Appraisal and Personal Development:

An introduction

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APPRAISAL, PERFORMANCE AND PERSONAL DEVELOPMENT: BACKGROUND AND DEVELOPMENT

"The oboe is an ill woodwind that nobody blows good". (Woody Allen).

Defining appraisal, performance and personal development?

Performance management, appraisal, staff review: However, the process is labelled it is often viewed with suspicion and scepticism by employees, as identified by Huxley and Thackwray (2004) by a significant number of higher education staff. Nevertheless it is, or rather should be, the most important set of professional conversations that take place over the planning period (however this is defined) for the individual, the team and the organisation.

This section draws on key research projects and other publications to look briefly at the background and development of appraisal and personal development in higher education and to summarise perceived best practice.

The term 'appraisal' is used throughout this section, as it is both in common use and generally understood. It has been largely used throughout the UK higher education sector to describe the formal performance-related discussions that take place between staff and their managers or other nominated colleagues, usually on an annual or biennial basis. The focus for these discussions is the appraisee and their job with the discussion usually resulting in agreed, written objectives, targets and action plans. Appraisal provides an opportunity for both appraisers and appraisees to take a reflective look at achievements and to agree plans for the future.

'Performance management' is gaining some currency with human resources practitioners and senior managers in higher education, partly because the term places the process in the broader context of organisational development. A related factor is the perceived reluctance on the part of the sector and on the part of managers in particular, to deal with poor performance. Therefore, the key message is the need to be better at this aspect of performance as well as the one that rewards, or at least identifies and praises good performance.

A brief history within the HE sector

An essential requirement for anyone involved with appraisal and personal development in higher education in any way is a solid understanding of the history of appraisal in the sector. "Those who fail to learn from their history are condemned to repeat it." (George Santayana)

Appraisal schemes were introduced widely to universities and colleges some years ago in the optimistic belief that they would contribute to increased institutional efficiency and effectiveness. There is some twenty years of 'baggage' which can prove disruptive to those trying to introduce new schemes, especially those poor informed about the history or those new to the sector. When appraisal schemes were introduced in the late 1980s, they were regarded with suspicion and hostility by some who believed that appraisal was 'imposed by government'. The feeling was that the collegial culture, with its emphasis on peer review, provided a perfectly adequate framework for reflection on performance, so appraisal was irrelevant. There was little evidence

in the sector of the perceived benefits delivered to individuals, teams or organisations. The higher education sector is not alone in being suspicious of appraisal, as Coens and Jenkins (2000) point out in their aptly named publication "Abolishing Performance Appraisals: why they backfire and what to do instead." However, let us explore the background and facts with respect to higher education more closely.

The introduction of appraisal in the pre-1992 universities was largely triggered by the recommendations in the Jarratt Report (1985) which suggested that universities 'introduce a regular review procedure, handled with sensitivity'. This would 'help recognise the contribution made by individuals' and enable the university to make the most effective use of its staff as well helping develop individuals' potential. These noble intentions set the scene for some difficult pay negotiations in 1987, where the then Secretary of State allocated additional money for salary purposes with the caveat that appraisal (amongst other things such as probation) would be introduced. More persuasion was clearly needed as university staff concerned about cuts in funding, were worried that appraisal would be more judgemental than developmental. Agreement was reached, but the pilot schemes got off to a rather shaky start. The then Association of University Teachers (AUT) often disrupted implementation, and the view prevailed that this was yet another inappropriate import from other sectors. As Hughes (1998) notes, the will to operate the schemes was so weak it encouraged opponents to 'forget about it and hope it would go away!'

The post-92 universities had a similar experience. The early 1990's saw a period of uncertainty and a bitter industrial dispute. This resulted in an agreement that introduced work planning and the requirement to participate in an appraisal process. The perceptions and resistance to their introduction was very similar to that experienced in pre-92 universities.

The Fender Report (1993), 'Promoting People', is inextricably linked to the growth of interest in appraisal and more recently of expertise in human resources capacity in the sector. It was also a key factor in the creation of the Educational Competences Consortium (ECC) in 1994, and via a process of consultation and development the creation of Higher Education Role Analysis (HERA) in 1997. The report called for radical change, and a central tenet was the replacement of the old style personnel function with a strategic HR function. As Fender (1993) states that "the study group believes that the term 'personnel management' should be replaced by the more wide ranging 'human resource management' with its emphasis on people as a resource and not just a means, and recommended the use of "the best human resource management practices that are currently available elsewhere'." Therefore it was inevitable that appraisal, or rather the development of more effective appraisal schemes, would start to appear on the national HE agenda, and so it was.

The introduction of appraisal in post-1992 institutions was, arguably, less fraught. Common mythology explains this by asserting that the former polytechnics were 'more managed' than their older counterparts, so appraisal would have a better fit, as it were. The reality of course was that following the 1988 Educational Reform Act these institutions were heavily focused on becoming universities and were perhaps rather more inclined to agree to such changes and developments more readily than their established counterparts in the pre-1992 groupings. An ACAS Working Party secured the commitment and produced a recommended appraisal scheme in July 1990.

In autumn 2000, the Higher Education Funding Council for England (HEFCE) announced additional resources to be targeted at human resource initiatives in English institutions. This clearly encouraged the review and development of appraisal schemes, as HEI's were required to introduce HR strategies, notably including commitments to improve performance management. According to the review of the Rewarding and Developing Staff (R&DS) initiative carried out by the Office of Public Management (2003), "the vast majority of institutions recognise that they need to improve their managers' ability, confidence and willingness to undertake reviews of performance and, at the same time, enhance the acceptability and perceived value of the process for staff."

The second stage of the R&DS initiative, on which most universities were working by late 2003, included performance review as one of six identified areas of priority, seen by HEFCE as being key to the 'strategic development of HR in the sector.' Amongst other things, institutions were invited to 'carry out annual performance reviews' of all staff, based on open and objective criteria, with rewards connected to the performance of individuals including, where appropriate, their contribution to teams' HEFCE (2003). As Beesley et al, (2004) found that by far the most often quoted internal reason for reviewing appraisal was simply the weakness of existing scheme(s); respondents referred to 'patchy implementation', 'neglect in some areas' and 'low participation rates'. For others the existing scheme was 'not meeting its objectives' and was 'onerous and ineffective', 'difficult to administer' or 'out-of-date'.

In addition to these internal factors, and HEFCE's human resources strategy, there were other external drivers for change. These drivers included the HE sectors engagement with the national Investors in People (IiP) Standard, and the introduction of new legislation. The impact of IiP in this area cannot be understated, it is seen as a useful organisational development tool, providing amongst other things, a framework for the consultative development and implementation of appraisal schemes. The OPM Review (2003) of the HEFCE R&DS initiative validated this contention. With regard to legislation, 'a robust appraisal scheme' can be seen to help meet some of the requirements of new legislation, notably the Race Relations (Amendment) Act 2000, by ensuring that all staff have equality of opportunity to discuss development needs and that this discussion and its outcomes are recorded and monitored.

In the summer 2003, the Joint National Committee for Higher Education Staff (JNCHES) published a draft framework agreement on pay structures, which among the agreed principles, included a statement of the importance of 'regular development reviews for all staff – with a view to facilitating both the improvement of performance to meet institutional objectives and career development for individuals.' It also introduced the concept that individuals' progression within grades would become dependent 'in part on an assessment of their contribution' as well as on length of service. Although the two statements are not explicitly connected, they suggest a move in the direction of linking pay to formally assessed performance. The Universities' and Colleges' Employers' Association (UCEA) carried out an informal survey in June 2003, which showed that only five institutions had full performance management systems for all their staff including a link between performance ratings and pay, but that a small majority had some arrangements of the kind for some staff groups.

Managers in HEIs, have, on the whole, been reluctant to commit themselves to the implementation of appraisal schemes positively. Beesley et al, (2004) noted 'managers' resistance to or fear of performance management'. Thackwray (2003) uses the phrase 'public

consensus and private disruption' to describe senior managers who formally buy in to such schemes but informally let colleagues know of their disapproval. Other key difficulties include dealing with resistance from trade unions, convincing staff of the potential benefits, dealing with the tension between what is wanted by the university and what is wanted by the individual, delivering effective training and development, and having a scheme that is both fair and flexible.

MEASUREMENT, PROCESS, MAPPING AND MANAGEMENT

Much has been written about how to effectively run and manage an appraisal scheme. Very little of this has been done from an HE perspective taking into account the large complex organisations that they are. Notably none takes into account the historical barriers that have been set up (as described in the previous section). Moving on, and for new approaches to be effective, they need to focus less on mechanistic schemes of a generic nature and far more on how they work (or should work) in HE. To that end, based on research on appraisal schemes and evaluating their effectiveness, as part of numerous IiP assessments over the past twelve years, a succinct 'best practice' tool has been developed, 'The 12 point effective appraisal and personal development tool' Thackwray (2006). The tool incorporates key lessons learned from universities assessed against the IiP standard, focusing on the nature, structure and effectiveness of appraisal. In essence, an effective university appraisal and personal development scheme is one that should 'look and feel like something developed for, by and with staff from all walks of life in the organisation' (Thackwray 2006).

The 12 point effective appraisal and personal development tool

1. **An effective appraisal scheme should enable all, including part-time staff. To have a form of meaningful appraisal pro rata.** By 'meaningful', this requires the institution and its departments to agree and implement in an 'appropriate' way. Consultation at the earliest possible stage of the development of a scheme (and well prior to any implementation) with all stakeholders is essential. 'All stakeholders' includes the trade unions and professional associations who can be a huge asset if included from the outset.

2. **Appraisal and personal development schemes should contain a simple a system**, or for larger more complex institutions (a set of employee bespoke complementary subsystems), that reflect and support local needs and structures.

3. **Schemes should always and without exception be addressed in terms of outcomes.** Ask the question 'so what?'

4. **All outcomes must be communicated back to appraised staff.** This especially applies where the outcome is negative (for example if a development action cannot be delivered) as this is often where the communication process breaks down allowing for speculation and possible demotivation to occur.

5. **Keep the level of paperwork/bureaucracy to an absolute minimum.** Very often, an appraisal is viewed by staff as a bureaucratic exercise and is not helped by poor quality targets that have completion of the process as the main measure of effectiveness. Having a 100% return of appraisal forms and not knowing whether it was worth doing is a waste of everyone's time.

6. **Incorporate opportunities to give feedback where appropriate throughout the planning cycle and not just during the appraisal interview.** Again, this is about

keeping the process alive and making it clear to all that this is not just a bureaucratic hoop.

7. **Where learning and development needs are identified (in line with agreed objectives), it is essential that these are followed through (within available resources).** For an appraisal system to work at all, let alone effectively, it must work and must be seen to be working notably and especially by appraised staff.

8. **Revisit agreed objectives regularly during the planning cycle.** This does not have to be formal or bureaucratic, the process must be kept 'live' and seen as relevant. It is also essential to make it clear to staff that this is to do with their appraisal and that the appraisal process is therefore continuous.

9. **Encourage and work with staff to help adapt local measures that are seen to be effective**. Rather than let any new system flounder because it is seen as a yet another extra bolt-on activity brought in from outside by 'people who don't understand HE'. This underlines the real need for HR and other development professionals to 'get out there' more and look at what related practices (for example peer review) currently are being used before imposing a 'new' system.

10. **Communicate outcomes clearly** so the links between their appraisal discussions and the individual's role, that of their team and the institution writ large can be seen. (This is not only good practice but expected by various organisational development tools, notably IiP).

11. **Do not make the process too forma**l (it is not necessary or helpful). A good example is requiring skills levels in areas such as writing, discussion etc that are beyond the requirements of an individual's work role, and therefore might well cause unnecessary concern and worry. Where appropriate the manager might well be the only one who needs to complete any paperwork in relation to the appraisal process, recording information during discussions and agreeing the final write up with the appraisee.

12. **Develop checking mechanisms**, this is essential. If appraisal does not happen, who knows that it has not? What are they required to do about it? If they do not take action, what happens then? For this to work, appraisals and germane outcomes must of course be a part of the manager's own appraisal discussions. In effect, the institution must 'police' the activity at several levels, ensuring not just that it takes place but that it takes place effectively. It is here that role modelling is important. The head of the institution and senior staff need to engage clearly and positively with the process themselves (thereby discouraging the 'public consensus, private disruption' culture overtly and behind the scenes).

The 12 point effective appraisal and personal development tool is the 'vision' of a good appraisal scheme. To complement it, a set of further key points derived from Beesley et al, (2004) which offers more pragmatic advice is given below. There is some deliberate overlap, largely to underline the importance of not separating strategy and vision from delivery.

o   Agree a scheme that is positive and encourages staff rather than threatens and judges (see Appreciative Enquiry page 12)

o   Be clear about the aims and objectives of the scheme and how they fit into the institution's aims and business plan

o   Be specific about the name of the scheme and widely publicize it

o   State how the process fits in with other human resource/personnel policies

o   Link target setting/work planning to both personal and organisational development

o   Ensure equality of opportunity. Give all levels and categories of staff the opportunity to participate in the process

o   Communicate effectively about how the scheme will operate

o   Get agreement from line managers and trade unions

o   Provide support and impetus from senior managers

o   Be clear about who is doing the reviewing - have effective reporting structures in place

o   Make sure all staff are trained to operate the scheme effectively - pay attention to interpersonal skills

o   Provide guidance notes

o   Make paperwork simple and cut down on administrative time

o   Be clear about the confidentiality aspects of the information shared in the meeting;

o   Encourage two way feedback

o   Ensure that what's agreed actually happens and resources for training and development are made available

o   Ensure time is allowed for meaningful appraisal discussions to take place

o   Have an agreed appeals procedure to follow when there is a disagreement of views

o   Promote the benefits of the scheme and what actually gets done - most schemes fail because of lack of interest, poor skill in carrying out the discussion, and no action or feedback on outcomes of the meeting

o   Review and evaluate the progress of the scheme.

Some useful tools supporting effective development and delivery of appraisal schemes

Investors in People

The most widely used OD tool in higher education. Although there is no requirement to have an appraisal scheme to achieve the standard, IiP assessments require evidence that the organisation does do what an effective appraisal would do (see the 12 point effective appraisal tool). To date some 36 universities have achieved IiP as whole institutions with some several hundred 'units' having also achieved recognition. More information can be found at www.iipuk.co.uk

See also: http://www.bradford.ac.uk/admin/pr/pressreleases/2005/iip.php or http://my.sunderland.ac.uk/web/services/staffdev/n_Investors_in_People_(IiP)?n_Investors_in_People_(IiP) as examples of a whole recognised universities and http://www.shef.ac.uk/stdu/policy/iip as an example of a unit by unit approach.

EFQM

The European Foundation for Quality Management (EFQM) Excellence Model has its roots in the Malcolm Baldrige Model (US). The underpinning principles of Baldrige help form the model; these are described in Sullivan (2002) and largely revolve around those areas common to all or most organisations, managing and developing staff, organisation of work, clarity of policy and practice, effective communication, efficient management of financial and non-financial resources. In essence, it suggests that if core aspects of the organisation are efficient and effective there is a significant knock-on effect, releasing resources to focus on the main aspects of 'business'. More information can be found at http://www.efqm.org

Appreciative Enquiry

The basic premise of Appreciative Enquiry (AE) is that it is better to build organisations around what works, rather than focus on what does not work. The AE approach, therefore, comprises questions, dialogue, 'stories' of peak experiences, which are used to support the development of a shared 'vision' (linked with detailed planning for the realisation of that vision). More information can be found at http://appreciativeinquiry.case.edu

Balanced Scorecard

Harvard's Kaplan and Norton developed this approach in the early 1990s. The element of 'balance' is in seeking to encourage a wider view of an organisation's progress than that derived solely from financial measures and indicators, although finance is of course not ignored. The model suggests taking an organisational view from four perspectives and to develop metrics, collect data and analyse it relative to each. The four different but complementary perspectives can be summarized as follows:

- o **Financial** – to succeed financially, how should we appear to our 'shareholders', i.e. funding councils, research councils?

- o **Customer** – to achieve our vision, how should we appear to our customers, i.e. students, staff?

- o **Internal Business Process** – to satisfy our 'shareholders' and customers, at which organisational/business processes must we excel?

- o **Learning and Growth** – to achieve our vision, how will we sustain our ability to change and improve? (It is interesting to note the authors' own development. In the original Harvard Business Review article, this was Innovation and Learning, changing in 1996 to its present form.)

Working examples of Balanced Scorecards can be found at a number of UK universities either by whole institution http://www.planning.ed.ac.uk/BSC.htm or unit http://www.ifm.eng.cam.ac.uk/dstools/paradigm/balanc.html.

For further information see http://www.2gc.co.uk/balancedscorecard.asp

Self Assessment Tool

The Self-Assessment Tool (SAT) developed by the UPA and used by HEFCE to assess people management practice, is essentially a combination of an HR Strategy 'gap' analysis exercise, and a set of questions that can be used very effectively to explore perceptions of how the different aspects of an HEI people management systems and practices are working for a variety of stakeholder groups. It links well to IiP and has dimensions covering staff development and skills needs including appraisal, leadership and change management. The focus looks at commitment to invest in people and change tactics, and a potentially useful performance management section that links people management to organisational performance. The Self-assessment Tool, individual dimensions and supporting notes can be downloaded from the HEFCE web pages at www.hefce.ac.uk/lgm/hr/selfassess/

More information about the tools supporting effective development and delivery of appraisal can be found in 'Organisational Development in UK Higher Education: Tools of the Trade' Thackwray, Chambers & Huxley (2006).

Final Summary

It is often said that the appraisal debate goes round and round in circles and there is considerable evidence for this, albeit largely anecdotal. The reality is that development is more of a spiral, with improvements being made in different places at different times and for different reasons. This is entirely right and proper for the rich and varied HE sector, although it serves to confuse and confound external observers, or those seeking to impose a 'one size fits all' approach.

The emphasis has to be on cultural appropriateness, and that applies not only to different institutions but also to the various cultures within institutions. It also means being able to adapt in response to changing external drivers. In practice, we see more institutions setting common guidelines and empowering units to operate schemes that are culturally appropriate at the local level. Others encourage departments to design schemes specifically for their staff. Some HEIs have an institutional policy and guidelines but encourage and enable flexibility so that groups of staff can tailor the process to meet their needs.

In essence, an HEI can operate as many schemes as it wishes, and these can be as different as the different communities wish them to be, as long as the outcomes can be aggregated and used to inform planning and development at the team and organisational levels. A 'one size fits all' approach only applies to the outcome element. Perhaps rather than going 'round and round in circles', appraisal and personal development schemes are on an upward spiral!

ECC TOOLKIT APPROACH

The ECC Toolkit approach facilitates appraisal discussions and enables performance and personal development plans to be created so that development can be targeted to meet individual and organisational aspirations and related to reward strategy.

The use of HERA and FEDRA for the analysis of roles provides the detail of role requirements and the in-built competency framework specifies the behaviours or levels of performance expected within a role. Thus, an individual can be assessed against the requirements of their own role or a role they aspire to and the level of demand and the competencies required clearly identified. This assessment will identify strengths and areas in need of development which can then be placed alongside organisational requirements and an appropriate development plan agreed.

The use of transparent criteria can contribute to openness of decision-making and widening opportunities to members of disadvantaged groups.
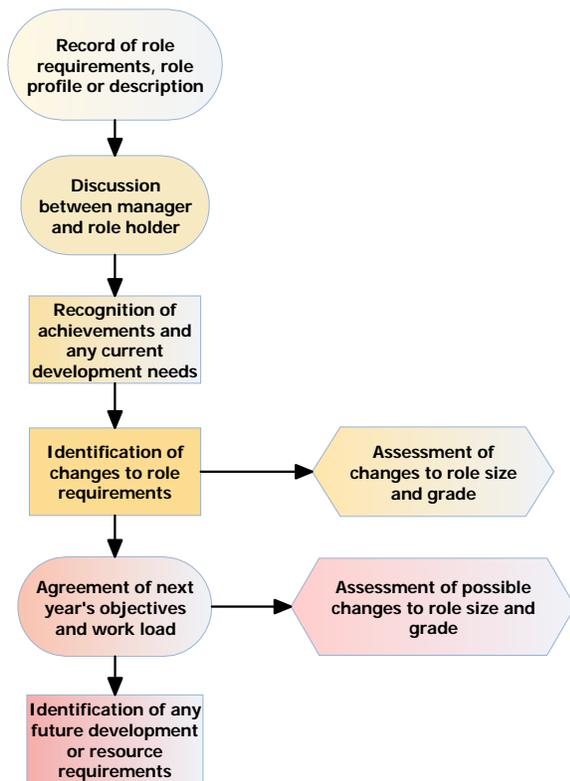
What are the benefits?

Better alignment of the individual's aspirations with those of the organisation.

Allows individuals to assess their own competencies against a framework that includes their own and other roles.

Provides a structure for managers to discuss achievements and expectations with role holders.

Enables the exchange of feedback and recognition of achievement and strengths.

Target resources to support development needs.

Illustrates how the allocation of duties can create opportunities for development and can affect the role size and grade.

Further information about the approach can be obtained from any member of the ECC team. Their details can be found on the back cover of this guide or on the ECC web site – www.ecc.ac.uk.

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