

Performance Management Framework



An Executive Summary

Dale & Valley Homes
Performance Management
Framework: An Executive
Summary



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پولش۔ آپ **0300 2000 194** پر فون کر کے اس کی ایک کاپی حاصل کر سکتے ہیں۔

Introduction

Effective performance management is at the centre of all modern, progressive and improving organisations. Dale & Valley Homes has developed a Performance Management Framework to help us to:

- be clear about what we are trying to achieve for our customers and our other key local stakeholders;
- set out what we have to do to achieve our vision and our objectives;
- monitor and measure our progress towards achieving our vision and our objectives;
- recognise and understand performance issues and address these issues; and
- report our performance and progress towards achieving our vision to our customers and other stakeholders.

The Performance Management Framework has five sections:

- **Section 1: What is performance management?** This explains what performance management is and the way it works at Dale & Valley Homes.
- **Section 2: What are we trying to achieve?** This introduces our vision and objectives and describes our business planning process.
- **Section 3: How will we meet our objectives?** This sets out how we plan our business so that we make our vision a reality. The section includes guidance on writing policies and strategies, directorate planning, team planning and the Performance and Development Review process.

- **Section 4: How will we measure how well we are doing?** This section outlines our Key Performance Indicators and highlights linkages between our strategies and our performance measures. It also explains to whom we report our performance, the ways we report and the timescales we follow when we report our performance.
- **Section 5: How will we tackle performance problems?** This section presents our reporting mechanisms and sets out the tools we use to explore the reasons behind performance figures and the ways we tackle poor performance and learn from exceptional performance.

The Performance Management Framework has to be a detailed document.

This Executive Summary basically outlines the Framework so that you can understand our approach to performance management; quickly access information on improvement tools and techniques and clearly see how you contribute to achieving our vision.



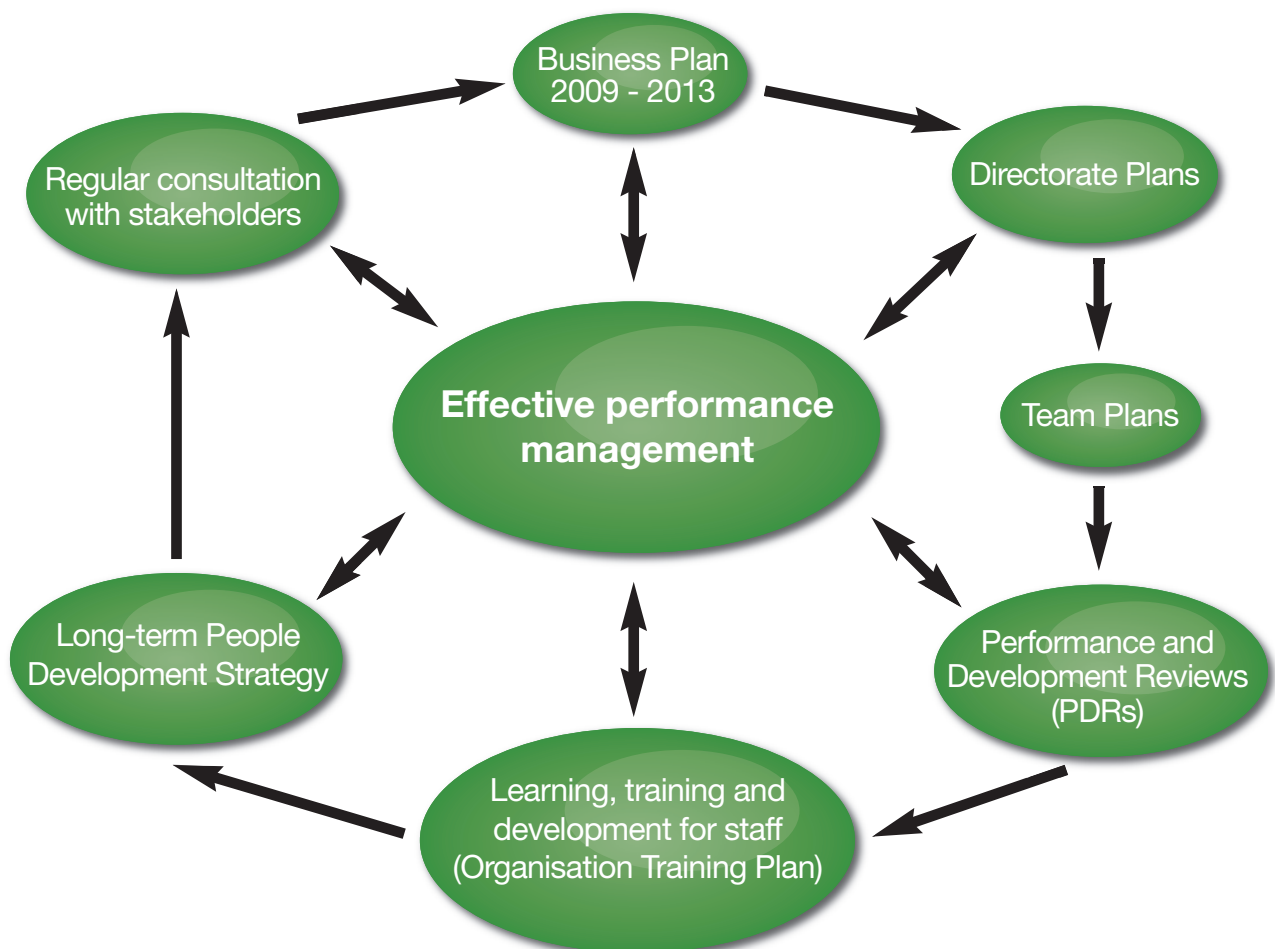
Peter Chaffer
Chief Executive

What is Performance Management and how does it work in Dale & Valley Homes?

Most companies use performance management to monitor measure and improve the quality of their services. Effective performance management enables the achievement of meaningful outcomes for customers because it helps companies to develop plans and direct resources (including money and staff time) towards the services and issues that are most important to customers.

The Performance Management Framework in Dale & Valley Homes is based on a simple planning process:

Preparing for Action - The Planning Framework



The Business Plan

The Performance Management Framework starts with the Business Plan 2009-2013. This important strategy reflects our stakeholder's needs and their aspirations for our business. The Business Plan influences all of our work by setting out our vision, our objectives and our strategic direction over the long-term.

Directorate Plans

The Business Plan brings together our stakeholder's priorities and our proposed actions. Individual directorates and teams use these priorities and actions to develop detailed Directorate Plans. We have three directorates, Resources, Housing Operations and Property Services, and each produces a plan setting out the actions each team will take to help meet the Business Plan requirements.

Directorate Plans are the cornerstone of effective performance management. They enable each directorate to understand the role they play in delivering the Business Plan and achieving the company's vision.

Performance and Development Reviews (PDRs)

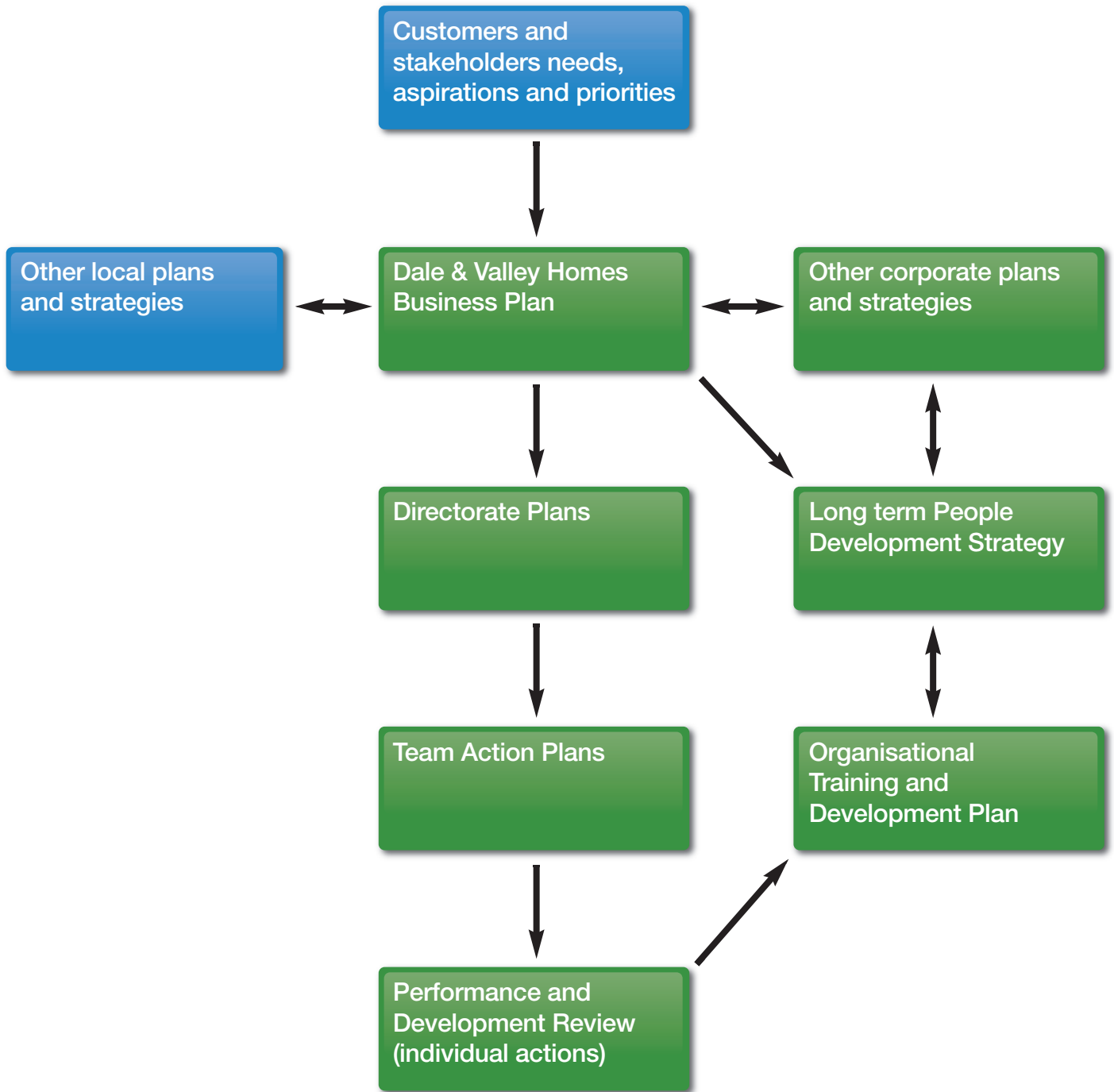
Directorate Plans set out the actions each team will undertake to achieve the vision set out in the Business Plan. These actions are then translated into activities for individual members of staff that are agreed and monitored through the annual Performance and Development Review process (PDR).

PDRs are very important because they help all staff to see how they contribute to the delivery of the Business Plan. This is sometimes referred to as the "golden thread" as everyone can see a clear line between their work, the work of their team, the delivery of Directorate Plans and the completion of the strategic activities set out in the Business Plan. PDRs also enable staff to use their abilities and realise their potential by sharpening their skills through the training and development opportunities the company provides.

Measuring our performance

All of our activities link with specific performance measures that help us to monitor and evaluate how well we are achieving our objectives. These measures are mostly Key Performance Indicators that enable us to capture information about the effectiveness, quality and cost of services. This helps us to determine the affect our services are having on improving the quality of our customers' lives. Performance indicators also provide us with a solid foundation for making decisions about improving our services for customers.

The following diagram illustrates how our Performance Management Framework fits together:



Further information on how we plan out our work and measure our performance against our activities is included in sections 3 and 4 of the Performance Management Framework.

How do we manage our performance?

A strong performance management culture can only work if strong performance practices and processes support it. The way we manage our performance influences the way we direct our resources. It also determines the actions we take to improve or regulate performance and way we report and publish our performance results.

Directing our resources

We spend our money on achieving the objectives and actions set out in our Business Plan. To ensure this we have fully integrated the preparation of our Business Plan with our financial planning cycle. This helps us to know that we can afford to do what we want to. Every year we work in partnership with our Board, customers, staff and other key local partners to review our priorities and determine what activities we should undertake in the next year and the level of resources we should invest in them. This is called “policy led budgeting”. This also lets us identify areas where performance could be reduced (enabling us to make efficiencies for the same level of service) or should be improved. This helps us ensure our services offer value for money.

Using Performance and Development Reviews to manage performance

PDRs help our staff to see the role they play in achieving our vision and to see how well the organisation is performing. PDRs help the company to:

- assess how effectively staff are contributing to the completion of the activities set out in the Business Plan and Directorate Plans;
- effectively monitor performance indicators against activities and outcomes for customers; and
- Inform service reviews and reality checks.

How do we report our performance results?

We report performance information to:

- produce information that helps to make decisions;
- focus on priorities - concentrating on important performance indicators;
- focus on areas of poor performance we need to improve;
- identify good performance and celebrate success; and
- share learning across the organisation.

The company has worked in partnership with staff, customers, Board members and other local partners to identify a suite of Key Performance Indicators that help us to monitor how effective our work is. We collect information and report on our performance monthly, quarterly and annually.

The company's Performance Champions collect Key Performance Indicator information to prepare monthly performance reports. The Senior Management Team and Executive Management Team discuss these reports and, sometimes, take further action.

Board members and the Customer Panel receive a quarterly performance report that sets out the company's performance against Key Performance Indicators over the quarter in comparison with costs and budgets.

Every six months the Board also receives a "Progress against the Business Plan report" that outlines the strategic activities we have undertaken to achieve our vision. This report includes an evaluation of our performance against our Service Standards and levels of praise and complaints we have received from our customers. This gives our Board and customers a clear picture of the company's performance. With this information they are able to understand how our activities impact on customer satisfaction, costs, quality of services and customer perceptions so they can identify possible service improvements.

We tell customers about our performance through our newsletter, Dale Mail, on our website and in public areas.

The following timetable sets out approximately when performance reports go to the Board and to the Customer Panel.

| Month | Report |
|----------------|--|
| May | <ul style="list-style-type: none">■ Performance against financial projections and budgets in the previous year (April - March).■ Performance in the previous year including our performance against Service Standards.■ Progress against the Business Plan in the previous year. |
| July | <ul style="list-style-type: none">■ Performance against financial projections for quarter 1 (April - June).■ Performance figures for quarter 1. |
| October | <ul style="list-style-type: none">■ Performance against financial projections for quarter 2 (July - September).■ Performance figures for quarter 2, including our performance against Service Standards.■ Progress against the Business Plan for quarter 1 and quarter 2. |
| January | <ul style="list-style-type: none">■ Performance against financial projections for quarter 3 (October - December)■ Performance figures for quarter 3. |
| April | <ul style="list-style-type: none">■ Performance against financial projections for quarter 4 (January - March)■ Performance figures for quarter 4. |

How do we manage performance results?

We target improvement work on any areas of the company that are performing badly. We have a number of different ways to monitor, manage and improve performance including;

- Dedicated Performance Champions who work in each directorate regularly monitoring Key Performance Indicators and working with managers to identify areas for improvement.
- Monthly performance reports to Senior Management Team and Executive Management Team.
- Quarterly performance reports to the Board and the Wear Valley Customer Panel.
- Exception reports prepared by managers setting out the reasons behind poor performance, the effect this is having on our customers' lives and possible actions to improve.
- Highlight reports prepared by managers setting out the reasons behind excellent performance, the effect this is having on our customers' lives and an assessment of whether performance can and should be reduced. These reports provide an opportunity for managers to consider reducing performance, whilst still delivering services to our customers at an acceptable level. This can help us to release resources to target under performing indicators and services.

There is more information on preparing exception reports and highlight reports in Section 5 of the Performance Management Framework.

Section 5 of the Performance Management Framework also includes a Performance Improvement Toolkit (Annex F). The toolkit provides several methods to help us explore the reasons behind poor performance and correct it. These tools include:

- reviewing the organisation's key processes to improve;
- using Performance Improvement Teams;
- Performance surgeries;
- using focus groups to improve performance;
- benchmarking for improvement; and
- directing resources towards improvement.

How do you fit in to performance management?

You are central to the way Dale & Valley Homes' manages performance. You:

- contribute to the review and development of the company's Business Plan and other corporate strategies;
- use your skills and knowledge to undertake the activities that enable the company to achieve our vision;
- deliver our services to our customers;
- produce our performance results;
- understand the reasons behind performance figures and help to identify ways in which we could improve performance, continue to deliver high quality services and achieve our vision of:

"Providing homes and neighbourhoods that our customers want to live in and are proud to live in."

For further information about the Performance Management Framework please contact the Assistant Director for Planning, Performance and Governance.



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