

# PERFORMANCE MANAGEMENT STRATEGY

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**South Essex Homes – Keeping you informed**  
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## **SOUTH ESSEX HOMES: PERFORMANCE MANAGEMENT STRATEGY**

This strategy sets out how South Essex Homes goes about managing its performance, both in the context of individuals and services and how this contributes to the Company's goals. It links with a number of other strategies that contribute to the effective delivery of services but does not contain detailed information that is available elsewhere – instead it acts as a signpost to those strategies/documents.

This review of the Performance Management Strategy will underpin our efforts to continue as a high performing organisation, making improvements where we can. Performance Management is about generating the best possible outcomes for all our service users and customers. All staff have key roles in ensuring that the Company uses the performance management processes to provide our Residents and other stakeholders with high levels of service and value for money.

This strategy document explains what is meant by Performance Management, where, when and how it is applied, and what everyone has to do to make it work effectively.

## CONTENT

1.	PERFORMANCE MANAGEMENT OVERVIEW & APPROACH	4
2.	SETTING TARGETS	7
3.	PERFORMANCE	8
4.	MONITORING PERFORMANCE	10
5.	ROLES AND RESPONSIBILITIES	10
6.	EQUALITY AND DIVERSITY IMPACT	11
7.	SUMMARY ACTION PLAN	12

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# 1. PERFORMANCE MANAGEMENT OVERVIEW & APPROACH

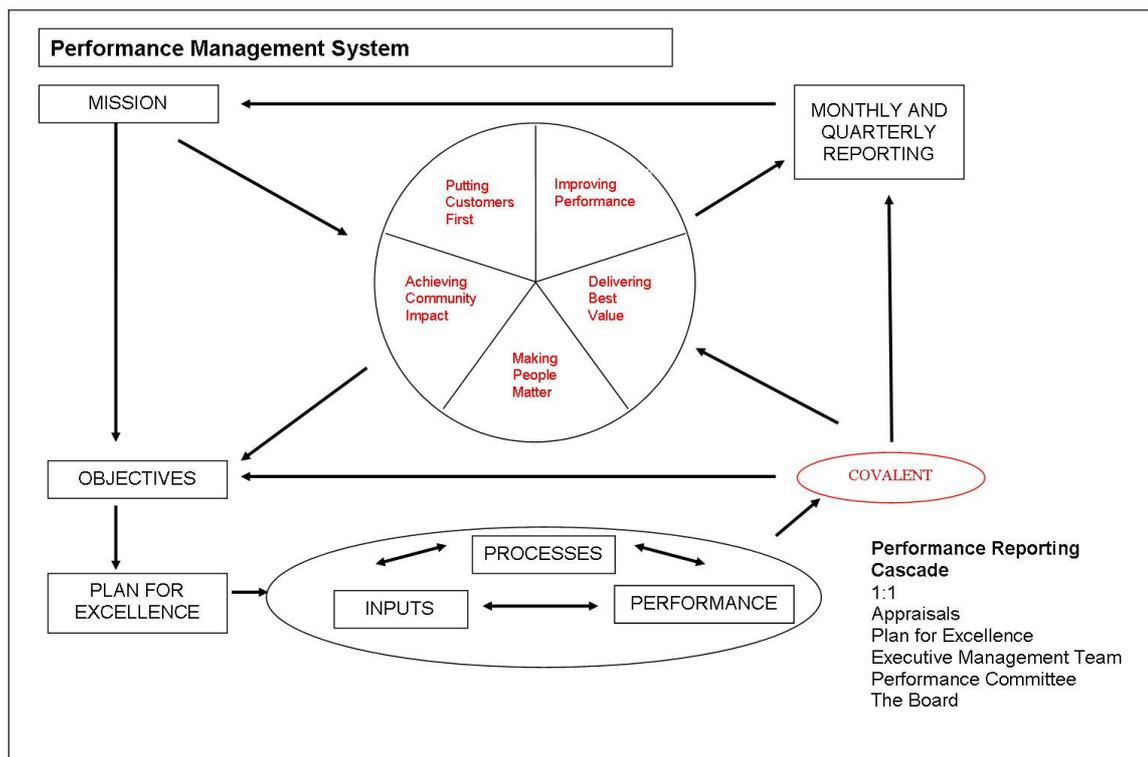
## 1.1 What the term 'Performance Management' means

Performance Management is about both the systems and culture that turn ambition into delivery, and this consists of a number of steps:-

- Having the right ambitions and the right targets (what we want to do/achieve)
- Having the right processes, people and skills in place to assure our delivery of them (how we intend to do it)
- Setting the right measurements (how well we are doing)
- Defining the right way forward (what we should do next)

Our Performance Management model below defines how the multiple aspects of performance management are linked and integrated.

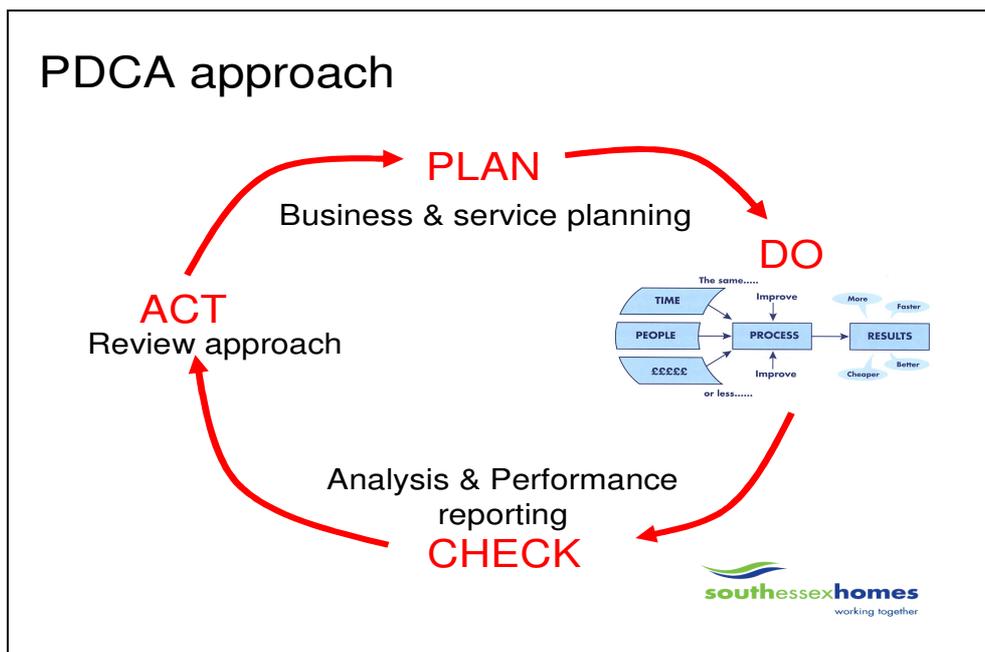
## SOUTH ESSEX HOMES' APPROACH TO PERFORMANCE MANAGEMENT



The Company's Performance Management System essentially consists of three aspects: the service planning, service delivery, and performance reporting systems. Simply expressed, this means plan what you intend to do; do what you said you were going to do; and report what you've done or achieved, clearly articulating why the results are at the level they are.

There is a close relationship between the Company Mission Statement, the Plan for Excellence and the various service action plans. The service plans feed into the service delivery system and should clearly indicate how the service delivery components will work – the inter-relationship between the inputs (resources); how these are utilised (processes); and what is achieved from this relationship (results). The final part of the system relates to how the performance is reported – both within the Company and to the wider community. The consistency of the data, the quality of the analysis and the clarity of the reports are all crucial.

The Performance Management System operates within a "typical" PDCA (Plan, Do, Check, Act) framework.



- PLAN:** Based on current performance, prioritise what needs to be done, identify actions that need to be taken and plan for improvement
- DO:** Make sure that the proper systems and processes are in place to support improvement, take appropriate actions, manage risk, and help staff to achieve better performance. Ultimate success will be achieved if the relationship between actions and subsequent outcomes is established.

**CHECK:** Understand the impact of our actions, review performance, and speak to users and stakeholders about their experience of performance. As a result, the “cause and effect” relationship should be understood.

**ACT:** Use the lessons learned from review to change what we do, so that future action is more efficient, effective and produces improved results.

## 1.2 Why Performance Management is important

South Essex Homes’ staff want to deliver the best services they can. As an organisation we are increasingly judged by the quality of the services we deliver – user feedback via complaints and surveys, audits, key performance indicator reporting and resident scrutiny, are all used with other methodologies to gauge how we are performing as the main provider of social housing in Southend.

Working closely with its partners, South Essex Homes’ strategy will deliver multiple benefits to its stakeholders (e.g. residents, employees, partners, the Council), including:

- Improved services for residents
- Increased customer satisfaction
- Greater efficiency and effectiveness
- Increased employee satisfaction through involvement and empowerment
- Equality and diversity integrated throughout Company services
- An action-orientated culture of continuous improvement.

## 1.3 Key Elements of Performance Management

In order to generate consistently good performance, the following elements have to be in place:

- i. being clear about our **ambitions** in meeting the needs of the community we serve
- ii. setting the right **targets** against which we can **measure** our success.
- iii. getting the best from our staff and utilising all their **talents**.
- iv. embedding appropriate **systems and processes** to support good performance.
- v. the creation of a **performance management culture** that runs throughout the organisation horizontally and vertically.

This strategy outlines an approach in which all these elements can be achieved and subsequent sections address each element in more detail. This document sets out how, as a public organisation, we will deliver excellent performance. It is an approach based on practical experience and a track record of producing results.

Essentially, our approach is based on a traditional Plan-Do-Check-Act cycle, which takes place at various organisational levels (Board, Executive Management Team, Service, Team and individual), over different timescales, and is integrated with partners. Evidence of our performance Management strategy will be demonstrated through the following deliverables:

- Clearly defined Corporate priorities and Service Objectives, Targets and Plans throughout the Company

- All staff objectives clearly cascaded down and linked back to corporate priorities to the Balanced Scorecard
- Regular, scheduled 1:1s, creating a professional, performance management culture
- Training and Development initiatives in place to enhance leadership and other corporate competencies
- Various levels of Governance – from the Board, Executive Management Team, Operations Management Team, and wider management forum
- A consistent, clear performance reporting framework across the Council and Company, endorsed by employees, stakeholders and Partners
- A clear hierarchy of performance indicators
- Active involvement of Board members and other stakeholders in all aspects of planning and reporting
- Proactive identification and resolution of generic issues arising from complaints (i.e. those issues affecting multiple customers)

#### 1.4 Partnership Working

Increasingly, many of the Company's services are delivered in partnership with others, for example with the Council to improve efficiencies and deliver the best service to Residents.

To this end, our partner relationships are built upon elements such as clearly defined organisational objectives, accountability, shared performance information and reporting, and working together for continuous improvement.

## 2. SETTING TARGETS

All service areas must have targets against which the success of their core business can be judged. Targets are based on **Performance Indicators**.

There are four sources of Performance Indicators:

- **Key Performance Indicators** – There is a need ensure that all Key Performance indicators have a named manager who owns it for the purpose of setting and achieving targets. Key performance indicators have been selected by a number of stakeholders, including Southend Borough Council and residents, and include many that are commonly benchmarked.
- **Local Performance Indicators** - These are required given that Key Performance Indicators do not address all the work of service areas and, even where they do, they may not always fully reflect the effectiveness of services we provide.
- **Key Service Standards** – many of these mirror other indicators, although some are designed specifically to reflect the published service standards.
- **Value for Money Indicators** – these record specific costs in some areas of activity, and allow us to benchmark our costs against other housing organisations.

The Key Performance Indicators are the starting point. Every Key Performance Indicator must have an owner to deliver good performance. Where Key Performance Indicators do not measure performance of core business, Local Performance Indicators must be identified and used to measure success.

Target setting must:

- Respond to national standards of high performance levels – based upon an analysis of current performance, targets must be set that move the service upwards against those standards
- Be realistic and take into account what is achievable, especially in the face of economic and political changes
- Take account of the service planning process – target setting needs to reflect that investments designed to bring about service improvement may legitimately take some time to bear dividends
- Be achieved, wherever possible, in consultation with the staff groups charged with their successful delivery, as their knowledge and expertise will be crucial in arriving at ambitious, but realistic targets
- Be public and visible – so that staff and customers know what targets individual service areas are working to.

### **3. PERFORMANCE**

The delivery of this strategy will depend upon the development of a culture throughout the Company characterised by a commitment to, and passion for, managing performance. There are four sources for this:

- Natural enthusiasm to deliver services to high standards
- A wish to be part of an organisation that is well regarded and seen to be successful
- The high level of engagement of operational staff needed to design and deliver Performance Improvement Plans
- The job satisfaction that comes from a 'job well done'.

Considerable progress has been made on performance management in recent years, although there is need to continue ensuring that everyone is clear about the role they play in relation to performance. Senior personnel lead the performance management process, and managers need to continue a systematic and analytical approach to the management of people, processes and resources.

It is important that all staff remain aware that meeting targets or improving performance is part of everyone's job role. Additionally, that all staff are required to RECORD, ANALYSE, REPORT and ACT on the agreed service plans that will impact on the individual, team, service or Company performance.

The cause and effect relationship is absolutely crucial and there is a need to ensure that there is a clear link between service planning and performance delivery.

A number of elements combine to ensure staff are able to give of their best:

- **A shared value set**
- **Strong Leadership and Teamwork.**
- **Performance and Development Appraisal.**
- **Relevant Human Resources policies.**
- **Staff Contribution.**

## **4. MONITORING PERFORMANCE**

Monitoring is a key part of performance management, as it tests whether we are on course to deliver our ambitions and targets and whether our strategies for achieving them are working. It will result in further action when it shows that targets are not being achieved. This may include a re-alignment of resources, additional investment, revised plans and delivery timescales, or even revision to ambitions and targets where under-performance is beyond the Company's control.

The Company's choice of the Covalent performance management software system allows us to store both current and historic data, giving easy comparison for year on year performance. Reports can be produced to show results for varying periods of time, and/or for multiple indicators, whilst the system is also used for monitoring of action plans, feedback and risks.

### **4.1 Strategic Development**

Monitoring our delivery which is set out in the Business Plan will be carried out through line management and should be done at least quarterly. This will normally start with Executive Management Team/Operations Management Team/Board monitoring delivery of the Plan for Excellence.

### **4.2 Service Performance**

- Performance against Key Performance Indicators are centrally monitored and reported to a number of stakeholders [internal and external]. These are monitored on a monthly, quarterly or annual basis as appropriate.
- Executive Management Team must ensure that all service areas have a Service Plan that is fit for purpose and that the delivery of each of them is effectively monitored.
- All service areas must have Local indicators where Key Performance Indicators do not meet the need of measuring success, and ensure that there is appropriate monitoring of performance.
- There will be central reporting of a selection of Key Performance Indicators to the Board and the Council on a regular [monthly & quarterly] basis. These will be chosen on the basis of the Performance Indicators most likely to reflect the delivery of the Company's core business and Critical Success factors.

## **5. ROLES AND RESPONSIBILITIES**

### **5.1 The Board**

The Board have the primary role to monitor all performance.

### **5.2 Performance Committee (as delegated by the Board)**

Corporate accountability is crucial for effective management of performance. Committee Members need to engage in the performance agenda ensuring that the Corporate Body delivers services to the standards residents expect and are entitled to. Members determine priorities and resource levels, both of which are key to determining performance levels.

### **5.3 Executive Management Team**

- Act as role models for the behaviours required for effective performance management
- Agreeing Plans set the right vision, and monitoring delivery of them

### **5.4 Operations Management Team**

- Monitor performance and plans at regular meetings

### **5.5 Group Managers**

- Ensure Service Plans are developed that set the right visions for each service area and monitoring their delivery
- Monitor all Key Performance Indicators within their areas of responsibility on a monthly basis
- Ensure each service area has effective data processes for monitoring against Performance Indicators
- Work with the relevant Board members to ensure they are fully engaged in the performance management process in relation to national Performance Indicators

### **5.6 Service Managers**

- Create service improvement plans that set the right visions for their service area and are fit for purpose
- Ensure that plans that are needed at team/operational level to deliver on the Service Plans are created and are fit for purpose
- Work with senior and team managers to ensure the management of service performance through this strategy.
- Develop a sound analysis of their business – involving a detailed knowledge of relevant Performance Indicators and risks, and detailed sense of what the Performance Indicators are seeking to measure, know the main drivers that affect performance in both the short and long term,
- Monitoring all Key Performance Indicators on a monthly basis
- Ensure all local Performance Indicators are monitored in a way that is appropriate to them
- Ensure compliance with Quality Assurance good practice.

## **5.7 Support Services**

- Oversee and administer the Performance Management System
- Ensure that performance reporting deadlines are met
- Collate and distribute the regular monthly, quarterly and annual performance reports
- Undertake regular audits of performance systems
- Discuss targets with focus groups if required
- Undertake benchmarking analysis
- Provide support, training and mentoring for all aspects of performance management
- Support Services Manager is nominated as the accountable officer responsible for implementing the Performance Management Strategy.

## **6. DIVERSITY IMPLICATIONS**

The key relevance of this strategy to diversity is that it sets out how the Company will deliver on its commitments. South Essex Homes address diversity issues through its service planning and target setting processes. In particular, the review of all Diversity and Equality issues will be on an annual basis, and there are four Diversity indicators which are collated and reported on a regular basis.

## **7. SUMMARY ACTION PLAN 2013 onwards**

### **Performance Reporting [internal]**

- Ensure understanding of and adherence to the routine performance reporting procedures
- Introduce the data quality strategy to ensure that all data collection conforms to guidelines and assures that we have robust data procedures

### **Performance reporting [external]**

- Continue to produce a comprehensive suite of public performance reports that are suitable and appropriate for the intended audience. Review these reports and amend content or format if necessary

### **Service planning**

- Ensure service areas have comprehensive and consistent service plans.

#### Bengali

যদি আপনার মাতৃভাষায় এই ডকুমেন্টটির একটি কপি পেতে চান অথবা যদি আপনি আমাদের সাথে যোগাযোগ করতে চান তাহলে অনুগ্রহ করে নিচের নম্বরে ফোন করুন। আমাদের টেলিফোন অনুবাদক আছেন যারা আপনার প্রশ্নের উত্তর দিতে পারবেন।

#### Albanian

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#### Gujarati

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#### Cantonese

如果你想要一份中文譯本，請撥打以下號碼與我們聯絡。我們有翻譯人員透過電話來解答你的提問。

#### French

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