



## **CAPABILITY & PERFORMANCE POLICY**

Policy Number 7  
July 2015

*This Document is for the use of Scotmid Employees and their advisors only.*

*No unauthorised use or reproduction of this document is permitted.*

*Once downloaded this document becomes uncontrolled – please check you have the most up-to-date authorised version.*

## **Policy Statement**

It is the policy of the Society to have a reasonable expectation of its employees to maintain acceptable standards of conduct and job performance, in the course of their employment with the business. These standards of conduct or performance may be explicit or implied. For the avoidance of doubt, wherever possible, the Society will set out the required standards of conduct or job performance.

Where there is a breach of standards of conduct or performance it is a reasonable expectation that the Society will apply informal or formal procedures to correct such a breach. The Society shall develop and keep up to date procedures, and will ensure that all employees involved in handling capability matters are fully aware of these procedures and receive appropriate related development. It is also the Society's expectation that this policy will be applied in accordance with its policies on equality and diversity.

Where sub-standard performance is found to be due to negligence or lack of application on the part of the employee, then the Disciplinary Procedure will normally be appropriate. However, issues of an employee's capability may arise from time to time where sub-standard performance relates to a lack of the required knowledge, skills or ability rather than misconduct

The Society reserves the right to amend this policy from time to time. Such amendments may be notified to employees. The policy will be maintained on the People & Performance SharePoint site.

## **Scope of Policy**

The Capability & Performance Policy and Procedures apply to all employees of the Society who are in full or part-time employment, on permanent, fixed term, interim or temporary contracts of employment. The Society reserves the right to apply modified procedures during any probationary period.

## **Performance**

Issues of an employee's capability may arise from time to time where sub-standard performance relates to a lack of the required knowledge, skills or ability rather than misconduct. In this case, the employee should, wherever practicable, be assisted through training or coaching and given reasonable time to achieve the required standard. Where, after an informal process has been followed, there continues to be a significant performance issue arising from capability, the following procedure should be followed.

## **Responsibilities of the employee**

The employee is required to work effectively, and to perform to the highest standard achievable.

If the employee is struggling in any area of his/her work that employee should speak to the line manager and ask for assistance. Admitting the need for assistance is not seen as a weakness.

The employee is responsible for working with the line manager to agree an appropriate way to address any capability difficulties.

The employee is responsible for attending any learning and development activities that are planned to enhance his/her performance at work.

The employee is also responsible for identifying any learning and development activities which might enhance work performance. The employee must be aware that the line manager has a limited budget for learning and development events, and hence it might not always be possible to give permission to pursue a learning and development activity.

## **Responsibilities of the line manager**

The line manager is responsible for meeting with all new starters and identifying any training or other interventions that are required to help the new starter work effectively within the team.

The line manager is responsible for carrying out appraisals with all his/her team, in accordance with the appraisals policy. All appraisals should be completed in a timely manner.

If any capability issues are identified during the appraisal process the line manager is responsible for working with the employee to draw up an appropriate action plan to address the issue(s) that have been identified.

The line manager is responsible for setting appropriate targets for the employee to achieve.

The line manager is responsible for monitoring the progress of any employee who is working in accordance with an action plan, and identifying and addressing any issues that arise which mean the targets within that plan are not being met.

The line manager is required to support all employees in his/her team to ensure that they all perform to the best of their ability.

## **Responsibilities of the People & Performance Department**

The People & Performance department is responsible for supporting the line manager and employee in their attempts to address any capability issues. The People & Performance department will do this through:

- Advising the line manager on the processes to follow
- Identifying any appropriate learning and development issues
- Meeting with the line manager and employee if required
- Giving any other advice as required

### **Stage 1 – Meeting with Manager**

The relevant manager should invite the employee, in writing, to a meeting after discussing the situation with the relevant People & Performance Consultant. The employee has the right to be accompanied by a work colleague or a trade union official. The purpose of such a meeting is to discuss the employee's performance in the job and to confirm the standard required. The following points should be discussed:

- the cause of the problem;
- the job requirements and the employee's knowledge, skills and ability, and the shortfall between them.

The manager should consider what might be done to improve the situation and help the employee. He/she may consider the following options:

- development needs which could be satisfied;
- any amendments which could be made to the principal duties of the job to enable the employee to become more effective;
- any help which may be available from colleagues of that employee;
- a clear, open line of communication with manager and colleagues for advice and support.

Following the meeting he/she should then provide the employee with a written Performance Improvement Plan, in a form to be agreed with the People & Performance Department setting out:

- the performance problem;
- the improvement that is required;
- the timescale for achieving this improvement;
- a review date; and
- any support that will be provided to assist the employee.

The employee should be informed that the Performance Improvement Plan represents the first stage of a formal process and that failure to improve could ultimately lead to dismissal on grounds of capability. A copy of the Performance Improvement Plan should be kept and used as the basis for monitoring and reviewing. If any problems arise in the interim, then these should be addressed as soon as possible.

## **Stage 2 - Review of Progress**

The manager will arrange a meeting at the review date after discussions with the relevant People & Performance Consultant. The employee has the right to be accompanied by a work colleague or a trade union official. The manager will review progress with the employee, and evaluate any improvement in performance. The manager may then decide:

- that no further action is required because the required improvement has been achieved; or
- to retain the current plan but to extend the period for improvement if there is a legitimate and genuine reason (setting next review date); or
- to agree a new plan taking account of the employee's response to the issues discussed; or
- to progress to stage 3, usually because there has been no improvement or because any improvement falls well short of what was required.

Normally the areas for improvement, targets and timescales will be set and reviewed one more time before escalating to stage 3. Where there is to be continued review, the employee must be advised at this stage that his continued employment is now seriously at risk if the required level of improvement is not achieved and sustained. If, following the further review, there has not been sufficient improvement, the matter will be escalated to stage 3.

## **Stage 3 - Review Meeting with Senior Manager**

To comply with current legislation the manager must write to the employee prior to the meeting:

- setting out the circumstances which might lead him/her to take action short of dismissal or to dismiss the employee;
- inviting the employee to attend a meeting to discuss the matter; and
- advising of the right to be accompanied.

Since dismissal may be contemplated the senior manager must be at Senior Store Manager, Regional Business Manager or Head of Department level.

The discussion that takes place during such a meeting should normally involve:

- the manager's concerns about the review period and what has taken place; and
- the employee's views of how matters have progressed.

The possible outcomes of this meeting, in addition to those outlined in stage 2, include:

- redeployment to a different or lower-graded post where this is possible and it is felt by both parties that this would be appropriate which may result in an immediate or phased reduction of salary; or

- dismissal on the grounds of capability/performance.

#### **Stage 4 – Appeal**

The right to appeal applies to all stages of the Society's Capability procedure. If an employee decides to exercise this right at any stage, he must request an appeal meeting in writing within 7 working days of the date of receipt of the decision from the meeting. Contact details will be included in the letter confirming the level of action that has been taken.

The employee should specify in writing the grounds on which he/she is appealing. This may be because:

- he/she thinks a finding or penalty is unfair or inconsistent;
- bias of the hearing manager
- new evidence comes to light; or
- he/she thinks the capability procedure was not used correctly.

The person who is to hear the appeal will normally be more senior to the capability manager or may be from a different department and is hereafter referred to as the Appeal Officer.

Normally within 7 working days of receiving the letter of appeal, the Appeal Officer will give the employee notice in writing calling an appeal meeting. The employee shall be entitled to at least five days prior notice of the date of the appeal meeting.

The employee must take all reasonable steps to attend the meeting.

The Appeal Officer shall form his conclusions and these shall be, for example, to:

- uphold the decision of the capability hearing, in whole or in part;
- reduce/increase the level of warning / review period
- in the case of dismissal, overturn the decision to dismiss with or without substituting any sanctions
- dismiss the case and remove any sanctions previously given.

There may be other decisions which may be reasonable in the circumstances.

The Appeal Officer shall write to the employee as soon as reasonably possible following the appeal meeting with his/her decision, clearly stating the outcome and the reasons for this decision. Where this is likely to extend beyond five working days from the appeal meeting, the Appeal Officer shall inform the employee of the delay, the reasons for the delay and the expected date for the decision. Where the Appeal Officer has decided to dismiss or reduce the level of sanction, he/she shall state in the letter that details of the original warning shall be removed from the individual's employee record.

This is the final stage in the appeal procedure and the Appeal Officer's decision is final.

### Performance Review Schedule

Employee Details	Store Details	Meeting Details
Name: Job Title: Contracted Hours:	Store/Dept: Line Manager:	Date: Time: People Present:

Poor Performance Identified	What Has To Be Achieved	Method For Improvement	Review Date

Please note that failure to make the improvements agreed could lead to disciplinary action.

Employee – Signature:

Date:

Manager Signature:

Date: