

DWP briefing



Public and
Commercial
Services Union

Department for Work & Pensions Group

To: All Members and GEC

04 April 2016
DWP/MB/14/16

Dispute unfair 'Must improve' ratings

Performance ratings must not be changed or forced simply to fit the distribution guide

Balanced consideration of performance

Your end-of-year rating must always be based on a balanced consideration of your personal performance over the reporting period. DWP People Performance Procedure supports performance improvement but this cannot be achieved by misuse of 'Must improve' ratings. **The 'Achieved' rating encompasses the widest span of performance** and may include performance that is *verging on needing improvement or exceeding in some areas or is generally satisfactory* (Procedure 9.6).

Guided distribution and Myths Busted

On 18 March 2016 DWP published a message on Headline News, telling everyone to *Get ready for end-of-year reviews*, which included a reminder that 'guided distribution' must not be misused. This message states:

Distribution of box markings is guided, not forced. No-one should have their rating changed simply to meet the guided distribution. The purpose is to encourage fair, realistic differentiation between bottom, middle and top performers. [Myths busted](#) provides further guidance for managers.

DWP Myths busted is official DWP guidance. A copy of Myths One to Six is attached as Appendix One to this PCS Briefing for your information. People Performance *Myths busted* helps to clarify key principles for the local application of the People Performance end-of year rating process.

Ratings must meet equality standards

Newness to the role, Disability, Part-time Working are examples of circumstances which may legitimately influence the level at which objectives should be set and failure to do so may result in an unfair end-of-year rating. Where there has been a failure to make adjustments for such circumstances the end of year rating may need to be adjusted to ensure that the rating *is fair and reasonable*. DWP provides guidance in the guide for '*How to: Set Performance Expectations Consistently at the Start of the Year*'. People Performance Advice Q28 (*Can a work objective be agreed retrospectively?*) also confirms that *a manager cannot unilaterally set a retrospective work objective but it is possible to do so in agreement with the employee*.

TDA and newness to the role

People Performance Procedure – Annex 5 Special Circumstances, Section 5, has been improved to support equality. A new final sentence has been added to the third paragraph: *Such employees must not be disadvantaged because of newness to the role or temporary promotion status*.

Must improve ratings must be justified

The terms for the *Must Improve* rating under People Performance Procedure 9.7 are:

9.7 The Must Improve rating includes employees whose performance requires improvement and those employees who are being managed under formal unsatisfactory performance procedures. This rating may also be appropriate for others whose performance has required improvement during the reporting period, where this is a proportionate response. Mid-year and end-of-year ratings will always be based on a balanced consideration of the employee's personal performance over the entire period and decisions must be transparent, fair and reasonable.

Must improve ratings must be proportionate

The use of the *Must Improve* rating as a '*proportionate response*' means that the rating is not predetermined where improvement has been informally required during the reporting period. It should not be an unfair, disproportionate response to a relatively minor or isolated issue or given for petty/trivial issues.

Managers must not apply quotas

DWP People Performance has a procedural requirement that ratings must be consistent with *known performance expectations* (Procedure 12.1). DWP procedures for rating performance do not require managers to meet the guided distribution ranges but do insist that ***ratings will not be changed or forced simply to fit the distribution (Procedure 9.3)***. Managers must not co-operate with any local misuse of the *guided distribution* as 'box mark quotas'. Managers must comply with DWP policy not to do so.

Dispute unfair ratings

It is best practice to try to resolve disagreements informally but you have a right to raise a formal grievance and appeal under the normal Grievance and Appeal Procedures should you want to challenge any unacceptable decision. People Performance Procedure 13.2 confirms the grievance process:

13.2. Employees are expected wherever possible to progress their issue using Employee Action or Manager Action in the Grievance procedures. Managers are required to engage constructively with employees to ensure the Employee Action and Manager Action procedures are meaningful and effective. Should the issue remain unresolved and, upon further reflection, the employee believes it is reasonable to do so, employees may have their grievance dealt with under the Management Investigation procedure

Timescale for raising a formal grievance

A complaint for investigation under the formal process of *Management Investigation* should be raised within 30 working days of the disputed decision. Where informal action, using *Employee Action* or *Manager Action*, does not resolve the issue care should be taken to put a formal complaint within 30 working days of the date of the original decision.

PCS support and representation

You have a right to a grievance and appeal hearing and the right to be accompanied by a PCS Representative. Contact your local PCS Representative for advice, support and representation.

David Burke
Group Assistant Secretary

Appendix One – Myths busted - Key principles for end-of-year ratings

People Performance *Myths busted* helps to clarify key principles for the local application of the People Performance end-of year rating process. *Myths busted* is official DWP guidance published under Tools on the DWP People Performance Intranet site:

Myth One: The distribution of 25% in Exceeded, 65% in Achieved and 10% in Must Improve must always be met

Truth: The distribution is a guide to support standards setting, not a quota for 'forcing' ratings. Managers award performance ratings based solely upon achievement of objectives (the 'What') and demonstration of required behaviours (the 'How') evaluated against the agreed performance standards. Nobody should have their rating changed simply to meet the guided distribution.

Myth Two: Employees are put into peer groups so that their performance can be assessed against their colleagues, rather than against performance standards.

Truth: No. The purpose of a peer group is to enable managers to set standards and assess performance consistently for a group of employees doing similar work – i.e. to avoid two people receiving different ratings for similar performance levels. People are always assessed on the achievement of work objectives and demonstration of behaviours, as set out in the performance standards, and not relative to their peers.

Myth Three: If you got Must Improve at mid year, you must get it at end of year too because you were in Must Improve at some point in the year.

Truth: Not true - performance must be considered over the whole year, so an employee rated as Must Improve after the first 6 months would only get Must Improve at the end of the year if their performance over the full 12 months warranted it. One of the reasons for having a mid year indicative marking is to identify what action is needed to improve or maintain the rating at the end of the year.

Myth Four: Everyone starts the year in Must Improve and must work hard to show they don't deserve it.

Truth: This is not the case. A performance rating is not assumed at the start of the year. Performance is measured against both 'What' is achieved and 'How' it is achieved. Continuous improvement is achieved by raising the level of the objectives/behavioural standards to ensure everyone continues to be stretched.

Myth Five: You have to be above average to get 'Achieved' – meeting your objectives is no longer good enough

Truth: It is true that People Performance is looking to produce year on year improvements, so this year's performance expectations could be more stretching than last year's. However, performance is still measured against known performance standards. Meeting your objectives and demonstrating satisfactory behaviours will be enough to earn at least an Achieved marking.

Myth Six: You have to have done work expected from a higher grade to get Exceeded.

Truth: Performing to the standards of a higher grade is not a requirement to be awarded Exceeded, although some people in that category may be doing so. The criteria for Exceeded in the guidance is consistently exceeding the objectives and behaviours expected for your role.