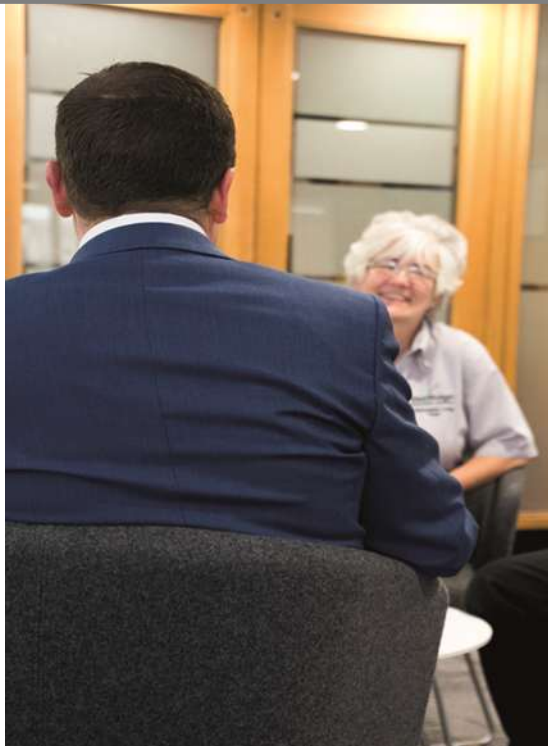


2018

R.E.A.L Conversations An Introduction



HR/OD

Stevenage Borough Council

May 2018

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1. Purpose

This guide is part of a range of information available to support everyone in the council as we move from an annual Personal Appraisal and Development Review (PDAR) to a rolling appraisal process, R.E.A.L. Conversations.

This guide explains the background to the transformation of our appraisal process and introduces the concept of R.E.A.L. Conversations. It shows the different elements of R.E.A.L. Conversations and the choices people can make to get the best out of having a R.E.A.L. Conversation.

2. Background

2.1 Staff survey

The 2016 Staff Survey showed 41% of respondents were neutral or said that appraisals weren't meaningful, 49% said they were neutral or didn't value their appraisal meeting.

In 2017, dissatisfaction had increased and 47% of respondents were neutral or said that appraisals weren't meaningful.

However, the 2017 survey also showed that 53% of respondents 'agreed' or 'strongly agreed' that they had meaningful appraisal meetings with their manager and 48% 'agreed' or 'strongly agreed' that they valued their appraisal meeting. So the PDAR process was reviewed to find out what works well and what could be better.

2.2 Employees Feedback

Nearly 100 people from across all services, grades and locations gave feedback as part of the research and said that the PDAR process, the amount of administration and peoples' skills were not enabling all employees and their managers to have meaningful conversations or helping people feel valued.

Feedback also indicated that the annual and mid-year PDAR's took too long to go through, had rigid requirement to fill in lengthy forms with unnecessary evidence and that it was difficult to avoid duplicating evidence across the different sections of the PDAR. This meant that some managers were either focused on getting the forms completed, rather than on the person, or simply not investing time in the person at all and treating the PDAR forms as a copy-paste exercise.

In areas where appraisals were meaningful and employees felt valued, feedback about the administration and challenges with the annual and mid-year PDAR's were notably consistent with the initial findings from areas where the PDAR's were generally felt not to be meaningful.

However, people also said they preferred and received more value and meaning from regular one to one meetings, regularly asking about how the person was feeling and regularly reviewing ways to prioritise work and overcome challenges. More value was also derived from continuous support and development being assessed regularly and taking place in the workplace rather than assessed once a year and waiting for a training course.

The R.E.A.L. Conversation framework was developed to take away the burden of time and restrictions of completing lengthy annual and mid-year PDAR's. It was based on good practice of rolling and regular informal conversations and allows people choices so they can create opportunities for high

quality, meaningful R.E.A.L. Conversations between managers and employees which help both to become the best they can be.

R.E.A.L. Conversations were piloted over 3 months from January to March 2018 by nearly 40 managers and employees from across different locations, services and grades. Their valuable time, energy and commitment has helped design

2.3 Context

We will not be the first organisation to transform our annual appraisal process. In 2002, a drug company in the USA abandoned the annual reviews and moved to regular informal meetings between managers and employees. Its success has been mirrored across the UK and in offices around the world as organisations have replaced annual reviews with frequent, informal check-ins between managers and employees. Technology companies such as Adobe, Juniper Systems, Dell, Microsoft, and IBM have led the way. They've been joined by professional services companies such as Deloitte, Accenture and PwC and retailers such as Gap.

More locally North Herts District Council and others have already introduced rolling appraisals.

PwC's '2015 Performance Management Research', which surveyed 100 UK-headquartered organisations and 1,000 employees, found a renewed focus from organisations on their performance management process and how it can motivate employees and drive better engagement.

Two thirds of large companies are making changes to their end of year performance reviews. The research shows that the growing frustration from employees and managers with the year-end/year-start performance process is leading many organisations to focus on creating a continuous feedback culture to take the emphasis off the year-end/year-start appraisal.

A Deloitte manager referred to the appraisal process as "an investment of 1.8 million hours across the firm that didn't fit our business needs anymore." Managers say PDAR's can take up to 7 hours per member of employees, twice a year, that's 8,400 hours just for 600 employees.

R.E.A.L. Conversations were designed to reduce that amount of time and make the rest of it more valuable and meaningful to employees.

3. Transformation Plan

2018	Aim	Activity
May-June	R.E.A.L. Conversations concept is introduced encouraging people to start finding out more People choose to get started with R.E.A.L. Conversations	Market stalls and Big Conversation points across the council Supporting information on shared drive Staff_Info/ 1-hour briefing sessions start

		Mentors from the organisation and support available through HR/OD
July-August	People are having R.E.A.L. Conversations People work out what knowledge and skills could help them have a better R.E.A.L. Conversation People work out if they want more support and practise at having R.E.A.L. Conversations	Theatre Skills Event at the Leadership Forum ½ day Learning & Development sessions start ¾ day Learning & Development sessions start People are asked if they are having R.E.A.L. Conversations at Big Conversation points
September - December	Everyone has started R.E.A.L. Conversations	½ day Learning & Development sessions continue ¾ day Learning & Development sessions continue
2019		
January - March	Everyone has one R.E.A.L. Conversation where they appraise their contribution and re-focus priorities objectives and learning & development for the future	R.E.A.L. Conversation Mentors offer support on practical issues and application of R.E.A.L. Conversations E-Learning Module available
April	Rolling appraisals through R.E.A.L. Conversations become normal practice.	

The PDAR cycle will have been completed for April 2017 – 31 March 2018.

Where extensions have been formally granted, some people may find they are completing their PDAR up to July 31 2018.

The objectives and development plans from the 2017-2018 cycle are then regularly appraised through the rolling appraisal process, the R.E.A.L. Conversations.

R.E.A.L. Conversations can therefore start any time after a person's 2017/2018 PDAR has been completed.

People will start to receive information about R.E.A.L. Conversations from May 2018.

A variety of briefing sessions, training courses, mentors and other ways to see how R.E.A.L. Conversations can be used and adapted will be available from May 2018 onwards.

4. Introduction to R.E.A.L. Conversations

4.1 Definition

R.E.A.L. Conversations is a rolling appraisal process which gives people regular and on-going opportunities to;

- *Review* and appraise their contributions
- *Engage* in discussing their well-being, their objectives and priorities
- *Act* by doing what is most needed for them and the team at that time and
- *Learn* through sharing any ambitions they might have or thoughts about skills and knowledge that might be useful to them now or in the future.

4.2 Aims

The one to one meeting arrangements in our appraisal process provide a framework for achieving the best performance on a day to day basis. The aims of a rolling appraisal process are to;

- Deliver feedback throughout the year so employees can receive R.E.A.L.-time recognition and performance coaching.
- Leverage one to one conversations to celebrate accomplishments, review actions, and discuss how to overcome project or specific work challenges.
- Make performance continuous by regularly discussing how employee goals can be achieved and how they tie into the business unit and council strategy.
- Enable a year end conversation about future goals, not a backward look at what's too late to change.
- Improve personal and organisational resilience by adapting quickly to changing personal and work circumstances
- Create a culture of continuous performance evaluation so managers can more easily assess an employee's work and ambition and fully develop their skills to drive growth.
- Give senior managers insights about employees that will enable effective workforce planning

4.3 Principles

R.E.A.L. Conversations apply to all employees; managers, non-managers, agency workers and contractors.

Everyone should have regular opportunities to be supported and feel valued, motivated and fulfilled at work.

Everyone should have regular opportunities to discuss how they are, what they are achieving, how well they are achieving it, what they need and how they could be even better.

Everyone is entitled to ask for and receive a R.E.A.L. Conversation

4.4 When to use R.E.A.L. Conversations

R.E.A.L. Conversation is a rolling appraisal process and the regular meeting arrangements provide a framework for achieving the best performance on a day to day basis.

R.E.A.L. Conversations should be held with employees;

- During their probation period
- When they are performing to the required standard
- When they are developing in line with personal or business needs
- When a dip in performance is not an issue
- As part of the pattern of regular one to one meetings

R.E.A.L. Conversations identify and overcome issues that will improve or maintain the best performance on a day to day basis.

4.5 When not to use R.E.A.L. Conversations

R.E.A.L. Conversations should not be held with employees;

- When they are underperforming due to a lack of skills, knowledge or ability.
- When they need to achieve an improvement to the required standards, within agreed and achievable timescales.

In these situations the Performance Improvement Policy should be used. The Performance Improvement Policy provides a mechanism for performance issues to be dealt with promptly, fairly and consistently.

Where a manager believes underperformance is due to misconduct, e.g. carelessness, negligence or lack of effort the Disciplinary Procedure must be applied.

4.6 Expectations

R.E.A.L. Conversations;

- Are two-way conversations
- Are in a coaching style
- Are led by the employee
- Give the employee an opportunity to respond to questions in their way
- Maintain and improve the manager and employee relationship
- Identify learning & development opportunities
- Are on dates agreed and planned in advance between the employee and the manager
- Take place a minimum of 6 times each year, of which, one conversation is to focus on future goals and re-align development at year end/year start, between October and March.

4.7 Recording

The intention is for the R.E.A.L. Conversations to be flexible and as easy as possible for everyone to use.

This means that;

- Brief notes need to be kept of each R.E.A.L. Conversation to record and prompt further conversations
- Notes can be kept on paper, or electronic format (eg PDF, Word or Excel)

- You can create your own documents as long as the questions are asked and the PLP is kept the same
- Either the employee or the manager can make notes and record the meetings
- The method of recording should be agreed between the manager and the employee

At the time of introducing R.E.A.L. Conversations, Learning and Development elements within the MyView project are being developed. The viability of linking the rolling appraisal process, R.E.A.L. Conversations templates, personal records and personal learning plans, is being explored as part of this development. That is why the Personal Learning Plan (PLP) needs to be kept the same at the moment.

It is expected that the process will be digitalised from 2019.

It is also expected that reference materials and templates for R.E.A.L. Conversations will be available when the new intranet is live.

5. R.E.A.L. Conversations

R.E.A.L. Conversations are opportunities for a dialogue between the employee and the manager. The manager should use a performance coaching style to achieve the best outcomes.

Coaching questions form the basis for these regular and the year-end/year-start conversations. R.E.A.L. conversations capture on-going achievements against goals and behaviours. However, if needed, the phrasing can be adapted for the year-end/year-start meetings to elicit any summary reviews that managers or employees may wish to capture.

The R.E.A.L. Conversation template contains the questions, objectives, action plan and personal learning plan and can be found in Annex 1 and in;

5.1 Questions

The questions should be asked at each conversation but, because they occur every eight weeks or so, they do not have to be answered if the employee and manager feel there is nothing new to say.

The aim of the coaching questions is to promote a conversation which is led by the employee's responses. The questions are therefore deliberately brief and open to interpretation to allow the employee freedom to speak and be heard.

The conversation should be fluid and focus on the issues the employee feels are important.

There are no prescribed right or wrong answers and no criteria for what should or should not be said for each question. The responses should simply be noted clearly as a record and for reference.

The manager's input into the conversation is guided but not limited by the questions. The manager can choose to introduce points not raised by the employee if relevant and appropriate for a R.E.A.L. Conversation.

If a question is repeatedly missed by either the manager not asking or the employee not responding then both the employee and the manager should discuss the reasons behind their choice. Any underlying issues should be resolved and the relationship strengthened.

If an employee has concerns about the way their R.E.A.L. Conversations are being managed, then they should raise their concerns promptly.

Managers are responsible for seeking timely advice and support on holding R.E.A.L. Conversations from the HR Business Partner Team.

5.2 Management Feedback

The ability to ask and respond to these questions helps strengthen the relationship between the manager and the employee.

The questions help appraise the relationship on a rolling basis, giving regular opportunities for improvement and recognition of leadership styles that are working well for the employee.

This also provides an opportunity to identify systems or processes in the workplace that might help or hinder the employee at that moment.

This enables the manager and employee to discuss and agree actions to mitigate the negatives and leverage the positives promptly in order to achieve the best performance on a day to day basis.

5.3 Action Plan

Actions may arise from any of the coaching questions; achievements, challenges, well-being, improvements, priorities, management feedback, goals and learning.

The action plan is the place to prioritise and agree any actions for either the manager or the employee arising from the whole conversation.

These can be both longer and shorter term actions, whichever is relevant and appropriate to the employee, their role, objectives or their whole conversation.

The aim is to improve personal and organisational resilience by adapting quickly to changing personal and work circumstances

5.4 Objectives

For 2018, the action plan should contain the objectives set at the annual review (old PDAR 2018-19).

For 2019-2020 the objectives will be set as part of the R.E.A.L. Conversations in the year-end/year-start/year-start conversation between October 2018 and 31 March 2019.

Through the R.E.A.L. conversation, an employee recognises their achievements against their day to day actions and/or their longer term objectives, whichever is appropriate to their role and situation. Any next steps can be noted in the action plan.

Good performance should be continuous by regularly discussing how employee goals can be achieved and how they tie into the business unit and council strategy.

R.E.A.L. Conversations enable revisions that may be due to personal circumstances, business environment and business unit or organisation changes in strategy or priorities to happen at any time in the process.

Any revisions to an employee's area of focus, whether that is short or long term goals or objectives, can be discussed and revised on the action plan.

The timing of the year end conversation may depend on the cascade of objectives from senior managers. However, there may be situations where the manager and employee feel confident that the objectives will align to business goals and can be agreed at any point between October 2018 and 31 March 2019.

5.5 Achievement and Learning

R.E.A.L. Conversations;

- Help create a culture of continuous performance evaluation so managers can more easily assess an employee's work and ambition and fully develop their skills to drive growth.
- Give senior managers insights about employees that will enable effective workforce planning
- Identify and overcome issues that will improve or maintain the best performance on a day to day basis. The Performance Improvement Policy should be used when underperformance has become an issue.

Managers should therefore create an environment where the employee feels able to freely discuss both their wants and their needs.

Whether the on-going or year-end/year-start conversation, the employee and manager should identify what would improve motivation and personal fulfilment or business performance.

The questions outlined in the Personal Learning Plan help the employee focus on what they would like to achieve and what they would need to know or do to achieve success. The questions also support a discussion to explore many development methods that could achieve the goals and learning within the workplace.

Both the manager and employee should recognise that the conversation is about identification of development needs and that any development with a cost to the HR Learning & Development budget will have to be approved before it can go ahead.

Managers and employees can select from the appropriate leadership/organisation competencies and values to review achievements as well as identify areas for potential improvement.

Continuous conversations mean that performance indicators can be selected whenever relevant at the time of conversation. They do not have to be reviewed in their entirety at each conversation.

Both managers and employees should make sure that, over the duration of the conversations, they cover all the relevant competencies and values so that nothing is missed and the employee's full contribution can be recognised and praised.

The year-end/year-start conversation may contain a summary review of each of the performance indicators but only if deemed necessary by the employee.

5.6 Personal Learning Plan

5.6.1 Goals

Some personal or business improvement needs may have come up during the conversation. If so, the manager and employee could explore these further and note the learning actions on the PLP.

Questions in the Personal Learning Plan help the employee to think through and discuss what might help them feel more fulfilled at work. This may be career advancement moving towards a future role or broadening horizons within their current role.

The employee is also encouraged to identify things that might help improve their business performance at work. This may be skills, knowledge and opportunities for experience which directly improves efficiency or effectiveness within their current role.

There is no expectation that there are personal fulfilment or performance improvement needs. If an employee is happy and performing at work there may be no need for a lengthy discussion at one or several of the R.E.A.L. conversations.

As this is a two- way conversation, if the manager is expecting or has identified a business improvement area which is not brought up by the employee, then this is the place to offer suggestions and instigate a discussion about how this might fit with the employee's personal and the business unit needs.

5.6.2 Priorities

Priority for funding learning and development is divided into 4 key areas;

- Statutory – essential to comply with legislation
- Role Competence – essential to effectively perform to the role description
- Organisation Competence – Leadership/Organisation competences currently used
- Future needs – preparation for career moves/fulfilment/ future organisational skills

As the learning & development goals are discussed, managers and employees should identify which of the priorities most suits each goal.

These priorities will help managers and HR Learning & Development to design a development proposition for the organisation and plan the most effective use of the Learning & Development Central budget.

5.6.3 Learning Methods

Learning can take place inside or outside the organisation and with or without a financial cost.

Agreeing the best learning method would consider the employee's learning preference, the workplace environment, availability of opportunities such as mentors or projects and a best fit with the employee personal and manager business needs.

Discussing learning methods helps to maximise workplace expertise and opportunities and potentially maximise the budget that can be used for learning methods such as courses which need to be funded. Managers and employees are encouraged to prioritise learning and agree a workplace/internal method of learning before concluding that purchasing a training course is the only option.

The year-end/year-start conversation is an opportunity to re-align the learning and development needs to account for changes in objectives, manager expectations, the employee and the wider organisation needs.

5.7 Corporate Development Plan

Key topics arising from the R.E.A.L. Conversations should be reflected on by management teams along with key learning and development priorities. This gives senior managers insights about employees aspirations and competence that will enable effective workforce planning

During the usual meetings between Assistant Directors and HR Business Partners, learning and development needs, priorities and learning methods will be discussed on an on-going basis. This gives HRBP's and Learning & Development insights about business unit and employee needs that will also enable effective workforce planning.

R.E.A.L. Conversations enable effective anticipation of learning and development needs which means all priorities, especially statutory and role competence priorities can be budgeted and proposed in the budget planning process.

When a budget is agreed, HRBP's and the AD's can agree which, if not all, costed development methods can go ahead. Any learning goals where the development method did not receive funding, can be re-assessed and another method proposed.

The PLP at the year-end/year-start conversation will show learning achievements met and unmet. Based on the budget for the up-coming year, feedback can be given to the manager and employee if a training intervention has not received funding. This means the employee can re-assess the method of learning and is not waiting for training that might not happen.

6. Getting Started

Get started soon. The earlier R.E.A.L. Conversations can be adopted, the easier it is to appraise performance with any sense of value and meaning for the employee towards the year end/year start.

There is no need for training before having a R.E.A.L. Conversation. The questions are on the shared drive and it is only about holding and noting the responses to the questions posed.

R.E.A.L. Conversations can start at any time after the employee and manager have completed the 2017 – 2018 PDAR which means performance for the last year has been appraised and objectives agreed for 2018-2019.

Objectives and development plans from the 2017-2018 cycle then form the basis for R.E.A.L. Conversations. Once R.E.A.L. Conversations are adopted by the employee and line manager, there is no requirement to use PDAR forms again.

This is because the review of 2018-2019 performance is covered within the R.E.A.L. Conversations rolling appraisal process. The 2019-2020 objectives and learning plans will be part of the R.E.A.L. Conversations going forward.

A full sense of an employee's achievements and performance can be gained from the cycle of 5 conversations and 1 year end/year start conversation. If only 1 R.E.A.L. Conversation has taken place before the year-end/year start conversation it will end up taking as much time to prepare, do and write up as an annual review and feel the same as the PDAR. To avoid this, get started as soon as possible.

A variety of briefing sessions, training courses, mentors and other ways to see how R.E.A.L. Conversations can be used and adapted are available from May 2018 onwards.

6.1 How do I start R.E.A.L. Conversations?

Before starting R.E.A.L. Conversations, the manager and employee should discuss and agree together what would make the process easy, valuable and meaningful for both people.

There is no 'one size fits all' approach to having R.E.A.L. Conversations. Because people, roles, nature of work and environments are all different, R.E.A.L. Conversations are designed to give more choice and control and enable people to choose the approach that works best for both manager and employee.

Both employee and manager can use the prompts below to think about what works best and then come together to agree how to make R.E.A.L. Conversations work for both.

6.1.1 What

What do you need to stop, start, or continue in your current practice of having regular conversations in order to make them R.E.A.L?

What do you need to stop, start or continue in your current practice to keep track of notes and actions from your conversations?

What ground rules do you need to agree so R.E.A.L. Conversations are meaningful and the employee feels valued?

What skills would help you hold the best possible R.E.A.L. Conversation?

What could you do to learn and/or develop these skills?

6.1.2 How

How formal or informal do you want your R.E.A.L. Conversations to be?

How long do you need for each R.E.A.L. Conversation?

How far apart do you want your R.E.A.L. Conversations to be?

How many conversations will you put in the diaries to start with?

How many of the 5 R.E.A.L. Conversations will you have before the 6th year-end/year start?

How are you keeping track of the R.E.A.L. Conversation and the Personal Learning Plan?

How will you make sure R.E.A.L. Conversations are meaningful?

6.1.3 Where

Where will you hold the R.E.A.L. Conversations?

Where will you store the notes of your R.E.A.L. Conversations?

Where will you store the Personal Learning Plan?

6.1.4 Who

Will arrange the venues, dates and times?

Will send meeting invites, if needed?

Will re-arrange meetings if they are postponed?

Will make notes of your R.E.A.L. Conversations

Will support you so you get the best from your R.E.A.L. Conversations?

Will you go to if the conversations aren't working as they should?

6.1.5 When

When are you going to start R.E.A.L. Conversations?

When are the R.E.A.L. Conversations planned for?

When will you be holding your year-end/year start conversation?

When will the manager's manager be following up on how well the conversations are going?

When will you both review how R.E.A.L. Conversations are working for you?

7. Further Information

Information	Location
Let's Get R.E.A.L.	
Introduction & Guidance Full explanation of the background, process and how to get started	Document: R.E.A.L. Conversations: An Introduction Shared Drive:
FAQ's	Document Shared Drive:
Poster 1 advertising 1-hour briefing sessions Cavendish Road	Document: Lets Get Real poster REAL contact manager Shared Drive:
Poster 2 advertising 1-hour briefing sessions Daneshill	Document: Lets Get Real poster REAL Shared Drive:
What to do:	
1-hour briefing sessions timetable	Document: Lets Get Real 1 hr session dates and times Shared Drive:
Manager Events Timetable July to September to be confirmed and added later	Document: to be added Shared Drive
R.E.A.L. Conversations Summary Overview of the R.E.A.L. themes and questions	Document: REAL Conversations Summary themes and questions Shared Drive
R.E.A.L. Conversations main form Questions, Action plan and PLP on an excel sheet	Document: REAL Conversations master template Shared Drive
How to hold R.E.A.L. Conversations	
Ideas for forms; Questions and action plan on a Word document	Document: REAL Conversations and action sheet idea
Ideas for forms; Personal Learning Plan and guidance on a Word document	Document: REAL Conversations PLP and guide idea
Advice and guidance Speak to HR/OD about how to hold a conversation or book an appointment for individual mentoring or coaching Available to everyone	CEO Roadshows 15 th June Market Stall, Ibis Hotel Stevenage Email: learning&development@stevenage.gov.uk
Bringing conversations to life A demonstration of how to make REAL Conversations come to life using actors and	Leadership Forum 19 th July Theatre Skills Event

scenarios based on the reality of working in the council	
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