Performance Management & Appraisal

2015 Human Resources Tool Kit

developed by apex human resources for the department of sport and recreation

**Managing Performance**

Appraisal Policy

<Organisation> is committed to supporting every employee to reach their potential and achieve their personal goals, which in turn will assist the organisation to achieve its objectives.

The performance appraisal policy supports the performance appraisal scheme. The scheme is a formal process centred on an annual meeting of each employee and their line manager to discuss his/her work. The purpose of the meeting is to review the previous year’s achievements and to set objectives for the following year. These should align individual employees’ goals and objectives with organisational goals and objectives.

**Appraisal Process Guidelines**

* The appraisal process aims to improve the effectiveness of the organisation by contributing to achieving a well motivated and competent workforce.
* Appraisal is an ongoing process with an annual formal meeting to review progress.
* The appraisal discussion is a two way communication exercise to ensure that both the needs of the individual, and of the organisation are being met, and will be met in the next year.
* The appraisal discussion will review the previous year’s achievement, and will set an agreed Personal Development Plan for the coming year for each member of staff.
* All directly employed employees who have completed their probationary period are required to participate in the appraisal process.
* The appraisal process will be used to identify the individual’s development needs
* All staff will receive appraisal training as an appraisee, and where appropriate as an appraiser.
* The appraisal process will provide management with valuable data to assist succession planning.
* The appraisal process will be a fair and equitable process.

**Performance Appraisal Implementation**

Performance appraisal discussions will be held over a designated 4 week period on an annual basis. They will be arranged by the appraisee’s line manager. Line managers are encouraged to provide the opportunity for an additional 6 month verbal appraisal review, mid-year and other informal reviews as necessary throughout the year.

The discussion will be held in private. Information shared during the appraisal will be shared only with senior management. Confidentiality of appraisal will be respected.

The appraiser (usually the employee’s line manager) will be expected to have successfully completed appraiser training, and to be familiar with the appraisee’s work.

All appraisal documents should be issued to both parties prior to the discussion, in order to allow time for both parties to reflect and prepare. These will provide a framework and focus for the discussion.

A time and venue for the discussion will be advised at least one week before the meeting takes place.

**The Appraisal Discussion**

The appraisal discussion will allow an opportunity for both the appraisee, and the appraiser to reflect and comment on the previous year’s achievements. It will praise achievement and encourage the appraisee in his/her role.

The appraiser is accountable for giving the employee constructive, timely and honest appraisals of their performance, which should take into account both the goals of the organisation and of the individual.

The discussion should be a positive dialogue, and will focus on assisting the appraisee to acquire the relevant knowledge, skills and competencies to perform his/her current role to the best of his/her abilities.

The appropriate forms will be completed and signed by both parties. The appraisee will be given the opportunity to note any comments that he/she does not agree with and complete a self assessment.

The appraisee and line manager should agree on a Personal Development plan for the appraisee for the following year. This will reflect the appraisee’s aspirations and the organisation’s requirements, and should align personal and organisational goals. The organisation and the line manager will support the individual to achieve these goals during the forthcoming year.

Any training needs, future training requirements, planned qualifications, development opportunities and career planning should be discussed in the light of the Personal Development Plan.

Further information and resources regarding performance appraisal processes can be found at;

<http://humanresources.about.com/od/performancemanagement/a/perfmgmt.htm>

<http://www.australianbusiness.com.au/lawyers/expertise/employment-law/guidelines-on-how-to-conduct-a-performance-apprais>

<http://www.fairwork.gov.au/about-us/policies-and-guides/templates> (provides free, editable templates, policies, practices and on-line development tools)

**Disciplinary Procedure**

(Organisation’s) Disciplinary Procedure will be used only when necessary and as a last resort. Where possible, informal and/or formal counselling or other good management practice will be used to resolve matters prior to any disciplinary action being taken. The procedure is intended to be positive rather than punitive but takes cognisance of the fact that sanctions may have to be applied in some circumstances.

An employee can discuss any part of this policy with their `Line Manager. They can help clarify an employees rights as well as give guidance and support where it may be needed. Every individual has the right to representation at any point during the disciplinary process.

Suspension

Suspension is not disciplinary action. The purpose of suspension is manifold and can be used when it is necessary to remove a member of staff from the workplace pending an investigation for example, to allow time for a 'cooling down period' for both parties, for their own or others protection, to prevent them influencing or being influenced by others or to prevent possible interference with evidence.

Only the Manager in charge of that individual, at that time or their superior, have the authority to suspend an individual.

An employee suspended from duty will receive written confirmation within three days of:

* the reason for the suspension
* the date and time from which the suspension will operate.
* the timescale of the ongoing investigation.
* the right of appeal to the immediate manager of the suspending manager should the suspension last more than 7 days

Counselling

Counselling is an attempt to correct a situation and prevent it from getting worse without having to use the disciplinary procedure. Where improvement is required, the employee must be given clear guidelines as to:

* what is expected in terms of improving shortcomings in conduct or performance
* the time scales for improvement
* when this will be reviewed
* the employee must also be told, where appropriate, that failure to improve may result in formal disciplinary action.

A record of the counselling should be given to the employee and a copy retained in their personnel file. It is imperative that any counselling should be followed up and improvements recognised and recorded. Once the counselling objectives have been met, any record of the counselling will be removed from the employees file.

If during counselling it becomes clear that the matter is more serious, then the discussion should be adjourned, and pursued under the formal disciplinary procedure.

Procedure for Formal Investigation

Formal investigations should be carried out by the most appropriate manager who is not directly involved with the incident being investigated. This manager may involve others to assist with the investigation process. All the relevant facts should be gathered promptly as soon as is practicable after the incident. Statements should be taken from witnesses at the earliest opportunity. Any physical evidence should be preserved and/or photographed if reasonable to do so.

A report should be prepared which outlines the facts of the case. This should be submitted to the appropriate senior manager / Director who will decide whether further action is required. Where appropriate, this report may be made available to the individual and their representative.

In most circumstances where misconduct or serious misconduct is suspected, it will be appropriate to set up an investigatory hearing. This would be chaired by the appropriate Senior Manager / Director, who would be accompanied by another manager. The investigating manager would be asked to present his/her findings in the presence of the employee who has been investigated. Witnesses should be called at this stage, and the employee (or their representative) allowed to question these witnesses. The employee has a right of representation at this hearing.

Following the full presentation of the facts, and the opportunity afforded to the employee to state his side of the case, the hearing should be adjourned, and everyone would leave the room except the senior manager / Director hearing the case, and the other manager. They would discuss the case and decide which of the following option was appropriate:

* take no further action against the employee
* recommend counselling for the employee
* proceed to a disciplinary hearing

All parties should be brought back, and informed as to which option has been chosen. Should the decision be taken to proceed to a disciplinary hearing, then this may follow on immediately from the investigatory hearing if the following criteria have been met:

* the employee has been informed by letter that the investigation may turn into a disciplinary hearing, and that he has the right of representation
* he has been told in advance what the nature of the complaint is, and had time to consult with a representative
* all the facts have been produced at the investigatory hearing, and the manager / Director is in a position to decide on disciplinary action.
* the manager should inform the employee and their representative that the hearing would now become a formal disciplinary hearing, and invite them to say anything further in relation to the case.

It may be appropriate at this point to adjourn proceedings, whilst necessary arrangements are made for a representative to attend the hearing at the request of the employee.

Should anyone who is subject to disciplinary action resign during the course of it, the action will cease unless there are extenuating circumstances which require it's continuance. The subject of the discipline may also request that the disciplinary action continue.

Warnings

**Examples of Minor Misconduct**

Below are listed examples of misconduct which may warrant either a Verbal Warning or a First Written Warning. It is stressed however that this list is not exhaustive and that on all occasions a full and proper investigation must take place prior to the issue of a warning.

* Persistent lateness and poor time-keeping.
* Absence from work, including going absent during work, without valid reason, notification or authorisation.
* Smoking within unauthorised areas.
* Failure to work in accordance with prescribed procedures.
* Incompetence.
* Unreasonable standards of dress or personal hygiene.
* Failure to observe Organisation regulations and procedures.

**Verbal Warning**

A Verbal Warning is appropriate when it is necessary for the manager in charge to take action against an employee for any minor failing or minor misconduct.

**First Written Warning**

A First Written Warning is appropriate when:

* a verbal warning has not been heeded and the misconduct is either repeated or performance has not improved as previously agreed.
* an offence is of a more serious nature for which a written warning is more appropriate.
* the recurrence or accumulation of an offence/offences, if left, will lead to more severe disciplinary action.

**Examples of Gross – Misconduct**

Listed below are examples of misconduct which may be considered to be Gross Misconduct and may warrant a Final Warning, Demotion or Dismissal. It is stressed however that this list is not exhaustive and that on all occasions a full and proper investigation must take place prior to the issuing of a Final Warning, Demotion or Dismissal.

* Theft, including unauthorised possession of Organisation property.
* Breaches of confidentiality, prejudicial to the interest of the Organisation,
* Being unfit for duty because of the misuse/consumption of drugs or alcohol.
* Refusal to carry out a management instruction which is within the individuals capabilities and which would be seen to be in the interests of the Organisation.
* Breach of confidentiality / security procedures.
* Physical assault, breach of the peace or verbal abuse.
* False declaration of qualifications or professional registration.
* Failure to observe Organisation rules, regulations or procedures.
* Wilful damage of property at work.

**Final Written Warning**

A Final Written Warning is appropriate when:

* an employee's offence is of a serious nature falling just short of one justifying dismissal.
* an employee persists in the misconduct which previously warranted a lesser warning.

**Downgrading or Transfer to another Post**

This action is appropriate when:

* previous attempts, via the disciplinary procedure, to rectify a problem have failed and this is a final attempt to solve a problem without having to dismiss an employee.
* an employee is considered by the Manager of the department to be incompetent or otherwise unfit to fulfil the duties for which he is employed but where dismissal is not thought to be appropriate.

**Dismissal**

Dismissal is appropriate when

* an employee's behaviour is considered to be Gross Misconduct.
* an employees misconduct has persisted, exhausting all other lines of disciplinary procedure.

**Time Scales for the expiry of Warnings**

Warnings issued to employees shall be deemed to have expired after the following periods of time.

* Verbal Warnings: 6 months
* First Written Warnings: 12 months
* Final Written Warnings: 18 months (or as agreed and recorded at the hearing)

These time scales remain provided that during that period, no further warnings have been issued in respect of the employee's conduct.

Letter of Warning

All Warnings must contain the following information

* The letter must be issued within 7 days of the date of the disciplinary hearing.
* The nature of the offence and where appropriate, that if further misconduct occurs, more severe disciplinary action will be taken.
* The period of time given to the employee for improvement.
* The employees right to appeal to the manager directly above that of the one issuing the warning.

A copy of the warning and any supporting documentation must be attached to the individuals personnel file.

The employee must also receive a copy of the warning which in the case of any written warning will be sent to their home address by recorded delivery if not handed to them in person.

In the case of a final written warning, reference must be made to the fact that any further misconduct will lead to dismissal, and that the employee has the right of appeal, and to who they can make that appeal.

The letter confirming dismissal will contain the following information:

* The reason for dismissal and any administrative matter arising from the termination of their employment.
* The employees right of appeal and to whom they should make that appeal

Appeals

Every employee has the right to appeal against the outcome of a disciplinary hearing. The basis of an appeal should normally relate to one of the following areas:

* that the Organisation’s' Procedure had not been followed correctly.
* that the resulting disciplinary action was inappropriate.
* that the need for disciplinary action was not warranted.
* that new information regarding disciplinary action has arisen

An appeal should be put in writing to the responsible person within the organisation. The letter of appeal may be constructed by the employee or their representative. The letter should contain the grounds for appeal and should be lodged within 10 days of receipt of the warning / dismissal letter.

An appeal will be arranged within 20 working days of receipt of the appeal letter.

**Appeals against Verbal and First Warnings**

In the case of verbal and first warnings, the appeal will be heard by the manager next in line to the one who issued the warning.

**Appeals against Downgrading, Final Warnings and Dismissal**

The hearing and determining of appeals against final warnings and dismissal will be heard by the appropriate Director or Chief Executive. They may also involve another senior manager / Director not previously involved with the case.

When dealing with an appeal against a Final Warning or Dismissal written statements of case may be submitted no later than 2 days prior to the date of Appeal Hearing. No additional written evidence will be admitted by the Appeal Committee on the date of the Hearing.

Witnesses may be required by either party at an appeal hearing, dependent upon the circumstances and nature of the case. However, there is no specific obligation on either party to produce a witness. Either party must give 5 days prior notice that they intend to call specific persons involved or associated with the case under consideration.

It is the responsibility of the management representative and for the appellant to each arrange for the availability and attendance of any witness they wish to call.

**Important note**

Prior to the commencement of disciplinary action, particularly with regard to termination of employment, it is recommended that you seek professional advice to avoid any potential claims of unfair dismissal.

Further information can be obtained from the following resources;

<http://www.fairwork.gov.au/about-us/policies-and-guides/templates> (provides free, editable templates, policies, practices and on-line development tools)

<http://www.commerce.wa.gov.au/labour-relations> (provides free advice to business regarding statutory requirements together with best practice solutions for employers)

**Capability Procedure**

<Organisation> places great importance on maintaining levels of performance at an acceptable standard and the capability procedure provides a fair and objective process to enable managers to ensure that those standards are met in every aspect of the organisation’s operations.

**Definition**

For the purpose of this Capability Procedure, capability is defined as:

"*Where a member of staff is failing in a significant or persistent way to carry out their responsibilities or duties in a satisfactory manner, either due to a lack of ability, inadequate training or lack of experience. Such failings will be identified by use of the following procedures and steps taken to improve performance. Where such steps prove unsuccessful the member of staff may have their employment terminated on the grounds of incapacity*".

The procedures set out in this document aim to ensure that there is:

* A means of monitoring performance and establishing performance criteria.
* A degree of consistency in how staff with widely differing responsibilities and duties are given opportunities to attain satisfactory levels of performance.
* Assistance in identifying the most appropriate form(s) of support and providing that support.

If a member of staff fails to overcome their difficulties, any consequent action will be based on:

* Adequate evidence that the member of staff is incapable of performing their duties satisfactorily.
* A fair procedure.
* The fact that the member of staff was given all reasonable assistance to overcome such failings.

Procedure

**Stage 1 - Informal Procedure:**

Where an employee of the organisation exhibits an inability to perform their duties satisfactorily, the organisation will attempt to resolve the matter informally via a meeting between the Line Manager and the member of staff. The nature and date of the meeting will be recorded and a letter sent to the member of staff indicating the nature of their unsatisfactory performance and how such performance can be improved to the satisfaction of the Line Manager.

At this meeting, the line manager will agree performance standards with the member of staff, and a time period (normally three months) over which improvement will be expected. They will also agree how the individual’s performance will be monitored.

If the individual’s performance improves adequately over the timescale, then the process will terminate at this stage. If performance remains unsatisfactory, then the formal procedure will be invoked by the Line Manager as set out in stage 2.

**Stage 2 - Formal Procedure - Information Collection:**

The Senior Manager / Director of the Line Manager concerned may call on the support of an external advisor or another member of the Management Team, to undertake collecting the necessary information. They would be expected to interview the member of staff concerned and the Line Manager, as well as any other appropriate individuals. The member of staff should be informed that they may be accompanied at any meetings by a trade union representative or work colleague.

A written report based on evidence gained e.g. by interviews and observation of performance will be prepared by the advisor / Manager. The report should be precise and specific in the observations and comments it makes and shall contain clear information on:

* areas where the member of staff is failing to perform adequately
* actions already taken by management to address these failings and whether these actions were adequate - i.e. were clear performance standards set and monitored
* whether the member of staff acknowledges a problem and shows a willingness to improve
* the impact of the individuals failings on colleagues and work output
* any other mitigating factors

The report should be given to the member of staff concerned and to the Line Manager. Both may record in writing any comments on the observations contained within the report.

The Senior Manager / Director will consider the report, and may opt to take one of the following options:

* no further action
* instruct the line manager to set reasonable performance standards for the individual and monitor these for a set period of time. *(This option should be chosen if this has not previously been carried out adequately and at least three months given to improve)*
* convene a formal capability hearing to consider the matter further

**Stage 3 - Capability Hearing**

The Senior Manager / Director will write to the member of staff informing them of the date of the hearing, attaching any relevant documentation. The letter shall contain:

* The performance deficits in sufficient detail to ensure that the member of staff fully comprehends their nature, extent and seriousness.
* The time, date and venue of the interview.
* The person who will conduct the interview, usually the Senior Manager / Director
* A statement that all employees have the right to be accompanied by a trade union representative or work colleague at any interview or hearing held under the provision of these procedures.
* At least 10 days notice of the hearing.

At the hearing, the member of staff will be given the opportunity to put forward a defence, to bring witnesses in support of their defence, to present mitigating circumstances and to make a full statement. A written copy of the procedure to be adhered to during the hearing should be made available to the member of staff before the hearing takes place.

If the allegation is found to be justified, then a decision on the action to be taken must be made. Depending on the nature, frequency and seriousness of the allegation(s) it is expected that at this stage a Warning will be given and this will be confirmed in writing.

A letter should be sent to the member of staff confirming the decision and the reason(s) why it was made. The letter will also indicate that the member of staff's progress will continue to be monitored and how this will be carried out. A time scale for performance to improve and a review date(s) will be specified.

If the failings are found to be not sufficiently serious to warrant a formal warning or where there are mitigating circumstances, then monitoring should be discontinued subject to a clear indication to the member of staff that it may be reintroduced if the problem(s) reappear.

**Stage 4 - Second Capability Hearing:**

If poor performance continues, the process set out in stage 3 should be repeated. The time scale for improvement will depend on the nature of the duties and responsibilities of the employee concerned and the seriousness of the complaint(s).

If the conclusion of the second hearing is that performance has not sufficiently improved and that there is still evidence of incapability despite support and prior warnings, a final warning should be issued.

The letter confirming the decision as well as covering the points made at Stage 3, should clearly state that if an improvement is not forthcoming, the Organisation will convene a final meeting at which it will consider terminating the contract of the member of staff involved on the grounds of capability.

**Stage 5 - Third Capability Hearing:**

The appropriate Director will conduct the third hearing at which if previous advice, training and warnings have not had the desired effect, he/she will terminate the contract of the employee concerned. The procedures outlined in Stage 3 will be followed.

Appeals

An appeal against any decision to terminate the employee’s contract of employment on the grounds of capability may be made in writing within 14 days of the decision. The employee’s appeal will be heard by the appropriate Senior Manager or Director. Decisions made on appeal shall be final.

Performance Appraisal Template

|  |  |  |
| --- | --- | --- |
| Employee Name | Position | DOC |
|  |  |  |
| Appraiser Name | Position | Date of Appraisal |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| Major Areas of Accountability | Performance Outcomes | Performance Ranking (S,E,M,N,U)\* |
| 1 |  |  |
| 2 |  |  |
| 3 |  |  |
| 4 |  |  |
| 5 |  |  |

\*(S=Superior, E=Exceed expectations, M=Meet Expectations, N=Not Meeting Expectations, U=Unacceptable performance)

|  |  |  |
| --- | --- | --- |
| Special Projects, Goals & Objectives | Performance Outcomes | Performance Ranking (S,E,M,N,U) |
| 1 |  |  |
| 2 |  |  |
| 3 |  |  |
| Other Areas for Review | Performance Outcomes | Performance Ranking (S,E,M,N,U) |
| 1 |  |  |
| 2 |  |  |
| 3 |  |  |

|  |  |
| --- | --- |
| Overall Ranking |  |

|  |
| --- |
| Appraiser’s Comments: |

|  |
| --- |
| Appraisee’s Comments: |

|  |
| --- |
| Personal Development Plan for the coming 12 months; |

Appraiser signature Appraisee signature

Date Date

Disciplinary & Capability Letters

[Insert date here]

[Insert name of employee here]

[Insert address of employee here]

Dear [insert first name here],

**Re: [Choose one – Verbal Warning; First, Second, First & Final, Second & Final Written Warning]**

Further to the meeting held with you on *[insert date here]* at the *[insert location here*], I confirm that this letter serves as an official *[choose one – verbal warning; first written warning; second written warning; first and final written warning; second and final written warning].*

The reason(s) for the *[insert type of warning here]* is due to your *[choose one - work performance or misconduct].* More specifically, during the meeting we discussed:

* *[detail the specific performance / misconduct that warrants the warning here*

As was discussed, the organisation’s expectations and standards in this regard are as follows:

* *[list all the expectations of the organisation to ensure the employee is fully aware of the areas of concern]*

***Optional -*** *[If there have been previous warnings (either verbal, written, etc) or discussions relating to these matters that have been issued or have taken place in the past, list them in detail here].*

(Organisation name) expects that you will show an immediate and sustained improvement in the areas for which you have been warned. Should this not occur, further disciplinary action may result up to and possibly including the termination of your employment.

You have the right of appeal against this disciplinary action which must be made in writing to (Name) within 7 days.

Yours sincerely,

[Insert name here]

[Insert title of manager here]