

Balanced Scorecard Reviews- LTU Advice

Each year at this time the Union receives a large number of requests from members for advice and guidance on end of year Balanced Scorecard reviews. This year's reviews should be carried out by the beginning of January and the key issues to remember are

- **The link between pay and performance is important so be sure to make your views absolutely clear.**
- **If you disagree with your end of year rating then you must challenge it at the earliest possible stage because otherwise it may be too late to contest the assessment at a later stage.**

Although there will always be cases where a higher rating was hoped for, which is only natural, provided the Balanced Scorecard system is followed correctly no one should receive an end of year rating which surprises them. Staff who were rated as 'Exceeded Expectations' or 'Met Expectations' at the Interim Review should have been made aware what was required of them to at least maintain that standard. It is unacceptable for them to be suddenly told that their performance had deteriorated to a lower rating.

More importantly, given the impact it can have

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on pay awards, staff who were rated as 'Partially Met Expectations' should have been aware of what was required to bring their performance up to the required standard in order to get a 'Met Expectations' rating at the year end.

We have already started to receive calls from members who were told in June/July that they were on track to receive a rating of at least a 'Met Expectations' to be then told a few months later that they are being rated 'Partially Met'. To say that's a surprise to the individuals concerned is an understatement and, of course, that rating could make the difference between no pay rise and a market movement increase.

With the likely impact on pay awards to come in 2008, any members who received lower ratings than they expected should contact LTU's 24 Hour Advice line for independent, professional help and guidance.

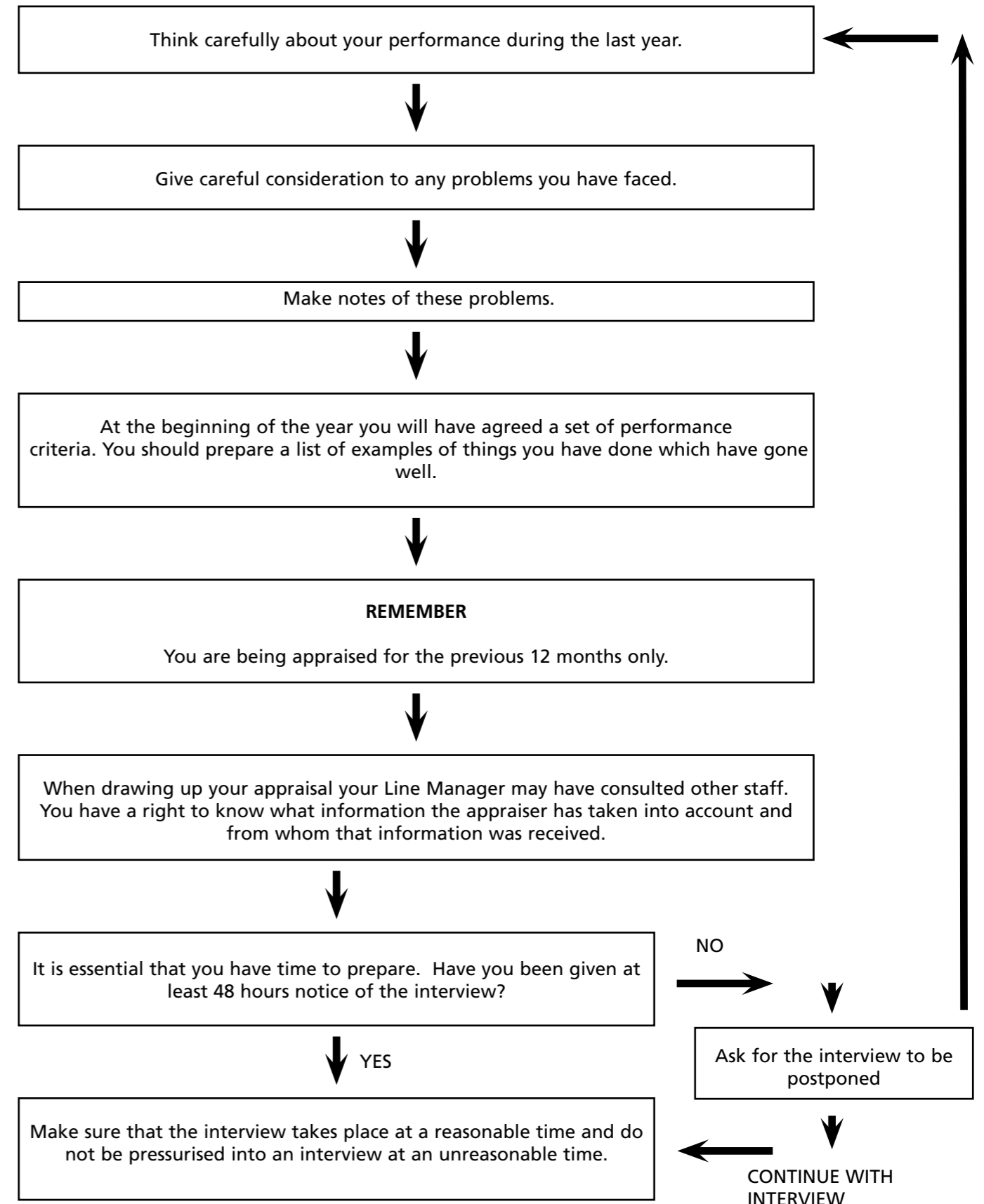
Preparing For Your Review

It is important that members prepare fully for their Balanced Scorecard Review.

In preparation for your review you should:

- 1 Think through carefully your performance during the period, assessing your strengths and identifying any weaknesses.
- 2 Give very careful consideration to any problems you have faced over the last 12 months in carrying out your job, for example, too heavy a workload, lack of training, frequent changes of job, lack of managerial guidance etc. Make notes of these factors.
- 3 Ensure you review your Balanced Scorecard before the meeting. If your Line Manager has completed any of the forms before the meeting make sure that you have read any points on your performance carefully. If there are any adverse comments check that examples have been given to substantiate those comments.
- 4 Remember the period for which you are being appraised is the previous 12 months. All too often recent events tend to cloud the judgement of Line Managers and they get current problems out of perspective or overlook previous good performance. Performance in previous periods should not be taken into account.
- 5 Bear in mind that in forming a view of your performance over the last 12 months your Line Manager may have consulted other staff. You have a right to know what information your Line Manager has taken into account and from whom that information was received.
- 6 Ensure that you get at least 48 hours notice of the interview. If this is not given consider asking for the interview to be postponed to a more suitable time. It is important that you have enough time to prepare for the review meeting.
- 7 Make sure that the interview takes place at a reasonable time and do not be pressurised into an interview at an unreasonable time, for example, at 4.30pm on a Friday evening.

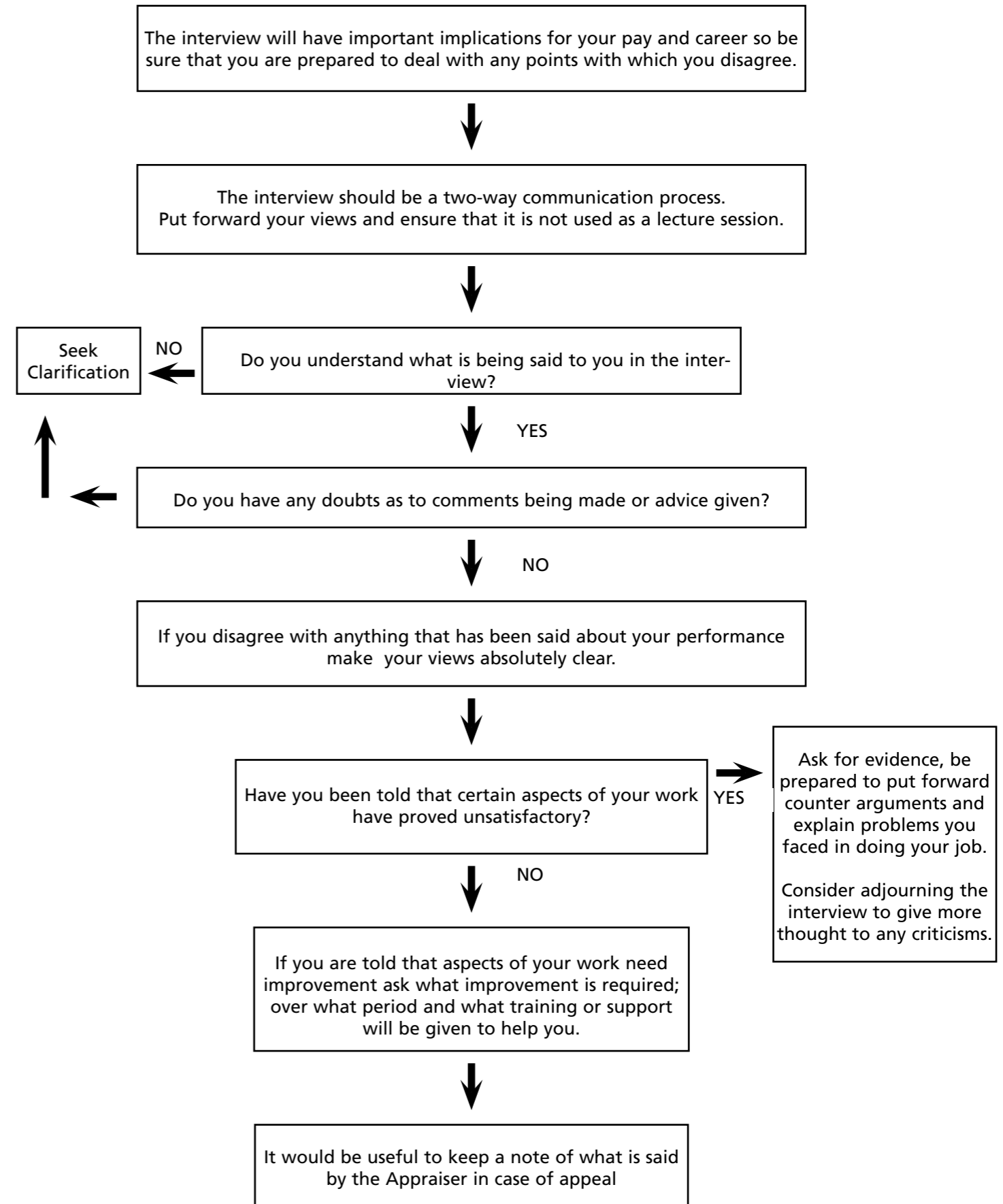
HOW TO PREPARE FOR YOUR REVIEW



The Interview Itself

- 1 The interview will have important implications for your pay and career prospects. It is essential, therefore, that you are prepared to deal with any points with which you disagree.
- 2 If you have prepared any preparation notes we recommend that you do not hand them over to your Line Manager. Appraisers have been known to use some of the comments out of context as 'evidence' to substantiate their own critical comments.
- 3 Remember the Bank say that appraisal should be a process of two-way communication. Ensure that you participate in a discussion: put forward your views and ensure that the review meeting is not used as a lecture session.
- 4 Ensure that you understand what is being said to you and if you are in any doubt as to comments being made or advice being given then seek clarification. If you disagree with anything that has been said about your performance make your views absolutely clear.
- 5 If you are told that certain aspects of your work have proved unsatisfactory ask for evidence and be prepared to put counter arguments and explain problems you faced in doing your job during the previous 12 months. Insist that these are taken into account. If necessary ask to take away and consider the points put to you before resuming the interview.
- 6 If you are told that aspects of your work need improvements ask what improvements are required, over what period and what training or support will be given to help you.
- 7 It may be useful to keep a note of what you say at the review meeting and what is said by your Line Manager. This could be important if you decide to appeal against your appraisal.
- 8 If any of your Line Manager's comments during the course of the review meeting come as a surprise to you be prepared to ask why these were not raised in earlier meetings.

THE INTERVIEW ITSELF



Forced Distribution?

There have been suggestions that at least some parts of the Bank are adopting a forced distribution of appraisal ratings whereby managers are required to rate predetermined proportions of their staff as falling into the individual performance categories irrespective of their actual performance.

While the Bank has denied that there is any policy to force ratings to fit a particular model, that message does not seem to have got through further down the line. All members are entitled to have their year's contributions assessed individually against the objectives set out in their individual Balanced Scorecards. This should look at whole job performance and not just sales results or other outputs. Ratings should then be applied in relation to that assessment and not against any predetermined distribution.

Any members who feel that they have been rated unfairly should first ask their managers for a full explanation of the reasoning behind their ratings and question any reductions in ratings that were not discussed fully in the period between the interim review and the final appraisal.

Members should contact LTU if they believe that the appraisal process has not been followed correctly and especially if:

- **their ratings are lower than they expected as a result of their interim reviews or if insufficient or incorrect justification for a rating has been provided**
- **they are being marked down due to just one aspect of their Scorecards – especially if they have exceeded expectations in other areas**
- **they feel that their ratings have been reduced to enable their managers to meet any suggested ratings distribution.**

Members can contact one of LTU's independent professional full time officials either by calling our 24 Hour Advice Line on 01234 262868 or by email at 24hours@ltu.co.uk.

Rating / Definition

Rating	Definition
Outstanding	<p>Evidence of outstanding performance against key balanced scorecard objectives and exceeds expectation in others.</p> <p>Has delivered outstanding contribution in areas beyond objectives identified in scorecard.</p> <p>Performance clearly stands out amongst peer group across the business unit, not just within their local team.</p> <p>People in this category achieve outstanding results by consistently demonstrating key competencies, capabilities and behaviours required for the role, and are viewed as role models by their peers.</p>
Exceeded Expectations	<p>Evidence of performance that clearly exceeds expectations in key aspects of balanced scorecard and meets expectations in others.</p> <p>Consistently delivers beyond the overall requirement of the BSC objectives.</p> <p>People in this category exceed overall expectations by consistently demonstrating significant skill in key competencies, capabilities and behaviours required for their role.</p>
Met Expectations	<p>Evidence of performance that meets objectives in key aspects of their balanced scorecard. Performance is relative to peers.</p> <p>People in this category have not only delivered expected results but have also achieved them by demonstrating appropriate competencies, capabilities and behaviours.</p>
Partially Met Expectations	<p>Overall performance has partially met expectations in key aspects of the balanced scorecard, whilst meeting expectations in other areas.</p> <p>People in this category seek to achieve results demonstrating the right competencies, capabilities and behaviours but may have development needs in this area.</p> <p>Individuals in this category would in most cases have a coaching plan in place to support performance recovery to expected standards.</p>
Not Met Expectations	<p>Evidence of performance considerably below expectations, key aspects of the balanced scorecard not achieved.</p> <p>Performance is not in line with that of their peers.</p> <p>People in this category do not meet standards expected in relation to competencies, capabilities and behaviours. Line managers will generally have concerns about an individuals commitment and approach to their work.</p> <p>Individuals in this category would in most cases be managed within the Performance Improvement policy.</p>

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