

Indicator 4: Managing performance

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Question	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
I am encouraged to achieve high performance	64% (37)	33% (23)	7% (5)	4% (3)	0% (0)	0% (0)	2% (1)
I set my objectives with my line manager	26% (18)	48% (33)	9% (6)	16% (11)	0% (0)	0% (0)	1% (1)
My organisation's success is reliant on all of us achieving our individual objectives	41% (28)	48% (33)	9% (6)	1% (1)	0% (0)	1% (1)	0% (0)
My performance is reviewed regularly	22% (15)	33% (27)	19% (13)	6% (4)	3% (2)	7% (5)	4% (3)

About this indicator ...

Questions in this indicator relate to whether objectives within the organisation are suitably aligned, performance is measured, and feedback is used and given.

Managing performance is key to successful contracts delivery at Premier Group Construction. It is vital to the key ambitions of retaining contracts and reputation (as is excellent performance in health and safety) in their specific sector and to achieving profit goals. From discussions with the managers, staff and the document analysis, there is a clear performance management thread running through the business from strategy to setting and managing individual objectives. These show that the company has set up a structure of management to make sure it manages the delivery of its objectives through its people according to its values and integrated HR procedures.

The overview result of the Online Assessment for this indicator is close to 90% positive and less than 5% disagreeing. This is a very high rating and the company should take pride in what it has done to achieve this. Performance is also better than the sector benchmark 5.92 (Premier) and 5.55 (sector). More detailed analysis of the Online Assessment shows that the management group's results are nearly 100% in agreement and this is indicative of management confidence in its processes.

Setting Objectives

Two different kinds of objectives were discussed at interview – daily operational work and personal development objectives. Those interviewed were clear on their roles and on a day to day basis they referred to the means by which they have are set out for them, e.g. site packs.

Most staff interviewed were able to describe their personal development objectives and new that they were adequately supported e.g. site operational, H&S and machinery operating certificates. A few did flag up the absence of regular 1-2-1 formal appraisal opportunities. This was true of management, office and site staff. None felt that it had left them with any problem or held them back in anyway, all felt that they had been able to communicate their needs (when occurring) to their manager or foreman but it would nevertheless be good practice to see the PM system regularised so that all staff were able to have equal access to the same opportunity, as mentioned earlier.

Encouraging High Performance

This is a business with great ambition and which is already a UK market leader. High performance is something they are already working towards at an operational level. There is a clear golden thread running through the objectives to every job and person in the company. The company has put in place supporting structures, processes and activities such as coaching and training to support the creation of a high performance culture and reviews its operational activities to maintain success. This is a well embedded aspect of the culture.

Measuring and assessing performance

There is a formal annual appraisal process – directors, managers and team leaders appraise their team members which is a good example also of delegation in management. Senior managers appraise those next in line and so on. Appraisals are usually conducted at end of probationary periods, and there is regular feedback on day to day work throughout the year. Latest figures show that this only reaches 70% of staff and is still being rolled out this cycle. This represents a missed opportunity because of the successful and well regarded inclusive culture at Premier Group Construction (and is referred to at several other places in this report).

Appraisals are designed to give people the opportunity to talk about future prospects in the company and how they might reach new goals. Exceptional performance is also recorded. The focus of performance is never on blame but actively promoting improvement and getting people to be aware of their own performance levels, in order to foster continuous improvement.

Historically the focus has always been on personal 1-2-1 communication and there is truly an open-door policy where staff are encouraged and do take the opportunity to discuss their concerns with senior staff, the MD himself is regarded as a very open individual constantly in touch with the team at all locations.

It would be useful if these were incorporated with the HR metrics (see page 9) and used in strategic planning and in the monitoring of people's employment journey, to ensure that the company is gaining the optimum benefit from its investment in its staff in line with the business growth.

"Senior managers welcome you calling in to see them"

"They know their staff and make a point of getting to know new workforce members"

"I have regular 1-2-1 meetings, ad hoc chats and a proper performance appraisal"

"We are held accountable if we are seen to be not performing"

Further development

The company has reached the level that it saw itself as being in three years' time and there are no further development areas. It is, however, suggested that the company formalises metrics for performance management activity and report regularly to the Senior Management Team

Performance Level Achieved	ADVANCED
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Indicator 5: Recognising and rewarding high performance

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Question	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
I feel appreciated for the work I do	25% (17)	44% (30)	16% (11)	4% (3)	4% (3)	4% (3)	3% (2)
I/my team are consistently recognised when we exceed expectations	25% (17)	35% (24)	20% (14)	6% (4)	10% (7)	4% (3)	0% (0)
I/my team receive higher levels of recognition and reward for higher levels of performance	15% (10)	33% (23)	22% (15)	16% (11)	6% (4)	7% (5)	1% (1)
My organisation has a flexible approach to recognition and reward	36% (25)	40% (28)	12% (8)	3% (2)	3% (2)	6% (4)	0% (0)

About this indicator ...

Questions in this set relate to whether recognition and reward is clear, fair and appropriate, and specifically is there is a culture of appreciation where people are motivated to perform at their best.

It is fair to say that this is an indicator where people may often have strong feelings e.g. they themselves may feel that they have been overlooked or someone they do not favour well has been overly rewarded. Equally, a well-run and continually refreshed R&R process can certainly be a powerful tool in driving performance.

At Premier Group Construction, the approach to reward and recognition is reflective of the friendly, inclusive and familial management style of the business. To incentivise staff to perform well, the company uses social rewards such as funded events, and personal rewards (Kudos) such as vouchers to give appreciation to individuals and teams who show positive attitudes or actions.

"Where I used to work I was just a number – here they look after you personally. I was helped return home from site when a family emergency arose"

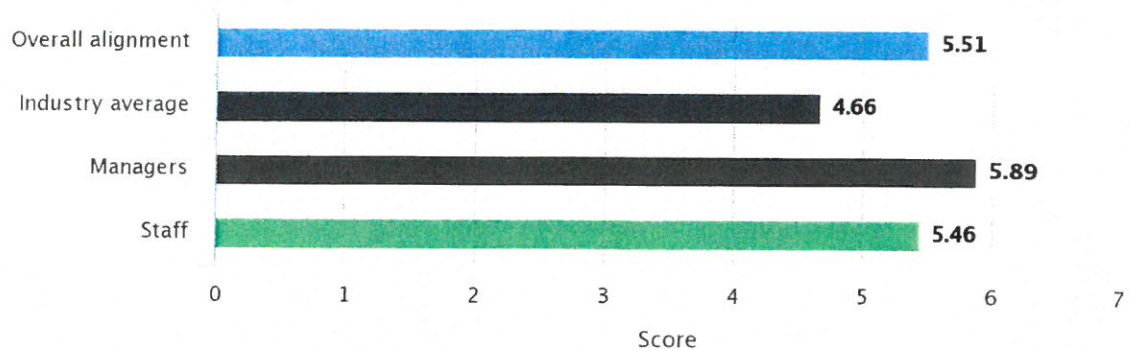
"They look after the boys – e.g. the MDs wife did the cooking at Christmas, there is a summer fayre and all sorts of other events too"

To date this has also contributed to people feeling appreciated and valued. In the interviews, they talked about the company as a great place to work. Those reasons were not necessarily because of money. The work environment, the culture of trust and openness, the friendly approachable consistent style of management were all cited as examples of what motivates people to work at according to their best ability in the company.

"I really want to do the job to the best of my ability and am content with it"

Overall, they have a clear positive approach to rewarding and recognising designed to support a growing business and workforce. This also includes a consistent policy of overtime pay, a clear wage structure, and social rewards. Results are also very comfortably above the sector figures – even when differentiating between responses from managers and from staff. See extracted results below:

Recognising and rewarding high performance



Designing an approach to recognition and reward

There is undoubtedly a strong reward / recognition culture in the company. Those who were interviewed all described how they felt appreciated and valued. The company applies its policies consistently and there was no indication of favouritism. However, some interviewees gave examples of how they felt that the system had become a little predictable and almost, nearly part of the take home pay. They appreciated it – but equally felt that it did less now to motivate. A refresh seemed called for – and that might be best achieved by including the potential beneficiaries i.e. all staff – in consultation on it

"We get a gift card at Christmas – it changed once and when staff didn't like it they listened and put things right"

Adopting a culture of recognition

The culture of the business is one of showing appreciation and reinvestment in the staff. This culture appeared to be a consistent approach across the company. The latter was visible and as one said *"We get thanked by our managers so pass that on too at our morning meetings"*. All interviewees, when asked, could give examples of rewards and recognition given and the feeling of appreciation seemed universal. The issue that was most apparent in terms of the culture was that of the need for a refresh - already described above. Results of the online assessment seem to confirm the interview based feedback – with 14% of respondents disagreeing with the statements that they were rewarded consistently for exceeding expectations or that high performance resulted in higher recognition.

"There is a real reward system for when you are doing things well; we can nominate each other"

"We have a reward system – Kudos – but it is wearing off a bit"

Recognising and rewarding people

Clarity was obvious throughout the theory and application of reward and recognition. People gave examples of the reward system in action, understood how it worked and actively participated in, for example, nominations for Kudos. In interviews, many gave examples of other aspects of the business which had attracted them to it (security, sustainability etc.) and incentivised them to stay there. However, the online assessment results show that the company could do a more to improve the way that they review and renew their policies and practice in this area.

"I went the extra mile for them because of the way that I am treated"

"Three guys who had left – have come back now"

Further development

Reward and Recognition was the IIP indicator with the lowest online assessment result (though still high and significantly above the construction sector benchmark). Staff like the overall arrangements but clearly felt that it was becoming 'part of the package' rather than a motivational tool. The company has not yet reached the level that it saw itself as being in three years' time and this is, therefore, a development requirement. This could begin with reviewing and refreshing its reward practices in relation to recognising higher performance in order to sustain motivation of staff as each year's objectives are set. It is suggested that staff are involved in the exercise. Some thoughts on how to proceed with this are included in the last section of this report.

Performance Level Achieved	ESTABLISHED
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