

Chapter 1

Introduction to the Performance Management System (PMS)

In this section you will learn the following about the Performance Management System (PMS)

- Context and purpose
- What is performance management
- How it was developed
- The 4 Components of the System
- How the PMS will be introduced

1.1. Context and Purpose

The HSE is introducing a formal Performance Management System in fulfilment of the terms of the Public Service Agreement. The system will cover all grades and professional disciplines and will be introduced on a phased basis commencing with National Directors to grade VIII and equivalent including comparable clinical grades in 2012.

It is the policy of the HSE 'to implement, maintain and monitor a Performance Management System that develops the capacity and capability of its employees, improves the performance of the organization and addresses underperformance in a timely and constructive manner.

1.2 What is Performance Management?

Performance Management is a process that brings together many people management practices including learning and development. It is a process which contributes to the effective management of individuals and teams in order to achieve improved levels of individual and organisational performance and development. Performance management is about establishing a culture where individuals and teams take responsibility for continuous improvement of service delivery and of their own skills, behaviour and contributions. It is therefore a strategic process, long term in nature, aimed at the development of an appropriate culture linking people management, service issues and long term goals. It is not a once off quick fix process.

It is a tool to ensure effective management which results in individuals and teams

- knowing and understanding what is expected of them
- having the skills and ability to deliver on these expectations
- that are supported by the organisation in developing the capacity to meet these expectations
- that are given feedback on their performance
- having the opportunity to discuss and contribute to individual and team aims and objectives

Effective performance management promotes a collaborative approach that influences individual performance, development and organisational outcomes. It pushes *us all to think* about how we currently manage our working relationships, what we need to do to improve our own performance, our team's performance and the service we provide to patients and service users.

Performance Management is

“A process for establishing a shared understanding about what is to be achieved and how it is to be achieved, and an approach to managing people that increases the probability of achieving success”

Weiss and Hartle (1997)

1.3 How the Performance Management System was developed

This Performance Management System was developed following consultation with staff representative associations' professional associations, employee groups, HSE Senior Management Team and individual employees across employee categories. The objectives of the design and consultation phase included: capturing 'learning' from the design and implementation of previous and / or current performance management initiatives both internally and externally. The following points emerged from this consultation process

- The importance of engagement in the process between manager and individual
- the 'hunger' on the ground for better communication of service requirements

- the desire for discussion between levels of management, and between staff and managers on roles, service requirements, professional considerations, resource allocation, personal effort and acknowledgement
- a need for a supportive process for addressing underperformance
- frustration at managerial level with not having 'access' to their manager, particularly when it came to agreeing / verifying objectives for the coming year, budget spend priorities, receiving feedback on performance / service achievement etc.

1.4 Components of the Performance Management System (PMS)

There are four components to the PMS as described below.

1. A Performance Review Cycle (PRC)
2. The Performance Improvement Plan (PIP), a supportive approach to addressing underperformance
3. HR and Discipline Specific Professional Practices within the organisation
4. Relevant HSE performance measures, HSE performance Reports, Health Stats etc.

1.5 Overview of the Performance Review Cycle (PRC)

The Performance Review Cycle is a continuous process that includes 3 key meetings between a manager and his / her direct report(s) as part of the cycle. It is a process that requires participation, respect, and frequent honest discussion and feedback on issues like role, responsibilities, objectives, resources, risks to success, and performance. (See Chapter 2 for full details). It requires a desire to build a challenging yet supportive working environment based on the HSE's Values Charter (see Appendix 2) and feedback (See Chapter 6).

1. An initial meeting, called a Performance Planning and Personal Development meeting, to discuss and agree the objectives for the following cycle. This ideally will take place between January and March.
2. Ongoing discussion and feedback with a formal Mid Cycle Review. This will ideally take place between May and July.

3. Cycle end performance review and developmental evaluation. This will ideally take place between November and December.

Active participation in the process should:

- ensure clarity on service and operational requirements for individuals and units
- ensure clarity on roles, responsibilities and expectations
- improve communication between managers and staff leading to improved decision making and morale
- facilitate staff development via the identification of strengths and areas for development
- maximise employee engagement by creating an environment where capable people work together to deliver safe and efficient healthcare services every day

1.6 Phased introduction of the Annual Performance Review Cycle

The Performance Review Cycle (PRC) will be introduced on a phased basis.

Phase 1 Q1 2012

Phase 1 will extend from the National Director to grade VIIIs and equivalent including comparable clinical grades. Implementation will follow the management structures within Directorates. The management layers within each Directorate are seen as the logical pathways for introducing the process as it is dependant upon clarity of structure, reporting relationships and roles. This step-down approach ensures that as the process is introduced at each level the necessary conditions required for the implementation at each subsequent level have been put in place. This approach requires managers at higher levels to hold team meetings and implement the Performance Review Cycle so that the process can then be introduced at next relevant level.

Within the Regional structures Phase 1 will encompass the Regional Management Teams, Area Management Teams, Grade VIIIs and equivalent and comparable clinical grades.

1.7 The Performance Improvement Plan (PIP)

The Performance Improvement Plan (PIP) is a time bound process designed to address in a formal manner a performance issue. This is a process that should be implemented

as required to address performance issues that are not being improved through normal formative feedback. This process is designed to be managed within a department or unit between the two parties involved. It requires constructive discussions between a manager and their direct report where performance problems are identified. It should be noted that the Performance Improvement Plan is not a disciplinary procedure.

If performance does not improve following the use of the Performance Improvement Plan, consideration should then be given to moving to other corrective or supportive HR processes, e.g. EAP, Occupational Health, Disciplinary Process, etc. (See Chapter 7)

1.8 HR and Discipline Specific Professional Practices within the organisation

The PMS is a framework which incorporates all HR and discipline specific professional practice initiatives in support of organisational and individual performance. Individual Personal Development Planning, Continuous Professional Development, Professional Competency Schemes (PCS), Management and Leadership Development initiatives can all be linked to the PMC and addressed as part of the process. See Appendix 3 for Developmental Supports.

1.9 Relevant HSE performance measures, HSE performance reports, Health Stat etc.

The PMS framework recognises the role and contribution of HSE performance measures (e.g. Healthstat, casemix, quarterly performance reports, and other measures) to organisational performance. Depending on the managerial level, these measures will play an important part in setting the context of the role, objectives, priorities, accountabilities and personal development.