PWYLLGOR DIWYLLIANT, POBL A DATBLYGU SEFYDLIADOL
PEOPLE, ORGANISATIONAL DEVELOPMENT & CULTURE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	03 April 2023
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	PADR: How do we manage and raise performance in Hywel Dda – Update February 2023
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Lisa Gostling, Director of Workforce & Organisational Development (OD)
SWYDDOG ADRODD: **REPORTING OFFICER:**	Robert Blake, Head of Culture and Workforce Experience

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

To present the People, Organisational Development and Culture Committee (PODCC) with an update following the PADR report presented to 4 April 2022 PODCC meeting. The previous report outlined continued progression in building a performance led culture in Hywel Dda University Health Board (HDdUHB).

The previously update outlined actions undertaken to nudge a cultural shift in the performance management agenda, moving away from traditional approaches to one aligned to best practice. The lens in which the organisation viewed performance management needed to change from being a leadership led process to an employee led one. This would enable colleagues to take responsibility in gaining valuable feedback on their own performance, behaviours and outline and agree development for subsequent improvement.

It would entail a repositioning from a yearly discussion to more regular meaningful conversations. This would create value in a process that many perceived to be a "tick box exercise" and had disengaged from.

Cefndir / Background

Performance is not quite everything in management, although it is important, given the public and patient expectation of health services. It is essential to have a strong performance ethos across the organisation. There is a strong ethical case for employers to enhance the quality of staff experience for its own sake, however it is performance that provides the main driver of both day-to-day and strategic people management.

There is no definitive definition of performance management and those that exist usually state that it comprises a range of distinct tools and activities. Broadly, performance management is defined as activity that:

√ establishes objectives through which individuals and teams can see their part in the organisation's mission and strategy
√ improves performance among employees, teams and ultimately organisations
√ holds people to account for their performance by linking it to reward, career progression and termination of contracts.

To achieve this, performance management activities focus on performance outcomes, employees' skills, knowledge and behaviour and how they should be developed.

Common practice in performance management has remained broadly stable for two or three decades, whilst the last few years has seen a proliferation of popular articles challenging the perceived wisdom. The broad thrust is that traditional practices – the dreaded annual appraisal – are outdated, if indeed they ever worked. Gallup (1) found that "traditional performance reviews and approaches to feedback are often so bad that they actually make performance worse about one-third of the time."

However, one of the reasons Gallup notes that performance reviews make feedback more ineffective is because it often only comes when it's too late. **Feedback is more effective in the moment.** Critical feedback on a problem way later during a performance review only rehashes the painful details on a likely already resolved issue. In addition, praise offered only during a performance review leaves team members feeling overlooked during the rest of the year, thus the praise feels empty and less meaningful.

Employees need clear objectives and measures to allow reflection and assessment on how they are performing and evaluate where further developments are required. It is imperative that these objectives are reviewed regularly and not just once a year. Goals shift and change rapidly within the organisation and as such reviewing personal priorities and goals need to be fluid. Teams need to be able to adjust to these changes and adapt. A performance led culture creates regular meaningful conversations which offer personal growth, demonstrating an investment and value in that staff member.

Asesiad / Assessment

The Cultural shift

Work began over four years ago to shift the performance management agenda across the organisation to align with best practice. The Culture and Workforce Experience Team (C&WE) continue to evaluate the organisations appraisal process; it was vital to understand colleagues' reactions to PADRs and be influenced by how fair and useful they find them. Where once there was negativity and scorn around the yearly PADR, the team are seeing a swing towards a greater understanding in the benefits of regular 121, supervisions or performance conversations. These provide adult to adult discussions where employees are empowered to measure their contributions and recognise achievements.

A performance led culture provides employees with insights and reflections to acquire the necessary skills and experience to progress, or maintain the standards required of them.

The transformation of performance management from a leadership process to an employee led one has taken patience and perseverance, and many years to fully embed.

Current position

The current situation for Hywel Dda is consistent, with a compliance rate of 60 - 69% over the last 12 months. The ability to maintain the current compliance rate given the challenge faced by workforce is one that must be recognised. The ability to gain feedback to these challenges from regular workshops have outlined two major problems.
1. The need to set adequate time aside for meaningful conversations is one that is proving problematic.
2. Colleagues are struggling to find the correct environment to have meaningful conversations, one that is quiet and safe and encourages engagement.

Org L4	Assignment Count	Reviews Completed	Reviews Completed Feb 23	Reviews Completed July 22	% +/-
100 ASST DIR OPS QUALITY & NURSING DGIA	23	4	17%	30%	-13%
100 CARMARTHENSHIRE COUNTY DBAA	405	270	67%	74%	-7%
100 CEREDIGION COUNTY DCAA	215	108	50%	49%	1%
100 CHIEF EXECS OFFICE DTAA	82	33	40%	35%	5%
100 DIGITAL DXAB	203	140	69%	60%	9%
100 FACILITIES DEAA	1,000	697	70%	72%	-2%
100 FINANCE DXAA	100	59	59%	61%	-2%
100 MEDICAL DAAD	103	67	65%	62%	3%
100 MEDICINES MANAGEMENT DOAA	276	198	72%	68%	4%
100 MENTAL HEALTH & LEARNING DISABILITIES DLAA	1,176	1,024	87%	82%	5%
100 NURSING DVAA	223	109	49%	51%	-2%
100 ONCOLOGY & CANCER SERVICES DAEA	110	55	50%	36%	14%
100 OPERATIONS DIR MANAGEMENT DGAA	297	212	71%	67%	4%
100 PATHOLOGY DMAC	249	141	57%	59%	-2%
100 PEMBROKESHIRE COUNTY DDAA	313	231	74%	71%	3%
100 PERFORMANCE DXAC	8	8	100%	100%	-
100 PLANNED CARE DIAA	1,102	702	64%	51%	13%
100 PRIMARY CARE DKAA	170	87	51%	52%	-1%
100 PRIMARY CARE MANAGEMENT DJAA	90	62	69%	55%	14%
100 PUBLIC HEALTH DYAA	451	254	56%	35%	21%
100 RADIOLOGY DMAB	262	160	61%	40%	21%
100 STRATEGIC PLANNING DFBA	32	18	56%	41%	15%
100 THERAPIES DAIA	691	514	74%	71%	3%
100 UNSCHEDULED CARE BRONGLAIS DMBA	350	214	61%	55%	6%
100 UNSCHEDULED CARE GLANGWILI DMCA	718	464	65%	51%	14%
100 UNSCHEDULED CARE PRINCE PHILIP DMDA	518	421	81%	77%	4%
100 UNSCHEDULED CARE WITHYBUSH DMEA	547	422	77%	66%	11%
100 WOMEN & CHILDREN DACA	688	473	69%	59%	10%
100 WORKFORCE & ORGANISATIONAL DEVELOPMENT DWAA	299	267	89%	90%	-1%
Grand Total	**10,701**	**7,414**	**69%**	**63%**	6%

The above graph outlines how the organisation has performed over the last six months. The figures do not include medics who have a different performance route. The organisation has seen increases in 21 directorates, which equates to an additional **736** colleagues having a performance appraisal over this time.

These appraisals have taken place in many service areas with significant rises in compliance rates for Planned Care, Oncology, Public Health, Radiology and Strategic Planning. It is pleasing to note that Performance, Workforce and OD and Mental Health and Learning Disabilities are achieving the Welsh Government target of 85%

The overall compliance has risen by 6% showing slow steady progress, yet there is still significant work to continue in driving the agenda to gain consistency across the organisation.

Staff Group	Assignment Count	Reviews Completed	Reviews Completed Feb 23	Reviews Completed Jan 22	% +/-
Add Prof Scientific and Technic	396	276	70%	64%	6%
Additional Clinical Services	2,549	1,846	72%	67%	5%
Administrative and Clerical	2,385	1,572	66%	60%	6%
Allied Health Professionals	783	560	72%	62%	10%
Estates and Ancillary	1,003	700	70%	71%	-1%
Healthcare Scientists	196	134	68%	64%	4%
Nursing and Midwifery Registered	3,389	2,326	69%	61%	8%
Grand Total	10,701	7,414	69%	64%	5%

The picture across staffing groups for the last 12 months shows increases across the organisation except in one, Estates and whilst only dropping a percentage, still has the highest average across the organisation.

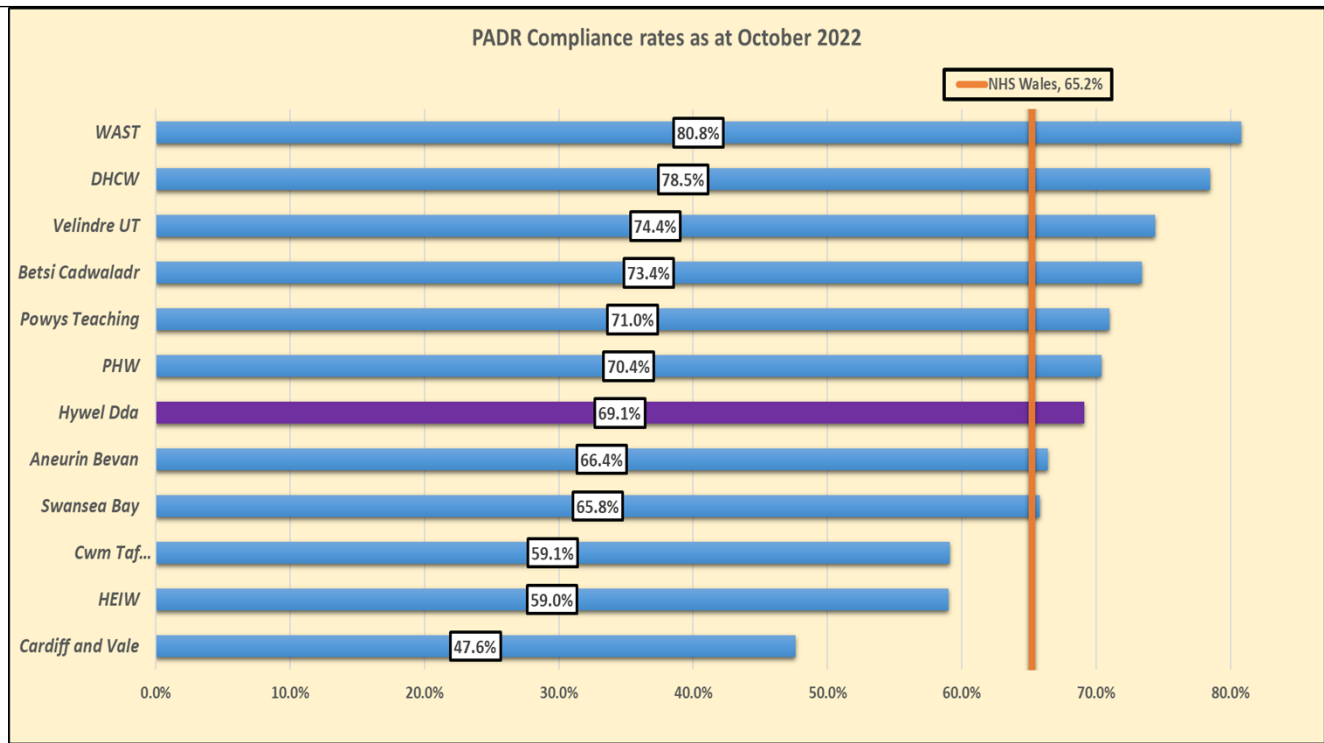## PADR compliance for protected characteristics

Breaking down PADR compliance rates by ethnicity, disability and gender demonstrates some variance. PADR rates for ethnic colleagues are continuing to be higher than the average for white colleagues. Those colleagues classed as disabled also show a higher compliance than those non-disabled. The rates for genders across the organisation show very little variance between men and women across Hywel Dda.

PADR Status by Disability

PADR Status by Gender
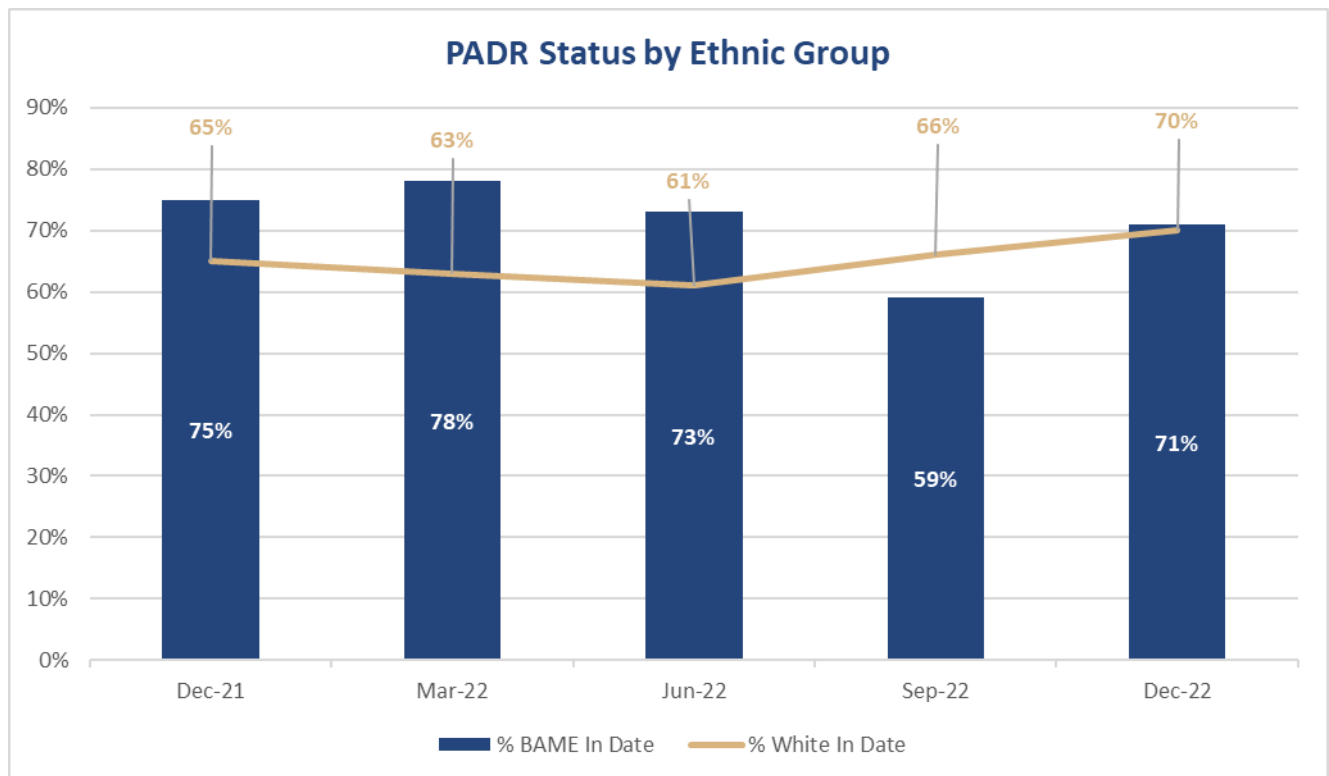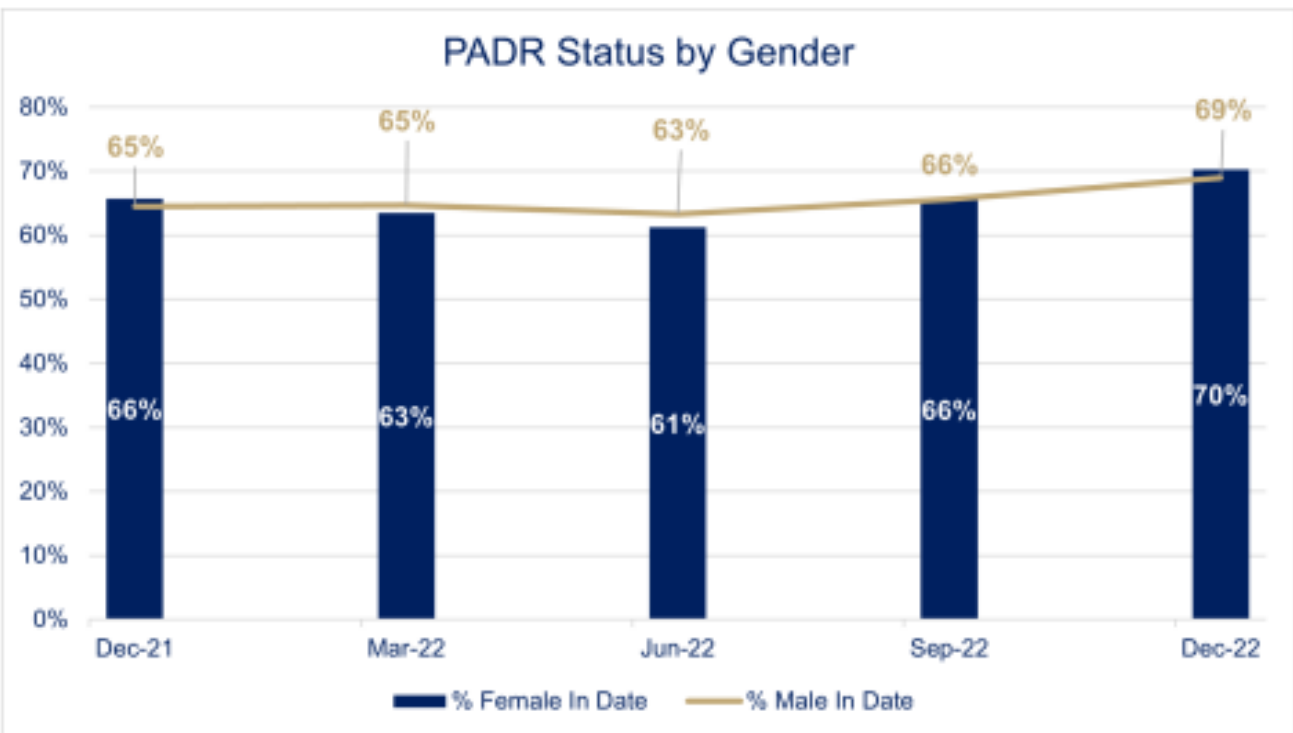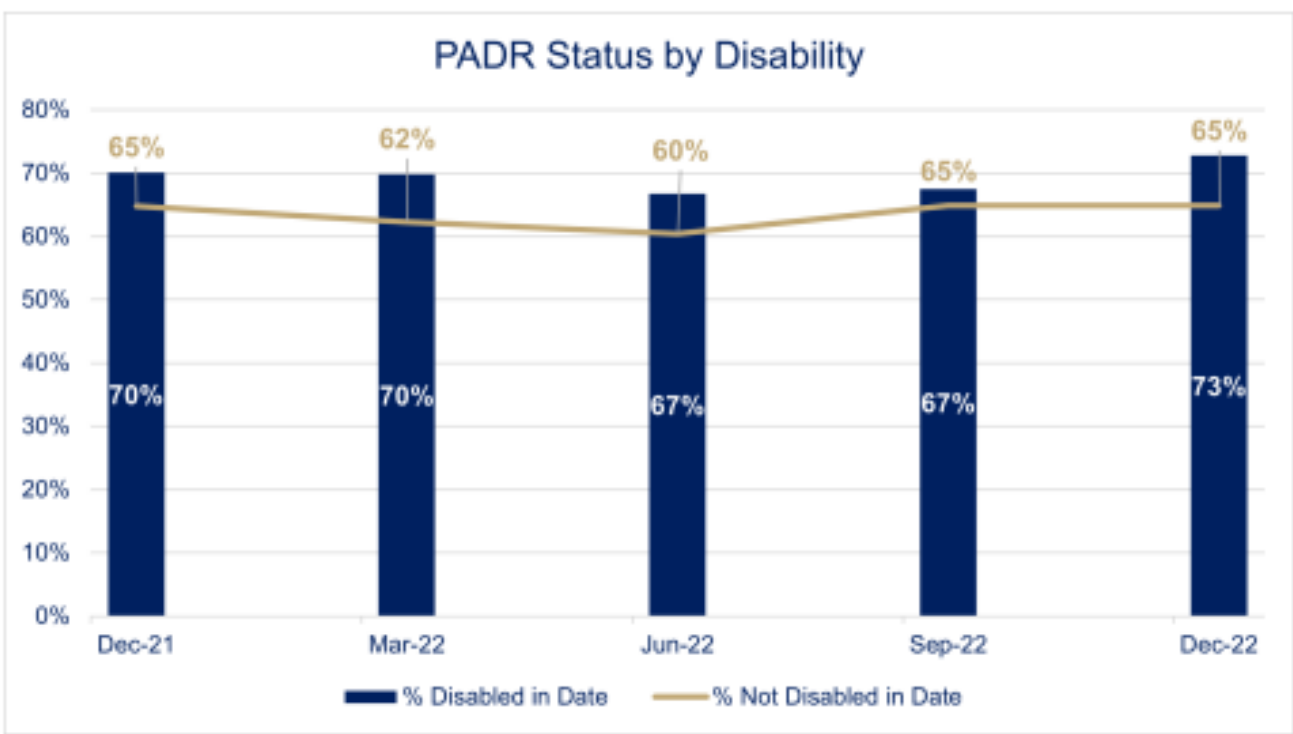
All Wales benchmarking

The latest benchmarking figures across NHS Wales were obtained October 2022, and now include Digital Health and Care Wales (DHCW) and Health, Education and Improvement Wales (HEIW). The graph below shows HDdUHB as the second highest performer compared to other Welsh Health Boards.

PADR Compliance rates as at October 2022

NHS Wales, 65.2%

Organisation	Rate
WAST	80.8%
DHCW	78.5%
Velindre UT	74.4%
Betsi Cadwaladr	73.4%
Powys Teaching	71.0%
PHW	70.4%
Hywel Dda	69.1%
Aneurin Bevan	66.4%
Swansea Bay	65.8%
Cwm Taf…	59.1%
HEIW	59.0%
Cardiff and Vale	47.6%

Education and development

The C&WE team are continuing to facilitate highly commended weekly performance management workshops. These workshops/webinars have been opened so that all staff can attend, not just leaders tasked with raising compliance rates.

In 2022 there has been an increase of **79%** in attendance. This achievement over a time where staff battled a worldwide pandemic, amongst other challenges must be recognised and celebrated.

Time frame	Workshops	Attendance	Average attendance rate
Jan 21 – Dec 21	30	363	21.2 employees
Jan 22 – Dec 22	46	651	14.1 employees
Jan 23 – present	7	68	9.7 employees

This increase demonstrates a greater engagement from the workforce around this agenda and supports the shift in the focus of the process being employee led.

The target the team set for themselves was for **1000+** staff to obtain this development by the end of 2022, its pleasing to note that this was achieved in November 2022. The team will continue to stretch their target for colleagues to attend the workshop by the end of 2023. Feedback obtained by the team continues to suggest that this development is greatly influencing cultural shifts in the agenda.

"The session was really good; in that it changed my opinion of PADR's. I've been in the health board for a while now and only saw them as a waste of my time, but that's because the purpose has never been really explained"

"I would say one of the best training sessions I have ever attended (and I have been in the Health Board a very long time) interesting and very motivational"

"Excellent positive training experience and inspirational in guiding the ethos to support a change culture to a more open and person centred development experience and to get the best for staff, service and patients"

"I think this course should be mandatory for all employees and with an annual or bi-annual refresher to encourage culture change and help people feel valued as employees and as a valued member of the team within which they work"

"*I came onto this session expecting to be told how to do PADR'S, but it has totally changed my perception of seeing them as a tick box event. It has really encouraged me to think about these regular meaningful conversations and to build relationships within the team and how this can have a positive impact on staff performance. I understand now that the PADR is just a small portion of the whole process. Very enlightening and positive to move forward with"*

There is an in-depth communication strategy implemented for these workshops. The dates are continuing to be circulated through usual methods, Global e-mails, Electronic Service Records (ESR) banners, dedicated messages through the HAPI app. It has been apparent that the word of mouth has brought much engagement for the workshops. Many staff sign up due to colleagues recommending the development obtained through these three hour sessions.

Performance Management Policy
The newly disrupted Performance Management Policy for HDdUHB was agreed by PODCC and implemented in October 2022. The policy has been redrafted and supports this philosophy of regular performance conversations and being employee led. The policy will further establish the cultural norm of how we measure and feedback on performance across the organisation, bringing some consistency of approach.

Board Outcome Survey
How do we measure the quality of performance conversations was one the team have pondered? The team have tried to complete quarterly site visits which were quickly identified as ineffective through staff being unavailable or lack of engagement. The team wanted a quick measure to reflect if conversations that are taking place are meaningful for both appraiser and appraisee.

The Board Outcome Survey (BOS) implemented December 2021 provides a small range of questions. These questions measure staff engagement and are based on work of Michael West and align to previous National Staff Surveys. The survey is completed by a 1/12th of the organisation every month, providing every member of staff an opportunity to complete the survey every year. The BOS provides HDdUHB with a frequent temperature check of how engaged the workforce are. This survey also provides the perfect opportunity of asking a simple question to measure impact and quality of a PADR conversation.

"I have had a PADR in the last 12 months that has supported my development and provided me with clear objectives aligned to team and organisation goals"

Strongly Agreed or Agreed (%)
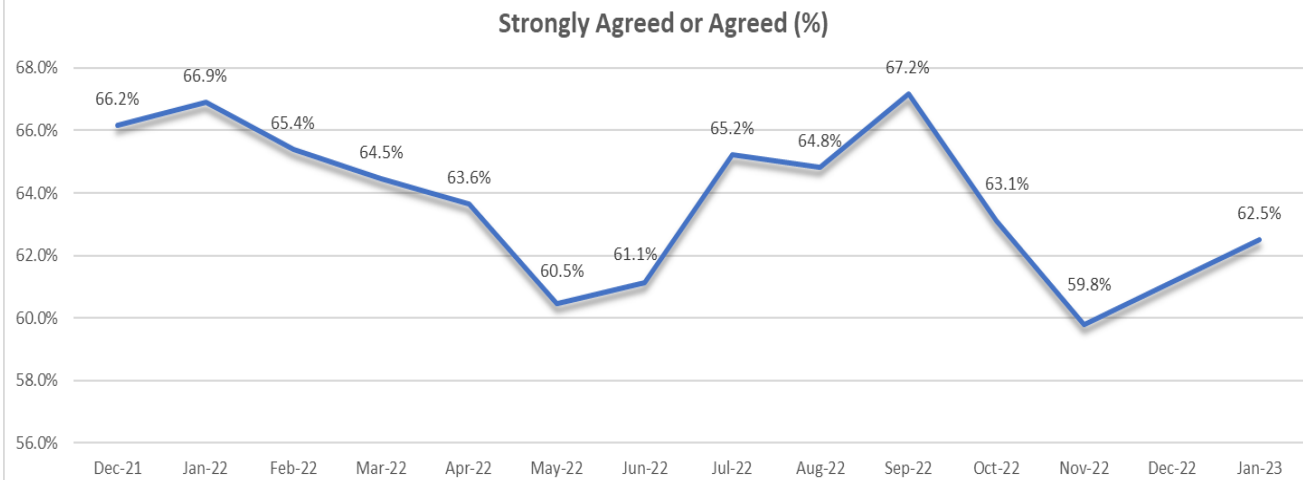
This shows a configuration between HDdUHB's compliance rates and the quality of the discussions. Staff are confirming that they find these conversations supportive and providing clear objectives. The slight decline from October and November 2022 could be because of managers completing reviews ineffectively due to time pressures. It is encouraging that the organisation is already seeing a sharp incline, but to reiterate this is just a temperature check and deeper analysis would be required if this a downward trend continued.

The ability to measure the quality of individuals PADR is one the organisation has historically struggled to attain. This simple question does provide some assurance that meaningful conversations are consistently taking place.

Pay Progression Policy

October 2022 has seen the introduction of the All Wales Pay Progression Policy. The work around this policy has seen a similar approach being adopted to performance management. HDdUHB has taken a position that employees are empowered to initiate their own performance management conversation with leaders

There has been a wide array of supporting documentation which align to the philosophy taken. ESR provides employees a simple reminder of an employee's next pay progression date. There is also a wide array of communications alerting leaders to the need of completing these meetings and ensuring that the relevant steps have been completed. The performance management workshop/ webinar has added in elements of the pay progression process to educate attendees on the process.

The integrity of implementing pay progression within the organisation requires robust performance management. The question will be asked how could any leader make an informed decision to allow or refuse an employee through a pay progression point with only one meeting to discuss performance?

If the organisation allows pay progression to become a tick box exercise, it creates a huge dilemma. The process would not add any value to the progression of performance management, and it would be a wasted opportunity. It is widely recognised that pay progression completed effectively offers a vital component to the organisational performance management agenda, that of reward.

Nudging the Cultural Change

The momentum continues to gather in how HDdUHB manages performance. Continued research and evaluating across NHS and other sectors around this agenda remains a key component to embed a performance led culture. The PADR documentation is continuing to advance through recommendations from staff using them day to day. The C&WE team actively seeking feedback on what works and where improvements are needed, implementing those that support direction of travel.

Performance Management Workshop
The team will continue to promote and deliver the performance management workshop/webinar on a weekly basis for all staff to attend. This education will continue to embed the performance led culture across the organisation. The C&WE team are in the process of implementing a new communication strategy to boost engagement. This includes targeting different demographics with media that is relevant to them (e.g. using GIFs on the staff Facebook page and physical posters in site areas) This will look to stimulate curiosity and build engagement around performance conversations and highlight benefits.

Bespoke Advice/Support
The C&WE team will continue to offer individual support/advice when requested, which often happens after staff have attended the workshops. The team will look to analyse monthly PADR statistics and facilitate targeted support for those services with low PADR compliance rates. The team will instigate conversations and utilise Organisational Development Relationships Managers (ODRM) to support deep dives into the quality of conversations, providing real time support and advice to improve.

The ODRM's will also continue to enforce messages around performance management. The consistent messaging around why it is important and highlighting the benefits for the individual , leader and organisational, will be reiterated at local levels.

ESR PADR Form
A meeting took place in April 2022 with the Welsh ESR team to reproduce the paper PADR form within the ESR system. This form is the one universally used across the organisation and has the organisational values embedded, as part of it. Hywel Dda have volunteered to pilot the new development, and will need collaboration with ESR teams nationally, locally and the HDdUHB's Digital Team to develop and implement the virtual form.

It is believed that slowly removing a need for a paper version of the form will support the validation of compliance rates and make completion easier. The form will be effortlessly accessible and be reproduced the same as the hard version, which will not diminish engagement.

The Digital Team have now successfully duplicated the paper PADR into a digital ESR form. A recent review has provided some queries around pre population of certain fields on the form, and its flexibility for the approach the organisation has taken. This document needs to be one that is live and can be altered and added to throughout a year, early indications show this to be an issue. A meeting took place in March 2023 with the England ESR Team to learn from their introduction of this development and discuss these requirements. The form is not live so once agreed its in a fixed format which doesn't allow either party to amend or add any further information. Cardiff have installed this ESR form, and we are in discussions with them on the pros and cons before we decide on whether to roll it out.

Training Needs Analysis

The organisation has struggled historically in identifying training needs across the organisation. Any Training Needs Analysis (TNA) has been hit and miss and ineffective in providing added value through the education and learning we offer our workforce. The ability to draw down training requests from PADRs would support a wider approach TNA. The ability to recognise both formal and informal requests would help shape the organisations Learning and Development strategy.

The training needs are part of the ongoing conversations that we request take place through regular performance conversations The ability to identify these and add them to the virtual PADR form that is housed on ESR will provide the organisation access to the information, like never before. The information then can be collated and analysed to develop a far more robust TNA for the organisation.

SharePoint Page

A dedicated SharePoint page has been designed and implemented it houses all documentation plus testimonials from staff and leaders around this agenda. The SharePoint page sits on the staff intranet and will provide easy access to performance related resources. It is anticipated that this will support the embedding of a performance led culture. The page will be reviewed periodically to add new content to support engagement and education.

Organisational Benefits

An effective performance management process also offers many opportunities to support individual wellbeing. Regular performance conversations mean leaders stay connected with colleagues, especially with an increase in remote working. This time can also support wellbeing subjects such as presenteeism, how long term issues are being managed or if the employee has been displaying any worrying behaviours.

It must be also recognised that an organisations reputation is enhanced when its workforce is supported through their life cycle. Effective performance management is a key component in building employee engagement. Disassociation from the organisation leads to high turnover rates, decreased productivity, fraught employee satisfaction and reduces the quality of patient care. In turn, employees who feel strongly connected to an organisation through ongoing performance conversations tend to be more engaged.
Some benefits of higher employee engagement include:

- Stronger Communication
- Greater Development and growth
- Higher employee recognition and appreciation
- Improves employee trust
- Builds psychological safety
- Greater innovation

These benefits underpin many of the strategic elements that the Workforce and OD directorate are working towards and want to achieve.

Argymhelliad / Recommendation
The Committee is asked to:

- **NOTE** the continued direction of travel
- **RECEIVE ASSURANCE** from the cultural shift and progress.
- **NOTE** that the work to fully embed a performance led culture will be maintained and built upon.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	2.3 To provide assurance to the Board on the organisation's ability to create and manage strong, high performance, organisational culture arrangements
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	6.3 Listening and Learning from Feedback 7.1 Workforce
Amcanion Strategol y BIP: UHB Strategic Objectives:	2. Living and working well.
Amcanion Cynllunio Planning Objectives	2H Supporting talent, succession planning and leadership development 2K Organisational listening, learning and cultural humility 3A Improving Together 2L Staff engagement strategic plan
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report	2. Develop a skilled and flexible workforce to meet the changing needs of the modern NHS

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Ongoing staff experience and thematic analysis 1. More Harm Than Good: The Truth About Performance Reviews (gallup.com)
Rhestr Termau: Glossary of Terms:	Not applicable
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Diwylliant, Pobl a Datblygu Sefydliadol: Parties / Committees consulted prior to People, Organisational Development & Culture Committee:	Not applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Not applicable
Ansawdd / Gofal Claf: Quality / Patient Care:	Not applicable
Gweithlu: Workforce:	Potential positive impact on staff morale and future engagement opportunities
Risg: Risk:	Not applicable
Cyfreithiol: Legal:	Not applicable
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable