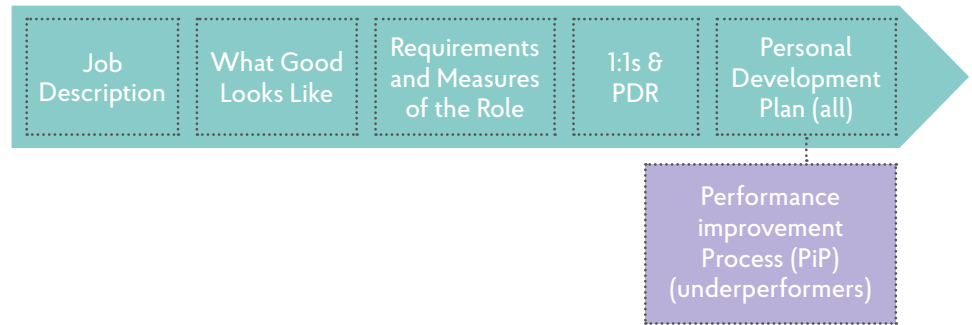


Crown Performance Management Process, including the formal Performance Improvement Process

Agreed approach between CWU and POL, September 2014

Guiding principles

It is important that everyone knows what is expected in their role and that regular feedback is given so that all colleagues have an opportunity to develop to their full potential. Specifically for the Customer Service Consultant role (CSC), the role requirements have been updated along with 1:1 documentation to assist the manager and the colleague when engaged in the Performance Management Process. The key steps are shown here:



Standards:

The **Job Description** gives an overview of the key areas of accountability and responsibilities of the role which is to offer a consistent level of customer service, being an expert in Mails products and to introduce our fantastic range of services and financial products to meet customer needs.

What Good Looks Like is a series of three simple documents giving examples of the various behaviours, from great to poor, under the headings of 'Team', 'Commercial' and 'Customer'. These standards are designed as a tool to enable CSCs to assess where their performance currently sits so that they can discuss any development needs with their branch manager, including if they are great, how they can develop their role further within the branch team.

The **Requirements and Measures of the Role** describe in more detail what behaviours and actions you will see when the CSC is doing their job well, what mechanism will be used to measure performance and the branch indicators which the branch manager will discuss with the team to highlight any successes or opportunities to improve.

The **Performance Charts** are the main tool which will be used by the branch manager at sales meetings and teamtalks to update the team on the branch performance, paying particular attention to the branch profit (including income and costs), customer results and feedback, and people engagement and training opportunities.

Performance Management:

With the standards in place and with branch performance being discussed on a regular basis with the team, it is recognised best practice for each team member to have regular 1:1 feedback and coaching from their branch manager. To support this, new forms have been developed to ensure these 1:1s are focused on the standards and helping the CSC to develop their capability in the role, and in some cases into their first management role.

The **1:1** document gives an overview of the branch performance and should be given to the CSC to self-assess their behaviours against the **What Good Looks Like** standards. The CSC is encouraged to note what's great, what's good and where the development needs are. This is so that when they sit down with their branch manager, they can focus the discussion around the branch performance and how the CSC is currently contributing to this performance. This gives a great opportunity to recognise great performance as well as identifying supportive development opportunities to help the CSC improve and grow.

If there are specific areas under 'Team', 'Commercial' and 'Customer' where special attention is needed, an additional **Focus Area** 1:1 document can be used. This simply helps the CSC and manager discuss further detail around the key area under discussion to help identify the specific behaviour, observation or branch indicator that may need improvement.

1:1s should be held monthly ideally, but not less than eight occasions over a full year. In this respect, it is important that colleagues receive the level of focus appropriate to their needs, e.g. a light touch meeting where the colleague has no concerns and their performance is good, and a more formal meeting where either the colleague or their level of performance requires it.

The **Performance Development Review (PDR)** document gives colleagues the opportunity to self-rate their performance against the **Requirements and Measures** of the role and, within this, to give examples of how they demonstrate the POL behaviours. The discussion will cover any development actions and will contain a line manager summary as well as an overall performance score. The PDR review should be completed twice a year in July and again in January, when a full year rating is applied. These formal reviews provide the opportunity for everyone to have a formal meeting and review of their performance, discussing their career aspirations and development plan as part of this meeting.

Performance Improvement Process:

The aim of our approach is to have a supportive performance management experience and process which will give every colleague the opportunity to perform their role to the required standard. However, there will be occasions when a colleague is not meeting the requirements of the role and they will need to be placed onto the **Performance Improvement Process**.

For those colleagues placed on the Performance Improvement Process, the key intention is to improve their performance by informal and, if necessary, formal procedures. It's expected that with robust action plans clearly setting out the required standards and the specific actions and timescales involved, the vast majority of individuals will be removed from the process because their performance has sufficiently improved. Dismissal will only take place as a last resort where, despite support provided such as additional coaching and training, 1:1 interventions etc., sufficient improvement has not been achieved and appropriate alternative business roles have been considered.

The Performance Improvement Process will be used when an employee's performance has declined or is below the standards and expectations of the role. The procedure will not be used in relation to performance issues caused by misconduct, sick absence or long-term ill health and losses and gains as each of these areas have their own specific policies and procedures. Colleagues new to the business will be on a formal trial period which includes regular 1:1s and feedback, it is therefore not appropriate to place newer colleagues onto this process.

The first stage in managing underperformance is to ensure that the individual is fully aware of what is expected of them with regard to their personal and business objectives (which should be consistent with our stated business aims):

- Job description and role within the business
- What Good Looks Like (WGLL) document
- Expected standards in terms of customer service, product knowledge, compliance, team working and how we measure these

Informal Discussions

If it becomes apparent to a manager that a particular individual for whom they have line responsibility isn't meeting the required standard of performance, either generally or in a specific area, they should try to resolve the issue through an informal discussion at a 1:1. The manager should:

1. State the performance required.
2. Set out the shortfall in performance referring to the above job description, WGLL, standards and expectations in the role.
3. Reach agreement if possible on the shortfall in performance.
4. Explore reasons for the performance shortfall, including personal issues which may be affecting performance in the short-term; and make the individual aware of the services of the Occupational Health Service (OH Assist).
5. Agree actions and a timetable for improving performance as outlined below.

It's hoped that the individual's performance will improve following an informal discussion.

Although informal, a note of the discussion must be kept as part of the 1:1 process, using the appropriate 'Focus Area' 1:1 document. When the line manager raises the underperformance issue informally, they should make sure the individual is aware of the services of the Occupational Health Service and the regulations concerning the Equality Act. It is also the line manager's responsibility to be aware of these regulations. **(MY HR HELP ADVICE LINE)**

If no improvement has been identified following an informal discussion, the line manager must notify the individual that formal procedures will begin. The period between informal discussion and the formal process being started isn't expected to be less than four weeks.

At this point a **Check Step 1** will take place before authority to proceed to the formal stage can be given. This is an independent review of the documentation to ensure the process has been followed correctly, and this will be completed by an independent manager outside of the direct line. In the event that process failings are uncovered as a result of this check, the employee is not progressed to stage one until the appropriate supporting activity has taken place and has been evidenced. If process issues are found (e.g. lack of documentation of underperformance, agreed actions and timetable), the individual will be reverted to the start of the informal process.

The Formal Process – Stage 1 (8 Working Weeks)

The individual will be invited to a formal interview. This should take place within 7 working days of them being advised that they are under performing.

The individual must be advised of their right to be accompanied to the interview by their trade union representative or a work colleague from within Post Office Ltd. This individual can observe, provide active support or act as the individual's advocate. In the latter case it is important to ensure the individual is given every opportunity to respond personally.

The individual's chosen representative should be consulted to agree the date and time of the interview, and if they can't attend on a proposed date, an alternative date may be suggested so long as it's reasonable and no more than five working days after the original date.

The objectives of the formal interview are to:

- State the performance required
- State the performance shortfall
- Demonstrate the shortfall with evidence and documentation (where available)
- Reach agreement if possible on the performance shortfall
- Explore reasons for the performance shortfall, including any personal issues
- Agree a plan and timetable for closing the gap between the performance shortfall and the required standard
- Take into account any mitigating factors; and
- Remind the individual of the services of the Occupational Health Service

The decision on how to proceed will depend on the outcome of the interview which may be progression to Stage 1 or reversion to the business as usual Performance Management Process. If the decision is to proceed to Stage 1 then the action plan must be agreed and input from the individual should be encouraged.

Notes of formal interviews should be recorded, signed and agreed by both the line manager and the individual.

Action plan:

The action plan sets out the required standards and the individual's shortfall in performance. Most importantly it sets out the clear steps/actions that will be undertaken by the individual and any support and actions the line manager will provide – for example coaching – to close the gap, together with agreed timescales for improvement.

This action plan must not be longer than 8 working weeks. After 8 working weeks the individual should have improved to the extent they are no longer underperforming.

The emphasis is on supporting the individual to improve and to deliver the action plan.

Once completed and agreed, the action plan should be sent by email to **HR PDR. (MY HR HELP ADVICE LINE)**

Stage 1 – Formal:

At Stage 1 of the formal process for managing underperformance, there are regular formal meetings between the line manager and the individual, to review progress against the action plan.

At each meeting, feedback should be given and it should be recorded whether or not progress is being made.

Notes of the formal 1:1s should be recorded, agreed and signed by both the individual and the line manager. The updated action plan must be sent by email to **HR PDR. (MY HR HELP ADVICE LINE)**

At all stages the individual is to be advised of the services of the Occupational Health Service and it should be recorded that these were offered.

If, at the end of the agreed time for the improvement to be achieved, the individual is performing to a good level, then they are removed from the process without progressing to the next formal interview. However, if subsequent performance declines in the same area within 8 weeks, the individual will rejoin the process at the start of Formal Process Stage 1.

If at the end of the agreed timescale for Stage 1 (no more than 8 working weeks) the individual has failed to achieve the required standard, then the first line manager will invite the individual into a formal meeting to discuss the consequences of their failure to improve.

The individual must be advised of their right to be accompanied to the interview by their trade union representative or a work colleague from within Post Office Ltd. This individual can observe, provide active support or act as the individual's advocate. In the latter case it is important to ensure the individual is given every opportunity to respond personally.

The individual's chosen representative should be consulted to agree the date and time of the interview, and if they can't attend on a proposed date, an alternative date may be suggested so long as it's reasonable and no more than five working days after the original date.

The decision on how to proceed will depend on the outcome of the interview, but the considerations should include:

- Progression to Stage 2
- Exceptional extension to the formal review stage by up to two weeks, in the event that early improvement has been seen and it is likely that the colleague will reach the standard required in that time
- Removal from a formal plan and reversion to the business as usual Performance Management Process

Appeal at first formal stage:

After Formal Stage 1 decision, the individual has the right of appeal to a trained appeals manager who will undertake a rehearing of the case and decision to progress to Formal Process – Stage 2.

Appeals will be managed in line with the principles applying to the Appeals Process within Post Office. The key principles are:

- The appeal is conducted out of the reporting line
- The appeal is a complete rehearing of the case. The appeal is heard by a more senior manager than the first line manager; and
- The individual has the right to representation (as outlined) and to see all documentation relating to their case

The Formal Process – Stage 2 (8 Working Weeks)

The first line manager continues to hold regular (at least monthly) 1:1s with the underperformer.

At each meeting it should be recorded whether or not progress is being made. Notes of these formal interviews at Stage 2 must still be recorded and signed by the line manager who maintains the responsibility for holding 1:1s with the underperforming individual.

The updated action plan must be sent by email to **HR PDR**. (MY HR HELP ADVICE LINE)

During the second stage, if the individual improves their performance to a good standard, then they are removed from the process and will revert to the business as usual Performance Management Process. It is hoped that by reinstating regular 1:1s as part of the performance management process, that the colleague continues to demonstrate consistently good performance. However, if subsequent performance declines in the same area within **8 weeks** the individual will rejoin the process at the start of Formal Process – Stage 2.

In the event the individual has not demonstrated the improvement required to remove them from the formal process, and the manager is considering recommending the individual for a dismissal hearing, a **Check Step 2** will take place. This is an independent review of the documentation to ensure the process has been followed correctly, and this will be completed by an independent manager outside of the direct line. In the event that process failings are uncovered as a result of this check, the employee is not progressed to the dismissal hearing until the appropriate supporting activity has taken place and has been evidenced. If process issues are found (e.g. lack of documentation of under performance, agreed actions and timetable), the individual will be reverted to the start of the Formal Process – Stage 2.

Final interview (consideration of dismissal):

If, after Formal Stages 1 and 2 (that is, 16 working weeks excluding interviews and appeal time since the individual was formally placed on the process) the individual has failed to achieve the required standard, then they will be formally invited to an interview with the second line manager and informed that their future employment with Post Office will be under consideration. The second line manager will consider all the available evidence and make a decision regarding the individual's future employment with Post Office. At this interview the individual has the right of representation by their trade union representative or a fellow employee as outlined above.

Any mitigating factors must be carefully considered before any decision is made.

The second line manager will take into account the documented evidence from both the first and second stage of the formal process and evidence presented at this interview. The considerations should include:

- Dismiss with notice the individual or move them to an alternative role should a suitable vacancy exist. If the latter option is chosen this must not financially disadvantage the individual
- Exceptional extension to the formal review stage by up to two weeks, in the event that sufficient improvement has been seen such that it is likely that the colleague will reach the standard required within a reasonable time frame and with support
- In some circumstances, as an alternative to dismissal, consideration may be given to revert to the start of Stage 2
- In the event that the colleague has fully reached the performance standards required, they can be removed from the formal stages and will revert to the business as usual Performance Management Process. However, if subsequent performance declines in the same area within **8 weeks** the individual will rejoin the process at the start of Formal Process – Stage 2.

The individual will be notified of the second line manager's decision in writing within ten working days, clearly outlining the reasons for their decision. Note that in line with the POL Conduct Code, decisions relating to dismissal will only be made by managers with the appropriate band and authority level.

Final appeal:

The individual has the right of appeal to a trained appeals manager who will be a member of the National Appeals Panel and who will undertake a rehearing of the case.

Appeals will be managed in line with the principles applying to the appeals process within Post Office. Authority levels of managers and who hears the appeal will be in line with the POL Conduct Code

The key principles are:

- The appeal is conducted out of the reporting line
- The appeal is a complete rehearing of the case
- Appeals against decisions to dismiss will be heard by a manager with the appropriate band and authority level
- The individual has the right to representation (as outlined earlier) and all documentation relating to their case should be made available to both the colleague and their representative. **Note: Performance and Development Review Marking**

The marking at the Performance and Development Review mustn't be unexpected as the 1:1s during the year should have identified that an individual's performance was falling short. Those individuals marked as '1' or 'underperformance' will be automatically placed on the Performance Improvement Process at the informal stage. Individuals receiving a '2' marking or 'improvement needed' may be placed on the process at the line manager's discretion dependent on the level of improvement required, and whether the employee's performance record is moving forwards or deteriorating.

Right to representation – summary

The table below sets out when an individual has the right to representation at meetings and interviews.

Event	Individual's right of representation
At 1:1s	NO
Formal interview at the start of the process	YES
1:1s to monitor action plan progress at Stage 1	NO*
Decision interview at the end of Stage 1	YES
Appeal	YES
1:1s to monitor action plan progress at Stage 2	NO*
Decision interview at the end of Stage 2	YES
Appeal	YES

***Note:** Although the purpose of the interviews throughout this process are to highlight performance gaps and reinforce the standard, the outcome should be that the individual is clear of what actions they need to take and what support they will receive to help them achieve the standard.

In line with Post Office values and behaviours, individuals should at all times be treated with dignity and respect, and an important purpose of these interviews is to develop and sustain a professional and supportive relationship between the individual and their manager.