The only real purpose of Performance Management is to deliver better quality services to local people.

Performance Management requires us to:

1. Prioritise and set clear objectives (what we intend to do for local people) and communicate these to the public and our workforce
2. Track and communicate whether or not they are being achieved
3. Take action to ensure that we are continuously improving and that objectives are being met in line with expectations.

Additionally, achieving better quality services is dependent on:

- All of us being motivated to identify practical ways of improving how we do things.

And….

- the way that members, managers and our employees operate together and with our partners and customers.

So .......

- the sum total of how everyone operates is crucial in making a performance driven and improvement led approach effective.

The right culture, the right values and the right systems are all absolutely necessary.
A Rough Guide to Performance Management

Toward a performance culture – ‘The Stairway to Heaven’

Which part of the stairway is familiar to you?

**Performance Culture**
- All employees’ empowerment is supported
- Widespread management by fact
- Plans reflect organisational capability
- Continuous improvement achieved

**Performance Management**
- Ownership is devolved
- Objectives better understood
- Decisions are based on facts
- Actions changed through use of information

**Effective Performance Reporting**
- A joined-up set of strategies, plans and objectives
- Objectives better understood throughout the organisation
- Clear accountability is established

**Systematic Performance Measurement**
- Single information database established
- Key performance information collected efficiently
- Efficient reporting of performance information

**Disparate Un-coordinated Approach**
- Duplicated effort, difficult to consolidate
- Time-consuming, irreconcilable, possibly mistrusted information
1. Prioritising, Setting and Communicating Objectives and Outcomes:

A key step toward achieving excellence is to establish an integrated way of communicating and implementing objectives throughout the Council – so all of our plans must contain clear objectives and they must be joined-up.

Describing a clear and understandable “Outcome” that we want to achieve is a very valuable way to make objectives real for the public, members and the workforce.

It also focus us on making a difference to local people. That is why the new Community Plan/Single Outcome Agreement and the Councils Corporate Plan is built around outcomes like:

- We support people to maintain their independence as they get older
- We have financial sustainability and balance in the public, social, community and private sectors and reduce Shetlands reliance on the public sector
- We value and support every child, young person and adult learner to achieve their potential

Ownership and accountability is also essential to ensure that individual officers who are best placed to ensure delivery of objectives and outcomes have real ownership for doing so.

This is the ‘Golden Thread’.

- It’s a shared understanding and shared ‘buy-in’ to the vision, goals and values of the Council - and making sure that this is mirrored within our strategies, plans and policies and delivered through our actions.
- It’s the unbroken link between vision, analysis, systems and people.
- It’s when we think and what we say and what we do all line up.
As employees of the Council, we should all recognise the contribution that we are making, as individuals or as team players, toward achieving what we set out to achieve for the people of Shetland.

We must be able to connect the ‘Golden Thread’ from the Community and Corporate Plan, through Directorate, Service and Team Plans to our own individual objectives and actions.

That requires;

- Understanding what our citizens, customers and service users want and need.
- Clarity of Vision in our Community and Corporate Plans
- Shared priorities within the organisation and with our partners
- Robust, up-to-date Strategies and Policies
- SMART Directorate and Service Planning
- Linked staff appraisals
- Community and customer engagement, empowerment and consultation that drives our strategy development

In this way, we should have a clear ‘line of sight’ through the planning and performance management pyramid.
A Rough Guide to Performance Management

“The Golden Thread”

Community and Corporate Plan Objectives and Outcomes

Communicate Clearly to Implement Objectives and Outcomes

Delivery via Directorate, Service & Team plans

- Monitor performance
- Recognise good performance
- Improve performance

- Informed and committed workforce via employee appraisal and team briefing
- Motivated teams and individuals delivering targeted improvement

“The Golden Thread”
2. Tracking and communicating whether or not our objectives and outcomes are being achieved

Once objectives and outcomes have been set and are communicated to stakeholders, and everyone involved in meeting them has had a chance to discuss them, good practice includes routinely providing evidence to show that we are achieving our objectives and that our services are continuously improving – so we must use standards, baselines, targets & performance measures that will tell us whether we are delivering better quality services.

<table>
<thead>
<tr>
<th>Objective</th>
<th>What we want to happen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcomes</td>
<td>What tangible difference that will make to people and the community</td>
</tr>
<tr>
<td>Standard</td>
<td>How we intend to achieve our objective – a minimum level of service that the public can expect us to provide.</td>
</tr>
<tr>
<td>Baseline</td>
<td>Where we are starting from and how that compares with other places</td>
</tr>
<tr>
<td>Target</td>
<td>By How Much or How Quickly we expect to achieve the objective</td>
</tr>
<tr>
<td>Performance Measure</td>
<td>A measure which tells us whether we are improving and have reached our target.</td>
</tr>
</tbody>
</table>

Our key measures, standards, targets and outcomes are set out in the new Community Plan / Single Outcome Agreement and will be the basis for our further Corporate, Directorate and Service Planning.

Using performance measures, standards and targets, to identify achievements and areas for improvement should, over time, become everyone’s day job!

This will allow us to ensure we always provide the best service we can for the people of Shetland.
3. Taking action to ensure that we are continuously improving and that objectives and outcomes are being met in line with expectations.

Performance review is necessary to ensure that continuously improving performance is being delivered in line with our expectations.

Where performance is not up to expectation, we must take action in response to actual performance to make results better than they would otherwise be.

Managing performance is a key responsibility of every member, director, manager and team leader in the Council. It must be done well and consistently at all levels for communication to be maintained improvements achieved and participation achieved.

There is a regular cycle of periodic performance management activity set out in the Council Planning and Performance Management Framework. Where performance is not on target, then corrective action will be agreed and taken to get performance back on track.

To support everyone involved in performance management in their respective roles, the Council has acquired a Performance Management System called “Covalent”

In short, Covalent is a single Council wide database for storing and reporting actions and performance indicator information in a consistent way using common standards across the Council. It provides a system of performance ‘alerts’ that enable Members and Officers to focus effort and resources on those areas requiring greatest attention.

Often, the use of performance measures will lead us to conclude that services need to be improved or successes and achievements shared with everyone involved.

The use of performance measures will indicate success and achievement but may also indicate deficiencies in services for a range of reasons e.g:
A Rough Guide to Performance Management

- Quality & satisfaction with Services Delivered.
- Cost of Services compared with Budget.
- Efficiency of services.

Often, this would indicate that a review of a service is likely to identify areas for improvement and better quality services for local people.

Everyone’s ideas for improvement are always welcomed!
A Rough Guide to Performance Management

Additional Information / Key Documents:

Community Plan and Single Outcome Agreement's available at
Council Corporate Plan Available at
Directorate Plans Available at
Service Plans Available at
Performance Reports Available at
Planning and Performance Management Framework available at
Employee Appraisal and Development Policy available at
Communications Strategy available at
Community Engagement Strategy available at
Directorate and Service Planning Guidance available at
Improvement Project Guidance available at
Self-evaluation Guidance available at
Service Review Guidance available at
Best Value Guidance available at

For further general information on Performance Management, including the Council’s approach to Performance Management and/or new Government initiatives please contact:

John Smith or Jim Macleod
Performance and Improvement
Hillhead
744513