consequently, help the organisation gain a competitive advantage. Performance management therefore creates a direct link between employee performance and organisational goals and makes the employees’ contribution to the organisation explicit”* (Aguinis, 2007).

In the achievement of organisational goals, it certainly makes sense that the individuals in the organisation are doing the right things in the furtherance of the overall company objectives, therefore individual goals and performance must in some way tie into the overall strategy of the organisation. If an organisation is to deliver on its’ objectives and perform against set targets, then it must have a strategy, a vision and the capability to achieve.

A reminder of the story of the stonecutters, from the writings of Peter Drucker nicely sums up this concept:

*“A man came across three stonecutters and asked them what they were doing.*

*The first replied, “I am making a living.”*

*The second replied, “I am doing the best job of stonecutting in the entire county.”*

*The third looked up with a visionary gleam in his eye and said, “I am building a cathedral.”*

*The first stonecutter is simply doing a day’s work for a day’s pay, for the material reward he receives in exchange for his labour. The substance of his work, the purpose of his work, and the context of his work do not matter.*

*The second stonecutter has higher aspirations. He wants to be the best.*

*Yet somehow the vision of the second stonecutter is also incomplete. The focus on the task, the competition, the virtuosity, is a kind of blindness. Consumed with individual ambition, the*

*second stonecutter misses the fundamental interconnectedness of human kind, of societies and of economies. This stonecutter fails to see that there would be no stones to cut if there were not a community building a cathedral.*

*The third stonecutter embraces a broader vision. The very menial work of stonecutting becomes part of a far larger undertaking, a spiritual as well as a physical construction. This project aspires to the heavens, transcending the earthbound—and indeed transcending the time-bound as well, for cathedrals are built not in months or even years, but over centuries”.*

The story is especially effective in demonstrating how a vision can both be the start of something great, and when cascaded from the top down can provide both the knowledge of what needs to be achieved and the realisation of the individual's contribution. A true PMS then is not only systematic in its approach, or about getting better results within an agreed framework, it's about every part and individual in the organisation being aware of what their role is in delivering the required result. Aguinis (2007) further states that *“performance management systems that do not make explicit the employee contribution to organisational goals are not true performance management systems. Making an explicit link between an employee's performance objectives and the organisational goals also serves the purpose of establishing a shared understanding about what is to be achieved and how it is to be achieved”*.

An organisation and its senior executives need to be transparent about setting clear, achievable objectives both in the short and longer-term if its PM systems are to be effective. Introducing a PMS and expecting it to achieve the desired effect will not happen, if the organisation lacks both the commitment and the knowledge of the processes. Communications of those objectives are fundamental to gaining the right support and dedication from the outset, but how this is translated to the individual is equally as important. At an individual level it is necessary to communicate what the organisational objectives are, clarify the person's role in achieving those goals and establish how individual objectives feed into the overall strategy to produce organisational success. What organisational success is can only be defined or quantified by the organisation itself. It is imperative that all parts of the

organisation have a clear vision of what is to be achieved, like a well oiled engine each part of the organisation needs to work in unison with each other.

Communication alone will not ensure the success of a PMS or indeed build a performance culture, motivating and developing individuals is crucial to managing performance effectively and is undeniably an essential element of any manager's role. Also identifying poor performance and helping poorer performers make improvements in their productivity is vital to the successful of any PMS. A necessary part of either improving poor performance or eliminating poor performers is underpinned by the HR policies and practices that the organisation employ's. Lawler (2003) comments "*that virtually every organisation has a performance management system that is expected to accomplish a number of important objectives with respect to human capital management. The objectives often include motivating performance, helping individuals develop their skills, building a performance culture, determining who should be promoted, eliminating individuals who are poor performers and helping implement business strategies*" he further notes that "*while there is little doubt that a PMS which can accomplish these objectives can make a positive contribution to organisational effectiveness, there is less clarity about what practices make a performance management system effective*" as cited in Gunnigle *et al* (2006).

The effective management of performance does not happen overnight, it takes time to embed an understanding of performance expectations, accountabilities, discretionary behaviours and a high performance culture into any organisation. It is best to start small and build on results and successes, with no 'off the shelf' solution available to guarantee success. The ideal PMS for any organisation needs to fit with the internal environment and be consistently applied to achieve the desired outcomes and performance expectations in line with the business objectives. With this in mind Simons (1995) notes, as cited in Gunnigle *et al* (2006) "*that performance management has become an essential tool in both the formulation and the implementation of strategy*". Organisations have become more strategic and planned in their approach to managing performance in tougher, more aggressive and competitive environments in a bid to ultimately realise their strategic goals and vision. It is becoming increasingly evident that with changes in technology and increased competition, continuous performance improvements through the organisations human resources are an essential

element of organisational success. Aligning individual objectives to organisational objectives is crucial to ensuring that PM is focused on delivering the right things.

*“In view of the strategic pressures driving organisations, it is becoming increasingly evident that organisations will need to carefully monitor performance if they are going to realise improvements in productivity and growth, and to do so through the institutionalisation and consistent application of a goals oriented approach (Scott-Lennon, 1995) as cited in Gunnigle et al (2006) ” is necessary.*

### ***Requirements for Introducing a Performance Management System***

Senior management collaboration and commitment to the process is critical to achieving integration of the systems. Accomplishing the organisational goals through the effective management of performance however needs competent and skilled persons to carry out and implement any system. A comprehensive description of what a PMS is has been provided, but as mentioned earlier in this paper there is no consensus on what system works best, therefore we can only derive that it is not necessarily the system it's self but the person's carrying out and implementing the process that contribute to the overall success or failure of performance management.

### ***Performance Management Training***

With this in mind it is imperative that an examination of the necessary skills to carry out a fair unbiased performance review should be addressed. *If “there is a lack of knowledge and skills in regard to performance management and if organisational members lack the understanding and the skills required to work with the performance management system, for instance because they have received insufficient training in the workings of the system, then the performance management system will either not be used properly or not at all” (de Waal and Counet, 2008).* In so far as working within or implementing a PMS, training will be needed for parties most actively involved in performance management. The training that should be provided for managers depends on the specific content of the PMS. However, Fletcher and Williams (1998) outline some of the content of PM training for managers:

*Table 1.0* Content of performance management training for managers

- 
- Goal-setting and work planning, including the establishment of performance measures – not just the ‘mechanical’ aspects such as characteristics of ‘good’ goals, but also motivational issues and the relevant interpersonal skills (Hale, 1993)
  - Managing the job content – helping to find ways of overcoming constraints
  - Understanding of competencies/behavioural dimensions – particular ones in use in the organisation
  - Gathering performance information and measuring performance – objectives/goals/results and behaviours/competencies
  - Providing feedback and receiving/responding to feedback
  - Reviewing/identifying causes of performance – distinguishing between system and person factors
  - Coaching
  - Discussing employee development
  - Conducting informal and formal performance reviews
  - Managing reward

(source: Williams *et al.* 1998)

To introduce and sustain PM successfully in an organisation Williams *et al* also suggest a number of criteria that management need to be briefed on:

*Table 1.1* Content of performance management briefing (adapted from Williams *et al* 1998)

- 
- The aims and objectives of the PMS
  - How the system has been developed and how it is intended to work
  - How it fits with the business strategy
  - The links with other people management systems
  - Benefit to key parties – employees, managers and the organisation
  - Full details of the performance management cycle, its various elements, including methods and documentation
  - Precisely what is expected of each party, at every stage in the performance management cycle
  - Performance management outcomes: how the performance management cycle is completed, what happens to performance management data, including confidentiality of data
  - Training provision

(source: Williams *et al.* 1998)

Like any other management skill, PM and sustaining effective PM systems are not competencies managers are born with they are acquired over time from learned experiences, training and knowledge gained from other areas of behavioural science. The knowledge and skills obtained need to be put into practical use, but first of all the organisation needs to ensure its managers have sufficient skill and depth of knowledge to tackle this subject area. Armstrong (2006) points out that *“performance management is not easy. It requires high levels of skill by everyone involved, and the skills are likely to be ones that have not yet been developed or put into practice”*. Many of the skills necessary to help motivate employees and give feedback in a constructive yet critical way are not inherent in human nature and have to be learned and nurtured to achieve the correct level of action and authority while maintaining composition and encouragement. Armstrong (2006) further suggests that the PM skills that people need to learn are:

- *Preparing role profile – defining key result areas and competence requirements;*
- *Defining objectives;*
- *Identifying and using performance measures;*
- *Giving and receiving feedback;*
- *Taking part in review meetings – ensuring that there is a proper dialogue that enables the manager and the individual jointly, frankly and freely to discuss performance requirements and learning needs;*
- *Identifying learning needs and preparing and implementing personal development plans;*
- *Diagnosing and solving performance problems;*
- *Coaching.*

As individuals have different learning styles and abilities, the acquirement of the knowledge, skill and competence to manage performance depends on the individual, this can be attained either by formal learning, in class room sessions or workshops, reading or observation of a more experienced manager. However for the purpose of organisational goal attainment and a system that is mutually beneficial to all, agreement needs to be reached across the organisation on issues such as performance expectations, consistency, measurement and consequences of poor performance.

### ***Human Resource (HR) policies and practices that support performance management***

*“There has always been an assumption that the way people are managed in an organisation affects the performance of that organisation. This is an unstated supposition behind much of the research going back to the theories of scientific management, the Hawthorne studies and the Total Quality Management movement. However, much of this early work lacks a strategic focus”* as cited by (Legge, 1978; Golding, 2004) in Purcell et al (2009).

According to Torrington *et al*, (2006) *“there is wide spread consensus on the fact, that the way an organisation manages its employees influences organisational performance”*. However it is extremely difficult to find out how this takes place and which HRM policies and practices lead to a higher performing organisation. If a link between HR practices and measures of performance outcomes are to be established, then suggestions on how and why this link exists must be put forward. *“Broadly speaking the research in this area can be divided into two groups. First those that argue that a set of HR practices can be identified which can be applied in a wide variety of circumstances and will have a positive effect on business performance, an approach usually referred to as ‘best practice’. The second view, referred to as ‘best fit’, is that the effectiveness of HR practices depends on the external and internal context of the organisation”* (Purcell et al, 2009).

Torrington *et al* (2008) suggest that *“Human Resource Management (HRM) policies and practices contribute to the overall success of business performance”*, but which policies and practices result in high performance depends on which school of thought the author leans towards. Researcher’s (Pfeffer, Purcell, and Appelbaum) as cited in Purcell *et al* (2009) in the area of PM have argued the link between HR policy and practice as a contributor to organisational success but little hard core evidence of this link is apparent. As each study has suggested a different set of policies that contribute to overall business performance. *“Some researchers argue that the performance effects of HR policies and practices are multiplicative rather than additive, and this is often termed the ‘bundles’ approach”* as put forward by Macduffie (1995) in Torrington *et al* (2008), this theory highlights an emphasis on internal rather than external fit. Basically a set of complimentary and mutually reinforcing practices is more likely to have an effect on performance than applying one or just some of these in isolation.

Studies in the behavioural sciences have endeavoured to show how people react differently to stimuli, situations, stress, work place practices, motivation, job design..... If individuals behave differently to situations and their environment, therefore it would follow logic that individuals in a firm, work group or team would perceive and react differently to a given set of human capital management policies or practices.

Culture and naturalisation of the work group plays a vital role in how people are influenced to behave in certain ways in an organisation either consciously or unconsciously. People would almost certainly behave and react differently within any given organisation, to the people outside the group or organisation, and it is these diverse behaviour patterns and the organisational culture that needs to be taken into account when determining which HRM policies and practices are right for an organisation. What's right for one organisation will not always be right for another, therefore having a basic set of HRM practices that are compliant from a legislative perspective, are recommended best practice and seek to enhance the brand image could be suggested as a good starting point on which to build, in order to determine an overall fit with the organisation.

Guest (2003) addresses these issues by suggesting that *"it is the internal fit of practices that is important, rather than the exact practices that are in the bundle"* as cited in Purcell *et al* (2009). HR policies and practices in an organisation need to achieve internal fit first and foremost. Most organisations will have gone through or maybe still going through dramatic changes over the last number of years, in this era of globalisation, rapid grow and decline, and as this has taken place changes to how an organisation view its internal and external environment will be at the forefront, having a knock on effect on the management style and the way in which the organisation manages its human resources. In this changing world, organisations will have had to review their people management policies in some cases for survival and in other cases for expansion and growth, whatever the reason it is important that HRM practices achieve the right balance and fit with the internal environment. Externally it is also vital that an organisation portrays the right image to its customers and clients, which will be heavily influenced by the HRM policies the company adopt.

### **Best Fit**

*"This perspective is derived from the contingency view that argues that the effectiveness of HR practices depends on how closely they fit with the external and internal environment of the organisation. Business performance, it is argued improves when HR practices mutually reinforce the choice of competitive strategy. This is the concept of vertical integration between the competitive strategies, the objectives of the firm, the HR practices and the individual objectives (Fombrun et al 1984; Wright et al 1994) and it helps to explain the lack of diffusion because the appropriate practices will depend on the context"*(Purcell et al., 2009). In the search for best fit many different variables have to be taken into consideration on the influence of particular contexts on HR practices: *"some stress the 'outer context' of the competitive strategy or the 'inner context' of existing structures and strategy"* (Hendry, 1995) as quoted by Purcell et al (2009) while others emphasise the stage in the life cycle of the organisation. Perhaps the best-known examples of this perspective draw on the classical analysis (Porter, 1980) on the sources of competitive advantage (Miles and Snow, 1978, 1984; Schuler and Jackson, 1987) which argues that HR practices work best when they are adapted to the competitive strategy"(Purcell, 2009).

Much research has been conducted in this area identifying everything from the *"different competitive strategies of organisations and the role behaviours which were needed for innovation, quality enhancement and cost reduction and the types of HR practices which are needed to achieve these"* ( Schuler and Jackson, 1987; Jackson and Schuler, 1995), *"sectoral studies which identified the need for particular types of HR practices to drive cost minimisation, innovation and investment in employee's"* (Delery and Doty, 1996; Batt and Moynihan, 2002). Some studies highlighted the *"influence of the network of relationships within which firms are working"* (Swart and Kinnie, 2003; Beaumont et al., 1996; Sinclair et al., 1996) as cited in Purcell et al (2009). Other research argues that HR practices need to fit with and complement other important strategies and structures within the organisation. The size of the organisation will also be important – as small start up firms will lack the resources, investment or sophisticated structures of a larger more mature organisation.

The best fit approach has been subject to extensive review and a number of issues have been raised. Perhaps the most basic is *“the assumption that firms have a competitive strategy with which HR practices can fit”* (Legge, 1995; Ramsey et al, 2000) as quoted in Purcell *et al* (2009). Even if the firm does have a strategy, this view assumes it is the most appropriate for them. Purcell (1999) suggests *“in practice organisations may pursue a mix of competitive strategies for example seeking both cost leadership and differentiation leading to confusion over the most appropriate HR practices”*. Organisations may also lack sufficient knowledge of their external environment or may have misinterpreted the data they are gathering. Organisations are faced with a fast-changing external environment which in turn has implications for business strategy and HR practices. Wright and Snell (1998) summarise the need *“for ‘fit and flexibility’ and note the tensions between the two. Fit is related to competitive strategy now, and thence to financial performance, flexibility is building adaptability for future purposes. Increasing turbulence in the business environment and seemingly growing frequency of exogenous shocks places a premium on the latter”* as cited in Purcell (1999).

It is for these reasons that Purcell (1999) regards the search for ‘best fit’ as a fantasy *“limited by the possibilities of modelling all the contingent variables, the difficulty of showing their interconnection, and the way in which changes in one variable have an impact on others, let alone the need to model idiosyncratic and path contingencies”*. Otley (2008) as cited in Holloway (2009) suggests, *“Each organization has its own strategy and exists in its own unique environment; its information and performance management systems should be specifically tailored to these circumstances.”* Understanding how organisations may achieve *“a sufficiently high degree of ‘fit’, within available resources of time and capabilities, is a major topic for practice-relevant performance management research”* (Holloway, 2009).

### ***Best Practice***

This requires a look at the primary purpose and function of HRM. In order for people to perform better, beyond the minimal requirements they must assert discretionary behaviour. According to Purcell (2009) discretionary behaviour *“is the prime building block of HR architecture”*. Purcell also puts forward the idea that *“for employees, individually and*

*collectively, to engage in the sort of discretionary behaviour that is beneficial to a firm, the three conditions of AMO must apply”.*

### ***AMO Outlined***

Boxall and Purcell, (2003) asserts that performance is a function of Ability + Motivation + Opportunity (this is known as AMO).

- *There must be enough employees with the necessary ability (skills, experience, and knowledge) to do current, and perhaps future, jobs.*
- *There must be adequate motivation for them to apply their abilities. These motivation factors may be financial but will almost certainly include social rewards (and sanctions) and recognition of contribution as applied by co-workers and immediate bosses.*
- *There must be an opportunity to engage in discretionary behaviour (thus the importance of job cycle time). Opportunity is the invitation to participate and take part, or get involved. This occurs both within the job itself in terms of how the job can best be done (known as ‘on-line participation’) and outside the job as a member of a team or work area, and a ‘citizen’ of the organisation (off line-participation). This is where opportunities may exist, and certainly can be created, which provide space for wider participation and involvement so employees contribute knowledge and ideas on how things should be done and how to respond to the change.*

(Source: Purcell, J., Sustaining the HR and performance link in difficult times).

The first essential element of the AMO models are the eleven policy and practice areas in HRM as identified by Purcell *et al* in their research report, these are acknowledged as feeding into and giving practical meaning to the AMO model, and are themselves interrelated with one another. These are shown on the outside of the ring and directly feed into the AMO theory.

People and performance model

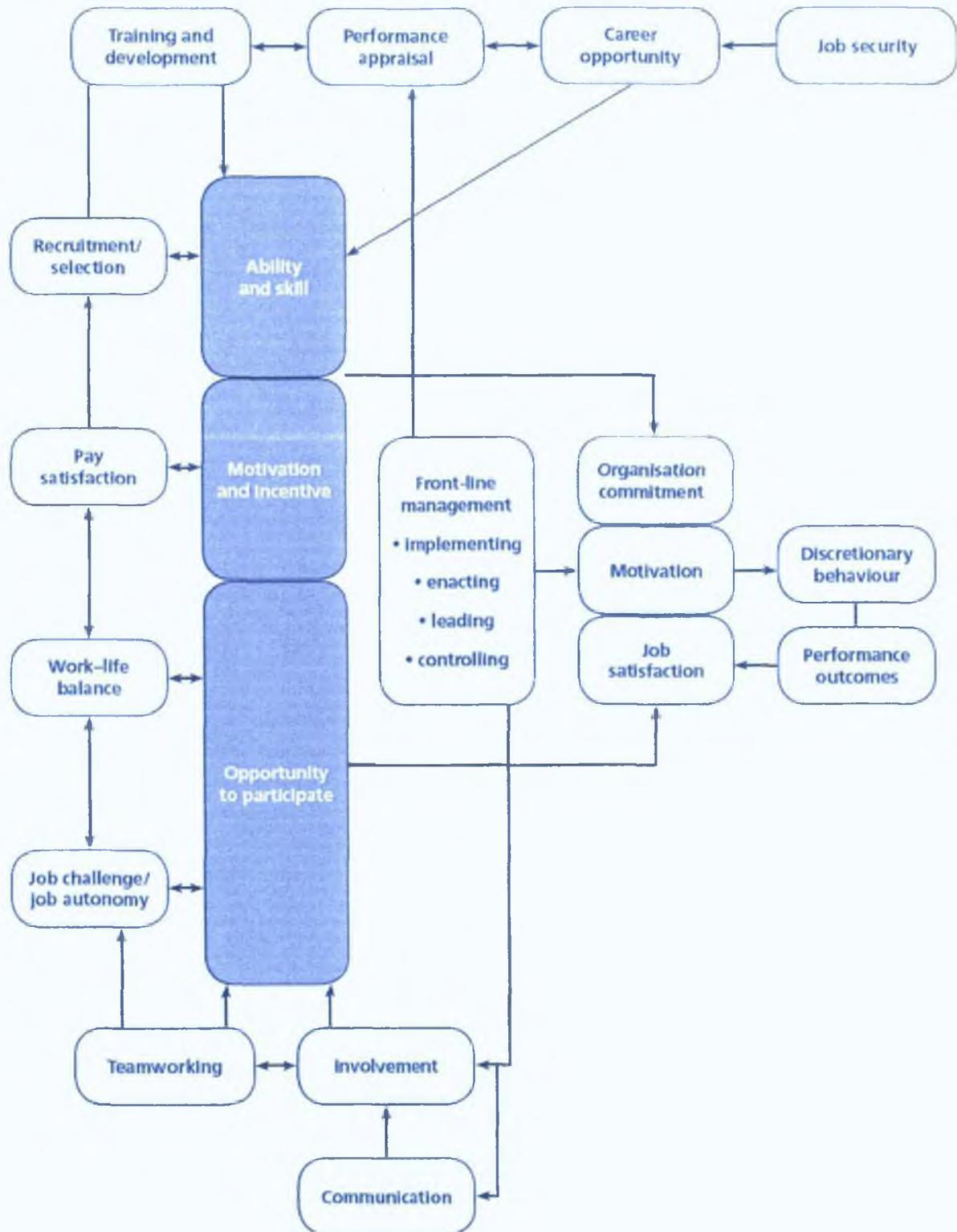


Figure 1.0 People and Performance Model

(source: [www.cipd.co.uk](http://www.cipd.co.uk))



Assuming that job performance is linked to AMO, this still leaves one vital part of the puzzle to answer, which HR policies produce higher work performance? Various studies (carried out by Appelbaum, 2000; Wright and Gardener, 2003) in this area have not identified a specific set of policies that work for all organisations, “*as people vary in their response to policy initiatives*” (Purcell et al, 2009). It sometimes means that people attribute success to policies even when there may be no actual connection. Purcell *et al* identified eleven policy or practice areas from previous research in the area as likely to be of importance, however this is a contentious area and different researchers (Pfeffer 1994, 1998; Ulrich, 1997; Gratton, 2000) have presented various different lists of HRM policies.

### ***People Management Policies***

Pfeffer(1998) identifies “*seven critical people-management policies: emphasising employment security; recruiting the ‘right’ people; extensive use of self-managed teams and decentralisation; high wages solidly linked to organisational performance; high spending on training; reducing status differentials; and sharing information; and he suggests that these policies will benefit every organisation*” as cited by Torrington *et al* (2008). This supports the view point of the Chartered Institute of Personnel and Development (CIPD) that “*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*”.

Also in the UK, Wood and de Menezes (1998) identify a bundle of HR practices which they term high commitment management, and these comprise “*recruitment and selection processes geared to selecting flexible and highly committed individuals; processes which reward commitment and training by promotion and job security; and the use of direct communication and team work*” as cited in Torrington (2008). Academics in the area of PM plausibly suggest that it is not just the PM and performance evaluation systems that lead to performance improvement but the set of HRM practices and policies that are implemented. However research in this area has been inconclusive, as different researchers have suggested different practices or bundles.

HRM policy and practice alone cannot and will not determine organisational success, an organisation needs to have a clear sense of direction; it needs to have established a clear purpose, mission and values that the whole organisation can relate. These need to be well communicated and brought to life by the organisation, actually lived and worked, not just a statement on the wall.

### ***Conclusions***

It is clear from the literature reviewed that a number of factors are necessary for both the effective implementation and use of PM systems. Communication and training on the PMS are necessary elements as suggested in the literature; however for the purpose of organisational goal attainment an agreed set of objectives and measurement are basic requirements.

While the right HRM practices can be a determinant of organisational success, there isn't an off the shelf solution. It is about finding the correct balance between the organisations internal and external environment, what's right for the people and the culture, what fits with the company direction and what's accurate at the time. What works today may not be either right or sufficient for tomorrow.

## **Chapter 3 – The Approach**

### **Methodology**

Trow as cited in (Bryman, 1984: 76) states that “*the problem under investigation properly dictates the methods of investigation*”. Dreher (1994) makes the point that “*rather than focus on the merits of phenomenology or positivism, the rationale for using a specific research method should address its potential for answering the specific research question*”. She suggests that “*this be grounded in an analysis of the existing research literature*” (1994: 293). A qualitative approach was undertaken on foot of this advice for understanding the basic mechanics of the processes of PM and in particular the introduction of a PMS in B&Q. This approach will address the research issues and gain a better understanding of the obstacles to performance improvements and PMS effectiveness.

A quantitative approach would limit and generalise the findings of this research, by not facilitating probing into certain lines of questioning with the individual respondents. While a mixed-methods approach could add to the overall findings of the research, this is neither guaranteed or without problems. Similar finding can emerge from both types of research.

### **Method**

“*A research design is the approach taken to answer the research questions*” (Saunders et al, 2007). There are a number of research methods that can be followed, depending on the aims of the research, “*such as longitudinal, interviews, questionnaires or surveys, panels which include focus groups, observation, documents, databases, case study, or comparative*” (Bryman, 2004). Each research method was examined from a qualitative methodological perspective to assess its suitability for this research.

The longitudinal design was rejected for this particular research on the grounds of additional complexity and time constraints. The case study was rejected as the focus of interest is the PMS and not the organisation in which the research will be conducted. The comparative

method was rejected for similar reasons, in addition to the added complexity of negotiating access to respondents. A number of survey methods were examined for gathering quantitative data on the variables of interest. These included telephone interviews, documentary analysis, observations, and self-completion questionnaires. These are now considered.

Consideration was given to conducting telephone interviews using a structured questionnaire. The advantage of this approach is that geography becomes less of a constraint. From a practical perspective there remains the difficulty of contacting the respondents by telephone, given the nature of their, and the researcher's various work patterns. Attempting to do so outside of working hours would be disruptive to them and would be unacceptable. In addition, this approach may introduce an element of unwelcome pressure for the respondents, as they may wish to take time to consider their responses having heard the questions or they may be distracted due to preoccupations of work. This approach was also rejected on the grounds that it wasn't deemed appropriate to contact the respondents by telephone either during or outside working hours given that they all worked in the one store.

When one thinks of surveys one immediately thinks of people, yet a survey of the PMS documentation has also been considered. However, this is not a viable option for this research as any information collected via PMS documentation would not address the research issues. Furthermore, any available documentation is unlikely to enable the type of analysis required.

An observational design was briefly considered. *"A benefit of this approach is that not only can one ask the research subjects what they do and think; one can observe what they actually do in practice"* (Denscombe, 2007). But, there are significant drawbacks to using this approach. *"A considerable lead-in period would be required to establish the framework and rules for the observation and how it would be recorded"* (Bryman, 2004). Even so, when observing and reflecting on the behaviour it may be difficult or impossible to identify and understand the generative mechanisms that are of interest to this study. Being so close to the observed behaviour may distort the findings. A further complicating factor is that such intimate contact with the research subjects over a period of time may raise issues about

whose knowledge is in fact being assessed. This method was rejected on the grounds that it would not address the research area.

The self-completion postal questionnaire has certain advantages that the other forms of research do not possess. It is a quick and convenient way to collect data, relatively easy to use, less expensive and faster than other method of research. Dillman (1991) also distinguishes the sample survey from other approaches in terms of "*its ability to estimate quantitatively the distribution of a characteristic in a population and to accomplish this by obtaining information...from only a small proportion of that population...*" The postal questionnaire in this case threw up more questions that it was anticipated it would answer for the particular focus of this research, and it was rejected on these grounds.

Finally, there is the face-to-face interview, using a semi-structured approach, which involves the researcher interacting directly with the respondent. This approach has a number of advantages. The semi-structured interview ensures a consistent collection and coding of the data. It also facilitates probing the respondents in a number of areas if their responses introduce an element to the research that had not been considered prior to interview. However, there can also be a number of significant drawbacks in using this method of research. Firstly, the time taken to schedule and conduct the interviews in the numbers required, however as the research is confined to one particular geographical location for reasons of consistency this also narrows down the number of respondents likely to be able to take part in the study. Secondly, there is potential for bias arising from the social interaction between the researcher and the respondent, which the researcher has considered, given her direct interest in the subject area, however it was felt that this could be overcome by encouraging the respondents to be as open and honest as possible in their responses.

### ***Method of Research Selected***

Two methods of research were selected for this study, both of which were considered to be appropriate to the area of research and the intended respondents. The first, semi-structured interviews were conducted with four members of the store management team and the fifth with the regional manager; asking a total of twenty one questions to each interviewee about

the PMS in B&Q. Further questioning with the selected respondents was to determine if they felt that there was a link between the companies HR policies and practices and the effective management of performance.

The second method of research used to collect data was from a focus group with the remaining group of managers in the selected store, all these managers possessed different levels of experience, knowledge and backgrounds within the organisation. Based on the data collected and analysis of the structured interviews four statements or questions were intended to be posed to the selected respondents to discuss.

### ***Stages in the semi-structured interview***

The conducting of research by means of a face-to-face or semi-structured interview required a number of stages: sample selection, developing interview questionnaire, pilot test questionnaire, collect data and conduct analysis. These are considered in turn.

### ***Select sample***

An in depth qualitative analysis approach was considered appropriate for this research, it was viewed that the management teams opinions and experiences in managing performance and in particular their experiences and learning's thus far with the current PMS in B&Q is vital to the successful management of performance in the organisation. "*Whom you interview is normally decided by purposeful sampling. This involves identifying the people who have the answers to the questions you want to ask them*" (Fisher, 2007). Therefore it was considered necessary to take a qualitative approach to the research in question as the nature and variety of information collected would possibly identify other areas of concern or highlight some experiences or learning's that had not initially been considered. It was also felt that while the management team would obviously have different experiences, knowledge and perceptions of PM they would have received the same communication about the system from the general manager and the store HR team. The sample size for this study, in proportion to the size of the management population for the company is relatively small, however the aim of the research is to discover how having evaluated the aspects of the system, this study is concerned with, PM can be improved in B&Q Liffey Valley.

### ***Developing Interview Questionnaire***

*“The first stages of the questionnaire involve identifying the areas in which you could ask questions; and then organising them into priority”* (Fisher, 2007). The interview questions were primarily developed from the dissertation map, in which all the issues, problems or questions that arose from the broad topic area were plotted on a map and then narrowed down to identify the research area or theme. Fisher, (2007) suggests that *“at this stage you should be asking research questions rather than strategic questions. Research questions are those to which it is possible, in theory at least, to go out and find answers. Research questions mostly refer to what is happening or what has happened”*. Three key areas of research were identified from mapping or plotting the study, these were then prioritised when formulating the interview questionnaire so that themes were addressed one at a time. Other key questions for the interview were identified from the literary review of the subject area, and were considered significant to the research because of the theorists’ views and opinions in linking in particular communication, skill and HR policy and practices to effective performance management.

There are different views on the appropriate length of a face-to-face or semi structured interview, anything from a half an hour to an hour and half, anything after and the respondent loses concentration. Approximately twenty one questions were asked of each respondent, the reason it is an approximation is due to some of the interview questions being addressed by the respondents in other questioning.

Open questions were asked, as it was considered that the respondents would have more flexibility to both address the questions in their own language and it would be less likely that the researcher would be able to lead the respondents in their responses.

### ***Pilot test questionnaire***

The interview questions were pilot tested or reviewed by the regional HR manager for relevance to the topic research and understanding of questioning. The comments and feedback were taken on board and the semi-structured interview questions were simplified in accordance with the feedback and any questions that were impertinent to the study were removed.

### ***Collect Data***

Interviews were then arranged with the five respondents that were chosen for the study. These were planned and organised with the respondents over a three month period due to organisational priorities and other store business. The respondents were assured anonymity and confidentiality and therefore nothing in the questionnaire can identify the respondent. An audio-device was used to record each interview and later transcribed for analysis. The interviews varied in lengths even though the same questions were asked from each respondent, with only slight probing of the respondents in some areas. Some of the respondents discussed at length particular topic areas.

### ***Conduct Analysis***

The data collected in this study has been based on perceptions and interpretations of the respondents. Objective data was not available, and had it been, issues of comparability would most likely have arisen. As people's views of their environment and of particular events differ this has been taken into consideration, in an effort to alleviate any concerns of common-method bias. The data was compiled and analysed using a technique outlined by Fisher (2007) *"if you have used interviews, and if you have transcripts of those interviews, you can go through the sheets using a highlighter pen, to identify the themes that you think will be useful. Create a sheet of paper for each theme and then transcribe useful material from the interview on to the appropriate sheet"*.

### ***Stages in the Focus Group***

Five members of the stores management team were chosen to take part in the focus group. This group had no previous involvement with the semi-structured interviews, but their opinions and views of the PMS were felt to have equal value to the research issue. The chosen respondents were invited to attend a focus group meeting, outlining to them in advance the reasons and nature of the study in which they were invited to take part in.

### ***Development of focus group questions***

Four questions were developed for the focus group to discuss; the questions were derived from research issues. The questions developed for the focus group aim to capture the quality and quantity of knowledge the group have of PMS. More specifically to B&Q, the next three questions open for discussion by the group are centre around the communication and training of the PMS. Finally, inviting the group to elaborate on how they felt the company HR policies and practices supported the management of performance in B&Q.

### ***Collect Data***

The focus group meeting was arranged with the respondent in April to take place on the 14<sup>th</sup> of May, after some initial difficulties in organising a date which suited all the respondents, this date was finally agreed upon with those in question. The focus group meeting however had to be cancelled a few days prior to the 14<sup>th</sup> of May due to a visit from the company director. Again the meeting was rescheduled for a date and time that suited all the respondents, however three out of the five respondents did not turn up for the focus group. At this late stage it was impossible both for the researcher and the respondents to agree another date and the focus group failed to happen.

### ***Conduct Analysis***

No data was collected as a result of the focus group meeting being cancelled.

In all of the primary research, the gender of the respondents is significant in that B&Q Liffey Valley only have one female manager, the researcher. Therefore all the respondents in the study are male.

## *Chapter 4 – Analysis and Findings*

### *Analysis*

There were three subject areas chosen for this research, firstly the respondents were asked a number of questions around their understanding of what a PMS is and what PMS claim to deliver. Once it was established that all respondents had a good knowledge of what PMS aimed to achieve, a number of key questions were asked about what PM looked like in B&Q and how could the organisation improve PM. A key factor of this line of questioning was to do with the organisational impact on managing performance. More specifically the respondents were then asked to identify who drives PM within the organisation and who they felt should take ownership for driving performance improvement and managing performance. It was also felt necessary that the respondents should identify the role senior management have to play in driving a performance agenda.

The second area explored as part of the evaluation of the PMS in B&Q was an examination of how the system was communicated prior to implementation. The respondents were asked a number of questions relating to the communication of the systems design and main objectives. The five respondents were then posed a number of questions around the level of support which had been made available to them in implementing this system. Further questioning examined the necessary skills and competencies to conduct performance evaluation, focusing on how the management team had been equipped to do this fairly and consistently. The views of respondents were then sought on goal setting and how this contributed to organisational higher performance and overall business effectiveness. Finally all the respondents were asked what further support or training was necessary for effective performance management.

In addition, the respondents were asked a number of questions relating to HR policy areas and performance. The respondents were probed to ascertain which policy areas they felt were necessary for improved PM and what if anything they would change or review. In terms of support mechanisms, respondent were asked to confirm if they believed the right support mechanisms were in place to help them manage performance. Respondents were then

questioned as to whether they thought engagement was a significant factor in managing performance. Finally all the respondents were asked if they thought the organisation could learn any lessons from the implementation of the current PMS, and if so what would these be?

### ***Understanding Performance management***

#### **What in your opinion is a PMS?**

The respondents were asked a total of eight questions around their understanding of performance management and the current PMS in B&Q. The respondents all expressed in their own words what they believed a PMS to be and the main aims of managing people performance. The key words used in their interpretation of what a PMS is, were it's a tool or process used to help develop and manage your people to improve both individual and organisational performance. Respondent four describes PM as *"a basic tool to drive key performance. Within a PMS you have clearly set SMART targets, giving individuals some key objectives, while they have to be SMART targets they also have to be tangible at the same time and appropriate for the actual environment. They have also got to be agreed by the individual, so that the individual clearly understands what they have to do"*. The point of this question was to ascertain the level of understanding of what a PMS is and what it aims to achieve, if it is not understood how can it be managed? While this view point does not exactly mirror that of the theorist in the subject area, it does agree with the definition put forward by Armstrong in Chapter two.

#### **In your view what does effective PM look like?**

Three of the five respondents in this question when asked what does effective PM look like felt that for a PMS to be effective it needed to be embedded into the organisation as "the way we do things around here" so that it is part of the culture of the organisation. Respondent one elaborated on this by stating *"I think effective PM is about, using a system that is integrated into everything we do, that's visible to everyone in the organisation and that it is being talked about it is not just a paper pushing exercise"*. All respondents referred to target setting, monitoring of progress and regular feedback to coach performance improvements as key elements of an effective PMS.

### **In reality what does PM look like in your organisation?**

When invited to describe what PM actually looked like in B&Q, all five respondents cited inconsistency in approach and measurement as being the biggest factor in using the PMS. Respondent three quoted that *"the process is very clear but each person's interpretation of the PMS is very different"*. Respondent two wasn't sure what he was measuring as there seemed to be confusion around which system he should be using for supervisors. It was stated by respondent four that *"What podium doesn't do is identify real key target areas that need to be nurtured in the discussions with the individual managers. There are no guide line on that, what you are relying on in B&Q, is that the people managing performance actually have the capabilities to do the performance reviews in the first place and that is the only failing I see within B&Q"*. Inconsistencies appeared to be the over whelming factor in this question, some were unclear of the system they should be using and others identified that the company were not clear in identifying key targets. However the continuous review of performance rather than yearly and half yearly appraisals are a welcome change to the old formula as mentioned by respondent five *"previously in my opinion half year and full year reviews used to just manage people from a snapshot where as actually doing it weekly and monthly allows us to take a broader view of every ones performance"*.

### **What could the organisation do to improve PM?**

Again when asked what the organisation could do to improve performance management, three of the five respondents cited that the inconsistencies within the system were the major barrier to managing performance. Respondent four and five, the more senior managers of the five respondents cited training and management capability as being the biggest obstacles to effective performance management and as an organisation this needed to be addressed first and foremost. Respondent four states that *"the company haven't trained a core population of managers who have never done performance reviews effectively cause they don't understand how to"*. He further goes on to state that *"managers, who have been part of other organisations where capability management is key, tend to be stronger at this because they are driving it through capabilities and around competencies. And once you understand the concept around competencies performance reviews become very effective"*. Respondent five also back this up by suggesting *"training and developing our management team, in the aspect of aisle ownership and podium reviews, so that they can improve people's performance in the*

*right manner, through identifying areas of improvement and using this to improve people's capabilities"* would improve performance management in the organisation.

**Do you feel the culture of the organisation has an impact on PMS and PM in general?**

All respondents when invited to establish if the organisational culture has an impact on performance management confirmed that it had, respondent one stated that *"I do think this store puts a focus on performance management, driving PMS and incorporating it into our culture and this has had a very positive effect on performance in general in the store"*. However respondent two raised the point that *"some of B&Q's policies and procedures make it difficult for you to performance manage a person if they fail to improve or make efforts to improve, it is difficult to manage that person out of the business"*. Is this that the management team have not been equipped with the knowledge to manage performance or the policies make it difficult for them to manage people out of the business, thereby forcing them to address performance issue, or is it the policies don't suit their means? Some consistencies however did appear about cultural impact on PM as respondent three stated that *"before nobody really challenged you as a manager if you didn't deal with a poor performer in your department"*. Respondent four suggests that the organisation has been more reactive than proactive in its approach in the past *"what the managers actually do is go on the floor and tell people, they'll get it done, but what they are actually getting is an immediate resolution and not a solution where it gets the best performance of people by coaching them, so in that respect the culture has had an impact, because in the past the business was more reactive than proactive and not thinking in the long term"*. Respondent five confirms that *"the culture within B&Q leads to an approach of one reward and recognition but the down side of that is I don't think we are good at managing conflict, I don't think we tackle under performance as good as we should do"*. The overwhelming theme in this line of questioning appears to be that as an organisation the management team in the past have never been challenged to manage performance effectively, being more reactive than proactive has lead to the organisation as a whole being poor at tackling under performance.

**Who do you believe primarily drives performance management and the current PM system in this organisation (either in general or a specific role or person)?**

The respondents all possessed different opinions on who they believed drove PM in the organisation, most believed it was lead by senior management but implemented by line managers, respondent two believed that HR drove PM in the organisation. While respondent four believed that *“the unity amongst the whole business isn't there yet, who is asking for PM, it would come from the HR directors, but they are living in isolation at the moment”*. It is clear that PM needs to be driven form the top, but it must be owned by ever manager in the business.

**Who should drive and own performance management and related systems in the organisation?**

When invited to speculate as to whom they taught should drive PM in the store the consensus was that it needed to be driven from the top by the general manager and the senior team. But that all managers drove PM within their own areas. The respondents were further invited to address whom they though should drive PM; again they felt that it should be driven by line management and the management team as a whole. Respondent five went on to add that *“I think we all have a responsibility, so whether that is the unit manager, stock or service managers or HR support”*. This was supported by respondent four in that he emphasised that *“within the store there is no doubt, it has to be the unit or general manager. Within the region every senior manager above that has a responsibility. Anybody within a management role has a responsibility to drive performance management that is the sheer nature of the job. The influencing of how well it gets done will get stronger the higher up you go, clearly within the HR role, because of the nature of the function that is going to be a key accountability for them to ensure that the store and the business are adhering to what they need to do. But ultimately the responsibilities lies with management, the minute anybody signs up to being a manager at any level”*.

**How important do you believe the buy in of senior management is to the effective implementation of PMS's and the continuous improvement and integration of a high-performance work team?**

Again on question eight all respondents agreed that PM is the responsibility of the management team and senior management buy in to the process is a necessary requirement. Respondents four and five were a little more forceful in their opinion using words like "absolutely key" and "massive". Respondent four while agreeing that the buy in and support of the senior management team is crucial to the successful management of performance it is also necessary to gain middle management support on this also, respondent four also went on to suggest that middle managers need to be bought into the process in which he states that "*the way to get the managers so they buy in is to help them see why it is going to work and so you really need to highlight some short term benefits and allow them to see the longevity*".

#### ***Training and support required***

**In terms of support to implement the PMS, what did this look like? Do you feel this was adequately addressed by the organisation?**

The respondents were asked in terms of support in implementing the PMS, did they feel this was adequately addressed by the organisation. All respondents felt that no formal training had been given to them on implementing or on managing the PMS, consensus from all respondents was that there was a general lack of communication from the business in establishing the parameters for performance. The system as noted by *respondent two* was launched too early and at the wrong time for the store in question as the store was going through a major refurbishment. Respondent two also felt that the PM system's launch and implementation could have been delayed until after the refurbishment was completed, however the business dictated this rather than it being a local decision. Respondent four felt that the system was pushed out but the company missed a key element of improving performance and the effectiveness of the PMS. "*What they have done is, they have pushed out performance management and actually have missed off a key element, which is around training managers that don't understand competencies, how can they drive what they don't understand*". All five respondents felt that training on the system had not been adequately addressed by the organisation, respondent five expressed that "*we rolled out a system and a*

*process but I don't believe we trained or considered what our peoples training needs are to successfully land it". It is also noted by respondent four that the business has established key communication in terms of sales and standards prior to launch but there was no standards set for PM. This was one of the fundamental flaws in launching the PMS; it wasn't afforded the same level of importance as other store measures or standards. By doing this the company are sending out a message that "people don't really value time spent with individuals as important enough, because they believe in our business that they should be in front of the customer instead of actually taking time off for half an hour to give their people real guidance, that half an hour now is worth more time to the individual now than the time spent on the floor. Because what we, are is reactive".*

**How was the PMS's design and main objectives communicated to those implementing the system?**

Three of the five respondents felt that the communication around the design and main objective of the PMS were not sufficiently addressed by the company. Respondents four and five agreed that the communication of the system's design had been sufficient; however respondents four and five were referring to the communication of the "Podium Reviews" which is the PMS for the management team and other respondents were referring to the PMS for the customer advisor population. The "Aisle Owner Reviews" were not communicated as effectively as the "Podium" system. Respondents four and five felt that the objective setting and the documentation to support the system were not sufficiently addressed at the time, however this was addressed at a local level as stated by respondent four *"regionally we opened a discussion and challenged back to our Regional HR what is it you envision the podium to be about and we agreed collectively as a region our own clear parameters, we set three clear benchmarks, Martini, Results and Behaviours. So now is there clarity about where we should be, actually yes, because we have agreed our own targets or goals within the region. On a corporate basis there is absolute anarchy, because each region is trying to establishing its own 'podium'. Some people think that unit managers should tell their regional managers if they are on the podium or not, but actually it goes back to the You, Me, Agree. Clearly the individual who is sitting in front of you will want to know what they are being measured on, and this should be clearly understood by both parties and form the bases for the PM discussion"*. The respondents interviewed all felt strongly that the main objectives of the PMS were not sufficiently communicated or given a high enough priority, respondent

three noted that *“for something so important it should have been all over the place”*. All the respondents expressed that they felt the system was great but not having the communication piece right from the start was a fundamental flaw. Respondent five believes *“that we took a great process, a great system and launched it out but actually we didn't manage behind it to understand actually is it being delivered or is it not being delivered and the important bit then is how it is being delivered”*.

**What skills and competencies do you feel are necessary to conduct and review individual and team performance fairly, consistently and to the benefit of both parties?**

All five respondents were invited to express which skills and competencies did they believe were necessary for effective performance management? They all had different views and opinions of the skills and competencies that were required to manage performance effectively. Feedback and engagement were common elements in all five of the respondent's answers; conflict management was also mentioned by two of the respondents. One of the key elements highlighted was the ability to see the bigger picture and be able to identify people or individual capabilities. Respondent four discussed at length the competencies which he felt were necessary for the effective management of performance. Summarised respondent four felt that the necessary competencies to manage performance effectively is an ability to assess performance under various different categories, be able to drive continuous improvement, drive change, knowledge sharing, drive business performance, communicate the company vision, and consistently communicate the goals and company strategy. Respondent four further noted that *“every person who is doing a review must understand what the business plan is in the first place and how that individual that they are assessing feeds into the business plan cause that is the ultimate goal and that is around the bigger picture. There are other competencies that you would look for but in terms of doing the assessing. Under leadership and some might say it is under management getting the buy in, engaging the individual and gaining their commitment and this is again the You, Me, Agree process. Clearly you have to be able to capture and develop potential, finding opportunities to provide development for people with potential”*. Clearly having the right skills to develop performance is not just about having a performance discussion it is about being aware of what needs to be discussed also. Respondent four further cites that *“bringing the brand alive, it's very clear, and it goes back to what I said earlier you need to be a promoter of the business. But you need to be able to articulate to the individual what actions they need to take*

*to ensure delivery of the B&Q brand. So if you don't know what the brand is about in the first place how can you deliver the brand?"* One clear competency that respondent four highlights is leadership and how effective leadership drives business performance, he also suggests that the business has not got the foundations right first before introducing a PMS that aims to drive business results *"and that is the bit where I say the competencies within the business are actually not there to support the foundation of what really is a successful model"*.

**Were managers given sufficient training in the necessary skills and competencies?**

The respondents were all asked if they felt managers had been given sufficient training in the necessary skills and competencies to drive effective performance management, one respondent deviated from the other four in his opinion of the training provided. Respondent one felt he had been given the time and the training in the necessary skills and competencies, but this was due to clarification and up skilling at a local level from the stores general manager rather than any initiative that the company had taken to train its managers in this area. The four respondents felt that managers had not been equipped with the necessary skills and competencies to manage performance. *"To be honest that is where the shortfall is, there was no clear training and at no point has any one every assessed me for competencies. Although I know I have actually covered a lot of these boundaries in the past actually a lot of my colleagues haven't. So their interpretation of what a capability indicator is; is completely different to what mine is and as a result what we don't have are capabilities and competencies working together"* as stated by respondent four.

**The setting of clear goals and targets are said to contribute to both individual and organisational higher-performance. How effective in your opinion is the organisation in incorporating these fundamentals requirements into the PMS?**

The respondents were asked to determine if they felt the company were clear about setting goals and targets, and how effective they were at incorporating these into the PMS. All five respondents agreed that the company were very effective at setting goals and target; one respondent even suggested that the company excelled in this area; however it is sales targets and standards that the company are good at. All five respondents did not feel that the organisation was particularly clear at incorporating or integrating these goals into the PMS. *"In terms of setting targets the business excels at that we have more target than you could*

*shake a stick at. They have streamlined and made the clarity around it much better. In terms of the organisation incorporating that into performance management, it is there for the six month and yearly review where you would acknowledge that but actually, only recently have they put it into the podium. So the business understands the need for it, to actually drive that performance but you can have all the targets in the world if you don't have the clarity around the competencies, well there is no way you are going to be able to drive the business to get that performance and in the majority of cases it is actually just a case of finger in the sky, the result is achieved not through coaching but through fluke” as put forward by respondent four.*

**Do you believe it is necessary for organisational development and performance improvement that each individual should realise how their efforts contribute to the overall success of the organisation?**

Each respondent was invited to venture an opinion on how important it is for individuals to realise how their efforts contribute to the overall company success. All five respondents felt that it was absolutely necessary for performance improvement and overall business success that every individual in the organisation should realise and be aware of the part they have to play in delivering the key objectives. Respondent three suggested the company sales ranking system is excellent it shows people exactly where category is performing. Respondent four proposed that each and every person in the business should be accountable for something, that way everybody has a part to play. *“You can't complicate it and you have to break it down to each individual by setting, or telling everybody what is required of them to do their job believe it or not they might have a change of doing it”*. Again respondent five agreed that if individuals didn't know what the objectives or goals are then how could they either aim for them or achieve them.

**What further support or training would you advise that the organisation consider?**

The respondents were all probed to discover what further support or training would they advise that the organisation consider at this point, to which respondent one felt that he didn't require any further training on the system. However the other four respondents felt that the company needs to address management training in PM in particular and related systems as a

priority. Furthermore the respondents felt that it was imperative that the organisation agreed to a consistency in measurement across the estate.

### ***HR Policy and Practices***

#### **What HR policies and practices do you believe are critical to the effective management of performance and personal development?**

All five respondents believed that recruitment and selection, training, induction and reward were critical to the effective management of performance, if you have the right people in the business to begin with, well the rest then is easy. Two of the respondents cited induction of new employees as vital to achieving improved performance, while one respondent felt that communication was first and foremost the single most important element to improved performance and personal development. Respondent four emphasised that rewarding good people is a key element of performance management, stating that *"the last bit of that is you do need to actually reward good performers, the down side is what are the consequences for poor performers and you need to actually use the mechanism available within the HR policies to drive behaviour from the poorer performers in coaching them into improved performance"*. In fact all of these policies and practice areas are equally important and contribute to improved performance within any organisation.

#### **How effective are the current HR policies and practices in supporting performance management and addressing performance issues? What improvements could be made to the current practices to further increase awareness of the PMS?**

The respondents all felt quite strongly that the current training policy was not effective in driving improved performance. One respondent felt that a complete review of the policy was needed as e-learning did not effectively address training needs and that the e-learning option was a one fits all approach and this did not fit our business at the rate it is changing. While this respondent was aware there were other training options available, as in project confidence workshops they all required extensive travel and were costly to the store. Respondent two expressed that he didn't feel that the company policies enabled managers to manage performance issues easily; there is too much paperwork and red tape. Respondent four was confident that the initial induction and training was fine, but stated that what we are

not good at in this store is the repeat training. Respondent five felt that the HR policies and practices were fine in terms of the disciplinary stage and managing underperformance but the company didn't put enough emphases on training in the first place, *"is it the HR policies or the training needs. I suppose the HR policies are there to support underperformance and what we're trying to do but I think there is a bigger drive to do the training and development bit and that for me is the bit that is missing out of the jigsaw. I think we've got quite fluid performance processes if it gets to the disciplinary stage but I'm not quite sure we've got the training and communication lines in place to achieve what we want to achieve"*.

**Do you believe all the right support mechanisms are in place to produce a high-performance organisation and therefore the effective management of PMS?**

Two of the five respondents felt that the right support mechanisms were not in place to support a high-performance organisation, both for different reasons. Respondent one felt that the e-learning system was not fit for the audience it was aimed at, while respondent three felt that there wasn't enough time out of the business for management development. The other three respondents felt that the support was there, however variances appeared in their answers. *"Absolutely, I think everything is there it is just how we use it"* as cited by respondent four. Respondent two felt that there needed to be more employee relations education for managers, backing up what respondent three said about management development, respondent two felt that HR while there in an advisory capacity had way more knowledge of the policies and procedures in this area than what line management had. While respondent five felt that the business was too HR weighted and not weighted in terms of training and development, this caused concern. This can be linked back to what respondent four said in an earlier question as a business we are reactive instead of proactive.

**Are the management team aware of what support and materials are available to help them coach and manage performance effectively?**

No consensus from the five respondents was apparent in this line of questioning, two of the five respondent believed that the management team are aware of the supporting materials and tools available to them to help coach and improve performance, but they wouldn't all know where to look for them. This in contrast to respondent one who said all the support he needs is in the store, from speaking to the right people. Respondents four and five both believed that

the management teams are aware of all the material the company has available for use but that it was too much in some cases and that it wasn't the material and resources but the people. *"Yes I believe they are aware of it, but I don't believe they use them and that's about do they understand the benefits of using them and that's about do they understand the benefits of taking those training and development packages and bringing them into their business. I don't believe they do so I believe they are aware of them. Do I believe they use them, no I don't cause actually I don't think they understand what the benefits are of doing it"*.

**How important is employee engagement and motivation as a contributor to organisational performance? If very important is a formal PMS really necessary? If it is necessary, why?**

All five respondents felt that engagement was key to driving improved performance but a formal PMS is necessary to keep staff motivated and focus on what they need to be doing to deliver company and store objectives. Respondent one suggested that *"yeah it is necessary even if staff are engaged because human nature they will not all be equally engaged all the time and people also need feedback on how they are doing its just human nature"*. Likewise respondent two felt that an effective PMS created an engaged team. Respondent four however suggested that *"engagement is a key element, if you have a disengaged team you will have everybody working in silo, and you will end up with a completely different working environment"*. He further notes that *"Engagement doesn't drive PM; engagement will support your common goal. Engaged teams are just people who believe in the system, the reason you do PM review or aisle owner reviews is actually because that's what tells the colleague what they need to do and that's the difference between the two. There needs to be clarity around, people who are disengaged, they are disengaged for several different reasons and it is easier to look at the negative around engagement than the positive, the reality is the business has moved substantially, that didn't happen because we have force people to tell us what we wanted to hear, the Gallop survey is an anonymous survey which allows them to be as vocal as they wish. In terms of the store, if you have an engaged store, what you have are people who are prepared to work collectively as a team. And that in its self creates a very warm working environment and so you know what, people want to come to work; they say I'll see tomorrow. If you have a disengaged team there will be high absence, don't want to be there, they are all the indicators, the key is looking out for the indicators which will tell you*

*the engagement. Separating that is about PM, believe it or not very few people want to come into work and do nothing, they actually like to have a purpose and that basically sums up the purpose and values strategy for the company". Respondent five sums up the vital link between engagement and performance under communication he states that "if you tell people what you're looking to achieve and you communicate with them I think that makes up the recipe for having great performance in the business. So for me employee engagement is huge to achieving what we want to achieve as a business, because actually without people we can't get this job done". All the respondent have valid points when it comes to employee engagement, the first thing is that people have to want to be there in the first place and secondly they have to have the motivation and will to work, and this is achieved by communication and agreeing what needs to be done.*

**Are there any lessons that can be learnt from the implementation and management of the current PMS? What if anything could the organisation have done better or improve in the future?**

Four of the five respondents highlighted the communication and the launch of the PMS as the biggest lesson the company should be aware of. Consistency of measurements and approach were also significant, but training on the system and PM in general are the most vital link in the chain. One of the respondents felt strongly about how the system was being monitored, no evaluation of the quality of PM reviews had taken place and that to measure it effectively this needed to be done electronically and linked to the business score card for there to be real success with the system. If it is worth doing it is worth measuring. Respondent five suggested that the company should have assessed the level of skill to delivering this system throughout the business before implementing it. He further notes that we have a great system, but we don't know if the skill is there to deliver it, this is further backed up by a comment respondent four made in an earlier question in which he stated that the business doesn't understand capability and competency management. If the business doesn't assess or understand what is needed to deliver effective PM and embed a performance culture into the organisation, how then do they evaluate or know what impact PM is having on the business, managing performance poorly rather than not at all will have adverse effects on the business environment both internally and externally.

### ***Key Findings***

A thorough analysis of all the primary data collected for this research was conducted, using a series of open questions which were then divided into three topic areas; the following key findings have unfolded during the course of this study.

Firstly, it is apparent that the concept of continuous PM has been well received by the organisation. But it is not sufficient to introduce such a large and new way of doing things into an organisation, without having discussed it with the people charged with implementing and working within the constraints of that system. The company management team should have been involved with the design, objective setting and implementation of the system. There are 343 stores across the business and 33,000 people working for the company. The PMS was designed and rolled out by a few with the expectation being, that at an operations level it should be embraced and put into action.

The main concern around the launch of the PMS was the communication to stores, the quality and quantity of the communication has been highlighted as a major factor in the inconsistencies within the system.

Another finding in the course of this research suggests that PM is not given the same priority or importance as the achievement of sales targets or store standards, this from a company that believes that it is people that drive results.

One of the most significant findings in this research has been the issue of training both on the system it's self and for managers implementing the system. The company introduced the system but did not do a thorough analysis of training needs for its management team in the delivery of performance management.

A key discovery of the PMS has been that of inconsistencies both in the application of the system and the setting of clear goals and objectives. Locally objectives and goals have been

set with regards to both the management and customer advisor PM systems but as a company this has been sadly neglected as a priority in the working of an effective PMS.

Finally as a result of the research conducted, it has been suggested that the current HR policies do not adequately support PM. The company incentive scheme is geared towards rewarding attendance and not great performance. It has also been noted that the business is more HR weighted than training weighted. Therefore the company need to invest in training and up skilling people to enable them to do their job for the future progression of the organisation. It has been suggested that the current HR policies and practices are not fully integrated with the business and improvements in PM are suffering as a result.

## ***Chapter 5 – Conclusions and Recommendations***

### ***Conclusions***

This research has thoroughly examined the PMS in B&Q Liffey Valley. The evaluation of the PMS has looked at how the system was introduced giving consideration to the training needed to implement PM in the organisation. Other equally as important elements of introducing any new system, but in this case the PMS have also been contemplated such as the communication and launch of the PMS. Finally, an exploration of the current HR policy areas was also considered necessary in this study to determine if these policies and practices adequately supported the management of performance in the company.

Firstly this research has examined how the PMS was introduced, taking an in depth look at how the system was communicated and launched to the store in question. An exploration of the current literature on PM suggests how a PMS should be briefed and what training should be provided for the effective management of performance in any organisation. Taking this view point the respondents in the primary research were questioned to ascertain their level of knowledge of PM systems. Further investigation into the subject area was undertaken to evaluate what training was provided on the system prior to its implementation. Armstrong (2006) points out that *“performance management is not easy. It requires high levels of skill by everyone involved, and the skills are likely to be ones that have not yet been developed or put into practice”*. Armstrong also provides a brief outline of the required skills as noted in the review of the literature on this area. Taking this into consideration the respondents in the study were asked, what did they believe to be the compulsory skills needed to evaluate and develop performance improvement.

Managing performance *“involves a never-ending process of setting goals and objectives”* according to Aguinis (2007), this is fundamental to the concept and process of managing performance. A complete examination of the system revealed elementary flaws in the setting of objectives and the performance evaluation measures. There is little clarity or consensus among theorists in the area of PM about what makes an ideal PMS, so without any hard core evidence or an off the shelf solution of what an ideal package would look like, the researcher

has assumed that the design of the system is as good as any other organisational PMS and that it is not the PMS itself but the way in which it has been put into practice.

Following on from this an evaluation of the company's HR policies and practices were undertaken to assess if the current policy areas provide the necessary support for managers in managing and developing their team's performance. A review of the current literature on the subject identified a number of policy areas which claimed to improve organisational performance. However different authors on the subject put forward different practices or 'bundles' as being complimentary in the management of organisational performance. Another school of thought in determining the link between performance and people management policies is that the HR policies and practices employed by the organisation should maintain an element of internal and external fit. Taking this in to account, the respondents in the study were asked in their opinion did the current policies adequately address and support them in the management of organisation performance.

Having thoroughly examined, listened to respondent's views and evaluated the system in question, the researcher feels that she can now put forward a number of recommendations to help improve the management of performance in B&Q Liffey Valley.

### ***Recommendations***

The researcher having completely reviewed the PMS in B&Q feels that the company needs to address the importance of effective PM and give this process the obligatory time and priority it is due. It is not necessary at this stage to change the PMS in existence, it is however essential that the company re-establish the need for an effective PM.

It is imperative as an organisation that B&Q review its communication of the system, the researcher feels that the system needs to be re-communicated to the organisation, especially its management teams. The benefits of managing performance effectively, needs to be highlighted and all forms of company media utilised in the effective delivery of this message.

A thorough review of the intended objectives of the system needs to take place, establishing a clear set of goals and objectives for every level is vital to the success of the system. A consistent approach for the evaluation of those objectives and measures needs to be agreed across the estate. These need to be both achievable and tangible from an operations perspective, with the amount of paperwork and frequency of the reviews given due consideration.

Training for the management teams in the evaluation and continuous review of individual performance needs to happen promptly, this should be well thought out in terms of what is required to deliver the company strategy and a high performance organisation.

Managers need to be equipped with the necessary skills and competencies to deliver improved performance. The business needs to come up with a plan to deliver this consistently and effectively to the whole management team. The researcher feels that the company may need to look at an external solution for delivering this, and that time is of the essence.

It is also felt that the company needs to review some of its HR policy and practice areas, if B&Q are going to deliver a performance culture then the company needs to reflect this in its policies and practices. Ongoing training must become a way of life and rewarding good people for their performance is essential, and not just because they turned up for work. The

reward policy in particular needs to shift its focus away from absence management and move towards rewarding people for individual and team performance.

Finally if the PMS is to succeed it needs to be measured, it is suggested that this should be done electronically to truly assess how frequently performance reviews are being conducted. This measurement should then feed into the business score card both in terms of visibility and to establish the importance of performance evaluation further integrating PM into the overall business strategy.

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## Appendices

**APPENDIX A: Interview consent**

**RESEARCH TITLE - An evaluation of the current performance management system in**

**B&Q**

**Consent Form.(Interview)**

I Ch. E. de consent to my interview with Karen Ferris for her study on performance management.

**I understand that:**

- Participation in this interview is voluntary.
- That I may refuse to answer any questions I would prefer not to.
- I may withdraw from the study at any time.
- No information that may identify me will be included in the research report, and my responses will remain confidential.

Signed Ch. E. de

**APPENDIX A: Interview consent**

**RESEARCH TITLE - An evaluation of the current performance management system in**

**B&Q**

**Consent Form (Interview)**

I Graham Macdonald consent to my interview with Karen Ferris for her study on performance management.

**I understand that:**

- Participation in this interview is voluntary.
- That I may refuse to answer any questions I would prefer not to.
- I may withdraw from the study at any time.
- No information that may identify me will be included in the research report, and my responses will remain confidential.

Signed

  
\_\_\_\_\_

**APPENDIX A: Interview consent**

**RESEARCH TITLE - An evaluation of the current performance management system in B&Q**

**Consent Form (Interview)**

I Barry Bell consent to my interview with Karen Ferris for her study on performance management.

**I understand that:**

- Participation in this interview is voluntary.
- That I may refuse to answer any questions I would prefer not to.
- I may withdraw from the study at any time.
- No information that may identify me will be included in the research report, and my responses will remain confidential.

Signed

Barry Bell

**APPENDIX A: Interview consent**

**RESEARCH TITLE - An evaluation of the current performance management system in**

**B&Q**

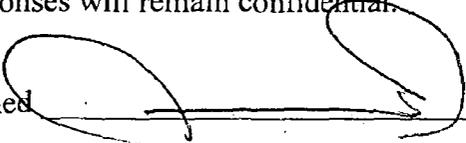
**Consent Form (Interview)**

I Mark Howard consent to my interview with Karen Ferris for her study on performance management.

**I understand that:**

- Participation in this interview is voluntary.
- That I may refuse to answer any questions I would prefer not to.
- I may withdraw from the study at any time.
- No information that may identify me will be included in the research report, and my responses will remain confidential.

Signed



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**APPENDIX A: Interview consent**

**RESEARCH TITLE - An evaluation of the current performance management system in B&Q**

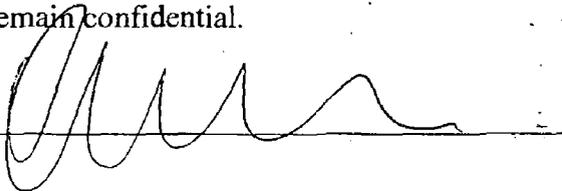
**Consent Form (Interview)**

I RON METCALF consent to my interview with Karen Ferris for her study on performance management.

**I understand that:**

- Participation in this interview is voluntary.
- That I may refuse to answer any questions I would prefer not to.
- I may withdraw from the study at any time.
- No information that may identify me will be included in the research report, and my responses will remain confidential.

Signed



**APPENDIX B: Recording consent**

**RESEARCH TITLE - An evaluation of the current performance management system in B&Q**

**Consent Form (Recording)**

I  consent to my interview with Karen Ferris for her study on performance management being tape recorded.

I understand that:

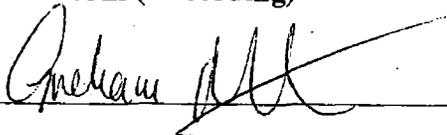
- The tapes and transcripts will not be seen or heard by any person in this organisation at any time, and will only be processed by the researcher.
- All tape recordings will be destroyed after the research is complete.
- No identifying information will be used in the transcripts or the research report.

Signed 

**APPENDIX B: Recording consent**

**RESEARCH TITLE - An evaluation of the current performance management system in B&Q**

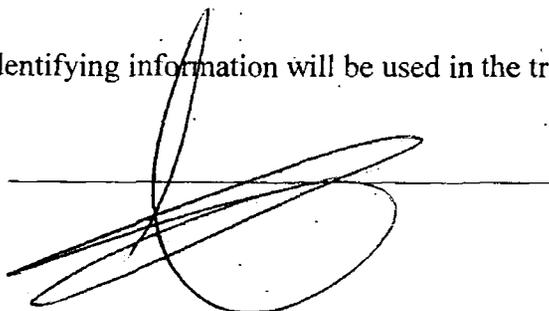
**Consent Form (Recording)**

I  consent to my interview with Karen Ferris for her study on performance management being tape recorded.

I understand that:

- The tapes and transcripts will not be seen or heard by any person in this organisation at any time, and will only be processed by the researcher.
- All tape recordings will be destroyed after the research is complete.
- No identifying information will be used in the transcripts or the research report.

Signed



**APPENDIX B: Recording consent**

**RESEARCH TITLE - An evaluation of the current performance management system in B&Q**

**Consent Form (Recording)**

I Bobby Black consent to my interview with Karen Ferris for her study on performance management being tape recorded.

I understand that:

- The tapes and transcripts will not be seen or heard by any person in this organisation at any time, and will only be processed by the researcher.
- All tape recordings will be destroyed after the research is complete.
- No identifying information will be used in the transcripts or the research report.

Signed

Bobby Black



**APPENDIX B: Recording consent**

**RESEARCH TITLE - An evaluation of the current performance management system in B&Q**

**Consent Form (Recording)**

I Mark Howard consent to my interview with Karen Ferris for her study on performance management being tape recorded.

I understand that:

- The tapes and transcripts will not be seen or heard by any person in this organisation at any time, and will only be processed by the researcher.
- All tape recordings will be destroyed after the research is complete.
- No identifying information will be used in the transcripts or the research report.

Signed

**APPENDIX B: Recording consent**

**RESEARCH TITLE - An evaluation of the current performance management system in B&Q**

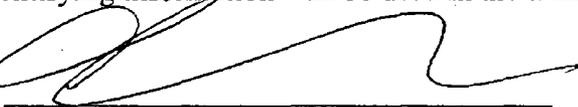
**Consent Form (Recording)**

I Con Metcalf consent to my interview with Karen Ferris for her study on performance management being tape recorded.

I understand that:

- The tapes and transcripts will not be seen or heard by any person in this organisation at any time, and will only be processed by the researcher.
- All tape recordings will be destroyed after the research is complete.
- No identifying information will be used in the transcripts or the research report.

Signed



**APPENDIX C: Biographic questionnaire**

**Demographic information**

Name: CHRIS EASTWOOD

Age: 39

Gender: Female  Male

Marital status: MARRIED

Home-language: English

Tenure in organisation: 1

Contract type:  Permanent  Temporary

Job title: Trading manager

Is this the first organisation you have ever worked for? Yes  No

If not, in how many other organisations have you experienced performance management?  
1

Highest level of education: N/A

**APPENDIX C: Biographic questionnaire**

**Demographic information**

Name: GRAHAM MULHEARNE

Age: 37

Gender: Female  Male

Marital status: SINGLE

Home-language: ENGLISH

Tenure in organisation: 8 yrs

Contract type:  Permanent  Temporary

Job title: Service Manager

Is this the first organisation you have ever worked for? Yes  No

If not, in how many other organisations have you experienced performance management?

2

Highest level of education: Diploma

**APPENDIX C: Biographic questionnaire**

**Demographic information**

Name: Barry Gole

Age: 40

Gender: Female  Male

Marital status: Single

Home-language: English

Tenure in organisation: 4

Contract type:  Permanent  Temporary

Job title: Dept Manager

Is this the first organisation you have ever worked for? ~~Yes~~ No

If not, in how many other organisations have you experienced performance management?

2

Highest level of education: Degree

**APPENDIX C: Biographic questionnaire**

**Demographic information**

Name: MARK HOWARD

Age: 36

Gender: Female  Male

Marital status: MARRIED

Home-language: ENGLISH

Tenure in organisation: 3 YRS

Contract type: Permanent / Temporary

Job title: GENERAL MANAGER

Is this the first organisation you have ever worked for? Yes  No

If not, in how many other organisations have you experienced performance management?

2

Highest level of education: DEGREE

**APPENDIX C: Biographic questionnaire**

**Demographic information**

Name: Ron Metcalf

Age: 44

Gender: Female /  Male

Marital status: MARRIED

Home-language: ENGLISH

Tenure in organisation: 2

Contract type:  Permanent /  Temporary

Job title: Regional manager

Is this the first organisation you have ever worked for? Yes  No

If not, in how many other organisations have you experienced performance management?

3

Highest level of education: DEGREE

## **APPENDIX D: Interview questions**

This is an academic piece of work. I am therefore more interested in how the organisation have implemented and supported PM and not the management of performance *per se* in this organisation.

### **Performance management:**

#### **1. What in your opinion is a performance management system?**

CE - In my opinion a performance management system (PMS) it is basically the tool to help with employee performance, and it is all about how you manage your people with the tools available to you to help them develop and improve their performance and yours by setting clear objectives and targets for your people and department. It involves training and motivating your people to progress either up the learning levels or within the organisation.

#### **2. In your view what does effective PM look like?**

CE - Referring back to the system we have, I think it is a good system, I think it is visible, because of the 'aisle ownership' board we have at the top of the stairs. Everybody can visibly see which departments are performing and which are not. It is good in that way. I also like the traffic light system, the red, amber and green, it is real simple and effective. I would think because of the visibility of the system, it is really effective, I think effective PM is about using a system that is integrated into everything we do, that's visible to everyone in the organisation and that it is being talked about it is not just a paper pushing exercise.

#### **3. In reality what does PM look like in your organisation?**

CE - I think we have a PMS that is well set up, it is visible, it is in everyone's face and in general people know whether they are performing or not. The system its self is very good, but you can see inconsistencies in it, in some departments it is working well, in others not so well. But I generally think that is down to the managers themselves from each department, are they actually driving it with their team? There are a lot of staff that have taken it on board and others that haven't. But it is working; I would think at least 70% of the time.

**4. What could we do as an organisation to improve PM?**

CE - Well the feedback I have got for my team is really with regard to their learning levels, some think they are performing above the level they are at. I know the performance indicators are all linked to the learning and development framework (LDF) but I don't think our employees do, in fact it is only recently that I discovered the link so if our managers don't really realise that there is a link between LDF and performance what hope is there for our team, of course because LDF is linked to pay and reward I think we are missing a trick here in promoting the whole 'aisle owner review' i.e. our PMS.

**5. Do you feel the culture of the organisation has an impact on PMS and PM in general?**

CE - It does, I think if PM is basically driven right then people will take it onboard but if it is forced upon them I don't think you will get the buy in to encourage people performance. But with B&Q, and the managers we have in this store, I think we are all fairly good at driving it in the right way. If it is driven in the right way people start taking pride in their aisle ownership, and in their result and really buy into the whole performance management thing. They know if we are doing it consistently, they know that we are going to be having a conversation around their performance and they will know what is expected from them. I do think this store puts a focus on performance management, driving PMS and incorporating it into our culture and this has had a very positive effect on performance in general in the store.

**6. Who do you believe primarily drives performance management and the current PM system in this organisation (either in general or a specific role or person)?**

CE - I think the managers drive performance management in their departments, we are seeing and dealing with all the issues or challenges of retail in our departments every day, so basically in resolving and fixing any problems that may arise, the managers are driving their team's performance.

**7. Who should drive and own performance management and related systems in the organisation?**

CE - I think the line managers should own and drive performance management.

**8. How important do you believe the buy in of senior management is to the effective implementation of PMS's and the continuous improvement and integration of a high-performance work team?**

CE - Obviously they have to buy in to it in a big way, because obviously they manage our performance as a trading team. If you look at what Mark our General Manager is doing and the way he has got behind the whole 'Podium Programme' he's managing our performance bases on how we are driving improvement and results within our own departments. If he's not driving it then we are not really going to have the same interest in driving it. We're going to be well he has forgotten about it, and then we really don't need to do anything. If it is not on his agenda then it will not be on our agenda.

**Training:**

**9. In terms of support to implement the PMS, what did this look like? Do you feel this was adequately addressed by the organisation?**

CE - Honestly I could have been shown a bit more in terms of explaining the form or documentation. Basically like do I follow word for word what is on the form or the performance indicators, do I assess what needs to be improved in my department and use what I know to translate this into performance improvement or do I follow my own cut instinct. Personally I will follow my own cut instinct, if I read a question on the follow I will ascertain whether it is relevant to the person I am reviewing and you need to look at what you need the person to deliver. Personally I got no formal training in implementing the system, it was introduce and it was a bit of trial and error at first. I had lots of questions around what some of the measures were and the system and documentation in general. But I addressed these with our General Manager who was able to address my concern, we were able to determine basically what it was I needed to address in my department in order to improve results and standards. I then translated these into what I needed my team to deliver and used the 'aisle owner review' document to formally address and document performance improvements. I did receive lots of support from my general manager, but in terms of how the organisation implemented the system or supported the training and set up of PM then I feel there was very little input either positive or negative, we were really just left to our own device to implement this system.

**10. How was the PMS's design and main objectives communicated to those implementing the system?**

CE - Not about the design, but yeah around the objectives, I discussed this with Mark and we basically determined what my department objectives were and then using the PMS to enable me to deliver the required results. Some of the measures I wasn't sure about or why these were relevant to my department but after discussing the main objectives of the PMS and understanding them, I was able to apply this quite successfully to my team members and my department.

**11. What skills and competencies do you feel are necessary to conduct and review individual and team performance fairly, consistently and to the benefit of both parties?**

CE - You've got to be a good manager first and for most, you need to have a bond with your team. You need to know the level they can work at and be able to determine their levels of performance and therefore able to determine how you can tap into that to be able to help develop and improve their performance. To be able to see that from a management perspective, you have to be able to step back and you've got to look at the bigger picture. Alright they may not be doing something good but there could be doing something brilliant, so you have to be able to determine what their weak areas are and be able to focus on them, and work on their weak point in order to improve their performance in those areas. You have to be able to review or evaluate people performance fairly and consistently by engaging and encouraging your team, by looking at the things they do well, recognising and encouraging them in these areas you will get their buy in and then you can examine the areas they need to improve in and develop a plan with their agreement to how and why they need to improve in certain areas. If you haven't got that skill or ability then you are basically going to be lost doing the Performance reviews.

**12. Were managers given sufficient training in the necessary skills and competencies?**

CE - For me personally, the time and support I was given by the GM in implementing and understanding the performance measurements and improvements, yes I was. For the group of managers we have in this store well they are all fairly well experienced and I think he felt strongly that he didn't actually have to worry about his management team implementing this system as we have all basically got the skills to do it.

**13. The setting of clear goals and targets are said to contribute to both individual and organisational higher-performance. How effective in your opinion is the organisation in incorporating these fundamentals requirements into the PMS?**

CE - They are very clear, in retail it is all about money, 'cash is king' basically if your team are not performing, if they are not serving customer, getting stock on shelves, presenting the stock in the right way, basically adhering to basic merchandising principles and obviously having a knowledge of the products they are selling well that affects the results, i.e. Sales targets and stock turnover in this store and if these are affected well let's be honest if sales and stock turnover are affected then the end result is people lose their jobs. It is also about returning customers and customer count, if a customer has a bad experience then that will obviously affect business and that customer is not going to come back. So yeah I think the company are quite clear in integrating what we need to do as a business into the performance evaluation of each team member. But again it is quite clear that performance is linked to reward and if a person or their department is not performing then they are not going to be able to move up the LDF levels and their fore stay where they are or eventually be managed out if a performance improvement cannot be made. It very clear, everybody knows exactly where they stand.

**14. Do you believe it is necessary for organisational development and performance improvement that each individual should realise how their efforts contribute to the overall success of the organisation?**

CE - Again just what we have spoken about, individuals need to strive for performance improvement but they also need to have performance feedback and realise how their efforts fed into store and company measures of success. And it is quite clear to each individual if they are not performing how that has a knock on effect on the business, alternatively, it is also important that improved performance in areas should be communicated and recognised. Especially over the last few months when we weren't hit budget and that, well it is down to people having a lacks a daisy attitude, thinking well we will get there, but it can be attributed back to 'aisle accountabilities' if there not right to begin with and that's the basics, so if customer service is poor and the stock is not on the shelf that the customer wants then we are not really making every effort to grab every sale. If the standards are not where they should be how will we survive as a business, communicating this back to our team and getting them to understand how it all links up is an essential element of getting the job done.

**15. What further support or training would you advise that the organisation consider?**

CE - I think that now that we have got the PMS up and running it is not necessary to provide any further training. However we have a lot of complicated systems and this can be a huge issue for the shop floor staff, I think the company should really look at some of their systems and try to simplify them or make them more user friendly, because we really do not get the time to train staff on all of these systems because they are so complicated and this obviously creates problems elsewhere.

**HR Policies and Practices**

**16. What HR policies and practices do you believe are critical to the effective management of performance and personal development?**

CE - In terms of HR practices well chasing up managers or having a process for ensuring that the performance review are happening, which we do have, also the fact that those reviews are also read by someone else, it is always good to have a third party perspective on things if HR feel that the PMS is being used as a tool to beat someone up with then this will be picked, or there will be questions asked as to how we can all work together to get a performance improvement from an individual so there is also a good communication and evaluation system in place. But primarily I think communication, evaluation; training, hiring the right people and rewarding those people in return for their efforts are all vital elements of people management.

**17. How effective are the current HR policies and practices in supporting performance management and addressing performance issues? What improvements could be made to the current practices to further increase awareness of the PMS?**

CE - I think there could be more time devoted to training and gaining performance improvements through having highly training and efficient staff. We have a training system which is basically all e-learning and computer aided training but I don't think this is really effective with all our team members as it is a one fits all approach, not everybody is either comfortable or able to use a computer, I think sometimes their fear of using the computer or getting on to the training session in the first place overcomes their ability to actually absorb or take in what they are supposed to be learning, it really defeats the purpose of learning. Also not everyone learns in the same way for some people it is great but for others they need to be physically shown how to work the different systems we have and we just don't have the time or resources to do that. We need to review our

training policy and practices, because at the moment, the rate this business is changing, we don't have sufficient mechanisms in place to facilitate staff training either on or off the job in terms of the systems we use, not stuff that can be learnt by doing it on the floor. I know obviously times are tough but an option the company could look at would be to have a trainer either in store or someone that goes around a number of stores.

**18. Do you believe all the right support mechanisms are in place to produce a high-performance organisation and therefore the effective management of PMS?**

CE - No I personally think the sort of learning system we have in place is not adequate or fit for audience purpose. There is also not enough time in this business to address these training issues.

**19. Are the management team aware of what support and materials are available to help them coach and manage performance effectively?**

CE - For me personally the support is in store I either go to my HR manager or my general manager, so the support is there. I obviously know that there is a vast amount of material on the intranet also to help us as managers in coaching and developing our teams, it's there for you to read or print off. No there are support mechanisms there, definitely.

**20. How important is employee engagement and motivation as a contributor to organisational performance? If very important is a formal PMS really necessary? If it is necessary, why?**

CE - It's very important, if an employee is not engaged then they will not basically want to contribute to the company or take on board any performance improvements we are trying to make. Yeah it is necessary because there are always improvements that can be made, nobody knows inherently everything they need to do, there has to be a structure, a plan and that's what you get from a PMS, a planned, structured approach to managing performance and giving performance feedback. Just because one or two people are highly engaged doesn't mean that they all are, so if performance improvements and performance discussions are not happening with everyone and improvements are not made say with someone that is performing consistently poor then the rest of the team are going to become de-motivated because they will obviously be aware if someone is not pulling their weight and they are working hard, then they will begin to question why they are

working and other are getting away with doing nothing. At least if there is a formal PMS in place then discussion are happen and everybody is expected to do their bit in contributing to the desired result or targets. So yeah it is necessary even if staff are engaged because human nature they will not all be equally engaged all the time and people also need feedback on how they are doing its just human nature.

**21. Are there any lessons that can be learnt from the implementation and management of the current PMS? What if anything could the organisation have done better or improve in the future?**

CE - I think possibly if the companies' incentive scheme was geared more towards individual performance rather than towards store performance. If we had the autonomy to reward our teams at a local level, through a recognition scheme or something. But in the implementation of the PMS and the ongoing management of performance in the store, no I think now that we have embraced it, it is working fine, lessons for the future could be more training to those implementing it, don't just put it out there and expect the management teams to run with it. They need to be comfortable with using it and understand it first.

## **APPENDIX D: Interview questions**

This is an academic piece of work. I am therefore more interested in how the organisation have implemented and supported PM and not the management of performance *per se* in this organisation.

### **Performance management:**

**1. What in your opinion is a performance management system?**

**GM** - A performance management system is basically a system or a process that is in place to improve and help develop employee and people performance in an organisation or work group.

**2. In your view what does effective PM look like?**

**GM** - It's about target setting, so that people know what is expected from them and they know what they are being measured on. There is consistent and regular monitoring and feedback about performance improvements and issues or areas for concern. So that people know where they stand and what part they have to improve on personally. So it is about goal setting, regularly monitoring and giving feedback on performance, regular communication I suppose.

**3. In reality what does PM look like in your organisation?**

**GM** - At the moment we have several performance management tools, we have 'TOM' which is 'The Operating Model' in its infancy we also have the 'Podium' programme which is primarily for the management and supervisor teams, and we have obviously got the 'aisle owner reviews' which is for managing the customer advisor and administrative population performance, we also have in place an appraisal system, which are supposed to be conducted twice yearly. In B&Q we are still sort of playing around with the old system but trying to introduce a new one, in that we are still using the performance appraisal system but introducing continuous performance review. The reality at the moment is I don't know what we are really measuring people on, whether it be the TOM, the aisle owner reviews, whether it be the 'podium programme' review or an appraisal system. Perhaps there is a bit too much going on, it's too vague and I as a manager don't always know which system it is I am supposed to be measuring my team on.

**4. What could we do as an organisation to improve PM?**

**GM** - Streamline it, maybe you may have to have a different type of, like the 'podium programme' is aimed at a different level. That is perhaps more suited to the management team, what I mean is maybe not to manage the supervisor population with the 'podium programme' which is what I am required to do at the moment with my front end supervisors. Then continue with the 'aisle owner reviews' and the appraisals for the supervisors and the staff, it would be much simpler and straight forward. Whereas at the moment I am having to do too many reviews with my supervisors between the 'podium'

and the 'aisle owner reviews'(AOR) it is too confusing and no one know what they have to do or what they are being measured on. I think you have the AOR's which is fantastic and that measures all the key things we review when it comes to appraisal time apart from personal development needs, which can be address with a personal development plan. The AOR should be the ongoing performance measure and then the appraisal should be about the person's personal development, what they want to achieve and review of achievements to date.

**5. Do you feel the culture of the organisation has an impact on PMS and PM in general?**

**GM** - Yes, cause basically a big part of performance management is to try and improve people, you want performance management to improve productivity you don't want it to be counterproductive, having to manage people out of the business. Although that maybe the way you have to go eventually. However some of B&Q's policies and procedures make it difficult for you to performance manage a person if they fail to improve or make efforts to improve, it is difficult to manage that person out of the business.

**6. Who do you believe primarily drives performance management and the current PM system in this organisation (either in general or a specific role or person)?**

**GM** - In this store HR mainly, HR monitor it and feedback to the management team, HR drive it mainly.

**7. Who should drive and own performance management and related systems in the organisation?**

**GM** - We should all drive it; the management team should own it and drive a performance culture within their own teams. That's why I think the AOR's are probably better because you don't have to wait six months to do an appraisal, you do AOR's in theory every fortnight.

**8. How important do you believe the buy in of senior management is to the effective implementation of PMS's and the continuous improvement and integration of a high-performance work team?**

**GM** - Very important, well if the senior management team don't believe that performance management is the way to improve your business, your productivity etc.....? Well why anybody else would own it, unless they are very driven. Because people see AOR and performance management as a chore, because we are not like, to me it is great but it is too often, I mean if we did it once a month, with all the other stuff we have to deliver and other priorities, AOR every fortnight is too often and it then just becomes another burden rather than something to drive performance improvements. We have almost two hundred people in this, so how many is that nearly four hundred performance discussion every month, it's just not sustainable during our peak trading time.

### **Training:**

- 9. In terms of support to implement the PMS, what did this look like? Do you feel this was adequately addressed by the organisation?**

**GM** - From an AOR perspective it was a bit of a mismatch, because it was kind of launched during the revamp of the store and there were too many other things going on, not to mention the biggest project the store had taken on since opening in 2002. I think the initial launch was quiet good, like the pack was really good, but I think because of the timings I think we were a little bit more focused on getting the store re-open after the revamp. So I think in that respect we could have postponed it until after the revamp, even though the business was dictating the timing of the launch, all the parts don't always marry up in this business, we had a €5m project going on, it should have been put on hold to that was completed first and then launch the whole new AOR or performance management thing when the focus wasn't elsewhere and we could have given it proper attention and implemented it properly from the start.

- 10. How was the PMS's design and main objectives communicated to those implementing the system?**

**GM** - If I speak personally for the front end, they obviously launched the 'magnificent 7' and the front end improvements and they launched aisle AOR in the whole mix for the front end team, it was kind of like a re-launch for the front end because prior to that the front end team had not been incorporated into the AOR process as there was no specific documentation for reviewing the front end teams performance, there was a standard document for the whole store which wasn't really fit for purpose with the front end team and didn't meet the requirements of the role. So the AOR was re-launched to the front end at the same time as obviously other significant projects. So no, it wasn't staged and it was too much information all in one go. And we also had thrown in the middle of that Easter Trading and a very busy time, they gave us a reasonable time to do it. We started peak trading from the St Patrick's weekend on, so I think those things should be launched in the quieter months so that we have time to get them up and running and focus on them.

- 11. What skills and competencies do you feel are necessary to conduct and review individual and team performance fairly, consistently and to the benefit of both parties?**

**GM** - You obviously need to be able to give honest feedback and be comfortable giving honest feedback, it need to be constructive, it needs to be factual, you need to be comfortable with confrontation management as well in case they maybe things said that either party doesn't agree with. But also that the information that is given or the feedback that's been given, shouldn't be a surprise, the person that is getting the feedback should be aware that this feedback is coming or they will have had conversations along the way, for example if you look at the AOR, the customer, availability, presentation and product, if someone is scoring well on some parts but not on others, when they are being told that they are not doing so well in some areas well that should not be a surprise to the person receiving the feedback. I think the biggest thing at a meeting like that is when someone

tells you, you are not doing something and you have no idea you are not doing it. If you are having conversations with your team members every day that's one thing, but some people, I mean managers will sit down with that document and use it as a confrontational tool rather than having managed that expectation beforehand. Because they will day it is on the piece of paper and you're not doing it.

**12. Were managers given sufficient training in the necessary skills and competencies?**

**GM** - No, no because at no point where we sat down and taken through the document and the process. If you look at the AOR document, for example when John France came over and he talked to me about the Front End Dashboard and linking that to aisle accountability, but all it says on the AOR document is "does the operator know where they are on the Front End Dashboard, it doesn't say what action you should be taking to address that. So linking it back to that, it wasn't very well explained to me aisle accountabilities or the current PMS documentation, from the company's point of view.

**13. The setting of clear goals and targets are said to contribute to both individual and organisational higher-performance. How effective in your opinion is the organisation in incorporating these fundamentals requirements into the PMS?**

**GM** - No, not very effective, it's not clear, the link isn't always apparent. Everything we seem to do is getting in the way of everything else. So you have aisle accountabilities in peak trading when you have everything else going on. We obviously have goals and targets, and one of those targets are our sales target, but the amount of time the company expect us to spend on formally managing performance is unrealistic given that meeting sales targets at particular times of year is what sets up for the rest of the year. So why don't we look at doing less formal performance management during peak trading and more during less busy times of year. You can't take a lot of extra money and do all the things you have always done. There's lot of things during peak trading that we should look at and review, do we need to do this every two weeks? But looking at it PM is something that you should keep, but what else do we do in those weeks that we could do without, for example we should block every visit to the store for four months.

**14. Do you believe it is necessary for organisational development and performance improvement that each individual should realise how their efforts contribute to the overall success of the organisation?**

**GM** - Yes everybody should understand the impact they have on the business, down to the cleaners. Everybody. All the stuff that's going to impact the nature of our business which is making sales and retail, people should understand what impacts us, should that be customer service, product knowledge, product availability or the way the store, products are presented, after all that is the bases of the AOR document and our PMS.

**15. What further support or training would you advise that the organisation consider?**

**GM** - They should review and refresh, so for example, what are we measuring people on now, are measuring them on their aisle accountabilities, appraisals, sales targets, you know what I mean, what is the measure now? The whole PMS has started to link up, it's

just nobody told us about it, and we have kind of discovered it ourselves as a store management team, through trial and error. Like I did know that the AOR, the appraisal Key Performance indicators and the operating model all linked up, I just feel you are using several different tools that all say the same thing. I don't maybe feel the Operating Models has as much significance for staff as it does for the management team. Personally I feel when this system was launched that the HR team should have been engaged first and foremost, and attended an 'On Boarding' session to fully explain the whole system to be able to train the managers and sell the benefits of managing performance through this process. That way the HR team could have launched it properly in store, training managers, explaining or answering any question, and obviously to get people talking about it. It was downloaded on the intranet, instead of person to person. I don't necessarily feel this was the way to introduce such an important element of our business. So there are some things that should have been done differently. Management training on how to conduct a performance review, and the objectives and design of this system should be properly discussed in an open forum, so that people can air their view and we can all get a uniform consensus on how we should approach this.

#### **HR Policies and Practices**

**16. What HR policies and practices do you believe are critical to the effective management of performance and personal development?**

GM - Hr Policies and procedure, well we've got PDP, personal improvement plans, PIP, performance improvement process, obviously we have the whole disciplinary procedure, we have 'Fastrack' our develop and training process, we got project confidence workshop, e-learning, so we have quite a few training and progression processes. We have our recruitment and selection processes, recruiting talented people and putting the right people in the right place, we have also got a fairly substantial reward plan, pay and privileges, staff discount, pension plan, twice yearly bonus scheme and our store team bonus. The only things is they are fantastic but some of them are more gear towards managing absence than managing performance, as people are reward in terms of their attendance or not rewarded for being absent rather than being rewarded or recognising great performance. Because we are not very good at managing performance, we don't necessarily reward in terms of performance efforts. People that are not performing are rewarded equal to those that are performing just because they turn up to work. Basically what I am saying is you might have fantastic attendance but diabolical performance but you are rewarded in the same way as someone with a fantastic attendance record and is a fantastic performer. Basically as a company we are not good at managing performance.

**17. How effective are the current HR policies and practices in supporting performance management and addressing performance issues? What improvements could be made to the current practices to further increase awareness of the PMS?**

GM - I don't think the policies are very good at supporting performance management because of the way the reward scheme is set up and is more gear towards attendance than towards individual performance achievement.

**18. Do you believe all the right support mechanisms are in place to produce a high-performance organisation and therefore the effective management of PMS?**

**GM** - Well yes, there are lots of support mechanisms there but again it is which one do you go to, it is not all that clear. So I suppose as managers we go to HR first, and ask you guys for advice, if you're on the shop floor, it can be sometimes, well what is it I should do? I think an ER workshop training the managers on company HR policies and practices would be very beneficial and supportive in term of educating the managers on what support and policies are available to help them manage their team better both from a performance management perspective and in general educating them on how to deal with basic disciplinary and people management issues. You can go on to the intranet every day of the week and there is something new on it, we're all fine on the operation manual but ER and people management policies is a bit of a grey area for most managers. Its' not clear again there is no real clarity there. There's a lot of information there but it is kind of hidden.

**19. Are the management team aware of what support and materials are available to help them coach and manage performance effectively?**

**GM** - Some are and some are not, I would be aware of what is there to a certain extent, but I would have to go searching for the information I need. I have look at the information available, but more so when I had more of a customer advisor team directly reporting to me. More so because you're conversations have to be slightly different than when you get to supervisor and management levels.

**20. How important is employee engagement and motivation as a contributor to organisational performance? If very important is a formal PMS really necessary? If it is necessary, why?**

**GM** - Very important as long as it is realistic, I don't think the Gallop Q12 scores are really a true measure of engagement. Performance management is very necessary, yeah, because PM created engaged employees.

**21. Are there any lessons that can be learnt from the implementation and management of the current PMS? What if anything could the organisation have done better or improve in the future?**

**GM** - Yeah I think that the only lesson they should have learnt is, where it was launched, when it was launched. What the communication was to the Hr team, then the management and the staff, it wasn't very effective, the way it kind of quietly snuck in. we don't talk about it enough, I mean not us as a store, in 'the Loop', B&Q weekly, it is never linked into any of those communications. It's not people's priority, because managers and staff are going are they really monitoring it? There is obviously talk around auditors going in looking for them but it's not linked into any other B&Q processes other than on the HR agenda. I don't see it anyway. It's not high profile enough. Well I think if you want things to work you are going to have to measure it and to want aisle accountabilities to work, you are going to have to have some kind of a system measuring it, therefore it needs to be

monitored electronically, maybe not the data on the review, but the completion rate or level of the reviews needs to be electronically recorded because otherwise it just won't get done, it's an uphill struggle. If it was a measure on the store score card and was visible throughout the company they we would put more effort into getting it right and therefore we might have a chance of success with the current PMS. But I think they also need to look at the frequency, I don't think it practical in a business that is all about sales and retail. In my opinion once a month is plenty, if it's done, but then there should be a penalty for not doing it. It takes maybe half an hour the first conversation and then maybe ten or fifteen minutes thereafter. If it is something that is there to improve performance then it should be measured.

## **APPENDIX D: Interview questions**

This is an academic piece of work. I am therefore more interested in how the organisation have implemented and supported PM and not the management of performance *per se* in this organisation.

### **Performance management**

**1. What in your opinion is a performance management system?**

**BB** - A Good Performance management system in my opinion is where we help people develop into doing the best they can, it's not all about getting rid of people it's about encouraging people and about helping improve their performance.

**2. In your view what does effective PM look like? Can you give any examples from your organisation or other organisations you have had experience working in?**

**BB** - I would class when you highlight an underperforming person and you start of the process, sit the person down, you go through from start to finish what you expect from that person. How they can achieve your expectations what you need to do to develop them and what they need to do themselves to develop to the highest standards they can. Well with the whole 'aisle accountability' thing now it is very clear, it's sitting the individual down, explain what your expectation of them is, showing them what good looks like, asking what they need from me, to improve, what I can do for them, monitoring them and basically giving them open honest feedback, encouraging them and giving them the opportunity to grow.

**3. In reality what does PM look like in your organisation?**

**BB** - Probably a little inconsistent, that goes for me as well, we let things get in the way, and we push it down the pecking order. If we could get things to work to a nice steady standard then it would be easier to manage my own department's performance. I am actively trying to sit down with two members of my team each week now, I'm going to try and touch base and vary the people I am speaking with, so that I am communicating with different people. I want to be able to communicate a clear, consistent message to all my team, so there is no ambiguity. I know that sounds strange; the process its self is very clear but each person's interpretation of the PMS is very different, it's all about how it is present to the team. I think I need to touch base with every member of my team, informally each day but formally at least once over an eight week period. The team will then know get to know where I am coming from; they will know what my expectations are, and how we will get there both individually and together. I am going to start getting my second in command to sit in with me when I am sitting down with the individual team members so that he can develop and awareness of what my expectations and plans for the department are. He will also be learning, obviously gaining an understanding of how the performance review should be conducted by observing the review process in action, he will also know what has been discussed with the individual team members, keeping him in the loop. Because I look at the 'aisle owner review' document and there are certain

things that I see and interpret from the various different roles and learning levels and I know what I need to do to help those people deliver. So people might look at the form and they don't know exactly what it entails so they can't give feedback and they can't actually tell the person that this is actually what we need to do, from lack of experience some managers don't conduct the review process correctly, they just go 'no your red'. So in using the AOR as a performance management tool we need to be clearer with the staff, the documentation itself couldn't be any clearer I think it is just our delivery of the process that is lacking.

**4. What could we do as an organisation to improve PM?**

**BB** - I think we just need consistency as a management team in B&Q, no point in one or two managers rolling it out and doing the proper thing, there are mixed messages around what performance management is, some departments are doing it, some are not, some are doing it as a tick box exercise which is not helping anybody. I think if you are honest with the person to start and very clear it will work. If you are not a 100% behind it won't work. If they see you going along tick, tick, tick and we all know there are some people doing the 'Aisle Owner Review' documents as a tick box exercise, they are not even letting their staff know how they are getting on, and that's no good for anybody. For people wanting to progress through the system, to move up they want to know they are doing well, they want to see they are doing well and what I like about the Aisle Owner Review(AOR) is, it is quicker, it's not waiting six months for their appraisal to come up, getting regular feedback every couple of weeks. You can measure it, you can see the development you can help improve, you can guide. Sitting down twice a year and saying right let's have a look at your last 6 months, as people can obviously maintain a performance improvement in the lead up to their appraisal. So that what I like about it, it's the consistent communication and feedback. It's quicker; you can highlight the changes, if there is something going wrong you will pick up on it straight away. You are touching base with them, more communication with your team and they have more access to their line manager. Really just communication and give performance feedback more often, in a consistent, helpful way.

**5. Do you feel the culture of the organisation has an impact on PMS and PM in general?**

**BB** - Yeah, People hear the word performance management and they think the negative, they hear the word performance and they think they are being managed out of the business they don't see it is a tool to improve performance and to help you. I know some of my staffs view has been that it's a performance management tool and they think the negative. Not that it's a means or a tool to help you improve. I think the culture of the organisation has in the past been that managing performance takes too much time and effort, therefore it hasn't been managed, people haven't been expected to up there game and it is only those hungry to get on that go anywhere. So I think in that respect people are scared because one they don't know what it entails and two they believe that it is something negative to manage poor performance out, rather than to help develop performance improvements across the store. I think the negativity is coming from both

managers and staff, yeah I would say a mix of both, I think if you sat all the managers down and you said the word performance, and said the word negative or positive, I think they would say negative. The perception is performance management is negative. Is the culture in B&Q impacting performance? Well I personally think we can be a bit lacks, we all know we have issues, I know we have issues in the store; sometimes we think it is not worth the time or the investment and that wrong. Cause sometimes you can turn something very average into something very good. But sometime's if it's a personality clash, again that's wrong but sometimes if that's what it is, well then you can think aagh I can't be bother, and the culture around performance management up to now has enabled you to do that, before nobody really challenged you as a manager if you didn't deal with a poor performer in your department, and that's also wrong. But as a company I think we are a very people focused company, like a lot more that what Homebase was, for me if we saw something in Homebase and we said we need rid of that, well they would be gone in 3 or 4 weeks. It would be sorted. This is a bigger engine, it's just massive its harder to nail them and the organisational culture of B&Q isn't to nail them, it's to encourage, develop and improve performance, especially for the shining stars and poor performance would just be swept under the carpet.

**6. Who do you believe primarily drives performance management and the current PM system in this organisation (either in general or a specific role or person)?**

**BB** - I would think it is definitely driven form the top, the GM would be a leader in performance management, he's very clear on what his expectations are, we are communicated to on a regular bases, we're very clear on where he stands, if they are not performing manage them, aisle accountability is another tool to manage people, to improve them or if some people just won't change well then it's a very quick way of saying well here's the evidence. I can give you a time period now of 4 weeks to improve if we all use it; it is going to be quicker to get it resolved. And it will make the person realise this is a very clear guideline, I only have a number of weeks to show a clear performance improvement and to up my game, then if I up it I have to maintain it cause two weeks later it is being reviewed again. It's consistent and they now know what is coming next, there are no surprises and that makes a difference. I have spoken to other managers we can't just be going after the people that are not performing but we must be consistent in our approach right across the board. I don't want to use the PMS to try to catch people out, it is in their interest too that they actually understand what it is all about and are prepared, and to be able to give feedback also in order to move it on.

**7. Who should drive and own performance management and related systems in the organisation?**

**BB** - We all should, the management team.

**8. How important do you believe the buy in of senior management is to the effective implementation of PMS's and the continuous improvement and integration of a high-performance work team?**

**BB** - Well if they're not into it, we won't be into it, if they're not running with it, why would we? If it is not been driven from the front, why would the trading managers drive it? We'll say well their not interested so why should we. I don't mean that in a bad way, but if PM is not on the senior teams agenda then why would it be on the trading manager's agenda. So it is very important that they get behind it.

**Training:**

- 9. In terms of training and support given to the managers implementing the PMS, what did this look like? Do you feel this was adequately addressed by the organisation?**

**BB** - Probably not adequately communicated, how it look to me was, we were given the forms, for me looking at the forms it was like yeah that's not a bother, but for some managers you could just see from their expression and body language this is just going to be another nightmare. They didn't see it as this is going to make my life so much easier. Well if everyone is pulling their weight then getting the job done is so much easier. That's what I explained to my team, I would love a department of level 5's, cause if you guys are all doing your job to that level I will have such an easy job and things will run better. So let's bump this off, this notion that we are trying to reduce people to level 1 that is in no one's interest, not mine, not anybody's, and when you explain it to them you can see them going Oh, yeah. In terms of training for managers to implement this system, I don't think it was explained to us properly, before being asked to implement it. It was a bit like the blind leading the blind, in that we didn't real absorb it first and ask the questions we needed to know before trying to implement this system. Some of that of course was probably down to a lack of interest and not seeing the benefits and only thinking performance management is negative.

- 10. How was the PMS's design and main objectives communicated to those implementing the system? Do you believe the organisation was effective in its methods of communication and implementation?**

**BB** - I can't actually remember how it was rolled out. I remember seeing all the forms and guideline, but as far as being rolled out I don't think there was any big communication about implementing this system. All I can judge is this store, I don't really know if the company was any more effective at rolling it out than we were, we are normally on the ball in the store about rolling out anything new but I don't remember any communication in our email, newsletter or other company communications other than what I have been told in store. So no, it wasn't communicated well, for something so important it should have been all over the place, so that you couldn't miss it. The idea is excellent but in the roll out and training on the design and main objectives of the new system it was lacks.

- 11. What skills and competencies do you feel are necessary to conduct and review individual and team performance fairly, consistently and to the benefit of both parties?**

BB - Needs to be open and honest, need to put your personal feeling aside, if it's done right the team will raise their game, should be two-way communication, it's a discussion document, it's about gaining feedback from your team about how they think they are performing also. It about listen to what your individual team members have to say. Setting clear expectations, agreeing goals and explaining why you need something done a certain way, if you change what you are doing here and the way you are doing it this could move you from amber to a green really easily. Explaining that there maybe a few quick wins that we could achieve and so on. So showing people how they can change their performance, coaching them to change or improve, being able to motivate your team to perform better or consistently and also being behind them all the way, and tell them you are supporting them and want them to achieve both their own individual goals and the goals you have set together. Influence and impact on the individual is also a key skill or competency needed. Clarifying the person's job role is also very important to the performance management conversation and therefore knowledge of what that role entails is essential.

**12. Were managers given sufficient training in the necessary skills and competencies?**

BB - No, if you hadn't done it before no.

**13. The setting of clear goals and targets are said to contribute to both individual and organisational higher-performance. How effective in your opinion is the organisation in incorporating these fundamentals requirements into the PMS?**

BB - We are very good at setting our sales targets, we are very good when we have a gun held to our heads, our priorities changes, like times I have great plans coming in to do certain things but all of a sudden there's a visit or something else and it all goes by the way side, or that's not the priority now. So sometimes the long term goals are put aside for the short term win, it's a bit adhoc and can be hard to organise and plan your time. Perception is if you are sitting in an office in this store you are doing nothing but you also need admin time to be able to plan your work time. The people management agenda is only a priority when it is being pushed from a higher level, for example if it is coming up to the Gallup Q12 survey, and then there is a push on to do appraisals. The company is very good at setting sales targets, and setting a clear vision of what standards should look like in every store but the rest is all a bit adhoc.

**14. Do you believe it is necessary for organisational development and performance improvement that each individual should realise how their efforts contribute to the overall success of the organisation?**

BB -Without a doubt and that's the key thing, and that's what I like about the way B&Q bring out there figures, the departments or categories are all ranked separately. So there's an element of being able to tell people you have moved up or down your rankings, its visible, people can be measured and see how they are performing and how their individual contribution feeds into the overall measure of performance.

**15. What further support or training would you advise that the organisation consider?**

**BB** - For a consistency of standard we need the management teams to realise what good looks like and even for some people to sit in with other managers when they are reviewing their people and then to give open and honest feedback afterwards to say how they think that went, what was good, what was not so good, or this is where I think you could improve that or this is where I think you could have got out of this hole. Like we know there are managers in this store doing 'aisle accountabilities' at home, their staff have never seen them at this point. It's a joke. I think that it is lack of confidence or they are not sure what exactly a good performance review looks like, it would be good both from a training perspective and from a consistency point of view if some one person that does actually understand what it is all about should take the time to both encourage managers and show managers how to conduct a proper performance review.

### **HR Policies and Practices**

**16. What HR policies and practices do you believe are critical to the effective management of performance and personal development?**

**BB** - Recruiting and selecting the right people, it is something I would prefer to have more involvement in. From a brand image perspective, the people we recruited were really impressed by the way we conduct our selection process. Personally, however when we recruit people into the business I feel we let them down then by not equipping them with the necessary basic skills to be effective to the team. While obviously I know they are not going to learn everything in their first week and there are things they will have to learn on the job. I think our induction process is lacking, new recruits should have basic SAPCO training and an understanding of other systems before going on the shop floor because people just do not have the time to take them through the whole process while also doing their own jobs. Training is also critical to effective performance management. If people haven't been given the necessary training in the first place, then how can we expect them to perform at a certain level?

**17. How effective are the current HR policies and practices in supporting performance management and addressing performance issues? What improvements could be made to the current practices to further increase awareness of the PMS?**

**BB** - As I have already said we could improve both the induction process and training in general needs to be reviewed, however when it comes to training it is a bit of a vicious circle as manager do not want to release team members to go on training courses unless they have no other option. I think that most other practices and processes are very effective, sometimes they might not suit you, but they are fair, concise, clear and there is a good support network there if you have any queries. I think we can be a bit passive about certain things, but if it's the right thing or the right way to deal with something then I am all for it. Sometimes the HR option isn't always the easy option as line managers like to deal with things in their own way, but there is a proper way to do things and that is laid out in our HR policies and practices, which are fairly proactive and people orientated and that's the way we should manage, including the management of performance, good and bad. I think one of the improvements we could make is in our communication and to

nearly re-introduce our PMS and explain better the next time what it is all about, this is where we are looking for the stars of the future, this is where the chance to stand out is, and sell it better next time, this is what we are going to do, investing in your future sitting down every two weeks, we are going to improve goal setting and make clear performance expectations in return give everybody the chance to progress. It's all about improving and it's all positive, positive, positive.

**18. Do you believe all the right support mechanisms are in place to produce a high-performance organisation and therefore the effective management of PMS?**

**BB** - Probably not because in the real world do we really have the time to develop people to the level we need them at. Unless someone is really passionate about their development do we really support them and help them to get to where they want to go, I don't think so. Like I don't have the opportunity to always afford people the time they need to do training. No the supporting practices or mechanisms are not in place to allow me to give people the necessary time to develop on the shop floor, it's just about time constraints. To develop they need time away too. If you have someone that's passionate, they are still going to come to you, but you don't have the time to give them. There's not the right level of support, people need the time to commit to their development and therefore higher performance and it is definitely not there for managers. That's all well and good if you are driven, you'll get there any way, but if you are on a nominal rate of pay you are not going to invest huge amounts of your spare time into the company if there is no reward in it for you.

**19. Are the management team aware of what support and material is available to help them coach and help their teams improve performance?**

**BB** - All the managers definitely not, some of the management team would know. Would all the managers know that there are materials available, say on the intranet to help them or would they know where to find them? Definitely not. This relates back to what I was saying earlier about being in an office at a screen. Like you hear things, 'like take time' out to do admin and read up about what is going on in the business, but in reality do I get the time no. Another member of the management team in particular would say things to me like did you know, I'd hear things at our meetings and I think I am missing so much of that, not that I don't have an office I just don't get the time to search on the intranet to see what support or information is there. I am kind of aware that the support mechanisms and information are there but I don't have the time to search it or access that information. We also kind of ignore problems rather than feedback the information and try to improve things. I could be more organised with my time to enable me to be able to find the information I need to make my job easier.

**20. How important is employee engagement and motivation as a contributor to organisational achievement of performance measures? If very important is a formal PMS really necessary? If it is necessary, why?**

**BB** - I would say it is everything if you have people coming into work that don't want to be here, if you've got people coming into work that are annoyed, de-motivated, pissed

off, down. Then they are not going to do anything for the customer, the shop. How is it important for me to motivate them? In my present role it can be very difficult because it is not as easy as it was before in other departments. This is a totally different animal, when they make a mistake in showrooms it costs money, it can potentially cost big money and the amount of arguments that are as a result of mistakes being made, it is very hard to be positive sometimes. I have to sit certain member of the team down a lot – I am expecting a bad Q12 score because I have to challenge people on the way we do things. I'm sure they all feel, here he comes again and I sometimes feel I can't deal with another issue or complaint. But I know how important it is to motivate the team, like they all have their sales figures and what we need to do to hit our target. Showrooms can pull together as a team probably as good as any other team in this store. I get the support when I need it, particularly if we have a store visit. They are 100% behind me, they are all there. In return I will always try to accommodate any requests for days off or shift changes where I can. Anything that I can do what I call small things, I will sort, but it comes back tenfold. It is absolutely necessary to have a formal PMS. It is necessary to help maintain the standard.

**21. Are there any lessons that can be learnt from the implementation and management of the current PMS? What if anything could the organisation have done better or improve in the future?**

**BB** - Yeah, I think if they are rolling it out to new stores or new starters that they explain the expectation and go through the 'aisle owner review' documents, even give out the forms for the first couple of level's explain this is the expectation then sit them down and talk them through the form, it takes about twenty minutes, explaining this is the performance criteria that you are going to be measured against, this is the expectation, this is what you need to do, know and this is how you do it. This is what I can do to help and just clarify for them what the expectation is and explain the form. Explain that there is a formal review process every two weeks. I believe the system we have in place is fine, fit for purpose, it is actually very good – we just haven't been good about implementing it consistently and having a consistent expectation of the standard or level of performance that is required from our store team. Managers were not given enough time to absorb the new process before it was implemented, managers should have had more say about the design and the structure of what the PMS should look like and what it aimed to achieve. Managers need to be training on how to conduct or interpret the PMS. It just came across as this is the latest fad, this is what you have to do now and do it every two weeks. I definitely remember being at a meeting and all heads went to the floor, I just thought fantastic, this is it, this will make my job so much easier if they all buy into this; where I could see people going, fuck me, another HR paper pushing exercise. They just didn't see the benefit, the management team should have had a training session on the benefits and the implementation, cause if they don't buy into it, then how they roll it out to their teams would obviously be even worse, cause if they are anti the process in the first place then that is what they are going to portray to their team, they will also feel that this is another tool to beat us up with. I actually told them if their teams are doing all these jobs then your job is going to be a piece of piss. But it is getting them to manage their team performance is the problem, but that's what we are paid to do. I think it is very clear, it's

not difficult and it's ongoing. I just think the way this store rolled it out to the management team was very poor and in future now that we know how we should have done it, or how not to do it, we could learn from our mistakes this time and do it better next time.

## **APPENDIX D: Interview questions**

This is an academic piece of work. I am therefore more interested in how the organisation have implemented and supported PM and not the management of performance *per se* in this organisation.

### **Performance Management**

#### **1. What in your opinion is a Performance Management System (PMS)?**

**MH** - In my opinion a PMS is a way of been able to manage the performance of your team effectively and also by having it documented you are able to encourage the performance of the individual that you are managing. It is also they a track record, for the individual concerned then there is no difference of opinion with regard to their actual performance because it is documented in the first place. PMS's are quite important because bottom line we have to drive profit within the business and if you are going to drive profit then you have to what are the key ways you are going to get results. Performance management (PM) is a basic tool to drive key performance. Within a PMS you have clearly set SMART targets, give them some key objectives, while they have to be SMART targets they also have to be tangible at the same and appropriate for the actual environment. They have also got to be agreed by the individual, so that the individual clearly understands what they have to do, that then will give you an effective PMS. It's got to be continuous, what you have got to have is a very robust system, cause if you don't the nature of the business within a retail environment is quite different to the nature of the environment within an office environment. Yes they need to be continuous, but in terms of PM it isn't about sitting in a room going what are you doing, it is about observation, and taking feedback from their reports and also getting the gauge of are the targets that are set helping them achieve their ultimate goal. Which clearly is going to be profit but in their eyes that might be sales, stock loss or labour costs but they feed into the overall performance.

#### **2. In your view what does effective PM look like?**

**MH** - Effective PM as we have just covered off is around smart targets, it's about consistency and setting the boundaries so that all parties involved understand the process that they are going to go through, it needs to be very clearly a you , me , agree process.

There is my opinion, there is their opinion but obviously we need to be able to collectively agree and be able to set the targets for the next performance review but on reflection you need to make sure that you actually do review because it is all about plan, do, measure and review. So the planning of what they are going to do, the physical doing on their behalf, the reviewing will then be conducted once all the results are able to be published you have some physical evidence or you have some clear feedback. Then you sit down with the review and you have a cycle or a process for measuring performance, but it is about the consistency and the timely manner it is taking part in. And also performance reviews have to be in a comfortable environment, if they become a hostile environment then it doesn't benefit anybody, they need to become part of the norm. It needs to be built into the nature of how the business operates.

**3. In reality what does PM look like in your organisation?**

MH - B&Q is actually very strong around PM, it has moved forward in the last few years from a business that thought building the biggest display was actually more important than managing performance. What is good now are the clear definition the company are giving around what they believe is right for PM so if you take a top down approach 'podium' is very clear, Well 'podium' originally set wasn't very clear but the objectives now around podium, either you get the results, you get the 'martini' standards or you drive the behaviours well, if you get two out of three, it is very clear to me you are on the podium. If you are the podium you are on the right side to drive the performance. What podium does not do is identify real key target areas that need to be nurtured in the discussions with the individual managers. There are no guide line on that, what you are relying on in B&Q is that the people managing performance actually have the capabilities to do the performance reviews in the first place and that is the only failing I see within B&Q. The company haven't trained a core population of managers who have never done Performance reviews effectively cause they don't understand how to. Managers, who have been part of other organisations where capability management is key, tend to be stronger at this because they are driving it through capabilities and around competencies. And once you understand the concept around competencies performance reviews become very effective. We have taken podium as a clear thing and that will ultimately replace appraisals. The appraisals are very long winded, but key for the business and the person receiving it, key more for the person receiving it, than the business. Because within the appraisal you are actually not setting new targets, you are reviewing performance for a

half year or full year. So that is where appraisals come in, for the individual concerned it is time as the appraisal suggest to acknowledge achievements or highlight concerns. But if someone comes to an appraisal and it's aware of any concerns around performance before it then there has been a breach of process. And that will be that the podium discussions haven't been completed regularly or there hasn't been honest feedback. Within all performance reviews you need to have very clear communication. You need to have compassionate ruthlessness, with the understanding that if somebody, if you can't tell that person how to do it right or what they have done wrong, then you will be the wrong facilitator of that review. What I mean by compassionate ruthlessness is, around, if two people walked into a toilet, and someone is sat in the cubicle and you didn't know them where there you would talk about that person in the cubicle in a very open and honest fashion. It is the ability to do that in an open forum, in front of that person and they know and understand what it is you are telling them and you know they are listening. That's compassionate ruthlessness, it isn't about firing bullets at them, but going back to podium, why it will be successful once we get some longevity to it, is because the individuals once they are up and running, and up and running is after the second review, they actually set their own target. By setting their own target, then they can blame anybody else but themselves, but they need to push the boundary or set stretch targets. Then there is a clear pattern no sitting on the fence it is either performing or not performing. The key success for PM at a lower level in our business is around aisle accountability and driving the behaviours around aisle accountability but that links into the behaviours of the managers when be reviewed for podium. Is it a successful think, only time will tell, the stores where the senior team buy into it quickly will always be more successful. The challenge for B&Q as an organisation is we have a lot of doers, and we typically have managers that are working at a level below, because they are doing the job of the person below them, so that highlights that clear acc was never defined historically , as we move into absolute acc of each individual then their behaviours need to change and the more senior you become the more coaching you need to be within your method of managing and that where, until we have a generation change within the Stock/Service manager population we won't have a full unity to get performance right through the business. It has to be through the business cause a leopard never changes it spots, you can't make a goal keeper a striker over night and that is basically what the business is asking its managers at a more senior level to do or we are asking individuals within the business to do, Stock managers would typically be people that would change

ends, drop stock and do all the physical stuff, actually the key now is to manage all the trading managers to do that and all you do is either step in and support, this is unique to B&Q it is actually typically within many organisation, especially within food retail. The people who get promoted through the ranks will naturally become coaches, going back to what we said about competencies earlier, that is the only flaw that I can see within B&Q PMS, there is no challenge around competencies until you come to an appraisal either half year or full year, because it is only part of a discussion during the appraisal it doesn't become second nature. What I am particularly trying to do is discuss competencies as part of the podium, but that is unique within B&Q.

**4. What could we do as an organisation to improve PM?**

**MH** - Assess and train managers in capability and competency management.

**5. Do you feel the culture of the organisation has an impact on PMS and PM in general?**

**MH** - I don't the culture changing within B&Q as a result of PM because it is only early days , what I do see is that managing performance has highlighted a new regime and has created opportunities for the business. Originally this business was lead by people who could build blocks and dame big block, and then what we got was boxes. Now it is a very strategically reformed business that doesn't work in isolation but there is clear unit form Head office to store. Previously HQ dictated to stores the direction we needed to go; it is actually stores now that tell HQ what support we require. Obviously the nature of HQ will have a strategic direction that they need us to go in because that is their function, but it has become more of a support mechanism and a dictator. As a result of that what you get in PM, it will take time to sow the seeds and get the motor running, so that everybody in the business understand the importance of PM. Could I stand here and say that everybody understand the importance of PM, no they don't cause what the managers actually do is go on the floor and tell people, they'll get it done, but what they are actually getting is an immediate resolution and not a solution where it gets the best performance of people by coaching them, so that respect the culture has had an impact, because in the past the business was more reactive and proactive and not thinking in the long term.

**6. Who do you believe primarily drives PM and the current PMS in this organisation (either in general or a specific role or person)?**

MH - That a good question actually, I know I drive it within my store, who asks me to drive it, it's my regional manager, but does he live what he is asking me to do? No, I think the unity amongst the whole business isn't there yet, who is asking for PM, it would come from the HR directors, but they are living in isolation at the moment.

**7. Who should drive and own PM and related systems in the organisation?**

MH - Within the store there is no doubt, it has to be the unit or general manager. Within the region every senior manager above that has a responsibility. Anybody within a management role has a responsibility to drive PM that is the sheer nature of the job. The influencing of how well it gets done will get stronger the higher up you go, clearly within the HR role, because of the nature of the function that is going to be a key accountability for them to ensure that the store and the business are adhering to what they need to do. But ultimately the responsibility lies the minute anybody signs up to being a manager at any level.

**8. How important do you believe the buy in of senior management is to the effective implementation of PMS's and the continuous improvement and integration of a high-performance work team?**

MH - Absolutely key, if you take anything and it is only bought in by the colleagues, well then it won't survive. But the way to get the managers so they buy in is to help them see why it is going to work and so you really need to highlight some short term benefits and allow them to see the longevity. If you take our business here, well why do we have the performance we have, well it is because we put people into the frame first and we don't put our own personal motives in the way. The people in this business are key to the success and as everybody in the store realises their own personal function. It is like going to a cog in a wheel; every person is an element of that wheel and will help drive performance. If we are missing a link at any stage well then there will be a breakdown of communication, in customer satisfaction for example, you have to take the people as the important part of the business.



**Training:**

- 9. In terms of support to implement the PMS, what did this look like? Do you feel this was adequately addressed by the organisation?**

MH - No, no would be my answer and I go back to my original comment. What they have done is, they have pushed out PM and actually have missed off is a key element, which is around training managers that don't understand competencies, how can they drive what they don't understand. I know because I have learnt in a previous organisation, I can drive strong performance through the use of competencies and I understand the worth of the competencies and by pure nature it will drive the behaviours. If I look for performance across the estate each manager is at a different level of competency themselves and because of that you will get inconsistencies across the business. So B&Q didn't at any point say here's a starting point, we did it for sales and driving the 'Martini' standards but not for PM. When in fact if they had done that, we just keep adding to the layers of the cake and think that the more jam we squeeze in the middle of the cake the better it is going to be, reality is the cake will just get bigger the paper work will get more and all you'll end up doing is put people off. There was no natural aim to buy in managers, podium in essence works because for most people they see it as a quick get out, are you on the podium or not but if you look across the business and asked how many managers have filled in the paper work to go with the podium I would pretty much say it would be less than 10% because of time, people don't really value time spent with individuals as important enough, because they believe in our business that they should be in front of the customer instead of actually taking time off for half an hour and give them real guidance, that half an hour now is worth more time to the individual now than the time spent on the floor. Because what we are is reactive.

- 10. How was the PMS's design and main objectives communicated to those implementing the system?**

MH - If you take the design of the PMS for me it was first communicated at a store manager's conference, there was no supporting documentation given on the back of that. We were then given a form to say this what we need to fill in for our managers, are they on the podium or not on the podium with no clarity to as how do you get on the podium or off the podium, it became very subjective, it was my personal opinion whether I thought a manager was performing or not performing. But I wasn't giving that manager the opportunity, because I could say to anybody you're performing or not performing but

without highlighting what they had done good, so without any parameters being set the podium originally didn't have any legs. Regionally we open a discussion and challenged back to our HR department what is it you envision the podium to be about and we agreed collectively as a region our own clear parameters we set three clear benchmarks, Martini, results and behaviours. Set as an agreement if an individual is green on two out of the three well we will class them on the podium. That then made it very clear for the boundaries of discussion. What followed that, and not on the back of our conversation, but what the company were working on in the background, here's a form. But that form is now very long winded and we have become very paper work orientated when in fact we just wanted a podium with action, review the actions at the next PM or podium review and set new actions. There should be one action if required under each of those subheadings. However, if behaviours warrants three actions and we leave the other one out then that is up to us, so now is there clarity about where we should be, actually yes. Because we have agreed our own target or goals within the region. On a corporate basis there is absolute anarchy, because each region is trying to establishing their own podium. Some people think that unit managers should tell their regional managers if they are on the podium or not, but actually it goes back to the You, Me, Agree. Clearly the individual who is sitting in front of you will want to know what they are being measured on, and this should be clearly understood by both parties and form the bases for PM discussion.

**11. What skills and competencies do you feel are necessary to conduct and review individual and team performance fairly, consistently and to the benefit of both parties?**

**MH** - Actually you need to be able to demonstrate clearly some management competencies, and I would like to be able to see some leadership competencies as well. The first thing, almost for any appraisal or review is that you need to be a promoter of the business, ok. You need to be self confidence and you need to have the ability to assess performance under various different categories. It is easier if I highlight the categories and tell you the competencies that are needed under those categories. The first one is continuous improvement; you need to be able to drive change, proactive in finding ways to improve business processes. There is also knowledge sharing using your knowledge, or the individual that is reviewing, the assessor knowledge of best practice across the business to bring about improvement and tackle problems. You have got driving business performance as well, and under that you need to be able to communicate the company

vision, for us obviously communicating the B&Q vision, you need to be able to consistently define what it is the individual needs to do to deliver the 'first and only' principle. You need to be able to communicate the goals. You need to be able to consistently communicate the strategy so that the colleagues are able to explain how they can contribute and what their personal goals are. So understanding what their personal goals are is one part. Remember what I was saying about the You, Me, Agree, you need to be in a decision making process frame of mind, so you need to be able to make sound judgements bases on a thorough analysis of all the information available to hand and you need to be able to back it up with some KPI's. So using your understanding of the KPI and the inter relation to improving the overall business performance. Other competencies that you would have are around understanding the bigger picture. Prioritising, always striking the balance between short and long term objectives, so you are not getting a knee jerk reaction and fire fighting activity, you need to keep focusing on the objective, continue focusing on the overall B&Q objective. Every person who is doing a review must understand what the business plan is in the first place and how that individual that they are assessing feeds into the business plan cause that is the ultimate goal and that is around the bigger picture. There are other competencies that you would look for but in term of doing the assessing these are the competencies you would need. Under leadership and some might say it is under management getting the buy in, engaging the individual and gaining their commitment and this is again the You, ME, Agree process. Clearly you have to be able to capture and develop the potential, finding opportunities to provide develop for people with potential. You need a shrewd eye to do that, and that is a clear competency that will highlight that, it is around the coaching and feedback skill s used within that session, it is understanding what is it in terms of coaching that will those development potentials and helping those people to share it with you in an open and honest forum. Bringing the brand alive, it's very clear, and it goes back to what I said earlier you need to be a promoter of the business. But you need to be able to articulate to the individual what actions they need to take to ensure delivery of the B&Q brand. So if you don't know what the brand is about in the first place how can you deliver the brand? So as a business we want to be first and only how do you meet that requirement. How to get to a first and only locally first and then move the criteria, how can you ensure that each element of the business, or the business area you are responsible for, where it is in the market place etc. So it about understands that and being able to communicate that brand image to the person you are sitting with and helping them digest that. There needs

to be clear understanding of ownership for results, you have to drive to achieve, setting stretch targets that are smart for the individual but always supporting the corporate initiatives irrespective of any personal agenda, yes there will be a store business plan, but the corporate strategy needs to be, your business plan needs to be able to feed into the corporate strategy or corporate business plan, you need to support and be in a position to support and that will always come as part of reviews. There are clearly some competencies that you need to have to review and evaluate performance, but those I have highlighted are the key competencies in my opinion to driving an effective PMS. And that is the bit where I say the competencies within the business are actually not there to support the foundation of what really is a successful model because on the back of that we feed into an operating model which highlights what the underperforming and performing categories are, and it is a model built up from leadership up wards and there is clearly some elements which in that, if the leadership element is red well then how will all the other elements be able to turn to green. So the first starting block to get PM review successful is within the person who is leading this change within each business area.

**12. Were managers given sufficient training in the necessary skills and competencies?**

**MH** - To be honest that is where the shortfall is, there was no clear training and at no point has any one every assessed me for competencies. Although I know I have actually covered a lot of these boundaries in the past actually a lot of my colleagues haven't. So there interpretation of what a capability indicator is is completely different to what mine is and as a result what we don't have are capabilities and competencies working together.

**13. The setting of clear goals and targets are said to contribute to both individual and organisational higher-performance. How effective in your opinion is the organisation in incorporating these fundamentals requirements into the PMS?**

**MH** - I think there are two parts to that, in terms of setting targets the business excels at that we have more target than you could shake a stick at. They have streamlined and made the clarity around it much better. In terms of the organisation incorporating that into PM, it is there for the six month and yearly review where you would acknowledge that but actually, only recently have they put it into the podium. So the business understands the need for it, to actually drive that performance but you can have all the targets in the world if you don't have the clarity around the competencies, well there is no way you are going to be able to drive the business to get that performance and in the majority of cases

it is actually just a case of finger in the sky, the result is achieved not through coaching but through fluke.

**14. Do you believe it is necessary for organisational development and performance improvement that each individual should realise how their efforts contribute to the overall success of the organisation?**

**MH -** Actually yes, I actually do totally agree, the key there is about making everybody accountable for something. You can't complicate it and you have to break it down to each individual by setting, or telling everybody what is required of them to do their job believe it or not they might have a change of doing it. Open lines of communication are the first thing, keeping that dialogue going is key, and actually setting targets and reviewing that performance, no matter how small it is, each individual will have a target and they will know what they are responsible to deliver. Chances are most people don't come to work to fail, there are three elements you need, capability, will and process, so you either have the capability, the process and the will. If one of those elements are missing then they are not sitting into the organisation properly and that why setting targets will actually help you identify what is missing if there is something missing, it might be a training need, it might be that they don't understand elements or it might be that they are not the right person for that job and we often hear it, 'put the right person, in the right job at the right time' and they need to actually want to do it themselves, that bit might be the only bit you have to actually drive in people but that bit can be overcome by communicating and helping everybody understand what part they play. So is it important, yes. If you are the person at the top you need to set a clear vision and everybody working towards a common goal, that's what falls in with your business plan, our clear vision this year is to make profit, so X amount of profit, the common goal is the element we are working on to support that profit line number, so that's the key. We might be focused on A one week, B another week but it will all feed into what that one vision is. In terms of strategy, well then that is a different vision, we want to be first and only and the reason we want to be first and only is cause we want to get profit, so it is about understanding that, it is about driving the sales lines etc. I would be confident in saying that 80% of our store would be clear about what our objectives are and that is through repeat communication, the reason I would say only 80%, is because 20% don't take it in even when you have told them several times. Does it matter that they don't know, not really, as long as they are working towards that one common purpose that we are focused on now, and is everybody focused

on that? Yes everybody in the store would know that actually we are trying to drive the standards, top stocks down, sales and customer service. The key to being a successful leader is actually about driving a common purpose or goal.

**15. What further support or training would you advise that the organisation consider?**

**MH** - I actually think for a vast majority of the population, they actually need to have a coaching for performance session, where somebody shows the persons conducting reviews how to conduct it. Because until they actually see what has to be done and how it should be done, you will never have true consistency, because what we have at the moment, what we eluded to earlier, you have one manager going to their manager saying you are on the podium or not on the podium, you've got other regional managers telling their managers you are on the podium or not on the podium. Instead of sitting them down and You, Me, Agree. Because the podium is very clear around results, you either did or you didn't, there are no ifs or buts. Behaviours will be a little bit more subjective, but if they are not doing reviews, communicating to their team, coaching, and I haven't observed that or I am not getting it as feedback, then the behaviour don't become as subjective, it become more factual. Martini and we say that as a principle of standards, operating standards, then it is either yes or no. so with clarity the You, Me, Agree process around the table it is very simple. The company needs to agree consistency and consistency of approach across the business.

**HR Policies and Practices**

**What HR policies and practices do you believe are critical to the effective management of performance and personal development?**

**MH** - The first point is around recruitment and selection, it is very clear that we do need to recruit the right people, in the right place at the right time, the second important policy in terms of supporting overall business performance is around induction, which is key because this the first opportunity to open new recruits to the business and set very clearly the vision and objectives of what the business is about. For me personally I believe that should be done by the unit manager where possible, or at least to take an active part in it so that from day one they see and understand what your vision is for the business. Training and this is ongoing training, there is initial training and then there is ongoing training, it is key to ensure people have the capability and understand the processes. But by actually reviewing their performance and setting clear target and objectives for them

we'll encourage the individuals to naturally develop within the realms of the business. The last bit of that is you do need to actually reward good performers, the down side is what are the consequences for poor performers and you need to actually use the mechanism available within the HR policies to drive behaviour from the poorer performers in coaching them into improved performance.

**16. How effective are the current HR policies and practices in supporting PM and addressing performance issues? What improvements could be made to the current practices to further increase awareness of the PMS?**

MH - In a corporate state or a business state? In a corporate state there are a lot of inconsistencies. In particular for this store I think we are very consistent around our recruitment, our induction processes, our initial training, what we are not good at is the repeat training, the consistent reviews, we have a clear strategy but it is everybody understanding and appreciating the necessity to actually complete training, taking the time out to invest. I think the challenges around rewarding good performers are there because of the inconsistencies, the old school of the business was if you had done x, y and z you got pushed up the levels, where are now it is clearly around the behaviours that you demonstrate whilst operating in the business. So has the business changes for the good, well yes it has, it has realised that there were a lot of people promoted under the cover of darkness, through favouritism where as now it is a much clearer consistent process. The only challenge is around the inconsistency of review.

**17. Do you believe all the right support mechanisms are in place to produce a high-performance organisation and therefore the effective management of PMS?**

MH - Absolutely, I think everything is there it is just how we use it. But I think there is too much there in some respect and half the people don't know how to use it right. If we could only gel everything together we would have the magic formula. What we have are bean on toast but we are putting the beans in the toaster first. I don't believe you need to go back to the beginning and start all over again, why start something new when you already have something with a solid foundation, the key is actually just about getting a clear understanding of what is there, and take small steps winning inch by inch to get there. It is always the same managers can ask whatever they want of people, but it is the people who do it, they are the ones that make the difference. You can't force someone you can only ask them.

**18. Are the management team aware of what support and materials are available to help them coach and manage performance effectively?**

**MH** - I think they are aware of where they need to be, I think they would all appreciate that they are behind the cue ball on this one but my gut feeling is that if you drew it out from a to z everything that is available for them in terms of support and materials to help them manage performance they would be quite astonished that some of the stuff is still alive on the system because we have moved to try and simplify a very complicated process, it's a very good process, but very time consuming and in a world where time is of essence, and labour constraints are tight and we are driving the productivity to the max well actually the 'china' plate are the key ones to keep spinning and the 'paper' plates drop off. And in all intents and purposes, those that aren't smart will consider coaching for performance as a paper plate and not a china plate.

**19. How important is employee engagement and motivation as a contributor to organisational performance? If very important is a formal PMS really necessary? If it is necessary, why?**

**MH** - The business tells us that after two years of high engagement you should see natural growth and high performance. Is this true for us? Well firstly you have to measure engagement against the Gallop Q12 score, because it is a consistent measure that is there and it is a globally recognised measure which offers the consistency. It is one clear measure that you can see the improvement within the business, so we know that engagement has improved within the business to world class highs but actually the sustained performance will follow. Will you have splinter groups of negativity? Well with the sheer nature and size of the business, we'll always have that. But actually having an open and honest forum which allows people to air their concerns in a respectful and open manner means that things don't get diluted. When we come to measuring our engagement the team tell us that we do listen. So are we pushing issues underground, no they are brought to the fore and actually dealt with and there are clear mechanisms within the business for doing that from Grassroots right through to business update meeting, daily huddle, we have weekly team meeting so everybody has the opportunity to air their concerns, and if they don't wish to discuss it in that forum there is the HR team they can confide , if they don't fancy that well they can see their line manager, they can see the unit manager and if they don't wish to do that they can air it through the grassroots. It is a channel for the colleagues, and if they don't take those opportunities then they don't

actually have the behaviour we actually desire in our employees as a representative for B&Q. Engagement is key, if you have a disengaged team you will have everybody working in silo, and you will end up with a completely different working environment. What will then be is that you get a real snowball effect of negativity, at the moment what you have when you have an engaged team, you splinter groups of negativity. Actually they are easily brought to the fore and not challenged but they might be raising a genuine concern that will help improve the business but the key is not to push that underground it is to bring it to the fore. **So if our employees are engaged is it really necessary to have a formal PMS? MH** - Engagement doesn't drive PM; engagement will support your common goal. Engaged teams are just people who believe in the system, the reason you do PM review or aisle owner reviews is actually because that's what tells the colleague what they need to do and that's the difference between the two. There needs to be clarity around, people who are disengaged, they are disengaged for several different reasons and it is easier to look at the negative around engagement than the positive, the reality is the business has moved substantially, that didn't happen because we have forced people to tell us what we wanted to hear, the Gallop survey is an anonymous survey which allows them to be as vocal as they wish. In terms of the store, if you have an engaged store, what you have are people who are prepared to work collectively as a team. And that in its self creates a very warm working environment and so you know what, people want to come to work; they say I'll see tomorrow. If you have a disengaged team they will be like high absence, don't want to be there, they are all the indicators, the key is looking out for the indicators which will tell you the engagement. Separating that is about PM, believe it or not very few people want to come into work and do nothing, they actually like to have a purpose and that basically sums up the purpose and values strategy for the company.

**20. Are there any lessons that can be learnt from the implementation and management of the current PMS? What if anything could the organisation have done better or improve in the future?**

**MH** - Yes there need to be a proper set up to launch pack which is briefed in a very formal manner, the nature of it need to be highlighted at the initial launch. Get the unit managers bought in, but when it comes to the colleagues they don't care if you give them a piece of paper or not they just want you to tell them are they doing a good job or a bad job. It is just to be consistent with the forms you are using. When you get to a more senior level, you are looking for more; you are trying to drive a different behaviour. The lower

down the food chain per se actually they just want to know what to do and what you do is you look for the shout of opportunity and you golden nuggets and you bring them up into the more challenging reviews which drives a rally improved performance, not everybody needs that, not everybody wants that. If the company were to do it again, well it is quite hard to highlight to a strong minded group of individual what the really value is in PM if you don't believe in that yourself, but I think if they brought people to a class room session, taught them how to do it then do you know what they would then buy in if a launch was done after that.

## **APPENDIX D: Interview questions**

This is an academic piece of work. I am therefore more interested in how the organisation have implemented and supported PM and not the management of performance *per se* in this organisation.

### **Performance management:**

**1. What in your opinion is a performance management system?**

RM - A performance management system in my opinion is to improve people's performance so they perform at their maximum.

**2. In reality what does PM look like in your organisation?**

RM - Performance management in B&Q is we have aisle accountabilities, podium reviews; half yearly reviews and yearly reviews and they should be interlinked together. Previously in my opinion half year and full year reviews used to just manage people from a snapshot where as actually doing it weekly and monthly allows us to take a broader view of every ones performance.

**3. What could we do as an organisation to improve PM?**

RM - Training and developing our management team, in the aspect of aisle ownership and podium reviews. So that they can improve people's performance in the right manner, through identifying areas of improvement and using this to improve people's capabilities.

**4. Do you feel the culture of the organisation has an impact on PMS and PM in general?**

RM - Yes. KF How? The culture within B&Q leads to an approach of one reward and recognition but the down side of that is I don't think we are good at managing conflict, I don't think we tackle under performance as good as we should do.

5. **Who do you believe primarily drives performance management and the current PM system in this organisation (either in general or a specific role or person)?**

RM - The senior management team, so the unit manager is ultimately accountable but that is about how he trains and develops his junior management team to deliver that aspect of performance management.

6. **Who should drive and own performance management and related systems in the organisation?**

RM - I think we all have a responsibility, so whether that is the unit manager, stock or service managers, HR support. Ultimately should it be athlete led, everyone in this business is in control of their own performance and how they manage that.

7. **How important do you believe the buy in of senior management is to the effective implementation of PMS's and the continuous improvement and integration of a high-performance work team?**

RM - Massively, because on the back of what I've just said, if they are going to be driving performance management, they ultimately have to be the catalyst that drives that, so their development and how they go about that is important if they are going to touch everyone in the right manner.

**Training:**

8. **In terms of support to implement the PMS, what did this look like? Do you feel this was adequately addressed by the organisation?**

RM - I don't believe so, we rolled out a system and a process but I don't believe we trained or considered what our peoples training needs are to successfully land it.

9. **How was the PMS's design and main objectives communicated to those implementing the system?**

RM - It was designed, it primarily came from a guy called David Braithwaite and it was designed on how he managed the British cycling team in the Olympics and that was about consistent and constant reviews of performance and understanding that

actually that if you weren't achieving the objectives set on a weekly or monthly basis that at your next review that would lead to a bigger discussion and ultimately lead to whether you go or don't go to the Olympics. We acknowledged that and took that process and tried to imbed it into B&Q and into the stores and into head office and across the estate on the same pretence that just sitting down and talking to people on a weekly or monthly basis would help individuals to perform better and identify areas for improvement. So we've taken our own aisle accountability and our own podium review to deliver improved performance within our stores. Everyone deserves a review, everyone deserves to understand where they are, everyone deserves the opportunity to perform better but at the same time it is not just a talking shop. It is about improving performance in our business. The second part of that question, how did we imbed it in B&Q.? I believe we took a great process, a great system and launched it out but actually we didn't manage behind it to understand actually is it being delivered or is it not being delivered and the important bit then was how is it being delivered so as a business we've gone back to understand how it is being delivered and how that impacted on it. We are at a better place at a senior level but I'm still not convinced we're in a good place at trading or stocking manager level.

**10. What skills and competencies do you feel are necessary to conduct and review individual and team performance fairly, consistently and to the benefit of both parties?**

RM - The primary skill is to identify where an individual is and what makes an individual tick, so for me it is the piece around the people skills. I think the other skill you learn is being comfortable and confident enough to manage conflict whilst talking to an individual on a one to one basis and that doesn't mean it turns into a rollicking session but actually you understand what sparks off that individual and what gets them to improve their performance, so they would be the main skills. The other piece is communication so as we talk to those individuals.

**11. Were managers given sufficient training in the necessary skills and competencies?**

RM - No I don't believe so. Hence why we had to go back to it and I'm not quite sure we've done enough to deliver that through our junior management teams and certainly it's been identified for the next phase that we go back and do that training and development. At a senior management level I am comfortable and confident enough that they get it. What I'm not comfortable with is how the unit managers are taking it to their junior management teams so they understand it and they get it.

**12. The setting of clear goals and targets are said to contribute to both individual and organisational higher-performance. How effective in your opinion is the organisation in incorporating these fundamentals requirements into the PMS?**

RM - Again I think at a senior level, so at a unit manager level I think everyone is really clear on what the company's expectations are and what their performance criteria is I'm not quite sure that it is getting down the line so that it touches everyone and then what happens is everyone is not involved in improving the company performance or achieving the targets set and I think that is the real challenge for us.

Karen - is that because they are not aware of the targets? There's two things first how do you make people aware of what the targets are and what the company is trying to achieve and then the other bit is how do you support them to achieve those targets. I'm not convinced if I walked round everyone in our business in the Republic of Ireland they would know or understand what we are trying to achieve they would have an idea but it wouldn't be clear and precise and I'm not sure then they'd know what part they'd play in making that happen but at management level, at least at unit manager, stock and service I believe it is quite clear because I'm confident that I've done it with them, what I'm not confident about is does it go to the rest of the trading manager teams and ultimately if it's not going down to them, how's it then going down to the rest of the colleagues in our business.

**13. Do you believe it is necessary for organisational development and performance improvement that each individual should realise how their efforts contribute to the overall success of the organisation?**

RM - Absolutely because if they don't know what they're shooting for how then can you manage their performance on what their company objectives are.

**14. What further support or training would you advise that the organisation consider?**

RM - I think first of all it is one of communication and secondly I think it's around clarity and then underneath that it comes down to identifying peoples skill sets to deliver what the company is trying to achieve so for me it comes in those three stages and then the most challenging one is identifying what the skill set is to go and deliver what the company is trying to achieve through their teams.

#### **HR Policies and Practices**

**15. What HR policies and practices do you believe are critical to the effective management of performance and personal development?**

RM - I suppose that is a real difficult one, is it the HR policies or the training needs. I suppose the HR policies are there to support underperformance and what we're trying to do but I think there is a bigger drive to do the training and development bit and that for me is the bit that is missing out of the jigsaw. I think we've got quite fluid performance processes if it gets to that stage of disciplinarys but I'm not quite sure we've got the training and communication lines in place to achieve what we want to achieve. Karen - but if you look at the whole training and induction piece and... Yeah I think if you look at our recruitment and selection processes they are very good I suppose they are from a structured point of view I'm still not quite sure we get the right people in the right places and the reason I say that is I think ultimately if you take our business and look at showrooms I think it is a totally different gig than other categories within our business or shops within shops but yeah we seem to take the same recruitment process for that category as we do for other categories and yet it is a totally different job and a totally different skill set but actually we don't identify those

needs at the interview process. Karen - they have begun to look at that in terms of the design consultants and that..... We recognise that as a business that the best trading managers don't make the best showroom managers and I guess that goes for the best unit managers shouldn't necessarily go to our biggest turn over showroom stores and I think we've identified that as a business. I think have we got the tools to make sure that that is happening and that the focus is there I still think there is some work to be done on that but ultimately yeah we have got very good recruitment processes and systems in place. I guess the bit that is potentially lacking is that if someone needs training on a specific area I'm not convinced we've got the processes or the skills to identify what that area is and then carry out that training.

- 16. How effective are the current HR policies and practices in supporting performance management and addressing performance issues? What improvements could be made to the current practices to further increase awareness of the PMS?**

KF - you've answered the next question (this one)

- 17. Do you believe all the right support mechanisms are in place to produce a high-performance organisation and therefore the effective management of PMS?**

RM - I believe we've got the right structure in place with our teams and with our support functions I think we have still got an opportunity to be better at training and identifying training needs. I think the business is HR weighted, not training weighted. So from that perspective, yeah we've got the structure there but I think what we don't necessarily do right all the time is identify what the right training is and what the right structure is to deliver our company goals.

- 18. Are the management team aware of what support and materials are available to help them coach and manage performance effectively?**

RM - Yes I believe they are aware of it, but I don't believe they use them and that's about do they understand the benefits of using them and that about do they understand the benefits of taking those training and development packages and bringing them into their business. I don't believe they do so I believe they are aware of them. Do I believe they use them, no I don't cause actually I don't think they understand what the benefits are of doing it.

**19. How important is employee engagement and motivation as a contributor to organisational performance? If very important is a formal PMS really necessary? If it is necessary, why?**

RM - For me on a personal level I believe it is number one. I think if you've got a happy team who want to come to work and want to do a good job I think that goes 99% of the way to having high performance. And the second thing is then if you tell people what you're looking to achieve and you communicate with them I think that makes up the recipe for having a great performance in a business. So for me employee engagement is huge to achieving what we want to achieve as a business, because actually without people we can't get this job done. Karen – good Q12 score proves engaged staff - is performance management really necessary? Absolutely because if you look at our engagement scores it says we're world class but actually it identifies some opportunities or areas for us improvement so that is why you need performance management because what does world class look like in a retail world. I think in B&Q we are always striving for improvements and we're always striving to better ourselves and we're always striving to be no. 1 and stay no. 1. I think in any walk of life you do need performance programmes to improve that performance. I think it is fair to say not everyone plays 100% everyday every year and we're all susceptible to our performance dipping and performance programmes are not about identifying poor performance I think it is about sustaining and improving world class performance and if people are doing a good job then we should be telling them they are doing a good job as well so I don't think it is about dealing with underperformance it is about recognising world class performance as well.

**20. Are there any lessons that can be learnt from the implementation and management of the current PMS? What if anything could the organisation have done better or improve in the future?**

RM - Yeah, I think the system is a fantastic system, I think where we failed was how we launched it and how we rolled it out to the business and what we didn't do was get people and understand peoples level of skill set to deliver that performance system within our business and I think that the learning for me is about seeking the understanding and seeking what level of skill they're at to deliver that before we roll it out. And I think that is true of lots of things that potentially we roll out, it is ok rolling it out, but actually making it a part of everyday life and imbedding it into a business is always a difficult bit and I'm not sure if we've got the mechanisms there, although we monitor it and try and manage it, actually we're not understanding the quality of it. We've got a great system, its being done, we know that because we're measuring it, but we're not sure how good it's being done and actually what the impact it is having on our business.

## Appendix E

### Performance Management Pilot Interview Questionnaire

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#### **Performance management defined:**

1. What in your opinion is a performance management system? And what primarily does performance management encapsulate?
2. In your view what would effective PM look like? Can you give any examples from your organisation or other organisations you have had experience working in?
3. In reality what does PM look like in your organisation, how is it being employed and integrated into the organisational processes? Why do you think this is the case? What could we do as an organisation to improve PM?
4. Do you think the culture of the organisation has a significant effect on the attitudes towards PM systems and PM? How exactly do you believe culture impacts the PMS?
5. Who do you believe primarily drives performance management and the current PM system in this organisation (either in general or a specific role or person)? Who should drive and own performance management and related systems in the organisation?
6. How important do you believe the buy in of senior management is in the effective implementation of PM systems and the continuous improvement and integration of a high-performance work system?

#### **Training:**

7. In term of training and support given to the managers implementing the PM system, what did this look like? Do you feel this was adequately addressed by the organisation?
8. How was the PM system's design and main objectives communicated to those implementing the system? Do you believe the organisation was effective in its methods of communication and implementation?

## Appendix E

### Performance Management Pilot Interview Questionnaire

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9. What skills and competencies do you feel are necessary to conduct and review individual and team performance fairly, consistently and to the benefit of both parties? Were managers given sufficient training in the necessary skills and competencies?
10. The setting of clear goals and targets are said to contribute to both individual and organisational higher-performance. How effective in your opinion is the organisation in incorporating these fundamentals requirements into the PMS?
11. Do you believe it is necessary for organisational development and performance improvement that each individual should realise how their efforts contribute to the overall success of the organisation?
12. What further support or training would you advise that the organisation consider?

#### **HR Policies and Practices**

13. What HR policies and practices do you believe are critical to the effective management of performance/personnel development and the successful integration of PMS's?
14. How effective are the current HR policies and practices in supporting performance management and addressing performance issues? What if any improvements could be made to the current practices to further increase awareness of the PMS?
15. Do you believe all the right practices and support mechanisms are in place to produce a high-performance organisation and therefore the effective management of PMS? Are these well known by the persons charged with managing performance and those being managed?
16. How important is employee engagement and motivation as a contributor to organisational achievement of performance measures? If very important is a formal PMS really necessary? If it is necessary, why?

**Appendix E**  
**Performance Management Pilot Interview Questionnaire**

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17. Are there any lessons that can be learnt from the implementation and management of the current PMS? What if anything could the organisation have done better or improve in the future?

## **APPENDIX F: Interview questions**

This is an academic piece of work. I am therefore more interested in how the organisation have implemented and supported PM and not the management of performance *per se* in this organisation.

### **Performance management:**

- 1. What in your opinion is a performance management system?**
- 2. In your view what does effective PM look like?**
- 3. In reality what does PM look like in your organisation?**
- 4. What could we do as an organisation to improve PM?**
- 5. Do you feel the culture of the organisation has an impact on PMS and PM in general?**
- 6. Who do you believe primarily drives performance management and the current PM system in this organisation (either in general or a specific role or person)?**
- 7. Who should drive and own performance management and related systems in the organisation?**
- 8. How important do you believe the buy in of senior management is to the effective implementation of PMS's and the continuous improvement and integration of a high-performance work team?**

### **Training:**

- 9. In terms of support to implement the PMS, what did this look like? Do you feel this was adequately addressed by the organisation?**
- 10. How was the PMS's design and main objectives communicated to those implementing the system?**
- 11. What skills and competencies do you feel are necessary to conduct and review individual and team performance fairly, consistently and to the benefit of both parties?**
- 12. Were managers given sufficient training in the necessary skills and competencies?**
- 13. The setting of clear goals and targets are said to contribute to both individual and organisational higher-performance. How effective in your opinion is the organisation in incorporating these fundamentals requirements into the PMS?**

**14. Do you believe it is necessary for organisational development and performance improvement that each individual should realise how their efforts contribute to the overall success of the organisation?**

**15. What further support or training would you advise that the organisation consider?**

#### **HR Policies and Practices**

**16. What HR policies and practices do you believe are critical to the effective management of performance and personal development?**

**17. How effective are the current HR policies and practices in supporting performance management and addressing performance issues? What improvements could be made to the current practices to further increase awareness of the PMS?**

**18. Do you believe all the right support mechanisms are in place to produce a high-performance organisation and therefore the effective management of PMS?**

**19. Are the management team aware of what support and materials are available to help them coach and manage performance effectively?**

**20. How important is employee engagement and motivation as a contributor to organisational performance? If very important is a formal PMS really necessary? If it is necessary, why?**

**21. Are there any lessons that can be learnt from the implementation and management of the current PMS? What if anything could the organisation have done better or improve in the future?**