AUDITOR GENERAL

PERFORMANCE AUDIT

SELF-ASSESSMENT HANDBOOK

Managing People in the NHS in Scotland

Part 2. Corporate self-assessment tool

PREPARED BY AUDIT SCOTLAND

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Corporate self-assessment tool

Instructions for the self-assessment tools

Introduction

The tool covers five key areas of management:

- developing a culture of partnership working
- identifying the employees needed for service delivery
- employee retention and recruitment
- motivating and developing employees
- improving employee performance.

The aim is for you to think about how well you and your colleagues tackle these issues at the moment and what improvements can be made.

Using the tool

Step 1 - consider the extent to which each statement in the “Prompts” column applies to your organisation at this point in time.

Step 2 - use the suggested “Tasks” to help you identify evidence to support your assessment.

Step 3 - record your findings in the “Assessment” column.

Step 4 - identify and record in the “Potential Improvements” column what needs to be done in order to ensure that the Prompts statements are recognised as being more applicable to your organisation.

0: Developing the culture we need

We have developed a culture of partnership working for the benefit of patients and staff

1. Prompt	2. Task
C0.1 We have leaders who, in partnership, take responsibility and are accountable for ensuring staff involvement is developed, regularly reviewed and progress has been made.	C0.1 Check for a systematic approach (eg, included in performance management) to involving staff.
C0.2 All employees are involved in (ie, have the opportunity to contribute and influence) service planning and, as a result, patient care benefits.	C0.2 Check for a systematic approach to involving staff in service planning. Identify specific examples where this has contributed to a significant improvement for patients.
C0.3 By being involved, our employees are motivated and committed to the achievement of agreed service and patient care objectives.	C0.3 Check for evidence of motivation and commitment. Identify/ensure plans are put in place to act on any signs of demotivation or lack of commitment.
C0.4 Behaviours are widely demonstrated based on stated organisational values.	C0.4 Check that organisational values have been agreed and for evidence that they are an integral part of the culture. **Checklist 10**
C0.5 PIN Guidelines and best practice are adapted in local policies and practices with the full involvement and support of staff.	C0.5 Check for a systematic approach to applying good practice guidelines as they become available from the PIN Board. Initial reviews should cover: • equal opportunities • family friendly • management of employee conduct • personal development, planning and review • dignity at work, eliminating harassment and bullying.

3. Assessment	4. Potential improvements
C0.1	C0.1
C0.2	C0.2
C0.3	C0.3
C0.4	C0.4
C0.5	C0.5

I: Determining the people we need

We have the people necessary to achieve what we have set out to do

1. Prompt	2. Task
C1.1 Our goals are realistic given the people that we have.	C1.1 Check for a systematic approach to linking corporate goals and strategies to employees in the trust, and for plans to deal with any gaps or mismatch between what the trust wants to achieve and what its employees are capable of delivering.
C1.2 Based on what we want the trust to achieve, we have assessed the numbers, skills and mix of people we need.	C1.2 Check for a review of existing and future employees requirements, particularly in terms of: • the number of employees we have • the skills our employees have • the grade mix of employees we have • the number of employees we need • the skills our employees need • the grade mix of employees we need. **Checklist 5**
C1.3 We have identified the actions we need to take to achieve the numbers, skills and mix of people necessary for what we have set out to do.	C1.3 Check that there is a plan for taking these actions.
C1.4 We have identified the key people issues facing the trust in • the short term • the longer term.	C1.4 Check that there is a plan for taking these actions. Does it cover: • flexible working • training and development • performance management • performance information systems? Is it linked to the corporate and service planning cycles?

3. Assessment	4. Potential improvements
C1.1	C1.1
C1.2	C1.2
C1.3	C1.3
C1.4	C1.4

II: Retaining and recruiting the people we need

We ensure we retain and recruit the best people for the trust

Retention

1. Prompts	2. Tasks
C2.1 We monitor and report employee turnover across the trust.	C2.1 Check for regular reporting of employee turnover including: • by grade • by department/function • by different turnover measures. **Checklist 1**
C2.2 We understand the key factors affecting employee turnover in the trust.	C2.2 We know whether such turnover is: • pay related • linked to career or development opportunities • linked to employee morale and motivation. How do we know? Through the use of exit interviews, employee attitude surveys **Checklist 1**
C2.3 We take appropriate action across the trust to manage such turnover.	C2.3 Check for action plans and periodic assessment of impact of actions previously taken.
C2.4 Where it is necessary to reduce employee numbers we ensure departments / functions retain employees with the skills and experience necessary to meet service plan objectives.	C2.4 Check for systematic reviews where employee numbers have been reduced including risk assessment for key activities. **Checklist 2**

3. Assessment	4. Potential improvements
C2.1	C2.1
C2.2	C2.2
C2.3	C2.3
C2.4	C2.4

Recruitment

1. Prompts	2. Tasks
C2.5 We have coporate procedures or guidelines for departments / functions recruiting employees.	C2.5 Check that procedures/guidelines are available and that they include: • justifying why a vacant post should be filled or a new post created • producing a job and person specification • identifying the approriate salary/grade for the post • ensuring the recruitment process follows equal opportunities policy particularly in terms of job/person specification, attracting applicants, the selection process • ensure proper follow up of certificates etc. • ensuring appropriate induction and training is provided for new employees. **Checklist 3**
C2.6 We ensure these procedures or guidelines are kept up-to-date in terms of legislative changes or decisions.	C2.6 Check for procedures that monitor legislative changes/decisions and that these are then incorporated into the recruitment guidelines.
C2.7 We ensure all departments/functions follow these procedures or guidelines when recruiting employees.	C2.7 Check for procedures which assess whether such guidelines are being followed and what actions are taken if they are not.
C2.8 We maximise the opportunities for co-ordinating recruitment activities across the trust to achieve VFM.	C2.8 Check that such opportunities are exploited where they exist. Such opportunities might exist through: • the use of combined advertisements • use of recruitment agencies • provision of training in recruitment for those employees involved in recruitment and selection • provision of induction training for new employees.
C2.9 We regularly monitor recruitment performance in the trust.	C2.9 Check that such performance reports are produced and appropriate actions taken including: • costs incurred in recruitment • trends in cost over time • retention rates of new employees.

3. Assessment	4. Potential improvements
C2.5	C2.5
C2.6	C2.6
C2.7	C2.7
C2.8	C2.8
C2.9	C2.9

III: Managing the performance of our people

We get the best from our people as individuals and teams

1. Prompts	2. Tasks
C3.1 We ensure that there are clear links between: • what the trust wants to achieve • what departments/functions and teams have to achieve • what our employees have to achieve.	C3.1 Check that there is a process to match: • corporate, departmental/functional and team goals • objectives with people available • objectives with skills available. Refer to C1.1
C3.2 We have a consistent and effective approach to managing individual and team performance across the trust.	C3.2 Check for corporate procedures. Check the extent of implementation across depatments/functions and teams. Will coverage increase? **Checklist 8**
C3.3 We ensure that our approach to managing people's performance is linked to our other management activities, including: • strategy and planning • overall performance improvement.	C3.3 Check for links between these activities. See also C4: Improving the performance of our people.
C3.4 We are committed to developing our people and have ensured resources are available to support this development.	C3.4 Check for a corporate level training and development plan which includes the resources available to support employee training and development. See C1.2
C3.5 We have a clear understanding of the development needs of our people.	C3.5 Check that a training needs analysis has been carried out and that there is a clear indication of how those needs will be met at: • corporate level • departmental / functional level • team level. **Checklist 5**
C3.6 We know how our development of people contributes to our goals and targets.	C3.6 Check that there are clear links between training and development initiatives and corporate and departmental / functional and team goals and priorities. **Checklist 5**

3. Assessment	4. Potential improvements
C3.1	C3.1
C3.2	C3.2
C3.3	C3.3
C3.4	C3.4
C3.5	C3.5
C3.6	C3.6

1. Prompts	2. Tasks
C3.7 We make sure we communicate effectively with our employees.	C3.7 Check for communications strategies and arrangements which ensure that employees understand: • what the trust wants to achieve • what its priorities are • how well it is doing and • what the trust wants to do better. How is the effectiveness of these arrangements assessed?
C3.8 We make sure we listen to our employees.	C3.8 Check that the communication arrangements are two-way and that the trust understands employee views on: • what the trust is trying to achieve • what employee priorities and concerns are • what the trust could do better. **Checklists 6 & 7**

3. Assessment	4. Potential improvements
C3.7	C3.7
C3.8	C3.8

IV: Improving employee performance

We have a positive approach to improving the performance and contribution of our employees

1. Prompts	2. Tasks
C4.1 Our managers and employees understand the importance of improving performance and their own role in performance improvement.	C4.1 Check how this has been communicated.
C4.2 We use key employee performance indicators across the trust so we know how our employees are performing and how they might do better.	C4.2 Check the extent to which such PIs are produced, circulated and acted upon.
C4.3 We undertake benchmarking to identify the scope for performance improvement of our employees.	C4.3 Check the extent to which such benchmarking is undertaken, circulated and acted upon.
C4.4 We have a good information system for controlling the pay bill.	C4.4 Check what information is regularly reviewed including: • employee numbers (establishment and in post) by depatment / function • pay costs by department / function • pay costs against budget • trends in employee numbers and pay costs by department / function and by employee grades • projections of pay costs based on future employee progression/increments • monitoring of overtime, bonus payments, performance related pay by department and grade of employee • actions are taken as a result.
C4.5 We have a good information systems relating to our employees' performance.	C4.5 Check what information is regularly available including: • monitoring employee turnover and retention trends • monitoring employee sickness and absence trends **Checklist 9** • establishing and monitoring productivity targets • costs of non-conformance to HR legislation (including health and safety, equal opportunities and other relevant employment legislation). What actions are taken as a result.

3. Assessment	4. Potential improvements
C4.1	C4.1
C4.2	C4.2
C4.3	C4.3
C4.4	C4.4
C4.5	C4.5

1. Prompts	2. Tasks
C4.6 We regularly review opportunities for reducing the pay bill.	C4.6 Check what arrangements are in place to do this: • through the use of new technology • reduction of overtime costs • restructuring • use of temporary contracts.
C4.7 We identify 'spend to save' opportunities.	C4.7 Check what opportunities have been identified and acted upon: • creation of corporate learning centres • development of open/distance learning material for training and development • creation of improved information systems (such as pay bill, sickness and absence).
C4.8 We actively encourage continuous performance improvement.	C4.8 Check how this is done through: • the involvement of employees in the performance improvement process • the use of incentives • training and development of employees.

3. Assessment	4. Potential improvements
C4.6	C4.6
C4.7	C4.7
C4.8	C4.8

Checklists

1 Monitoring turnover

2 Reducing employee numbers

3 Format for a job description

4 Setting objectives

5 Training and development

6 Counting the cost of communication

7 Designing a communications strategy

8 Performance management systems

9 Absenteeism

10 Examples of the kind of organisational values which may be adopted

Checklist 1: Monitoring turnover

1. Do we regularly measure and report turnover trends?

How do we measure turnover? Do the measurements include:

• crude rate
$$\frac{\text{Number of employees who left} \times 100}{\text{Average number employed}}$$

• skill index in a particular department or category
$$\frac{\text{Number of staff with one year or more service} \times 100}{\text{Number of staff employed}}$$

• stability index
$$\frac{\text{Number currently employed with one year or more service} \times 100}{\text{Number employed last year with one year or more service}}$$

2. Do we know how much this turnover costs the organisation?

Do we know how this cost is changing over time? Does this cost include:

• recruitment of replacements

• training of replacements

• costs of short-term replacements (ie, through overtime for other staff, use of agency staff).

3. What actions have we taken in the past to reduce these turnover costs?

How effective have these been?

4. Do we hold exit interviews with employees who are leaving to find out why they are leaving?

How do we make sure information from these interviews is translated into action?

5. Do more employees tend to leave from particular:

• departments

• job categories

• age groups

• wage/salary groups

• gender categories

• length of service groups?

6. Do we feel that too many good employees are leaving?

7. Do we feel there are specific causes of the problem:

a) Wage/salary structure

- How do our wages/salaries compare with other local organisations or to those organisations we are losing employees to?
- Is the wage/salary structure based on job evaluation? If not, how do we know it is equitable?
- Is there a performance incentive or bonus scheme in operation? Can it be improved to help reduce turnover in key areas?
- When did we last review job terms and conditions to assess potential improvements for employees?

b) Career progression

- Is there a clear career, or development structure for employees?
- Is an employee's performance periodically reviewed?
- Are employees aware that career progression depends upon job performance?
- Could we restructure jobs to provide increased job satisfaction and development?

c) Morale and motivation

- Do we have an effective induction programme for new employees so their expectations are in line with what we can deliver?
- Do we ensure all our employees have the skills and training necessary to do their job?
- Have we communicated what we are trying to achieve as an organisation to our employees?
- Do we ensure that our employees understand the key issues we are trying to address and the changes we have to make?

Checklist 2: Reducing employee numbers
1. Are we confident that employees are not being removed from high-risk areas?
2. Are the arrangements and criteria for employee reductions clearly set out, understood and communicated and followed?
3. Have we reviewed roles, responsibilities and activities in those areas affected by reducing employee levels?
4. Have we assessed the implications for training and development for those employees being retained?
5. How will we guard against the loss of corporate memory in key areas affected?

Checklist 3: Format for a job description
Job title
Grade
Department
Reports to:
Receives reports from:
Working structure: (to show stylised organisational chart and location of this job)
Main role/purpose
Main tasks/duties (typically three-five, with estimated percentage of time spent on each)
Conditions of employment (pay, hours, holiday etc)

Checklist 4: Setting objectives
What do you do? (What is your job? What are your main responsibilities?)
Why do you do it? (What are your objectives? How do they relate to your team or department/function's objectives and your trust's objectives?)
How well should you do it? (What standards of performance are expected from you?)
How well are you doing it? (What aspects of your job are you doing well? How do you know?)
How can you improve your performance in your job? (Do you need to develop any additional skills, change any ways of working, delegate any areas of work, undertake any additional training and development?)
Now ask 6 employees chosen at random in your department/function the same questions. Could employees answer the above questions easily? Were their answers the same as yours? Do employees know how their work contributes to the achievement of the team, department/function's and trust's goals?
What impression has this exercise given you of individual and shared understandings about work objectives in your department/function?

Checklist 5: Training and development
1. What new training has your organisation undertaken since 1999?
2. Why did you choose this particular training?
3. How did this help your organisation achieve its objectives?
4. What training has your organisation stopped providing since 1999?
5. Why? What impact did this have on the achievement of your organisation's objectives?
6. Which development activities have produced the most results for your organisation?

Checklist 6: Counting the cost of communication

How to avoid the dangers of spending too little or too much
from "*The Communicating Organisation*"

How to 'Count the Cost'

1. Why are you planning a communication exercise?

Try to set down a simple statement of no more than 50 words about the purpose of the exercise.

2. What is the message?

- Who are you really trying to talk to?
- What are you trying to say?
- What outcome do you expect from the exercise?
- What are the pressures and/or deadlines against which the communication must be achieved?
- What financial value do you place upon the success of the exercise?
- Bearing in mind the financial value, what budget is reasonable to allocate?

3. Who should be the messengers?

- What is the current communications culture?
- Who will have credibility with the audience?
- Who can deliver the message – training?
- What are the shift patterns, normal operating routines of the audience?
- What are the time pressures on the audience?

4. What type of programme will be most effective?

- Is this a one-off communication or part of a longer-term process?
- What links will this programme have into other processes within the organisation?
- How will action be streamlined?
- What type of feedback do you need and how will it be collected?
- Who will act as the focus and co-ordinator of the exercise?
- Where will the message be delivered?
- Who will provide resources for completing the programme?

5. How will you ensure that your audience relates to and owns the message?

- Which key elements of the message will strike a personal chord with the audience?
- How can the audience be involved in constructing the communication?
- How will you reinforce the message?
- What channels for two-way communication will be possible?

6. How will you measure whether you have achieved your aims?

Checklist 7: Designing a communications strategy

"Organisations relying on the grapevine to test messages can never have integrity or values."
A comprehensive communications strategy would embrace the following objectives:

Objectives	Potential Actions
1. Future planning and developments	• promoting increased use of plain English in all communications • demonstrating a cohesive approach • timing messages for best impact • gaining commitment.
2. Involvement and influence	• actively encouraging staff to give feedback • continuing to promote employee involvement • continuing to involve trade union representatives • treating views and ideas with respect.
3. Personal issues	• making sure people understand that their views are important • encouraging people to air their views • demonstrating how views, feelings and ideas can help the trust achieve its mission.
4. Feedback	• improving understanding of what matters to people • gaining commitment by giving people the opportunity to influence business messages and decisions • demonstrating that two-way communication is vital to help meet ever-increasing challenges and changes.
5. Service aims	• encouraging and enabling people to give the best of themselves towards the success of the organisation • making sure that all trust staff have a clear understanding of the service • promoting understanding of objectives and progress and the individual and team contribution towards fulfilling them.
6. Information and action	• effective teamworking to provide better quality of patient/carer service • enhancing an easily understandable leadership language and style which everyone can buy into • reaching mutually acceptable decisions.

Checklist 8: Performance management systems

Characteristics of good systems:

- line management and staff association/union consultation/participation in development
- training given to all appraisers and to appraises, the former including skills practice
- element of self-appraisal and self-preparation included
- emphasis on joint goal setting and on key tasks
- strong staff development element
- feedback mechanism on distributions, in place where ratings are used
- paperwork kept to minimum and presented attractively
- all, or nearly all, appraisals are carried out
- appraisals done at least annually
- some variation to allow for differences within organisation and across grades
- monitoring and evaluation procedures in place
- links with other PM systems clear.

Characteristics of poor systems:

- appraisal imposed without consultation
- superficial or no training given
- minimal appraisee input
- excessive emphasis on assessment
- rigid and or unwieldy in terms of administration
- appraisals done intermittently if at all
- no formal evaluation
- links with other PM systems unclear.

Checklist 9: Absenteeism

1. Is absenteeism recognised as a cause of inefficiency?

2. To what extent is absenteeism a problem?

- how is absenteeism distinguished from 'lateness' or non-attendance?

Does it occur amongst:

- particular age groups
- particular grades
- particular departments or functions
- particular occupations
- different length-of-service groups?

3. What does absenteeism cost us?

- How has this been calculated and what costs does it include?
- How up to date is the calculation?

4. How is absenteeism measured? Do the measures include:

a) lost time $$\frac{\text{number of hours worked}}{\text{total number of hours available to work}}$$

b) number of absences $$\frac{\text{number of employees absent at least once in a given period}}{\text{average number employed over the period}}$$

c) average length of absence $$\frac{\text{total days lost in period of absence}}{\text{number of spells of absence}}$$

Do we routinely monitor trends in absenteeism?

5. How do our trends compare with other departments or organisations? • sickness • accidents • absence with permission • absence without permission.
6. Does our information system allow for analysing absence by cause?
7. Do we ensure all employees understand the organisation's policy and expectations on attendance and timekeeping? • How is this achieved and how effective is it?
8. Do we ensure consistent expectations and standards across the whole organisation?
9. Does our information system allow for each employee's attendance to be monitored?
10. Is the attendance performance of individual employees discussed with them?
11. Are all managers aware of their role in minimising absenteeism?
12. What plans are in place to reduce absenteeism?

Checklist 10: Examples of the kind of organisational values which may be adopted

- Patient centred approach
- Innovation around service redesign
- Mutual trust, honesty and respect
- Openness and transparency in communications
- Recognising and valuing the contribution of all partners
- Access and sharing of information
- Consensus, collaboration and inclusion as the 'best way'
- Maximising employment security
- Being fully committed to partnership and good employment practice
- The right of partners to be involved, informed and consulted
- Early involvement of all staff and their Staff Side organisations in all discussions regarding change
- Firmly rooting partnership in the process of formulating and delivering Local Health Plans
- Using a team approach to underpin partnership working

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