Public business

Performance review for Council members

Purpose
To consider options for a performance review process for Council members.

Recommendation
The Council is asked to select one of the following options to be developed into a pilot:

i. Self-assessment plus review discussions (option 2 in Appendix 1); or

ii. 360° feedback (option 4 in Appendix 1).

1.0 Background

1.1 An effective governing body relies on Council members who are competent, motivated and well-supported. Part of that support should be provided by an effective objective setting and appraisal process. An annual review can help individuals develop a clearer sense of purpose by ensuring their contributions individually and collectively are aligned with the organisation’s strategic objectives, as well as providing feedback on where their contribution has been particularly helpful or where areas of personal development need to be addressed. The process should help to improve the Council’s overall achievement by supporting and developing individuals, and enabling people to see how and where they can contribute more effectively.

1.2 This paper draws on Appointments Commission guidance, Cabinet Office guidance on making and managing public appointments\(^1\) and the Good Governance Standard in Public Services\(^2\), together with information from other

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\(^1\) Making and Managing Public Appointments (Cabinet Office 2006)
\(^2\) The Good Governance Standard for Public Services (Independent Commission for Public Services, 2004)
bodies. It also incorporates information gathered from two consultancies – Cumberlege Connections and the Foresight Partnership.

1.3 These processes are in line with good governance practice in both private and public sector contexts. The Good Governance Standard in Public Services says:

‘Individual governors should be held to account for their contribution through regular performance reviews. These should include an assessment of any training and development needs….

The Governing body should regularly review its performance as a whole. The review should involve assessing its ways of working and achievements and agreeing an action plan to put in place any necessary improvements.’

1.4 An annual objective setting and appraisal process should:

- Help drive up governance standards and encourage personal development
- Create clear expectations
- Form an integral part of induction, training and development support for Council members
- Not be over-burdensome
- Make effective use of participants’ time.

1.5 The GPhC will need to provide feedback on the performance of Council members to the Appointments Commission (or other appointing agency) if they are to be considered for reappointment, so any process should be designed to help inform this feedback. Before reappointing individuals to boards, the Appointments Commission requires submission of a summary feedback form that is designed to capture: whether a formal appraisal process has been followed; the level of performance identified, and whether actions have been identified to deal with any issues identified during the appraisal.

1.6 Performance review is important for both individual Council members and the Council as a whole. This paper focuses largely on the first of these areas. The importance of undertaking an overall review of Council performance should not be lost and will be covered in a future paper.

2.0 **Fundamental elements for performance review**

2.1 A robust process will include the following elements:

- strategic objective setting for the whole Council which identifies areas for individual members’ contributions;
- discussion between individual members and the Chair or other designated person about the two or three areas in which an individual feels they can make a specific contribution, including what they want to achieve and how it might be measured;
- informal opportunities to ensure things are on track and remain relevant;
- some form of assessment;
- a discussion, followed by a record of the outcome.

**Initial training**

2.2 Whatever process is introduced, all Council members should receive initial training on how to be appraised &/or how to provide feedback on performance. This would have resource implications but once established would be incorporated in induction sessions for new Council members.

**Assessment**

2.3 Good practice in appraisal for governor roles generally incorporates an assessment form, used consistently for all members. The form may cover the following elements:

- Objectives for that member for the year;
- A review of performance against those objectives at the end of the year, including evidence to substantiate the assessment;
- A review of behaviour to demonstrate how appraisees act in line with the agreed organisational values. This would provide an opportunity to review any equality and diversity issues and to challenge any inappropriate behaviours such as bullying;
- A set of competencies for the role together with an assessment of performance against those competencies;
- A short summary of overall performance, including particular achievements and areas for further development;
- Identification of development needs with a plan as to how those needs will be met in the following year.

2.4 A well designed review form can capture all these elements, whatever the basis for assessment (self, peer review or 360° feedback).

**Internal/external facilitation**

2.5 Consideration will need to be given to the degree of involvement in the process of the Chair or some external entity. Conduct of the process by an external entity could help ensure independence and objectivity and minimise the burden on the Chair, but would be relatively costly and could be less helpful to the Chair in carrying out his/her own role, as they would have little involvement.

**3.0 The experience of other bodies**

3.1 Finding a robust and satisfactory process for Council member appraisal seems to have been problematic for many bodies, within and outside health. Appraisal schemes generally include feedback from, and discussion with, the Council Chair. The Appointments Commission’s experience is that any appraisal process, no matter what the design, is wholly dependent on the robustness and
honesty of the Chair or other person providing individual feedback and whether he or she is prepared to give bad news.

4. **Options for individual Council members’ objective setting and appraisal**

4.1 The *Enhancing Confidence* White Paper working group report\(^3\) recommended that there should be a consistent approach to members’ appraisal across the health professions regulators and that training on the appraisal process should form part of induction. It did not, however, specify what that consistent approach should be. CHRE formerly required that regulators should have a system of Council member appraisal in place (CHRE no longer sets governance standards) but also did not specify any system. In the absence of an existing consensus, the four main approaches identified are outlined in Appendix 1.

5. **GPhC Governance Working Group (GGWG) and Pharmacy Regulation & Leadership Oversight Group (PRLOG)**

5.1 The GGWG recommended that participation in an appraisal process should be mandatory for GPhC Council members. It further recommended that, while the detail of the process would be a matter for the GPhC Council and Chair, it should at a minimum include:

- Clear corporate and individual objectives;
- Self-assessment against these objectives;
- A review with the Chair, at which the Chair’s assessment of the individual’s performance would be recorded and any development needs identified; and
- An all-Council review of performance and behaviour.

Alternatively, the GGWG felt that the Council might wish to go further and adopt a 360° appraisal process.

5.2 PRLOG ratified the GGWG’s proposals as part of the GGWG report.

6.0 **Equality and diversity implications**

6.1 The competencies and behaviours to be assessed as part of the appraisal process should take account of the Council’s equality and diversity scheme.

7.0 **Communications implications**

7.1 The Council appraisal scheme would form part of the GPhC governance and assurance framework and be publicised as such through the website.

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\(^3\) Implementing the White Paper Trust, Assurance & Safety: Enhancing confidence in healthcare professional regulators (Department of Health, June 2008)
8.0 **Resource implications**

8.1 Provision should be made within the 2011-12 budget for the piloting and full implementation of a Council appraisal scheme and for meeting development needs that may be identified.

9.0 **Risk implications**

9.1 The implementation of a robust, systematic approach to Council member appraisal should help to maintain a high standard of governance within the GPhC and demonstrate that the Council is taking its responsibilities seriously. Failure to implement an appropriate system could make it difficult for the Appointments Commission or any successor body to consider the potential reappointment of Council members in a properly informed way.

**Recommendation**

The Council is asked to select one of the following options to be developed into a pilot:

i. Self-assessment plus review discussions (option 2 in Appendix 1); or

ii. 360° feedback (option 4 in Appendix 1).

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Appendix 1

Options for individual Council members’ objective setting and appraisal

1.0 Option one - Self-assessment
1.1 In this approach, each Council member would be asked to complete the assessment for themselves, including listing their objectives and their assessment of their performance and behaviour against objectives and competencies. The form would be sent to the Chair for review but they would not be expected to comment on the assessment, just to note it. The Chair would also be expected to complete the self-assessment form and send it to the current deputy chair for noting.

1.2 Some boards choose to introduce appraisal in this way, given that it has clear ownership and is non-threatening, before progressing to one of the other options. The benefits of such an approach would be that the Council members would have ownership of the process, and there would be no obligation on the Chair to undertake reviews with all members.

1.3 The disadvantages of such an approach would be that Council members would have no feedback about how they are perceived by others and there would be no validation of their self-assessment. Unless it was felt that this option was all that could be achieved, it might, therefore, not seem worthwhile to pursue it.

2.0 Option 2 -- Self-assessment plus review discussions
2.1 Council members would complete a self-assessment. The Chair would then set out their assessment of each individual Council member and hold a one-to-one discussion with each. At the end of the discussion there should be broad agreement about the overall assessment, development needs should be identified and objectives for the following period discussed.

2.2 The benefits of this approach would be that the Council member would still complete their initial self-assessment but would also hear views on their performance and behaviour from the leadership of the Council. The Chair would be more actively engaged in the process and would have a stronger sense of ownership.

2.3 The disadvantages would be that the Chair would have to rely on their own perceptions. For some members this could be limited to their performance and behaviour in Council meetings if the Chair had not seen them operating in other areas of Council member activity. Council members would receive feedback from only one of their Council colleagues. Such an approach would also rely heavily on the time and the review skills of the Chair, and it might be necessary to think about creating a ‘grandparent’ system for use by members who did not accept the view of the Chair. Once again, this would not seem to be the best available option.

3.0 Option 3 -- Supported self-assessment incorporating corporate view
3.1 This approach would provide an opportunity for the Council to begin the process of self-assessing its corporate performance and behaviour as well as individual
performance and behaviour in a facilitated manner. It is based on the first option but with facilitated support.

3.2 Each Council member would assess their own performance and behaviour against objectives as before. In this approach, all members would also complete a 360 degree web-tool which asked for their assessment of the Council's overall corporate performance and behaviour (using the Council’s values and core competencies as a broad framework) and of their own.

3.3 An analysis of overall Council performance and behaviour would be made available to all Council members but the questions relating to each member’s individual self-assessment would only be made available to the member in question.

3.4 The Council would review its performance and behaviour annually. The first part of the review session would provide an opportunity for the Council to discuss the themes emerging from the overall self-assessment of Council performance and behaviour and actions to address any identified development needs. The second part of the review would focus on individual members. Following training about how to give and receive feedback, Council members would work in groups of three or four to share their own self-assessment (produced from the web survey) and their performance and behaviour against objectives (which they would have completed themselves), and ask for constructive support and feedback from two or three of their colleagues. They would be asked to agree development priorities. As one of the consultants has pointed out, this would require a mature approach and no ‘point scoring’.

3.5 At the end of the session, there would be an opportunity, in plenary, to draw out the main development needs that emerge. Each Council member would then be asked to complete their self-assessment, informed by the discussion they had had with colleagues, and send it to the Chair for noting. Alternatively, the assessment could be reviewed with the Chair, with comments on performance being recorded and any development needs identified.

3.6 The benefits of this approach would be that:

- it would provide an opportunity to consider individual performance and behaviour in the context of collective Council performance;
- the web-based tool would provide an easy-to-use structured approach to self-assessment;
- all Council members would receive some training in giving and receiving feedback – and then use each other as co-coaches in reviewing performance and behaviour.

3.7 The disadvantages would be that:

- feedback on performance and behaviour would be mostly self-assessment, with comments from perhaps two or three colleagues;
- if some Council members were unable to attend the review session it might be necessary to arrange a separate meeting with some colleagues for them to benefit from the process;
- costs would be higher than for the previous options.

4.0 **Option 4 -- 360° feedback**

4.1 The Chair and the Chief Executive & Registrar intend to pilot an externally-facilitated 360° feedback method in the near future for their own appraisal, so this experience could help to inform a pilot for all Council members. This option could include elements of the earlier options, with the addition of each member being offered 360° feedback on their performance and behaviour through the development of an online questionnaire, based on the Council’s values and core competencies. Members would nominate Council colleagues and perhaps senior staff to complete the questionnaire in confidence. Hospital-based research\(^4\) suggested that peer review is effective if at least 10 or 11 responders are used, whereas the Chartered Institute of Personnel and Development (CIPD) suggests that 8-10 responders is normal and the Appointments Commission states that 6-10 responders is typical\(^5\).

4.2 Inviting senior staff to contribute to 360° feedback of Council members could provide a more rounded picture. On the other hand, it might not seem appropriate for staff to feel pressured into contributing to Council members’ assessments or vice versa, nor to have one or two senior staff (other than the Chief Executive) contributing to the reviews of many Council members while other relevant staff were not contributing. Whichever groups responders are drawn from, the individual should have full involvement in deciding who the responders should be, as responders must be credible to the individual if feedback is to be acted upon.

4.3 Reports might be based on self-assessment plus a confidential online form to be completed by a specified number of Council members (lay and registrant) and any other responders. An external consultant could then provide a confidential report to the Council member on their results, with ratings and verbatim, though unattributed, comments. Each person could be given a confidential report of their own results together with the mean results for the Council as a whole.

4.4 Research suggests that it is preferable for such assessments to be organised by an independent, external person\(^6\). The CIPD also says that ‘ideally the whole process should be anonymous and the feedback presented to the recipient by a skilled coach\(^7\). However, external independent input can be costly. A number of questions would also need to be answered e.g. how would an external appraiser glean the necessary knowledge of performance and behaviour without attending Council meetings and other events where the appraisee functions? How else might an objective appraisal be achieved? How would an external appraiser be selected, and against what criteria? An alternative would be for the feedback

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\(^5\) [https://www.appointments.org.uk/Home/Appointees/Appraisal/360DegreeFeedback](https://www.appointments.org.uk/Home/Appointees/Appraisal/360DegreeFeedback) (accessed 8 November 2010)
\(^6\) Potter TB, Palmer RG. 360-degree assessment in a multidisciplinary team setting. Rheumatology 2003; 42:1404-1407
\(^7\) [http://www.cipd.co.uk/subjects/perfmangmt/appfdbck/360fdbk.htm](http://www.cipd.co.uk/subjects/perfmangmt/appfdbck/360fdbk.htm) (accessed 8 November 2010)
reports to be produced by an external agency but for individual members to then discuss them with the Chair.

4.5 A disadvantage of Option 4 might be that some individuals could be asked to complete a large number of questionnaires. It would also be important, as with Option 3, that respondents took a mature approach to completion so that there was no ‘point scoring’. Even if feedback from a significant number of reviewers were to be anonymised, it might be possible for members to tell (or guess, perhaps wrongly) where an adverse comment had come from. Previous research has suggested that a minority might feel threatened by the process, with some finding a single negative comment hurtful even when balanced by several other positive comments\(^8\). On the other hand, an important benefit of this option is that Council members would have fuller feedback on their performance from a significant number of colleagues. The assessment reports would also be less dependent on the Chair’s input.

4.6 It should be borne in mind that some members might deliberately choose critical peers, because they felt this could provide worthwhile feedback, and some might not. Such discrepancy could skew the results, although any tendency to choose exclusively like-minded colleagues could be mitigated to some extent by a requirement to select different categories of respondent to complete the 360\(^0\) questionnaire.

4.7 360\(^0\) review is a powerful tool that should be used carefully but would allow members to gain perspectives from a number of respondents to give a more rounded view. While this approach would be the most costly of those described in terms of external input, it is suggested that it would be the most worthwhile in terms of getting objective, usable outcomes for both personal development and appraisal of performance and behaviour.

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\(^8\) Potter TB, Palmer RG. 360-degree assessment in a multidisciplinary team setting. Rheumatology 2003; 42:1404-1407