A study into performance management of International NGOs

May 2005

Authors:

MDF Training & Consultancy BV

> **Elien Rogaar**
> **Riet Nigten**
> **Johan Lammers**

Commissioned by People In Aid and RedR-IHE on behalf of the **Emergency Personnel Network**

Table of Contents

Annexes

1. Introduction

This report discusses practices of performance management of International NGO's. The idea for this performance management study came into being at the sixth seminar of the Emergency Personnel Network held in June 2004 in Barcelona, Spain. The theme of the seminar was:

Managing and Developing Nationally-Recruited Staff – Aiming for Equity

Some key points from the seminar were:
- Equity is not the same as equality, but it means applying the same values to different situations, perhaps by having a standard framework that is adapted to different contexts.
- Up-front training at the start of a programme can make a huge of difference.
- There was a general consensus that most contracts for nationally recruited staff should be indefinite, since short contracts are a major obstacle to staff development.
- Good people-management of nationally recruited staff makes for more effective programs.

And finally:
- Rigorous performance appraisal, linked to career development, is vital if nationally recruited staff are to be managed equitably.

This last key-point of equity is the one of the main subjects of the study. The study presents a wide range of practices of performance management as a part of Human Resources Management, from a great diversity of NGOs. The emphasis will be on the nationally recruited staff, and whether NGOs address their local needs.

If one looks for a definition of performance management on the internet one can find that performance management has the following purposes:
- To identify and enhance desirable or effective work behaviour.
- To reinforce this behaviour by linking rewards to measured performance.
- To develop desired competencies and build human capital within organisations.

Enthusiasts for performance management argue that it serves a key integrating role within an organisation's human resource processes. Firstly, it serves recruitment. Secondly it monitors employee performance and the relevance of their working behaviour to business objectives. As such it can be considered to be an important motivation tool. Thirdly, it provides a rationale for an organisation's reward policy. In the fourth instance it serves staff development. Taken at face value, these intentions seem entirely compatible with an integrated and strategic approach to human resource management. In reality, however, the definition and measurement of good performance is a controversial matter, involving fundamental issues of motivation, assessment and reward.

These visions are subscribed by the UK's Chartered Institute of Personnel Development (CIPD)'s 2003 report "Unlocking the Black Box". This report offers insight into what happens if performance is not managed:
- A person who is unsatisfied with career opportunities is likely to be 31.2% less productive than the 'ideal employee'.
- Likewise for training: 26.3% less productive
- Equally for commitment: 21.5% less productive

- Also for an employee with low job satisfaction: 41.6% less productive

The CIPD report suggests that performance should be managed in a good way, otherwise the production of the employees will fall behind.

To enhance readability of this report different aspects of performance management are discussed. This introduction is Chapter 1. Chapter 2 deals with performance management systems. This chapter is divided in different paragraphs discussing different elements or aspects of performance management systems, like job descriptions or staff development. Each paragraph introduces the element and then interesting cases concerning this aspect are given. Chapter 3 deals with the process of setting up performance management in an organisation. Chapter 4 gives summaries of chapter 2 and 3.

We have identified two cross cutting issues: first, the choice between a more standardised system and a system that is more adaptable to local situations; second, the equity issue, or the different or equal treatment of NRS as compared to expatriate staff. We also give some reflections on these two issues in chapter 4. The complete case studies are in the annex, for those who want to read the overall practice of the NGOs.

We expect that the case studies and analysis will prompt you to ask questions about your own procedure and highlight ways in which your peers are tackling the issues. We intend that your own organisational performance should benefit from this work.

The information in this report was gathered through telephone interviews with HRM-managers in the home country of the organisation and with line managers and nationally recruited staff in the field. We would like to thank all the people that helped with this research for their co-operation.

Ede, 12 May 2005,

The research team of MDF Training & Consultancy, the Netherlands,
Elien Rogaar
Riet Nigten
Johan Lammers

2. Performance Management Systems

2.1 Introduction

This chapter presents the different performance management systems of different organisations.

A performance management system consists of different elements, or activities. In paragraph 2.2 we treat these elements or activities separately: job descriptions, recruitment, monitoring performance, staff development and reward. Monitoring performance contains both performance review and performance appraisal. We did not separate these two because most of the interviewees did not separate them, or even if they did, they were found to be very much linked. Paragraph 2.2.6 highlights some special tools and approaches to performance management systems we came across during the research.

In paragraph 2.3 we move on to an overview of different practices on how to organise performance management. Different organisations have chosen different ways. Firstly we deal with the planning of formal points in time for monitoring staff performance, like annual review meetings and appraisals. Secondly we deal with how organisations instruct and brief their managers to put performance management into practice, e.g. how to conduct a review meeting or how to record the assessment of performance. Furthermore we illustrate how organisations divide the roles and responsibilities between headquarters and line managers in the field for the specific points in time for monitoring staff performance. In relation to the latter we finally show how different organisations deal with confidentiality and transparency.

Most organisations talk enthusiastically about their systems but how does it work out in practice? In paragraph 2.4 we present some experiences of the operational aspects of performance management systems. The expectations of Nationally Recruited Staff (NRS) often play a role in how performance management systems work out in practice. We will share the expectations which we gathered from NRS.

A specific idea on systems is given in *a 360° case from India provided by TVRLS*, which we'd like to mention here:

"A spiritual approach requires spirited people. Systems do not provide spirit. Instead they offer opportunities that people can make their own. One fundamental mistake made by HR managers is assuming that because they are in the business of designing and introducing performance management systems, they are also owners of the system. That error encourages line managers to think that they have to implement performance management as requirement of the HR department, rather than as an opportunity for the line manager to improve himself and his performance. There is a simple way to stop this notion: make the forms for performance management available for line managers to use whenever they like."

2.2 Elements/aspects of performance management systems

In order to manage the performance of employees there are several instruments an organisation can use. A performance management system, or cycle, often starts with determining job descriptions, cascading down from the overall organisation objectives. They serve as objectives and indicators for performance. This is often followed by recruitment of staff and then there is a need for staff performance to be monitored. To this end several types of meetings can be held throughout the year. Reward policies are also part of performance management. We will present practices on these elements/aspects and offer some special tools. We will also discuss approaches NGOs use in their management system.

2.2.1 Job descriptions

Job descriptions are often the basic building blocks to achieve broader organisational goals. In order to reach these goals, it is therefore important to be clear what the different objectives of the function are. Job descriptions generally serve as guidelines and indicators for the jobholders. Many organisations use job descriptions as guidelines for performance in the whole performance management process.

Some organisations talk about job profiles, others about competency profiles; both are variations of the job description/person specification. Organisations vary in the way they work with (or without) job descriptions.

An organisation can choose to have centrally standardised job descriptions, or leave it up to the local line manager to indicate what they expect from their staff. In the latter case often no job descriptions are formulated. Organisations can also choose to find a modus in between these two possibilities. It is a widely applied practice that headquarters give general standards, which can be adapted locally. A more flexible way of doing things is that the line manager and employee together determine the job content. Research suggests that the latter route will enhance the commitment of the employee to the objectives, and will therefore improve motivation and consequently performance.

There may be variations in job descriptions dependent on different types of employees, NRS and expatriates. Do NRS have the same type of job descriptions as the expatriate staff? Are job descriptions adapted to the cultural standards in a certain region? These questions about equity and adaptation are questions an organisation may ask itself.

An issue which can be a problem is that jobs transform and develop over time. A description of a job may soon become outdated. Some organisations adapt the job descriptions over a certain period of time; other organisations overcome this difficulty by making workplans in addition to the job description. These plans are more specific and usually valid for a year. The job description in its turn is written in broader terms and leaves space that can be annually filled by the workplan.

The following cases present different NGO practices concerning job descriptions.

Merlin: Clarifying responsibilities and tasks

Merlin works with clear job descriptions, in which key responsibilities and broad tasks are described. These job descriptions are adapted over time. The objectives are monitored on a day by day basis, and used in the review and appraisal meetings.

ZOA Refugee Care: Developing core definitions

ZOA uses a format for the description of different functions. They have developed a few core definitions, which the local HRM people amplify into complete job descriptions. In this way, they are adapted to the local cultural context.

Concern: job-descriptions in terms of objectives and competencies

Concern has a system called Performance and Development Review System (PDR)
It consists of two parts:
1. objectives for each individual in his/her role (serving the performance review)
2. competencies needed to complete those objectives (serving development review)

ad 1. The objectives part has two sections:
- Looking at previous results identified from previous PDR objectives (or looking at the job-description in case the jobholder recently joined the organisation)
- Looking forward to new objectives.

This implies that the initial job description when entering the organisation is adjusted during a review meeting and then called PDR objectives.

ad 2. Competencies are defined in terms of knowledge, skills, attitude and behaviour. The competency section lists five core competencies that apply to everyone in the organisation:
1. planning and organisation
2. participation as a member of a team
3. interpreting and communicating information
4. creative thinking
5. sense of responsibility

Besides these five core competencies the line manager and the jobholder can add in special competencies that need to be addressed in that specific job in that particular context, like technical, communication, or generic ones.

CIF Santé, Democratic Republic of Congo: Personalising job descriptions

During the review meeting at CIF Santé, manager and employee take along the job profile and check whether it is still up to date, or if, due to changes, the profile has to be adapted. The job profile consists of a description of tasks, activities, objectives, and responsibilities. It can be personalised for the employee by adding tasks and activities that the jobholder likes to do and is good at, for example writing articles or laying out activities. This adapted and possibly personalised job profile is kept in the personal file of the jobholder.

INF Nepal: Using a standardised system for job description

At INF, International Nepal Fellowship, the manager draws up a job description. This description must fit into the general standards, which are based on a commercially-available standard. The job descriptions of INF consist of 4 to 7 work areas in which objectives and tasks are indicated. They are only changed or adapted if significant change in the organisation or its environment has taken place. The job descriptions are the basis for the reward system.

Action contre la Faim: Keeping extensive job descriptions up to date
At Action contre la Faim, objectives and indicators for performance are set by the different field-offices. They are strongly adapted to the local and cultural standards per country. Nevertheless the organisation is working on a more standardised system.

Their performance management system starts with an inception meeting. This meeting is based on the job description and is held to check if there is a mutual understanding of tasks and responsibilities. They use quite extensive job descriptions consisting of the following elements: context, tasks and responsibilities, objectives, means, security, number of staff in team, number of colleagues, language, what kind of report to deliver and timing, and external proposals to write. During the annual evaluations of NRS the different elements of their job-description are used as indicators for performance. Action contre la Faim considers it a great challenge and finds it important to keep the job descriptions up to date, because the work changes so quickly.

DFID: Discussing content of job on a yearly basis
At the beginning of the year, a staff member sits together with her/his line manager. Together they develop the goals for the coming year. These goals cover all activities a staff member must perform. Objectives cascade down so individual objectives fit into the objectives of the organisation, project or programme. These objectives are filed into an electronic system. This system also holds the performance development goals of each individual staff member. A mid-year review takes place.

Save the Children UK: Giving tasks through job descriptions and work plans
At Save the Children the performance management system is result and objective based, using a job description and a workplan. In the job descriptions, or job profiles, broad responsibilities and tasks are given. Both the manager and the staff member determine the contents of the job description. The workplan on the other hand consists of a set of objectives related to strategic objectives of the organisation and of the project. These are discussed and set during work-planning meetings. There are requirements on how objectives are constructed and agreed upon. During the performance management review meetings, the work plan and the job profiles are used as indicators for performance.
This system is new for Save the Children. Therefore, it is not yet implemented everywhere. Its implementation is their challenge for this year, and is part of a three-year process.

Faith-based organisations: Extra attention for organisation's ethos
If faith is at the heart of an organisation, often it will be embedded in its core values, vision and strategic goals. The challenge then is to articulate what these statements mean in practice in each area and function of the organisation in terms of desired outcomes, behaviour, competencies and attitudes. This provides clear benchmarks for ongoing evaluation of performance. After operational goals and personal competencies have been defined, faith-based organisations may feel there is a further dimension concerned with the individual's contribution to the organisation's ethos which needs to be separately evaluated and recognised. This calls for similar clarity about what the desired contribution looks like, and the organisation's expectations of the manager in this regard need to be articulated. Precisely what are they being asked to evaluate, is it recorded and how is it fed back to the individual? These are questions a faith-based organisation might ask itself.

2.2.2 Recruitment

Organisations periodically recruit staff in order to add to, maintain, or readjust their work forces in accordance with resourcing requirements with the goal of improving performance. When recruitment is undertaken rigourously it ensures better selection of the new employees, which in turn is likely to contribute to the desired performance. In planning for recruitment, one must establish HR plans, determine and validate job performance requirements and employee standards, and determine cost and staff requirements and limitations. For an organisation it is necessarily important to attract and hire the right staff. Principle 4 of the People In Aid Code of Good Practice says, for example: "our policies and practices aim to attract and select a diverse workforce with the skills and capabilities to fulfil our requirements".

International NGOs usually work with three sorts of contract. There are the Nationally Recruited Staff who are the people that are recruited in the countries in which the organisation has its activities. Secondly there are the expatriates, recruited by head or regional offices and deployed in the South. Thirdly there are the people working at headquarters in the north, which are recruited in the home country. Here we present the recruitment activities and approaches from one organisation, the practice at headquarters and also the practice at a field office.

SNV Development Organisation, the Netherlands: Recruitment of people managers
In the past SNV did not specify the type of managers they would like to have. Often, technical assistants grew into the role of manager. Nowadays they recruit managers that have the right attitude for people management, which includes giving and receiving feedback and coaching of their staff. This is an ongoing process for SNV.

SNV Niger: Using training combined with assessment in recruitment
SNV has an interesting way of selecting people for vacancies. People in Niger are invited to react to a vacancy announcement by writing a motivation letter and a CV and sending copies of certificates. Then selection takes place through a written test.

At first SNV Niger invited people to come for an interview. The applicants were asked to tell their story and were placed in a role-play to be assessed. They were not used to this method and were very surprised: applicants did not understand what they were taking part in. When SNV was recruiting advisors, elderly men especially would start "preaching" during an assessment to show their wisdom.

As they had not understood that SNV looked for advisors with other sorts of competencies, SNV did the following: they pre-selected a group of candidates. This group received a one-day training course in advisory skills, and an explanation of how SNV works. They got used to performing role-plays. After this short training there was another assessment. This really helped to select the people they needed. At the same time, the candidates were very enthusiastic; even if they were not selected, they had benefitted a great deal from the training.

2.2.3 Monitoring performance

Why do most organisations appraise employee job performance at least once a year? It can be a time-consuming chore that most managers and their teams dislike. The reason is that job performance data can benefit both employees and organisations. Performance

data can be used for employee development and feedback, for administrative decisions, and for research to determine the effectiveness of organisational practices and procedures. Effective performance management can increase employee motivation, leading to better performance.

In monitoring staff performance there are a few instruments which can be used. First, there is the day-to-day monitoring of the employees by the line manager using direct feedback. Of course the line management cannot continuously observe his or her employees. Therefore many organisations use review-and-appraisal meetings. Theoretically, in a review meeting, manager and jobholder exchange ideas and visions on past performance, and discuss and agree on expected performance for a coming period. Appraisal-meetings are specifically meant to evaluate the performance of the employee. At both meetings elements of the job description are usually used as indicators for performance.

In the following cases different practices by NGOs on monitoring staff performance are given.

Merlin: Leaving space for cultural adaptations
At Merlin, there is an extensive appraisal system. First, new employees must go through a three month probation period, followed by an appraisal meeting with the line manager. After this, an appraisal meeting takes place every six to twelve months depending on the length of the contract. The permanent members of staff in London have a meeting every six months.

Different things are discussed such as technical performance, teamwork and communication. The meeting is interactive; line manager and employee exchange their views and try to reach agreement on the discussed issues.

Merlin has standardised procedures for international staff in the field. For nationally recruited employees Merlin does not have exact rules. Every manager has the freedom to adapt the standardised procedures into a system that works best in their own environment. Therefore, the different countries have their own format for review and appraisal meetings. Moreover, it depends on the country whether these meetings are held every six to twelve months for local staff. They have their particular rules. The line managers get a briefing on how to conduct these meetings and on which formats to use.

CIF Santé: Scoring of employees
The manager at CIF Santé holds regular performance review meetings with the staff, approximately once a year. The character of the meeting is that the manager gives an evaluation of the performance, and feedback on the performance of the employee. During this meeting there is also opportunity for the employee to express whether or not they feel that there is a need to change something in the working conditions or in the way that they cooperate with the management team.

CIF Santé makes use of a standard form. This form consists of about 4 to 5 pages and includes questions about how well the person performs, the quality of reporting, the interaction with and consultation with others, and even about personal presentation such as clothing. The form allows for quantification of performance. On the different issues, a score is given between one and five and a total score is calculated. This score serves as an encouragement to do better in the next period, but sometimes also as a reason for a higher category of salary.

INF: Preparing for meetings using forms

At INF, once a year every staff member has a performance review meeting. It is work related and looks into objectives for the coming year. During this meeting, training needs can also be discussed. The line managers conduct review meetings with their staff. Some line managers hold these review meetings more than once a year. Other managers do it less than once annually.

Formats are used for the review meetings. As a preparation for the review meeting, the jobholder fills in a form reviewing the previous year; what has been achieved, which work-objectives have been attained, what personal development progress has been made in terms of skills and what are the needs for the coming year. The manager also fills in a similar form and looks at work objectives as well as development goals, such as for example skills that have to be developed more. During the meeting, they discuss their views using the input of the forms. It is an exchange about performance and not so much an appraisal, although a score is given ranging from not sufficient to excellent. The manager draws up the final report and both sign it. It is kept on file one management level up.

Concern: Careful preparation of the review meeting

In a similar way to INF, Concern has one form to be used by both the jobholder and the manager. They use the form before, during and after the meeting. Before the review meeting it serves as preparation, drawing up initial comments on their own perception. Manager and jobholder share the completed forms before the meeting in order not to encounter too many surprises during the meeting. During the meeting the forms serve as a basis for discussion. After the meeting it serves as a working document or as guidelines for the work, to refer to when needed.

ZOA: Introducing a standardised system flexible to meet local needs

ZOA Refugee Care is currently in a process of change regarding their performance management system. They are introducing a standardised framework for the whole organisation. Special care is given to the adaptation of this framework to the local wishes, so that the different regions can develop their own specific performance management system.

The new system is called the HRM-year-cycle. It consists of two kinds of meetings. Review meetings (in which personal development plans are also discussed) which must take place around June, and appraisal meetings that are scheduled in October and November. ZOA prefers to have two assessors present at the interviews, and that the second assessor has to be the manager of the first assessor, who is in turn the direct supervisor of the interviewee. The second assessor is usually stationed in the Netherlands, so there has to be some flexibility in the planning of those meetings, according to the travelling schemes of the higher level staff.

The reports of the meetings are made by the first assessor, and must be signed by the parties present. For local staff, the reports are kept in the country itself. For the expatriates, a copy of the report is stored in the Netherlands. This is in order to follow their development and to have an indication of what training is desirable etc.

In the appraisal meeting a fixed number of subjects are discussed. These subjects are knowledge, output (quantitative and qualitative), communication, and six competencies that differ according to function. For the management positions, an extra topic 'management style' is also assessed. The performance of the employees is rated ranging

from A and B to C. Grade A means that the employee is performing above the norm. B stands for performing according to the norm. A C-rating means that the worker is performing below the set standards. When someone gets a C-rating then a course of action will be discussed. Should the employee receive more training or more encouragement etc? If the rating stays below the norm, eventually the employee is dismissed.

This system is used in this way for the expatriates. Concerning its use for nationally recruited staff ZOA sent this framework to the different local branches along with the following question: "Please, look at this system. We know it is made with a western vision, but see what you think can be implemented as the framework suggests, and what elements must be modified to fit the local needs." In Burma and Sri Lanka people were enthusiastic and immediately started on implementation. In Ethiopia however people said that all the talking about performance was not very effective. Here they attached more value to just a grade that indicated the performance, without all the talking about performance.

Tearfund: A learning oriented appraisal tool
Tearfund have ended up with one appraisal tool that is simple enough to be used for all staff grades, whether expat or national. The tool incorporates progress on role and development objectives, factors that contributed to learning during the appraisal period, writing a Personal Development Plan, and an optional self-assessment element. For staff that are less confident in written English, the tool provides a prompt to facilitate a frank conversation between staff member and line manager.

Action contre la Faim: Field offices decide
Since the field offices decide on the content of job descriptions, the monitoring of it and the evaluation meetings, the performance management is strongly adapted to the local and cultural standards. Therefore it varies depending on the country. However the organisation wants a more standardised system and is working on it.

Save the Children UK: Regular supervision meetings
Besides the minimum requirements of an official review meeting once per year, Save the Children employs regular one to one, supervision style meetings. Minimum requirement is to have regular supervision style meetings ranging from monthly to quarterly meetings.

MDF Training & Consultancy: No appraisal in the review meeting
MDF has an annual review meeting in the month of November for employees with their direct manager. Objectives of this meeting are: to reflect on the performance and changes of the employee in the MDF-context, to get clarity on the implemented tasks; the needed competencies and possible discrepancies between these, to get feedback, and to talk about expectations and aspirations for the next year in terms of projects/assignments, productivity and personal/professional development.

As a basis for the meeting, MDF follows guidelines, a one-page list with several questions and points for attention. Both manager and employee can prepare themselves for the meeting using this list. During the meeting, the questions on the form are used as a guideline for the conversation. There is also space for additional remarks from both parties. The character of the meeting is that of an exchange on past performance, on future objectives and on personal and professional development.

Some elements of the guidelines include results of the past period, like type of activities and financial results and qualitative evaluation by the client, and achievement of work goals and productivity. Also, actual functioning within MDF, for example use of personal qualities, support received, teamwork expectations and aspirations for the coming period, such as involvement in what projects/assignments, internal projects, professional development needs in terms of training and productivity.

A report of the meeting is drawn up by a third person, usually a member of the support staff. Both manager and employee approve it. The report is kept on file. In addition to this report a short form is completed, called a track record, with a brief overview of achievements of the past year and agreements for the coming year. Issues like projects/assignments, internal projects, productivity, training and special remarks (e.g. maternity leave or long stay in a foreign country) are summarised. The review meeting does not have the character of appraisal.

2.2.4 Staff Development

The EPN 6 key point on performance appraisal, quoted in the introduction, talks of a link to development. Here we highlight examples of how NGOs' offer of staff or career development arises from performance management.

Staff development implies positive changes in: skill, knowledge, attitude, or social behaviour. Although there are numerous strategies for effecting change, training is a common and important one.

Looking at training, there are two routes that an organisation can go down. One is that training can be given that is in line with the current job. This functional training will contribute to better performance of the employee in a current position. The second route implies that training can focus on the employability of the employee. This means that the training has no direct impact on an employee's current performance, but it makes him more eligible for promotion to higher position (either within, or outside the organisation).

Training in the latter sense breeds career opportunities. These career opportunities are not related to the specific job a person holds today, but to the jobs that a person expects to advance to over the course of his of her entire career. Career opportunities often include getting a promotion, but they can include other specific career-related outcomes. These may include having the opportunity to do the kind of work that you really want to do, receiving career-relevant experiences and training, and getting exposure to people who can help you to advance in your career. Both organisations and individual workers should try to manage careers. When they are effectively managed, organisations make the best use of their members' skills and abilities. Besides this, employees are motivated to perform at a high level and tend to be satisfied with their jobs, all of which help an organisation to achieve its goals.

Policies on staff development, as you will see, vary widely in the development sector. There is a difference between internationally and nationally recruited staff. There is also a question as to whether it might be the employee or the organisation that chooses the training. Furthermore there can be a standardised training trajectory or an individual one. Here are some examples of how NGOs relate learning and career development to performance management systems.

Here are some examples of how NGOs link learning and career development to performance management systems.

Islamic Relief: Standardisation of learning trajectories
In its staff development and training policy, Islamic Relief aims at an increase of professional knowledge, to obtain skills and enhance career opportunities. Each manager sits together with the training manager to develop a training plan. IR has bought a software package that will hold details of the training plan. IR has a staff development and training policy based on justice and equal opportunities. The focus is on assignment related programmes. This implies that when a line manager wants to place an employee on a certain assignment, this cannot be done overnight. First the line manager needs to examine what is required for this assignment and the employee will be prepared and enhanced with the necessary knowledge and skills.

Islamic Relief includes career development in the development programme. If a junior comes in, they create a programme for the next 3-5 years in order to prepare this employee for a more senior post. If people need special degrees, IR pays for the fees and offers time to study even during working hours. In addition, they also accept student employees. They supply both general training and induction programmes. The latter is still work in progress. There is an overview of what people working within IR have done. This serves to discern who can train whom, within the organisation. This has already resulted in people going around the world with employees from one country training employees in other countries. The results are very good, since it also encourages inter-cultural learning.

World Vision International: Pathways to Leadership
World Vision developed its global leadership development initiative "Pathways to Leadership" in recognition of the fact that competent management of the NGO non-profit sector is an extremely important issue. The initiative is driven by an acute awareness of the strategic importance of effective leadership at multiple levels, and the scarcity of competent leaders to meet these needs in the developing world.

All World Vision's managers receive a wide range of relevant training and support, but the "Pathways to Leadership" programme seeks to develop high-potential leaders in their work with the poor and oppressed. There is a particular focus on cultivating national staff. The uptake is almost equally split between male and female staff, and the benefits to individuals have been quite tangible. Many remark on the increased effectiveness of their work because of improved skills.

The benefits to the organisation have also been significant. World Vision's recent evaluations suggest that programmes are having a much greater impact on communities. Moreover, the ability to source high calibre leaders from within the organisation is paying dividends, with a large number of course participants being promoted to leadership positions.

Christian Aid: Starting the process of better equipping the NRS
At Christian Aid, they are just beginning to look at how they can better equip their nationally recruited staff with the skills and competencies they need to carry out their roles.

The first steps in this process have been taken. E-learning is available to the field offices to assist in the development of the nationally recruited staff to develop their core skills, such as working with a keyboard. Besides this, Christian Aid looks at the training and

support that can be offered to nationally recruited staff in bespoke systems, via their IT department and on the job training. This means that they are developing the coaching and facilitation skills of those in the organisation that carry out training of nationally recruited staff. They are undertaking a learning need analysis to assist with this. There is also coaching and support for nationally recruited staff visiting headquarters in the UK. Finally, the option of using portable training packages is being examined, which can be used all over the organisation.

DFID: Ensuring both organisation and staff benefit from development

Job objectives and personal learning goals are stored in an electronic system at DFID. These personal learning goals include personal development goals as well as career progression. Both the individual staff member as well as the organisation has to benefit from the staff development programme. The new learning has to be appropriate to be incorporated in the work one does or will do in the future. The development programme consists of learning from colleagues, books and training programmes.

DFID supports its staff members' development through financing courses and other development activities. The way that people incorporate the new learning into their work is not very strictly monitored; it is left to the staff members to use the new knowledge and skills.

Tearfund: Using local expertise in development

Tearfund has a corporate staff development policy which outlines its commitment to individual and organisational learning and development. They worked on adapting staff development guidelines to fit the context in which their staff work.

The staff development guidelines were launched in south Sudan. The 20-page guideline sprang into life via a simple diagram. When the staff talked this through, they were able to brainstorm ideas at each stage. The country director was at first sceptical, but was later amazed at the many high impact, local, cost effective solutions that the staff came up with to meet their development needs. Examples of this include creating a local reference library, distance learning, and bringing staff together to share learning. They were also able to creatively solve problems despite the many constraints (insecurity, bad weather, time pressures etc) that were highlighted.

Tearfund is now sharing a pack of all these resources with other programme locations. In some contexts, even the idea of setting role objectives has been quite new. Other essential elements to help this work could be giving feedback, active listening and working on coaching skills. They found that they need to work closely with the in-country personnel managers to develop training materials and guidelines with them so they can train their managers.

ACHESP: Encouraging training and development for NRS

ACHESP Colombia invests greatly in terms of training their local staff. They think that this is rather unique, as they say many other international NGOs are investing more in the expatriate staff. They feel investment in the local staff is much more long-term. So, they train them in management: "The whole organisation is actually really run by the local people." They have few expatriate staff in management functions in the different countries: five out of the total of forty-six. Two of the expatriates that are the heads of Bases (heads of offices in the different regions) are in that position because these bases are quite new. ACHESP wants to make clear that they are an international organisation for security reasons. "If there were any doubt, people in Colombia would think we would work either

for the government or for the guerrillas." Therefore, they need the expatriates to give the organisation the right position from the start. They say that this is not because they cannot find any local expertise. This policy resulted in a high degree of satisfaction.

As an illustration: a national staff member states that he is advised to learn English (he only speaks Spanish), because otherwise it will be hard for him to get another promotion. He already fills a high position in the organisation. In the beginning, he had a region with 15 subordinates, now he has the supervision of over 32 employees. "Because of my position there is little time to follow training", he says. Nevertheless, he did follow courses on conflict areas and on how to lead organisations in small villages. Besides this, in the beginning of his employment, he went to Spain to learn more about ACHESP.

British Red Cross: Developing own training programmes
The staff development policy of the British Red Cross is comprehensively organised. A training panel reviews all the requests for training. With the awarding of the training courses, many things are being considered: the ratio of women and men, the nationality of the requesters, how many times the employee already had training etc. When there is a great demand for certain training, the Red Cross looks at if it is possible to develop training themselves on which their own employees can register. For example, they have developed their own Project Management Course because many people wanted to follow this up.

Concern: Working with action plans
In Concern's system there is a separate section on action plans. Learning and development actions are recorded, for immediate, medium and long-term periods. It also includes a note on career aspirations. This is the only part of the PDR that is collected centrally for succession planning process. It is collected twice a year, in case the learning plans have not changed in that half-year.

There is also a section that includes a discussion about how the line manager can optimise support to the jobholder, so it also includes feedback to the manager.

SNV Development Organisation: Making local staff responsible for their own development
At SNV in Niger, for many years staff members have gone on courses, sometimes in neighbouring countries, which was both a reward (going abroad for courses would enhance one's status) and also a development opportunity. There has been a major shift over the last few years. In previous times, the locally recruited staff on a local contract came into the organisation (some of them 15 years ago) and they immediately felt like part of the family. The school system in Niger is very poor, and being employed with SNV gave an opportunity to climb up the career ladder. Many technical staff once started as support staff; for example, one of the cleaners developed his career through courses and now is the information technician. People felt they had a job for life in which career progression is possible. The training plan had become a wish list for courses. It was stated that everybody was entitled to sign up for one course per year. However, rapid personal improvement is not possible for everybody, and some members of staff are repeating a secretarial course for the third time.

Nowadays it is expected that the (local) staff members come up with a development plan themselves in order to perform better. However, career perspectives are very limited. At one time, it was decided that the staff members could use their share of the training fund (100 Euro) freely as long as it was used for training. The money can go to a course in

cooking, or courses that in the end will help them to find new opportunities outside the organisation. For example: One of the secretaries used the money for courses in cooking and to obtain a retailer's diploma; now she is head of a catering enterprise.

The changes in the HRM system towards a more competency based way of working meant the organisation needed to pay attention to all staff members in order to clarify what development, and what learning means. It was explained that learning not only occurs following courses, but more importantly by doing new things, team work, feedback, peer review, having challenging tasks, etc.

INF, Nepal: Distinguishing between local staff and expatriates
Expatriates who work for INF in Nepal are sometimes contracted by another organisation. This organisation is responsible for the training and development of the staff. INF allows expats to go on training, but the initiative must come from the expat and he/she has to organise it him/herself.

For local staff, there is more of a system for training. There is a budget available for the training of staff. INF selects people who can be trained. Staff members can put in a request for training, but also managers can indicate that someone needs to be trained. The request is taken into consideration and the reason for training, and the suitability for the organisation, is assessed. Then a selection is made and a plan of whom can go where and when.

2.2.5 Reward policies

Organisations consider reward as a motivational tool and a binding agent. For the individual it is compensation for the time and effort she/he puts in working for the organisation. Reward can occur by means of salary and fringe benefits. But also simple compliments from the manager for good work done, or the possibility of further training, can be effective rewards.

The reward issue is controversial in the development sector. In general there is a great difference between the salary of the NRS and the international staff. Organisations justify this difference by pointing out the environment in which the recruitment takes place. That is the market with which the salaries must compete. Therefore the salaries are adjusted to these local standards. Some NRS on the other hand state that international members of staff who come new into a country often need quite some time to adjust to the new situation. The productivity of this staff member often falls behind the NRS who have been working in that region for years. Moreover, this international staff member often has a short contract. So when they are finally adapted and producing well, they leave the country to start somewhere else all over again. In these cases NRS find the circumstances hard to deal with.

This problem outlines one of the key-points of the EPN6 seminar:

- Equity is not the same as equality, but it is applying the same values to different situations, perhaps by having a standard framework that is adapted to different contexts.

Using this definition both the organisations and the NRS can be considered right. It is a difficult problem for which satisfying solutions for both parties are hard to find.

In a more specific sense, when performance is linked to pay, a paragraph from a recent handbook by People In Aid is interesting to note:

'Perhaps the most intimidating performance related system for staff is when pay is linked to performance. To put it bluntly, if a staff member is (or feels) overworked, stressed and underpaid, the last thing they want to hear is that they will only receive full salary benefits if they excel. The tension is heightened in situations where the reasons for an inability to perform specific tasks fully might be due to inadequacies or failures in the organisation's own management.

K. Stock, in the World Vision International paper 'Competency Essentials' shows how competency analysis can be used as a mechanism for defining the levels of inputs needed from an employee, which when taken together with the definition of expected outputs (performance) can be used to define salary levels.

Mercy Corps Scotland are currently implementing performance management linked to pay, where salary increases are linked to the annual appraisal.

However, for most agencies, linking performance to pay normally entails only the payment of bonuses or increments which are only paid for exceptional performance.

Because they are inevitably selective, such a system requires:

- Transparency. The system should be transparent, as should the basis for payment, and the decision as to whom the payments have been made

- Appraisal systems to be effective and constructive, so that employees are clearly aware of what is expected of them, and what is required in future

- That the system is implemented for the right reasons, and not as a result of cost cutting, which is likely to lead to resentment

Problems will also be expected if there are changes to an existing system, whereby for example, there is an expectation of an annual increase for length of service or annually for inflation, but these increments are made conditional on meeting performance targets.

Linking pay to performance can be advantageous as an additional incentive, but will inevitably create resentment if it is replacing what were previously seen as standard benefits/increments or increases for all. Implementing such a programme requires careful planning, considerable consultation and a sensitive approach from management.'

(From Enhancing Quality in HR Management in the Humanitarian Sector Handbook 2, People In Aid 2004.)

Here we present three practices concerning reward systems in organisations.

Islamic Relief: Consistency in policy development
The annual increase of the salary is loosely based on the results of the appraisal meetings. In a meeting of the senior managers the appraisals of different employees in similar functions are compared. What did the different employees achieve? The answer to this leads to an assessment of superior, good, average or below standard. The people with the last assessment do not get an increase in salary; those judged superior get most, the average less. Besides this increase, there is the yearly rise to compensate for inflation.

Concern: Seperating performance from benefits
We insist on seperating performance from benefits. We divorce the discussion on salary from performance review. On an annuals basis we have a separate meeting on salary,

even conducted with a different person than the direct manager and that is centrally organised.

MDF Training & Consultancy: No discussion on salary in the review meeting
Discussion about salary is strictly separated from the review meeting.

2.2.6 Special tools and approaches

Besides the aspects of performance management mentioned earlier, telephone calls with different NGO's provided some more interesting tools and approaches in performance management. It seems pertinent to incorporate these into this report.

These special tools and approaches are about self-evaluation, 360° feedback, the valuing of principles in the organisation, and how to stress the importance of the relationship between manager and employee.

Tearfund and ACHESP: Using auto-evaluation for appraisal
At Tearfund the appraisal tool has been through many different guises. It started as one for senior expats, based on Tearfund's UK performance management system. They wanted to include a self-assessment element, and started with graded numbering against specific competencies. This ended up being over 5-pages long, which they tested with senior staff. They found it helpful but very time-consuming. Tearfund was also concerned that self-assessment would not translate so well cross culturally. They decided to field test the appraisal tool with an optional self-assessment aspect; developed this in a focus group with national staff in Central Asia and tested the draft in south Sudan. They avoided words like 'strengths' and 'weaknesses' and used open questions to encourage staff to reflect on the appraisal period e.g. what has gone well during the appraisal period and why. This can then form the basis for the discussion with their line manager. Responses from the national staff indicated this was one of the most popular bits of the appraisal process!

They have ended up with one appraisal tool that is simple enough to be used for all staff grades, whether expat or national. The tool incorporates progress on role and development objectives, factors that contributed to learning during the appraisal period, writing a Personal Development Plan and the optional self-assessment element. For staff members who are less confident in written English, the tool provides a prompt to facilitate a frank conversation between staff member and line manager.

ACHESP introduced a part in the appraisal process they call self-evaluation, where the staff member writes down how she/he feels in her/his job.

ActionAid India: Obtaining a complete view using 360° feedback
ActionAid India uses 360° feedback for senior management, confirmation of probationary staff and those upgrading after internal selection processes. It gives a number of advantages: from developing leadership, to assisting appraisal processes and succession planning. Above all, it is a participative process, emphasising the dignity of all employees above that of any individual, which enhances the quality of decisions.

After countrywide consultation, this process was extended in 2004 to all 200 staff-members, but it was initially limited to identifying developmental needs in current roles. Questionnaires that cover behavioural and attitudinal areas were given to colleagues to complete. A number of staff members hoped that it would soon incorporate performance.

The questionnaire was explained in workshops and accompanied by a glossary to ensure complete understanding.

Reports were given to staff as soon as computations were completed, each score allowing a staff member to see their scores for particular behavioural traits and compare them to their own self-assessment score. Training needs were identified and 'key result areas' prepared to form the basis for the following year's benchmarking. Fear of victimisation was minimised by omitting performance at this stage, and averaging out extreme scores could eliminate any effect of sycophancy. The staff member was asked to take a year long considered view.

Lessons learned by ActionAid-India for the future rollout of this process are; to ensure teams know enough about their colleagues' work and key result areas, add value by including new parameters for feedback and to be clear about the possible linkage of performance to pay and rewards.

SNV Niger: using 360° feedback
SNV Niger also uses 360° feedback. For their experiences see chapter 2.4.

ACF & Islamic Relief: Valuing principles in evaluation
Action contre la Faim checks during the evaluation meetings whether the values and principles of the organisation are respected. These principles are very important and everyone's contract asks that they live up to these principles. If someone continues not to meet these standards, she/he will be reprimanded and eventually dismissed. At Islamic Relief employees will respect both Islamic values as well as values of other religions.

Concern: the relationship between the manager and the jobholder
A special approach of Concern in performance management is that the relationship between the line manager and the jobholder is of paramount importance. Their system is based on the notion that team-managers must build a positive relationship with their employees. The system aims at developing an interpersonal process, not a paperwork exercise. There is a section in their system that includes a discussion around how the line manager can optimise support to the jobholder, so it includes feedback to the manager.

MDF Training & Consultancy the Netherlands: feedback, coaching and peer review meetings
The culture of MDF is that trainers and consultants working together regularly exchange direct feedback with each other while working on a project. If someone needs coaching they can always ask for it and it will be addressed informally or in a more formal way by appointing an internal coach. The coach and the person being coached agree on the needs.

Furthermore, there are regular peer review meetings for trainers and consultants. They come together and discuss difficult issues in their work and that are representative for the work and interesting to colleagues. These sessions are facilitated by one of the trainers and follow a certain structure in order to get deep analysis of the difficulty and in order to coach the one who brought up the difficult issue.

2.3   Organisation of the process of performance management

In paragraph 2.2 different elements of performance management were discussed. In this paragraph we have shed some light on the different ways NGOs organise the process of performance management. These concern the following issues: planning, briefings, responsibilities, file keeping, and integrated systems.

On planning, the following questions can be asked. What kinds of meetings are held during a year? How often are they held? What about the contract periods? By briefing we mean the way that a local line manager is instructed how to put performance management into practice. But is the line manager free to do what he wants? Are there certain guidelines written down that a line manager can use? Or are line managers being trained so they can develop the abilities that are necessary to manage performance of their staff (like training in holding review meetings)? Subsequently, who has what responsibilities to conduct performance management? Are files kept about the appraisal, review meetings etc.? If so, how are they kept? Is it permitted for the employee to see the report after it has been made? NGO examples will answer these questions.

2.3.1 Planning
We found some differences in the planning of meetings to ensure performance management.

Most organisations (DFID, CIF Santé, MDF the Netherlands, SNV, Save the Children, Islamic Relief) have review or appraisal meetings once a year. ZOA has 2 meetings per year, one a performance review meeting and one an appraisal meeting. Some other organisations have a higher frequency: Action contre la Faim and ACHESP once every 3 months, Merlin has an appraisal meeting at the end of the 3 month probation period, and after that every 6 months (in London) or every 6 to 12 months elsewhere. Concern Worldwide is more flexible; review meetings should be held between 3 and 18 months and the line manager and the staff member decide on it. Some organisations like Action contre la Faim/ACHesp and Save the Children mention explicitly that there is to be an appraisal meeting at the end of the contract.

Save the Children: Developing adapted procedures in a workshop setting
For the management of performance, SCUK has drawn up minimum requirements. For example, once a year there must be a review meeting. But the requirements for these meetings vary for different countries. The approach and procedures are adapted to these local expectations on performance management. For example, if a person has a contract of 6 months then the review meeting will be held at the end of the contract period. Good practice is not to schedule the review meetings in the same period that donor organisations want their reports.

2.3.2 Briefing managers on the use of the system
In order to make the system work, organisations use different methods to instruct, brief or even train the line managers.

INF: some managers lack skills
More than half of employees use/follow the system. Some managers indicate that they lack the skills to do the review meetings.

Concern: Briefing handbook
Concern has developed a briefing handbook that accompanies briefing sessions.

British Red Cross: Guidebook
For the line-managers in the field a guidebook is produced to help them with carrying out the different HRM-operations.

Merlin: motivating through conferences
In their annual conference they discuss performance management. It is now a weekly process to discuss and exchange information on it. In the near future they will attempt to organise more training in HR management.

Islamic Relief: worldwide guidelines and local feedback
At field level Islamic Relief is working hard to get to one system across the world. Last year worldwide guidelines were developed which totalled over 1,000 pages. In the guidelines one finds a section on HR and one section on appraisal. All managers were asked for comments. For this year it is planned to visit all the field offices to check their commitment to these guidelines and to collect amendments.

SNV Development Organisation: freedom in the transfer of the standardised system from HQ to the field offices
SNV Headquarters has developed an integrated performance management system and launched it to the field offices through the Regional Human Resource advisors. The Regional Human Resource advisors are free to organise further briefing to the managers in the field offices the way they like. Some follow the ideas from head-office; some adapt the procedures, in consultation with field directors. The transfer of the system to the field offices is therefore ambiguous.

2.3.3 Responsibilities
Who has what responsibility in the process of performance management? What is the division of roles between headquarters and local line managers?

ZOA: Setting up local HRM-departments
In the bigger countries, where ZOA has many activities, there is a separate HRM-department. This is because ZOA thinks it is important to ensure a solid personnel management system. In countries where ZOA-activities are just in the 'construction-phase', personnel are taken care of by the HRM-department of the head office in the Netherlands. They say it is somewhat hard to make local adjustments in HRM all the way from the Netherlands; that is why local HRM-departments are being set up after a while.

Action contre la Faim: field offices decide
Since the field offices decide on the content of job-descriptions, the monitoring of it and the evaluation meetings, the performance management is strongly adapted to the local and cultural standards. Therefore it varies in each country. However the organisation wants a more standardised system and is working on it.

2.3.4 File keeping
We did not find much variation in how and where files are kept.

ZOA: filing in the country
The reports of both review and appraisal meetings are drawn up by the first assessor, (ZOA prefers to have two assessors present at the interviews) and must be signed by all the parties involved. The reports of the local staff are kept in the country itself. For the expats, a copy of the report is stored in the Netherlands. This is to follow their development and to have an indication of who needs training in what etc.

ACHESP: Ensuring confidentiality
The administrator has a confidential file on each staff member. Nobody has access to that file besides the HRM-officer, the administrator and the heads of the specific base. In this file the CV, the letters of congratulation, letters of memorandum and the evaluations are kept. The files of the international staff are kept at HQ.

Concern worldwide: central filing for succession planning
In the Performance and Development Review there is a separate section with an action plan. Learning and development actions are recorded for immediate, medium and long-term periods. It also includes a note on career aspirations. This is the only part of the PDR that is collected centrally, for the succession planning processes. It is collected twice a year, also to check the learning plans have not changed in that half-year. If the action plan of an employee did not change after a certain time it can be seen as an indication that no review meeting has taken place. Central office can take corrective action, like contacting the responsible line manager to encourage doing the review meeting.

Islamic Relief: Files are open for the senior managers
In a meeting of the senior managers the appraisals of different employees in similar functions are compared.

INF: Filing one level up
The manager draws up the final report of the review meeting and both manager and employee sign it. The report is kept in file one management level up.

Save the Children: mutual agreement
During the performance management review meetings work plans and job profiles are used. A report is drawn up by both manager and employee filling in a column with their remarks and both agree on the report. The report is kept locally by the line manager.

MDF, the Netherlands
A report of the performance review meeting is drawn up by a third person, usually a member of the support staff. Both manager and employee approve it. The report is kept on file.

2.4   Experience in practice and expectations of nationally recruited staff

Theoretical constructs are important, but their effects in practice are even more significant. One can develop a perfectly solid theoretical framework, but if it does not work in practice it is worthless. In this paragraph, difficulties that organisations have encountered in putting their performance management int opractice are discussed. Also, positive experiences with existing systems are presented. Issues like getting useful feedback, raising training expectations, obligated meetings, and NRS feeling uncomfortable with review meetings are reviewed in the cases which follow.

One of the goals of this report was to find out what the expectations are of NRS concerning performance management in certain regions; and if those expectations were met. Unfortunately we could not have a lot of direct contact with Nationally Recruited Staff. We did not have contact data, and we had to go through many steps to obtain them. The issue of expectations of Nationally Recruited Staff would be a good question for future research. Some expectations have been previously mentioned, but we would like to mention them once again specifically to give an overview of expectations of NRS.

Merlin: low priority for managers
Merlin has promoted its appraisal system over many years, but it has low priority for managers. Some managers are more involved than others. In addition to this, the character of emergency work with short contracts and funding issues, leads to some staff hardly ever being appraised. They are working on encouraging line managers to conduct the appraisal meetings. It has improved since, but it is not perfect. Culturally it takes time to realise that it is worthwhile and necessary.

SNV, the Netherlands: variation in appreciation of the system
Many people in the organisation consider the performance management system as fundamental and a lot of managers regard it as an administrative obligation. Of course, some managers make more of it than others. There are managers that indicate they do not get round to doing it because of being too busy or because of the changes in the organisation. Feedback from employees indicates that the ones who have regular review meetings with their managers appreciate it. Similarly others, who hardly get an appraisal, say that they are not happy with the system, or with the leadership style.

Staff members are encouraged to take responsibility for their own appraisal and their professional and personal development. They are therefore being encouraged to ask for feedback. However, many staff members still have quite a patient attitude.

SNV, Niger: difficulties with standardised 360° feedback system
In the appraisal of staff, 360° feedback is included. SNV has a technological system to collect the data from others to do the appraisal electronically. They came across some difficulties here. The first one is a technical requirement; you need to have a very stable and quick internet connection to fill in the forms. If this is not the case, the informant sometimes needs to redo the whole work twice or more. The other difficulty is more cultural; the community is very close, so people find it difficult to be critical towards each other, especially when this is in writing. In order to obtain realistic information, the manager would sit with the different colleagues in order to allow them to talk more freely. This worked out fine. On the other hand, if there were people who really did not function as team members, they would be very honest at this point.

Coaching, feedback and personal development was considered exciting. The quality of how this was done was good; we have trained people in order to be able to give proper feedback and to coach properly and they have been struggling for some time, but now it works well.

INF: Raising training expectations
More than half of the people use the system at INF. Some managers indicate they lack the skills to do the review meetings. A positive remark is that people like the attention they get by doing the review meetings. A negative point is that talking about training and

development during the review meetings raises the expectations for training and the organisation often cannot meet these expectations.

Save the Children: *Staff not always used to performance monitoring*

SCUK found that for some NRS it is a recent change that they have review meetings on their performance and this has made a big impact. Sometimes they see it as a way of controlling employees or as a way to sack them. In general, they have this attitude because they do not have experience with performance reviews. The more the employee gets to know the system and the purpose of these meetings, the more they feel comfortable with it.

ACHESP: Highly committed staff

The organisation is actually run by the local people. They have a yearly meeting where they talk about various subjects such as international law. Their own strategy and plan for the coming year is also discussed. This policy gives a high degree of satisfaction. The staff members are really committed and they are, like all great humanitarian workers, passionate for their work.

A nationally recruited staff member says that he is largely satisfied with the system as it is set up. He calls it well organised. All his tasks and expected results are clearly described in a manual, the contents of which are determined by the whole team. His direct supervisor visits him a lot and communicates in a clear, pleasant way. There are team-meetings held very regularly; and every two weeks a report is submitted about ongoing affairs.

Action contre la Faim: Positive to have an assessment

The NRS are quite happy with their annual evaluation, which has been taking place for a few years now. They consider it a positive thing to have an assessment.

Tearfund: Happy with feedback

Staff at all grades told the staff member researching performance management for NRS that they wanted feedback on how they were doing from their managers, they wanted to develop and grow in their roles and they wanted to offer feedback to their managers too.

CIF Santé: Asking for review meetings

The employees are happy with the system as it exists. They even ask for a review meeting when they feel it is time for it. Besides this formal system the organisation culture is such that there is an informal and open atmosphere in which employees can easily approach the manager to discuss issues.

MDF South Asia: Having problems with getting useful feedback for managers

The review of the employee, which takes place once a year, is meant to be a 180 degree review in which the manager is also assessed. However, in practice this review is more or less a one-sided event, the assessment being from the manager to the employee. The feedback to the manager is a dutiful event ('"everything is fine", "no problems", "I am happy", etc.) MDF is currently trying to make this review a bit more useful. There are a few aspects they think are important: How well do you know each other? The more you know each other, the more significant feedback will be given. Formal versus informal: the manager acquires a lot of feedback in an informal way, but when it is written down in black and white the feedback stops. And finally the hierarchical tradition; in spite of all western theories about leadership, in Southern Asia, with its strong hierarchical constructed society, the manager is mostly seen as the boss and people act on this. Open criticism of

the boss, even in a confidential conversation, is not done. The permission of criticism affects the authority of the manager in question. The conclusion is that getting useful feedback in Southern Asia requires some informal improvisation from the manager. The downside of this is that it creates space for impure forms of communication such as gossip.

3. Process of developing a system

3.1 Introduction

In the previous chapter we discussed what the different elements of performance management are, and how the system is organised. In this chapter we will talk about how the process of developing such a system has taken place for certain NGOs.

We give some experiences and considerations from those organisations which are in the process of adjusting their systems. We assume their experiences may be helpful for organisations that are planning to adjust their systems.

Did consultation of their own staff take place? Did the staff participate? And what was the reason for the update of the system? These questions are treated in the following paragraphs.

To give an example of considerations and guidelines one may have when a new performance management system is constructed, we should take a look at the way Plan handled it:

Plan: Reviewing the performance management system
Plan undertook a review of their performance management system (PMS). The whole workforce at Plan was asked a number of questions concerning performance management. The review was prompted by a survey, which found that 74% of staff felt the system then in place was not working.

The questions asked of staff members during the review were:
- What are the barriers in implementing the current PMS?
- What are the missing elements in the system?
- What can be eliminated from the system?
- What will good career development and succession planning look like for you?
- What steps are already being taken in your unit to plan succession for key positions and to develop staff careers?

The review identified a number of considerations, which might help to guide other agencies initiating or reviewing a PMS.

Plan decided that a results-orientated organisation with a high-performance culture requires a robust PMS, and that the organisation was sufficiently transparent and concerned with 'people-growing' for a 'two-way contribution-based PMS'.
When they considered a new model there were a number of guidelines Plan used:

- The PMS must be facilitative and mutually beneficial in improving performance of the manager and the employee.
- The PMS must facilitate high performance of staff at all levels leading to the realisation of organisational objectives.
- The PMS indicates opportunities for staff development matching individual potential and future staffing needs.
- The PMS must be applicable across gender.
- The PMS must provide insights into optimum staffing and equitable distribution of work and responsibility.
- The PMS must reveal demands for skills, which do not yet exist.
- The PMS must link with strategic initiatives.
- The PMS empowers and builds loyalty to the organisation.
- The PMS must be easy, clear, stimulating, thought provoking, result-focussed and objective.

Besides these guidelines the resulting PMS, named Dialogue, benefits from the following characteristics:
- Emphasis on a continuous process
- No top-down bias to ensure meaningful dialogue
- To manage around weaknesses and be able to offer immediate help to a colleague
- Seen as forward-looking and inspiring, not an audit of past performance
- Performance is a joint responsibility of manager and employee
- 'Review of performance' rather than 'appraisal'
- Performance indicators and related skills are a local responsibility based on local conditions and are not organisation-led

When introducing the system, management had to build in the following:
- Responsibility: making it clear who in the line management structure was responsible for what.
- Monitoring and follow-up: by when must an annual review be undertaken, and what procedures are in place for making sure the agreed actions happen.
- Training: offering training in the PMS, both the concept and the practice, to all employees.
- Costs: budgets need to take likely professional development into account.

These are the considerations and guidelines that Plan used. It might inspire you when you need to set up a performance management system of your own.

3.2 Ways of developing a performance management system

In the previous paragraph the example of Plan was given to illustrate certain considerations in introducing a new performance management system. At Plan all members of staff were asked a number of questions concerning the performance management. The review was prompted by a survey that found 74% of staff felt the system then in place was not working. Then they started making changes in the system, using the feedback of their own employees as guidelines.

Now we will discuss the practices of a few other NGOs concerning their ways of designing and implementing a new system. A great challenge with the development of new systems

is if you make it universal or just a framework for local adaptation. If this local adaptation is being considered, what form does it take? This is the subject of the following case studies.

Save the Children: Developing adapted procedures in a workshop setting

Adaptations of performance management to the local situations are done in a workshop setting, in consultation with someone from their own staff (either from head office or from the field office) with knowledge and expertise in implementing these kinds of systems. This works well in terms of selling the benefits of the system to staff and creating the motivation to want to do it well. SCUK regards this as a kind of quality control.

ZOA: Enabling local adjustments to standardised framework

ZOA Refugee Care is currently in a process of change regarding their performance management. They are introducing a standardised framework for the whole organisation. Special care is given to the adaptation of this framework to local wishes, so that the different regions can develop their own specific performance management system.

There is a prescribed system for the expatriates working at ZOA. This framework was sent to the different local branches along with the following question: "Please, look at this system. We know it is made with a western vision. But see what you think can be implemented from the framework which suggests what elements must be modified in order to fit the local needs." In Burma and Sri Lanka people were enthusiastic and immediately started with the implementation. In Ethiopia however people said that all the talking about performance was not very effective. Here they attached more value to a single number that indicated the people's performance.

Tearfund: Testing new developments in the field

Tearfund wants to make sure that the instruments they develop really work in the field. Therefore, they use a test trajectory for newly-developed instruments. The appraisal tool for example has been through many different guises. It started as one for senior expats, based on Tearfund's UK performance management system. They wanted to include a self-assessment element, and started with graded numbering against specific competencies. This ended up being over 5-pages long, which they tested with senior staff.

They found it helpful but very time-consuming. Tearfund was also concerned that self-assessment would not translate so well cross culturally. They decided to field test the appraisal tool with an optional self-assessment aspect, developed this in a focus group with national staff in Central Asia and tested the draft in south Sudan. Words like 'strengths' and 'weaknesses' were avoided and open questions were used to encourage staff to reflect on the appraisal period (e.g. 'what has gone well during the appraisal period and why'). This forms the basis for the discussion with the line manager. Feedback from the national staff indicated this was one of the most popular bits of the appraisal process!

Tearfund has ended up with one appraisal tool that is simple enough to be used for all staff grades, whether expat or national. The staff development guidelines and appraisal tool were launched in south Sudan. As they talked this through, employees were able to brainstorm ideas at each stage. The country director was amazed at the many high impact, local, cost-effective solutions that staff came up with to meet their development needs. They were also able to problem solve creatively the many constraints that were highlighted.

Tearfund is now sharing a pack of all these resources with the other programme locations. They found that they need to work closely with the in-country personnel managers to develop training materials and guidelines with them, so they can train their managers.

3.3 Reasons for adjusting performance management systems

At a certain time an organisation decides to change their performance management system. On what grounds is this decision taken? What are the reasons for an NGO to make certain changes? In the following cases we give some reasons for adjusting performance management systems.

Tearfund: Staff asking for feedback
Tearfund staff at all grades expressed that they wanted feedback on how they were doing from their managers, they wanted to develop and grow in their roles and they wanted to offer feedback to their managers too.

SNV: Transforming from a knowledge- to a consultancy-based organisation
The performance management system of SNV is competencies based, in terms of behavioural skills. The main reason for this is that they transformed from a knowledge-based organisation (they used to deliver technical assistance) to a consultancy organisation. Now they are more focussed on advisory work, and therefore on people, interaction and knowledge transfer. There are some critical notes on the focus on behavioural skills; it has gone too far to the other side. Therefore they will adapt the system a little bit and focus on knowledge competencies as well.

Concern: Reduce paperwork
Concern has had the same system for the last 3 years. Some of the reasons to update or change the performance management system were to reduce paper work and to reduce the rigidity of the system: all employees had to do their meetings every 12 months at the same time of year. In addition, Concern worked with 12 competencies, defined to apply for all jobs, while for some jobs some competencies seemed irrelevant.

4. Summary, conclusions of the researchers and closing remarks

In this report we outlined different practices concerning performance management in International NGOs. In this chapter we highlight some interesting cases that indicate good practice. Furthermore, we give our opinions and suggestions for good practice.

4.1 Summary of chapter 2 and suggestions for good practice

In chapter 2 we focussed on several elements of performance management systems like job descriptions, recruitment, appraisal, reward policies, staff development and training, specific tools, (annual) planning of review meetings, briefing line managers on applying the system, responsibilities and file keeping. We presented cases that illustrate different systems in various organisations, and various ways of adapting the system to local needs.

NGOs use different ways to describe jobs. Almost all the NGOs mentioned in this study indicated that they use **the job description** for the review and evaluation of the performance of employees. DFID and CIF Santé discuss the job content with the employees every year in the review meeting. At Merlin, Concern and Action contre la Faim special care is also given to the updating of the job description. Save the Children uses annual work plans, besides the description, in order to keep the tasks and responsibilities up to date. There are NGOs that use a professional consultancy agency in helping them to come up with job description issues. ZOA uses several core definitions which they use together with the local HRM people to compile complete job descriptions. This allows adaptation to local needs. Finally we found that certain faith-based organisations pay extra attention in job descriptions to the individual's contribution to the organisation's ethos.

We see the above examples as good practices. However, in our opinion, job descriptions and annual work plans should not get mixed up. We conclude that it is important to keep job descriptions up to date. This does not necessarily need to be on a yearly basis, but when responsibilities change significantly this should happen. In order to make review meetings and appraisals as transparent as possible, it is necessary to make individual annual workplans that can serve as indicators for performance. A suggestion is that the line manager and the jobholder together review the content of the annual workplan (like tasks, targets and responsibilities) at least once a year during the review meeting. This way the organisation can react to the fast changing environment, and tasks of their own employees are always clear-cut. If we look at competency based HRM we see that job descriptions are less needed, as people are the main building blocks of an organisation. In this case however the annual workplan has a more important function.

In considering **recruitment** we found a special way in which an NGO coped with local customs. Instead of using traditional talks and role plays, which did not provide enough information to make a well-considered choice for an applicant, SNV Niger gave applicants a day of training in advisory skills. During this training applicants got used to these role-plays; and SNV could select the best employees in a valid way.

It is important to conduct the recruitment of new staff very carefully in order to ensure desired performance, especially in cases where the success of the work depends a great deal on attitude. Assessment centre-like activities need to be part of the recruitment procedure. In all cases we advise organisations to use the STAR method, a method in

which much of the focus is on obtaining information from the applicant on how specific tasks are realised.

In the **monitoring of performance** there are also differences. All the NGOs have relatively regular meetings with their supervisors on how their employees have performed during the past period. The content of these meetings varies. ZOA uses a new system in which a review and an appraisal meeting are clearly separated, whereas CIF Santé combines these two in an annual meeting. The results of the appraisals also vary between NGOs. ZOA and CIF Santé use ratings to appraise their staff. Other organisations do not use specific scores. At Merlin and ZOA special care is given to the local adaptation of the monitoring of performance. Most NGOs use standardised forms during appraisal and review meetings.

We regard local adaptation of staff performance monitoring as important, and suggest that it can be done effectively by adaptation of the indicators for performance and therefore the annual workplans. This was discussed earlier in this chapter. We are furthermore of the opinion that it is expedient to separate the review meeting from the appraisal meeting.

We are in favour of review meetings that have the character of an exchange between the manager and the jobholder about performance, personal development and working conditions; this should be a two-way exchange in which the performance and personal development of the employee are the main topics for discussion. It allows reflection on performance by using the content of the annual workplan and the personal development goals. We advise against evaluation of the performance during the review meetings by giving grades or rankings. If an appraisal is directly combined with the review-meeting, the employee may feel inhibited to address certain problematic points, because she/he might think that this will have an effect on the appraisal at the end of the conversation.

We see the appraisal meeting as an evaluation meeting, which is a one way dialogue. In the appraisal meeting the manager evaluates the performance of the employee by using the agreed annual workplan as indicators for performance. If the organisation chooses to work with quantified evaluation, it is only during this appraisal meeting that marks or grades are given. Besides these formal methods of performance monitoring we are in favour of periodical supervisory or coaching meetings between manager and jobholder.

Almost all the NGOs consider the **development of staff** important. However the way they organise this development differs. Islamic Relief uses standardised learning trajectories. SNV gives a specific budget to local employees that they can use in any way that they want. ACHESP, Christian Aid, Tearfund, and INF give special care to the development of their local staff members. World Vision has its own way of developing their new leaders. The British Red Cross develops their own training programs when demands are high.

We regard as good practice that the manager and the jobholder should together formulate personal development goals in conjunction with the job description. The goals should be seen as indicators for performance and for personal growth. This implies that the line manager takes responsibility for giving the employee the space and support to practise new learnings and skills. Training should not be treated separately from the work done, unless the personal development is meant as a means for enlarging employability of the employee outside the organisation. During the review meeting the progress made with these personal development goals can be discussed. The review meeting is also an opportunity to discuss training or coaching needs relevant to the job, and to encourage further personal development.

The **reward policies** of NGOs are usually adjusted to the market in which the employee is recruited. Some organisations attach great value to correctly paying their NRS according to expectations. Others connect the appraisal meetings to the salary. The cases dealt with general reward practices and did not so much focus on linking reward directly to performance. We are of the opinion that it does not fit the character of the work or the organisation culture of international NGOs to link extra benefits to performance. We do encourage informal rewards. We would not suggest gifts as such, but intangible rewards like compliments and for example a small celebration party for good performance which has resulted in a special accomplishment, would be suitable.

During the making of this report we came across some **special tools and approaches** that organisations use in performance management. ACHESP and Tearfund use auto-evaluation, ActionAid India 360° feedback in employee appraisal. Action contre la Faim and Islamic Relief give extra attention to the principles of the organisation in evaluation. Concern stresses the importance of a good relationship between manager and jobholder and sees appraisal and review meetings as instruments to achieve this.

We see self-evaluation as a good means to reflect on performance and to make employees responsible for their own professional and personal development. It also serves as a good preparation of the review meeting and to encourage a two-way exchange between manager and jobholder.

Although we see the use of 360° feedback as a good instrument for performance management, it should be used with care. It should fit the organisation culture and people in the organisation should be willing to work with it. It should not to be used for evaluation purposes but in a constructive manner for improving performance. We are in favour of using open feedback and not anonymous feedback. As feedback is meant to be constructive for further development of an employee, the receiver of feedback may want to ask for clarification and discuss with the person giving feedback. Probably because of these subtleties it is not yet a widely applied approach. We favour the practice that managers ask for feedback on their own performance during the review meeting, in as far as this behaviour is considered to be either positive or negative for the performance of the employee. It is fine to discuss the working conditions and the contribution of the manager to the performance of the employee. We think there is a need for a specific point in the time spent together when the performance of the manager is discussed.

Other special tools or approaches for performance management that we consider are:
- Coaching on the job by the manager
- Competency management, looking at performance in an integral way, not only looking at fulfilling tasks and targets.
- Regular surveys to map expectations and wishes of different staff members concerning performance management
- Team performance management
- Job rotation

Concerning the **planning** of performance management activities, the period between two review or appraisal meetings varies from 3 to18 months. Most organisations have a one-year period, and some organisations are flexible in this. We think that the average one-year period is fine, and at the start of a new job/contract a period of 3 months may be appropriate, depending on the type of tasks in the job description.

Many organisations do something to inform the (line) managers about the system that they are supposed to apply. We talk here about **briefing**. This information comes either through guidelines and guidebooks, through conferences or through individual visits. Some organisations indicate the need for training in skills. We are of the opinion that it requires skills to conduct a review meeting in a good way. We therefore advise training managers in people management skills in order to monitor and manage performance of their employees in a beneficial manner. Holding a review meeting is not easy and it requires a certain attitude from the manager that is people oriented and with the attitude of a two-way discussion.

In most organisations the **responsibility for performance management** is in the hands of the line managers. But often the system is developed at headquarters. In the case of ZOA the larger field offices have a separate HRM department. They are there to assure a solid HRM system. In some cases performance management is difficult to maintain, as it is not a priority for the managers.

The **filing of the reports** of performance monitoring meetings is done in different places, sometimes in the country office, sometimes in the office one management level up and sometimes in headquarters. It looks like the logic of filing has a lot to do with which reports are used for what in a later stage. We did not always check on this.

We see it as good practice to offer line managers a global framework that leaves space for local adaptation. A framework with guidelines for:
-   formulating and updating job descriptions
-   the frequency of the review meetings for monitoring performance
-   the goal and character of the review meeting with instructions for the line manager
-   formulating and monitoring personal development plans
-   the goal and character of the appraisal meeting
-   how to use the framework for appraisal meetings
-   explanation of the background of the reward system with, for example, a few general competencies or values

These should really be considered as guidelines, not as prescriptions, and there is room for adaptation. Local adaptation should be encouraged.

4.2 Summary of chapter 3 and suggestions for good practice

Quite a few organisations struggle with their search for an appropriate and useful performance management system. Organisations put quite some effort into **developing a performance management system**. Some organisations want a more standardised system (SNV) and other organisations have moved away from standardisation allowing for more local adaptation (Concern). Some organisations, like Tearfund, have put a lot of effort into testing the designed system in the field for getting the system locally accepted. ZOA enables local HRM-departments to make their adaptations to the standardised framework. At Save the Children local adaptations are made in a workshop setting with someone from the organisation familiar with implementing these processes and local line-managers. Plan used an extensive review of their performance management system, which resulted in 'guidelines' for their new system.

Reasons for adjustment of performance management systems vary from staff asking for feedback, to the transformation of organisations or the need to reduce paperwork.

We think it is important to involve line managers in the development of a performance management system. They have ideas and wishes for how to manage performance so it is wise to include that. Besides this, it is of utmost importance to consider certain local differences in the expectations of staff members. The line-managers are in the best position to address these expectations, for they must operate daily in their particular region. If the expectations are not met, it can lead to poor performance and in all likelihood a higher turnover rate.

4.3 Reflections on cross-cutting issues and suggestions on best practice

In the general introduction in chapter 1 we talked about two **cross cutting issues**, standardisation versus adaptation and the equity/inequity between NRS and expatriates. We briefly reflect on these two issues here.

Our conclusions concerning **standardisation versus adaptation** are as follows. Through the study we found that many organisations these days are striving for a more standardised system of HRM and performance management. SNV has developed a standardised system that functions worldwide. Islamic Relief is working on it, they started developing the system last year and now they are about to finalise it. ACHESP is planning to come with a standardised system soon. Concern has developed one basic system for the whole organisation, which leaves space for local adaptations.

At the same time we see that those systems that have functioned for some time all seem to have been adapted to the local situation. The system ACHESP is using at this moment is adapted both in Central America as well as in Colombia. The adaptation is related to what has been considered the key factors to success in these countries, which in turn has a lot to do with employee's attitudes at work and their capacity to perform in a team. In SNV we see that sophisticated systems have been developed, in which, for example, performance appraisal is done in an electronic way, in order to obtain 360° feedback. At the same time we see that in Niger, NRS find it difficult to write down critical feedback. They prefer to give their feedback orally, in discussion with the manager, and the manager then adapts the system accordingly.

The same problem exists for MDF South Asia, where it is difficult even to ask for feedback as a manager. Here the final solution is not yet found but an adaptation seems to be needed. Islamic Relief at this point in time keeps the option open to decide whether or not adaptations to local situations will be needed.

Whether or not certain adaptations in the performance management system are made to address local expectations is an important decision. Naturally, organisations want a certain red line in their performance management system following their own preferences in this field, but when local needs are not addressed, performance may be lower, or people may choose to leave the organisation sooner. This is of course negative in terms of organisational performance.

As discussed before, we regard it as good practice for a framework to be provided by headquarters, which in turn can be adjusted to local needs. These local needs can be obtained by the line manager, who operates in the specific region and probably has some insight into what motivates the people, and by a survey for this local staff. The effort can

be easily overcome by the benefits that are obtained with higher performance by local staff, and a lower turnover rate. In order to make sure the system is still appropriate, and to enable transparency, the HR department of the region or HQ should receive these adaptations of the generally applied system. Allowing adaptation implies faith in the line managers' competency to be aware of the underlying ideas and values of the performance management that the organisation wants to realise.

With regard to **equity between nationally recruited staff and expatriates**, we have found that the differences between how the performance of expatriate staff is managed, as compared to the NRS, boil down to two main issues.

One issue is that the remuneration of expatriate staff is very often different to that of NRS. How this difference relates to performance is not investigated, but in a general sense the equity issue on remuneration is addressed. Very often when expatriates are recruited in a market of, for example, Western Europe, the salaries they earn are often according to that market. This can be very much higher that the salaries in the local market where they work. In addition to this, sometimes they receive extra benefits for health insurance, retirement payments etc. Some organisations distinguish between regional staff and others. These are staff members who work in neighbouring countries and their salaries are in between the salaries for NRS and the expatriate staff (SNV). For NRS this difference in payment is sometimes considered unjust, especially in those cases where the expatriates need to spend a lot of time in a country in order become productive, or when productivity remains relatively low during the entire short stay.

From our point of view, NGOs, who are founded to support developing countries, have an obligation to be concerned about their own Nationally Recruited Staff. They are, besides members of the organisation, people who often find it difficult to hold their head above the water. Therefore, if supporting the development of developing countries is really your objective, you must start with members of your own organisation. It is clear that local staff earn less money than expatriates do. There are numerous reasons for this, for example, they have had leave their own country in order to work abroad. Often expatriates have specialist knowledge. Their selection environment can also be much more competitive etc. However, there must be a close look at the rewards that are given to their local staff. If they provide good work, there must be something in return for this effort. This is not necessarily always in terms of salary but may also be in terms of development possibilities. Exorbitant differences between expatriate and local staff are often not fair, as local staff in some cases produce even more than the people who are sent out from headquarters. If that is the case, then we wonder if it is still appropriate to send people from abroad into these countries.

Another difference that we found in the performance management for NRS, as compared to expatriate staff, is that the training and development policy may be very different. On the one hand we found that in the almost disappearing system of ACHESP the expatriate staff had many more training opportunities than the NRS. On the other hand we found that INF seem to care much more for the training of NRS than for the training of expatriate staff. The managers have a clear responsibility to make sure the NRS receive the training they need. The expatriate staff members take responsibility themselves in taking the initiative for and organising their own training.

The training and development of local staff should be of utmost importance for NGOs. It is a good way of making sustainable change in developing countries, and for the local people to enhance their capacities. Therefore there should be a development and training

programme to help these people in their own development. What we often hear people say is that investing in developing NRS makes them more valuable to the market, so they are more likely to disappear. I think as INGOs we should consider whether or not in this way we do not contribute just as much to the development of the country.

4.4 Closing remarks

The range of practices of various organisations presented in the previous chapters will hopefully enrich your thinking and fill you with inspiration and ideas. Some practices might be interesting for your organisation, and others probably would not suit your organisation. We hope the presented material will be helpful to you and your organisation.

We think that HRM, and performance management as part of it, is the core of your work. In many ways it determines the values of the work of the organisation. So thinking about what you want to reach directly and indirectly with the work you do, implies thinking about how to manage the people who are at the heart of your organisation. By providing a good HRM you set the cultural benchmark for your organisation.

ANNEXES

Annex 1   List of organisations

Organisations mentioned in this study

ACHESP, Accion contre el Hambre, Spain
www.achesp.org

ActionAid, United Kingdom
www.actionaid.org

Action contre la faim, France
www.acf-fr.org

British Red Cross Society, United Kingdom
www.redcross.org.uk

Christian Aid, United States of America
www.christianaid.org

CIF Santé, Conseil Information Formation Santé, Democratic Republic of Congo
http://www.cif.cd

Concern World-wide, Ireland
www.concern.ie

DFID, Department for International Development, United Kingdom
www.dfid.gov.uk/

INF, International Nepal Fellowship, Nepal
http://www.inf.org/

Islamic Relief, United Kingdom
www.islamic-relief.com

MDF - Training and Consultancy, The Netherlands
www.mdf.nl

MDF-South Asia - Training and Consultancy, Sri Lanka
www.mdf.nl

Merlin, United Kingdom
www.merlin.org.uk

People In Aid, United Kingdom
www.peopleinaid.org

Plan, United Kingdom
www.plan-international.org

Save the Children, United Kingdom
www.savethechildren.net

SNV Development Organisation, The Netherlands
www.snvworld.org

Tearfund, United Kingdom
www.tearfund.org

TVRLS
www.tvrls.com

ZOA Vluchtelingenzorg, The Netherlands
www.zoaweb.org

Annex 2   Weblinks

Weblinks for further reading

http://www.ngomanager.org/

NGO Manager's aim is to help improve NGOs' performance and facilitate capacity building thus contributing to the sustainable development of civil society. It tries to achieve this aim by:

• Developing and promoting concepts and tools for NGO management and facilitating their implementation.

• Serving as a world-wide knowledge hub for the exchange of experience and learning on the subject of management of NGOs and other civil society organisations.

http://www.aidworkers.net/

Aid Workers Network links relief and development field staff to share support, ideas and best practice. This web site is being developed by a team of experienced aid workers to provide a comprehensive resource for busy field workers needing practical advice and proven resources to help with their current work.

http://www.hrmguide.net

HRM Guide focuses on the theory and practice of managing human resources, as they say managing people is one of the most critical aspects of organizational management in the 21st Century. It is of no consequence whether or not an organization is a non-profit, start-up enterprise, or if mature business employees are crucial to achieving objectives, delivering results and being successful. The activity once known as personnel and now more commonly described as human resource management (HRM) is seen as a fundamental aspect of successful management.

www.global-development-forum.org

Holds seminars about developmental issues.

Information on past and coming EPN seminars:
http://www.redr.org/redr/support/practice/epn/

The aim of these Seminars is to improve the ability of participating organisations, both individually and as a community, to find, select, prepare and retain personnel for emergency operations.

The Emergency Personnel Network (EPN) has been running inter-agency Seminars since 1997. They are designed for human resources managers of

humanitarian agencies, and others who are interested in emergency personnel issues. Members of the management committee are drawn from a variety of agencies.

http://www.peopleinaid.org

People In Aid is an international network of development and humanitarian assistance agencies. People In Aid helps organisations whose goal is the relief of poverty and suffering to enhance the impact they make through better people management and support.

People In Aid launched updated guidelines on support, safety and management of staff, in September 2003. The People In Aid "Code of Good Practice in the management and support of aid personnel" is the result of years of international collaboration by dozens of agencies.

This Code is a tool to help agencies offer better development aid and disaster relief to communities in need, and is an important part of their efforts to improve standards, accountability and transparency amid the challenges of disaster, conflict and poverty. As well as building on previous guidelines, the Code reflects the growing attention of aid groups on issues of health and safety, diversity and equality, and is relevant for agencies engaged in development and advocacy as well as emergency response.

Annex 3   Complete case descriptions for each organisation

Performance Management in ACHESP Colombia

In Colombia the evaluation meetings concerning personal performance are planned every 3 months. In practice it usually comes down to every 4 months. They use a form and the evaluation is very much based on the job description.

In the evaluation meeting, feedback is given to the staff member on the different aspects of his/her job. But the staff member can also reply to this if she/he does not agree. Furthermore the evaluation has a part they call auto-evaluation, where the staff member writes down how she/he feels in her/his job. The evaluation is a tool to let them see how they are evaluated and how they are evolving.

When the HR-manager visits the different bases, he gives coaching and feedback as well, they talk about how things are going and the HR-person may tell how to improve. Since the daily feedback is well administered, the evaluation meeting should not bring any surprises.

The evaluation is not linked with the reward system. The interviewee thinks this might be counterproductive. Rewarding takes place through recognition of what people are doing, promotion, and technical people getting management responsibilities. Besides that ACHESP organises parties for the staff. They state that their people are so committed that extra rewarding can not lead to more "productivity".

> "As an example even this week I needed from someone in the field huge quotations, a lot of excel files. I called the person at 19.00 to ask for the modifications, as I needed them the other day. He went to the Internet café and made all the work between 19.30 and 21.00, not complaining that he wanted to be with his family, or asking for extra money. So what more can I want."

ACHESP invests greatly in training for their local staff. They think this is important, as they say many other international NGO's are investing more in the expatriate staff. They feel investment in the local staff is a long-term investment. So they have them trained in management.

The whole organisation is actually really run by the local people. They have a yearly meeting where they talk about various subjects such like international law. Their strategy and plan for the coming year is also being discussed. Their local staff members are highly educated and they have few expatriate staff in management functions in the different countries: 5 in a total of 46. The 2 expatriates that are heads of Bases (heads of offices in the different regions) are in that position because these bases are quite new. ACHESP wants to make clear that they are an international organisation. If there were any doubt, people in Colombia would think they would work either for the government or for the guerrillas. So we need the expatriates to give the organisation the right position from the start, but not because they lack local expertise. This policy gives a high degree of satisfaction. The workforce is really committed and they are like all great humanitarian workers, passionate for their work.

The administrator has a file for each staff member that is really confidential, so nobody has access to them apart from the employee and the administrator and at the bases the

Heads of bases. Here they keep the CV, the letters of congratulation, letters of memorandum and the evaluations.

A nationally recruited staff member says that he is largely satisfied with the system as it's set up. He calls it well organised. All his tasks and expected results are clearly described in a manual, that is determined with the whole team. His direct supervisor visits him a lot and communicates in a clear, pleasant way. There are team-meetings held very regularly; and every two weeks report is being made about ongoing affairs. He always knows were his supervisor and his own people are. When they must operate in a conflict-zone, all parties can always be reached in case there is a problem. The national staff member states that he is advised to learn English (he only speaks Spanish), because otherwise it will be hard for him to get another promotion. He already holds a pretty high position in the company. In the beginning he was head of a region with 15 subordinates, now he has supervision over 32 employees. "Because of my position there is little time to follow training", he says. But he did follow courses about conflict-areas and "How to lead organisations in small villages" Besides this, in the beginning of his employment, he went to Spain to learn more about ACHESP.

The only thing that he doesn't really like is the size of his salary. When he was working for another organisation he used to earn a bit more. But he says that it is logical since the organisation has humanitarian purposes.

All-round Actionaid

Actionaid India uses 360-degree feedback for senior management, confirmation of probationary staff and those upgrading after internal selection processes. According to Actionaid it gives a number of advantages: from developing leadership, to assisting appraisal processes and succession planning. Above all, they say, it is a participative process, emphasising the dignity of all employees above that of any individual, which enhances the quality of decisions.

After countrywide consultation, this process was extended in 2004 to all 200 staff members, but it was initially limited to identifying developmental needs in current roles. Questionnaires for colleagues to complete covered behavioural and attitudinal areas, although a number of staff hoped that it would soon incorporate performance. The questionnaire was explained in workshops and accompanied by a glossary to ensure complete understanding.

Reports were given to staff as soon as computations were completed, each score allowing a staff member to see their scores for particular behavioural traits and compare them to their own self-assessment score. Training needs were identified and 'key result areas' prepared to form the basis for the following year's benchmarking.

Fear of victimisation was minimised by omitting performance at this stage, and averaging out extreme scores could eliminate any effect of sycophancy. Staff members were asked to take a year long considered view.

Lessons learned by Actionaid India for the future roll-out of this process are to ensure teams know enough about their colleagues' work and key result areas, add value by

including new parameters for feedback and be clear about the possible link between performance and pay or rewards.

Action contre la Faim

At Action contre la Faim the performance management starts with the inception meeting. This meeting, based on the job description, is held to check if there is a mutual understanding of tasks and responsibilities. This job description consists of the following elements: context, tasks and responsibilities, objectives, means, security, number of staff in team, number of colleagues, language, what kind of report to deliver and timing, and what external proposals to write.

When staff are hired, expatriates have monitoring meetings every 3 months with their direct supervisor. On average they have missions of 9 months up to a year. At the end of their mission there is a final evaluation meeting, and the report of it is sent to HQ. NRS have an annual evaluation meeting with their direct supervisor. In fifty percent of cases a true appraisal meeting takes place; the other times it's a combination of review and appraisal. This means that in that case the staff member also can indicate certain affairs.

During the evaluation meetings it is checked whether the value-principles of the organisation are respected. This is quite strongly present in the organisation. It's stated in the contract to live up to these principles. If one does not live up to these expectations, she/he is dismissed.

The staff-member can see the report that is made of the meeting, and in most cases both manager and employee sign it. The superior can indicate what points the subordinate has to improve or develop.

The way performance is monitored depends on the project. In most cases there are weekly meetings for monitoring the tasks and activities. An evaluation format is filled during the evaluation meetings. For expatriates there are elaborate formats to fill in during the quarterly evaluation meetings. The annual evaluation of the NRS is based on their job-description; the elements serve as indicators. There are no separate evaluation criteria. An increase in salary, a premium (bonus), or a promotion can reward a positive evaluation. There aren't any training opportunities as means of reward yet. But ACLF is working on it. There are also consequences in case of a negative evaluation. Expatriates can be sent back earlier, if they do not fit the mission, or in case the need for training is indicated. National recruited staff members get fired if employees keep performing below standards. NRS get regular, day to day support from their managers. Managers are aware of this duty and responsibility to train and coach their staff. As always: some are better in it than others are.

Overall people are satisfied with the performance management system, but there are a few remarks: the process for the quarterly evaluation of expatriates is seen as too heavy. They are working on simplifying this system. The forms are seen as too elaborate. Managers indicated that they find working with these forms too complicated and they they don't have the time to do to do in-depth performance monitoring and evaluation. The expatriates also indicate the heavy process of evaluation. The NRS are quite happy with

their annual evaluation, which has been taking place for a few years now. They consider it as a positive thing to have an assessment.

Another problem is the lack of overview of the whole performance management. There is not yet a clear picture of career opportunities in the organisation or a clear picture of training possibilities. Since the field offices decide on the content of job-descriptions, the monitoring of it and the evaluation meetings, the performance management is strongly adapted to the local and cultural standards. Therefore it varies per country. However the organisation wants a more standardised system and is working on it.

British Red Cross Society

The British Red Cross Society itself does not employ locally recruited staff. The national societies and the International Committee of the Red Cross recruit these employees. The ICRC is for that reason most responsible for the dealing with HRM of these local staff-members. The rest of this case will therefore be concerned with employees that are sent abroad by the Red Cross.

The British Red Cross has a wide scope of performance indicators for their company as a whole. These figures are being recorded quarterly, and evaluated on a yearly basis. One of these indicators is for example the percentage of people requested in a certain region and how many were actually sent there.

With regards to the staff members that are sent abroad, the Red Cross usually works with contracts for a certain period. This allows it to be flexible with their workforce. They currently have more than 70 delegates working on a range of programs overseas. They only consider British nationals or UK residents for employment overseas. Their aim is to send people whose skills cannot be found locally. They do not send volunteers overseas, as volunteers are often provided by the National Society in the affected country.

For the line-managers in the field a guidebook is made to help them with carrying out the different HRM-operations. Review meetings are held either once a year, or almost every time at the end of a mission. These meetings are very widely set up. The employee gets the chance to talk about how he/she thought things were going; where further improvements can be made; how the relationship was with the line-management etc. If the performance was poor, the line-manager will try to work it out with the employee. When no solution is found and performance stays bad; the contract can be either not prolonged or disbanded. Besides this he/she can address if he/she desires certain training in a certain field. Copies of the minutes of these meetings go to the ICRC and to the British Red Cross itself.

This staff development policy is comprehensively organised. A training panel reviews all the requests for training. With the awarding of the training courses many things are being considered: the ratio of women and men, the nationality of the requesters, how many times the employee already had a training etc. When there is a great demand for a certain training, the Red Cross looks if it is possible to develop a training themselves on which their own employees can register. For example they have developed their own Project management course due to popular demand.

Christian Aid

At Christian Aid, they are just beginning to look at how they can better equip their nationally recruited staff in the skills and competencies they need to carry out their roles. The first steps in this process have been taken. E-learning is available to the field-offices to assist in the development of the NRS in the development of core skills, such as working with a keyboard. They are also looking at the training and support that can be offered to nationally recruited staff in bespoke systems, via our IT department and on the job training. This means that they are developing the coaching and facilitation skills of those in the organisation who carry out training to nationally recruited staff. They are undertaking a learning need analysis to assist us with this. There is also coaching and support for nationally recruited staff visiting the UK. Finally the option of portable training packages which can be used all over the organisation is being looked into.

CIF Santé

CIF Santé is a small health organisation of about 14 people, based in Goma in the Democratic Republic of Congo. The manager holds regular performance review meetings with the staff, approximately and at least once a year. They make use of a standard form. The form consists about 4 to 5 pages and includes questions about the functioning of the person, the reporting, the interaction with and consulting of others and even about personal presentation and clothing. The form allows quantification of the performance. On different issues a score is given between 1 and 5 and a total score is calculated. This score serves as an encouragement to do better in the next period but possibly also as a reason for a higher category of salary.

The character of the meeting is that the manager gives an evaluation of the performance of the jobholder and gives feedback on the employee's performance. During the meeting these is also opportunity for the employee to express whether there is a need to change something in the working conditions and co-operation with the management team.

During the review meeting they take along the job profile and check whether it is still up to date or that due to changes the profile has to be adapted. The job profile consists of a description of tasks and activities, objectives, and responsibilities. The job profile can be personalised for the jobholder by adding tasks and activities that the jobholder likes to do and is good at, for example writing articles, or laying out other activities. This adapted and possibly personalised job profile is kept in the personal file of the jobholder.

Experience in practice
The employees are happy with the system as they have it. They even ask for a review meeting when they feel it is time for it. Besides this formal system their organisation culture is such that they have an informal and open atmosphere in which employees can easily approach the manager to discuss issues.

Training opportunities
There are some good opportunities for training. In each project proposal a post for training of staff is suggested and every year they have budget for training. The budget is always used and most of the training needs are addressed.

Concern World-wide

Concern has a system called Performance and Development Review System (PDR)
It consists of two parts:
1. objectives for each individual in his/her role (performance review)
2. competencies to complete those objectives (development review)

ad 1. The objectives part has two sections:
- looking at previous results identified from previous PDR objectives (or looking at the job-description in case the jobholder recently joined the organisation)
- looking forward to new objectives

ad 2. Competencies are defined in terms of knowledge, skills, attitude and behaviour. The competency section recognises five core competencies that apply to everyone in the organisation:

- planning and organisation
- participation as a member of a team
- interpreting and communicating information
- creative thinking
- sense of responsibility

Besides these five core competencies the line manager and the jobholder can add in special competencies that need to be addressed, like technical, communication, or generic ones.

There is a separate section on an action plan. Learning and development actions are recorded, for immediate, medium and long-term. It also includes a note on career aspirations. This is the only part of the PDR that is collected centrally for succession planning process. It is collected twice a year, also in case the learning plans have not changed in that half-year.

There is also a section that includes a discussion around how the line manager can optimise support to the jobholder, so it includes feedback to the manager.

Process of the use of the performance management system:
Now we only have 1 form to be used by both the jobholder as the manager. They use the form before, during and after the meeting. Before the review meeting it serves for preparation: drawing up initial comments on their own perception. Manager and jobholder share the content of the forms before the meeting in order not to have too many surprises during the meeting. During the meeting the forms serve as a basis for discussion. After the meeting it serves as a working document or as guidelines for the work, to refer to when needed.

A special approach of our Performance and Development Review is that the **relationship** between the line manager and the jobholder is of main importance. Another part of the process is that it is not on an annual basis that the review meeting must take place. The instruction is that when they have a review meeting they agree on a new meeting somewhere between 3 and 18 months, depending on the job and depending on the needs/ideas of the jobholder and the manager. Practice tells us that 9 to 12 months is the average gap between meetings.

Experience in practice
We had a system for the last 3 years, which is quite similar but posed some problems and now we revised it. Some of the reason to update/change our performance management system were to reduce paper work and because it was too rigid a system that everyone had to do their meeting each 12 months at the same time of the year. Also we worked with 12 competencies, defined to apply for all jobs, for some jobs some competencies seemed irrelevant.

Now with the new system our concern is that managers in teams build a positive relationship with their employees. The system aims at an interpersonal process, not a paperwork exercise. We do not want to be dogmatic. If the manager thinks the system is not appropriate he/she can use only parts of it. Using different forms is also fine, as long as they are applying some system. We have a briefing handbook that all managers can consult.

Concerns from people in the field are that it there is still too much paperwork. It is not in all cases appropriate to the environment. We realise that if we allow total flexibility then these concerns might disappear. Most people still have a mindset that performance review is appraisal.

We insist on seperating performance from benefits. We divorce the discussion on salary from performance review. On an annuals basis we have a separate meeting on salary, even conducted with a different person than the direct manager and that is centrally organised.

Performance management DFID

DFID is using the same performance development system worldwide. At the beginning of the year the staff members sit together with her/his line manager. Together they develop the goals for the coming year. They imply all the staff member will do in the coming year. A mid-year review takes place.

Objectives cascade down the career ladder so individual objectives fit into the objectives of the organisation or project/programme. The objectives are filed into an electronic system. This system also implies the performance development goals of each individual staff member. The personal learning goals include personal development goals as well as career progression. The only limitation is that both the individual staff member as well as the organisation will benefit from the programme. The new learning has to fit into, and needs to be appropriate to be incorporated in the work one does or will do. The development programme consists of learning from colleagues, learning from books and training programmes.

DFID supports its staff members' development through paying for courses and other development activities. How people incorporate the new learning into their work is not very strictly followed or coached, it is left to the staff members to incorporate the new knowledge and skills into their work.

At the end of each year an appraisal takes place. Before the actual appraisal the staff member fills a form in which she/he tells how she feels about her/his performance; were

objectives met as set, was the quality of work up to standard? The line manager also fills out a form telling how the staff member performed according to him/her. In the actual appraisal meeting the line manager and the staff member sit together and both the line manager and the staff member have the opportunity to react on the opinion of the other. If in the end the staff member does not agree with the final appraisal there is still the option of appeal.

Although the system is used worldwide it is not rigid, so cultural adaptations are possible. For instance in other countries than UK, DFID hires drivers. The system also applies to them, but of course this happens in a more straightforward way. Also for drivers their tasks are described and objectives are set whenever appropriate.

INF

Training and development:
INF distinguishes between local staff and expatriates. In the situation where expatriates who work for INF are contracted by another organisation, this organisation is responsible for the training and development of the staff. INF allows expatriates to go on training courses, but it is the initiative of the expatriate and he/she has to organise it him/herself.

For local staff there is more of a standardised system for training. There is a budget available for training of staff. INF selects people to go on training courses. Staff members can put in a request for training, but also managers can indicate that someone needs training. These requests are discussed and the requests are checked as to whether or not they are suitable for the organisation. Then a selection is made and a plan is created of whom can go where and when.

Review meetings:
Once per year every staff member has a performance review meeting. It is work related and looks into objectives for the coming year. During this meeting training-needs can also be discussed. The line managers do the review meetings with their staff. Some line managers hold review meetings more than once per year and have sort of update meetings and some do it less than once per year.

For the review meeting formats are used. As a preparation for the review meeting the jobholder fills in a form: looking back at last year, what has been achieved, which work-objectives are reached, what personal development progress has been made in terms of skills and what are the needs for the coming year. The manager also fills in a similar form and looks at work objectives as well as development goals, such as for example skills that have to be developed more. During the meeting they discuss together their view using the input of the forms. It is an exchange about performance and not so much an appraisal, although a score is given ranging from not sufficient to excellent. The manager draws up the final report and both sign it. It is kept in file one management level up. INF does not have performance reward system.

Experiences in practice
More than half of the employees use or follow the system. Some managers indicate they lack the skills to conduct the review meetings.

A positive remark is that people like the attention they get by doing the review meetings. A negative point is that talking about training and development during the review meetings raises the expectations for training and the organisation cannot meet the expectations.

Job descriptions
The manager draws up a job description. It is based on a standard and adapted per specific job. The standards are based on a standard, commercially-available system. The job descriptions consist of 4 to 7 work areas in which objectives and tasks are indicated. Job descriptions are only changed/adapted if significant change in the organisation or its environment has taken place. The job descriptions are the basis for the reward system.

Islamic Relief

Appraisal takes place each year. Before the actual appraisal takes place HQ, the employee and the line manager all fill in a form to appraise the employee. After this the line manager and the employee sit together and fill the appraisal form together. After finishing the appraisal they formulate an action plan for the coming year. In this action plan, tasks are set with deadlines. The line manager monitors the activities through checking after the deadlines if tasks have been realised and if the quality is good. Whenever required, there is a review.

The appraisal is still very new and the data collected from over the last year is not all collected yet, in some ways due to the tsunami. In a meeting of the senior managers the appraisals of different employees in similar functions are compared. What did the different employees achieve, did they get an assessment of superior, good, average or below standard, etc. The people with a below standard assessment do not get an increase in salary, the people with a superior assessment get most salary increase, the average less. Beside this increase there is the yearly increase to compensate for inflation.

At field-level Islamic relief is working hard to get to one system across the world. Last year worldwide guidelines have been developed of over 1,000 pages. In the guidelines one finds a section on HR and a part on appraisal. All managers were asked for comments. For this year it is planned to visit all the field offices to check their commitment to these guidelines and to collect amendments. Even if all field offices don't use exactly the same system, at least they will all be using systems that are very similar.

For staff development each manager sits together with the training manager to develop a training plan. IR has bought a software package that will include the training plan. IR has a staff development and training policy based on justice and equal opportunities.

At recruitment the following values are adhered to: employees will respect both Islamic values as well as values of other religions. IR is not an Islamic organisation, but a relief organisation that works from an Islamic point of view. Their main focus is people. This implies a good safety and security policy.

In the staff development and training policy they are aiming at an increase of professional knowledge, to obtain skills and enhance career opportunities. The focus is on assignment related programmes. This implies that when a line manager wants to place an employee on a certain assignment, this cannot be done overnight. First, the line manager needs to

look at what is required for this assignment and the employee will be prepared and trained with the necessary knowledge and skills.

They include career development in the development programme. If a junior comes in, they may make a programme for the next 3-5 years in order to prepare this employee for a more senior post. If people need special degrees they pay for the fees and give them time to study even during working hours. As such they also accept student employees. IR supplies both general training and induction programmes. The latter they are still developing. They have an overview of what people working within IR have done. This serves to discern who can train whom within the organisation. This has already resulted in people going around the world. Employees from one country train employees in other countries.

MDF Training & Consultancy, the Netherlands

Employees of MDF have an annual review meeting in the month of November with their direct manager. Objectives of this meeting are to reflect on the performance of the employee in the MDF-context and changes in this context; to get clarity on the implemented tasks, the needed competencies and possible discrepancies between these; to get feedback; and to talk about expectations and aspirations for the next year in terms of projects/assignments, productivity and personal/professional development.

As a basis for the meeting they follow guidelines, a one-page list with some questions and points of attention. Both manager and employee can prepare themselves for the meeting using this list. During the meeting mostly the questions on the form are used as a guideline for the conversation. There is also space for additional remarks from both parties. The character of the meeting is that of an exchange on past performance, on future objectives and on personal and professional development.

Some elements of the guidelines are:
- results of the past period, like type of activities and financial results and qualitative evaluation of the client, achievement of work goals, productivity,
- actual functioning within MDF, like use of personal qualities, support received, teamwork
- expectations and aspirations for the coming period, like involvement in what projects/assignments, internal projects, professional development needs in terms of training, productivity

A third person, mostly a member of the support staff, draws up a report of the meeting. Both manager and employee approve it. The report is kept on file. Besides this report a short format is filled, called a track record, with a brief overview of achievements of the past few years and agreements for the coming year, concerning projects/assignments, internal projects, productivity, training and special remarks (e.g. maternity leave or long stay in a foreign country).

Discussion about salary is strictly separated from the review meeting. The culture of MDF is that trainers and consultants working together quite regularly exchange direct feedback with each other while working on a project.

If one needs coaching you can always ask for it and it will be addressed in a formal or an informal way by appointing an internal coach. Coach and the person being coached agree on the needs. Furthermore we have regular peer review meetings for trainers and consultants. We come together and discuss difficult issues in our work and which are representative for our work and interesting to colleagues. These sessions are facilitated by one of the trainers and follow a certain structure in order to get a deeper analysis of the difficulty and coach the one who brought up the issue.

A budget is reserved for training. Employees can indicate whether they have a training need. Also the manager can indicate this to the employee. Every year the management team looks at the total cost of training needs and decides on who can do what. Usually the desires are addressed.

Merlin

At Merlin there is an extensive appraisal system. First there is a three month probation period followed by an appraisal meeting with the line manager. After this there is an appraisal meeting every six to twelve months depending on the length of the contract. The permanent staff in London has a meeting every 6 months, using a similar format.

In the meeting different things are being discussed like technical performance, teamwork and communication. The meeting goes both ways: line manager and employee exchange their views and try to reach agreement on the discussed issues.

For the international staff in the field Merlin has standardised procedures. For nationally recruited employees these procedures are partially adapted. Every country has its own format for review and appraisal meetings. It depends on the country whether these meetings are held every six to twelve months for local staff. They have their particular rules. The line managers get a briefing on how to do these meetings and on which formats to use. Merlin doesn't have exact rules. Every manager has the freedom to adapt to how it will work best in a certain culture.

Merlin works with clear job descriptions, in which key responsibilities and broad tasks are described. Job descriptions are adapted over time. The job-description is monitored on a day by day basis, and used in the review- and appraisal meetings. They use appraisal formats for expatriates. These formats can be adapted for the national staff. Both must reach agreement on the discussed issues and sign the report and both keep a copy. These files are kept in headquarters in London. They try to link the report to career opportunities.

Merlin has encouraged this appraisal system for many years, but it has low priority for managers. Some managers are more involved than others. In addition, the character of emergency work, with short contracts and funding issues, leads to some staff hardly getting any appraisal. They are working on encouraging line managers to conduct the appraisal meetings. It has improved recently, but it is not working perfectly. Culturally it takes time to realise that the system is worthwhile and needed.

In their annual conference the discussion was all about performance management. It is now a weekly process to discuss and exchange ideas on it. In the near future they will try to organise more training in HR management.

Plan

Plan undertook a review of their performance management system (PMS). The whole staff of Plan were asked a number of questions concerning the performance management. The review was prompted by a survey that found 74% of staff felt the system then in place was not working.

The questions asked of staff during the review were:
- What are the barriers in implementing the current PMS?
- What are the missing elements in the system?
- What can be eliminated from the system?
- What will good career development and succession planning look like for you?
- What steps are already being taken in your unit to plan succession for key positions and to develop staff careers?

The review identified a number of considerations, which might help to guide other agencies initiating or reviewing a PMS.

Plan decided that a results-orientated organisation with a high-performance culture requires a robust PMS, and that the organisation was sufficiently transparent and concerned with 'people-growing' for a 'two-way contribution-based PMS'.
When they considered a new model there were a number of guidelines Plan used:
- The PMS must be facilitative and mutually beneficial in improving performance of the manager and the employee.
- The PMS must facilitate high performance of staff at all levels leading to the realisation of organisational objectives.
- The PMS indicates opportunities for staff development matching individual potential and future staffing needs.
- The PMS must be applicable across gender.
- The PMS must provide insights into optimum staffing and equitable distribution of work and responsibility.
- The PMS must reveal demands for skills, which do not yet exist.
- The PMS must link with strategic initiatives.
- The PMS empowers and builds loyalty to the organisation.
- The PMS must be easy, clear, stimulating, thought provoking, result-focussed and objective.

Besides these guidelines the resulting PMS, named Dialogue, benefits from the following characteristics:
- Emphasis on a continuous process
- No top-down bias to ensure meaningful dialogue
- To manage around weaknesses and be able to offer immediate help to a colleague
- Seen as forward-looking and inspiring, not an audit of past performance
- Performance is a joint responsibility of manager and employee

- 'Review of performance' rather than 'appraisal'
- Performance indicators and related skills are a local responsibility based on local conditions and are not organisation-led

When introducing the system, management had to build in the following:
- responsibility: making it clear who, in the line management structure, was responsible for what;
- monitoring and follow-up: by when must an annual review be undertaken, and what procedures are in place for making sure the agreed actions happen;
- Training: offering training in the PMS, both the concept and the practice, to all employees;
- Costs: budgets need to take likely professional development into account;

Save the Children UK

At Save the Children there is a performance management system that is result-and objective-based on job description and tasks. Both the manager and the staff member determine the contents of the job description. It is not yet implemented everywhere, that is their challenge for this year, and part of a three-year process.

For the management of performance StC has drawn up minimum requirements.
- Once a year a performance management review meeting, but different countries have different requirements (often as a result of project cycles dictated by donors). The approach and procedures are adapted to these local requirements on performance management. E.g. if a person has a contract of 6 months there is a review meeting at the end of the contract period.
- Minimum requirements on how objectives are constructed and agreed upon.
- Individual Learning and development plan for a year to be drawn up by the employee.

How are tasks given to local staff?
There are 2 drivers:
- job descriptions or job profiles: responsibilities, and tasks
- set of objectives related to strategic objectives of the organisation and of the project
These are discussed during a work-planning meeting.

How are these tasks monitored?
Regularly 1 to 1 meetings, supervision style meetings
Minimum requirement is to have regular meetings ranging from monthly to quarterly meetings

Concerning professional development of staff, besides monitoring tasks and targets, line managers are encouraged to explore learning opportunities for their staff by coaching and mentoring.

All the above are not yet implemented everywhere. It is a challenge for this year, and part of a 3 year process.

During the performance management review meetings the work plan and the job profiles are used. A report is drawn up by both manager and employee filling in a column with their remarks and both agree on the report. The report is kept locally by the line manager.

We do have performance review criteria in some places for senior managers - leadership behaviours. Some countries use their own sets of competencies that have been developed for their own programme or for specific sectors or technical areas.

Sometimes 360 degrees feedback is used in addition. This is an option and not a requirement. It would not be recommended until a basic level of objective setting and regular (good quality) review is in place.

Performance is not linked to benefits. There is no performance related pay policy. This does come up as a question from some staff.

A good practice is to schedule these review meetings with consideration for donor reporting requirements (i.e. to avoid setting reviews near deadlines and to use the reporting as part of the performance management process) This is in order to avoid an overwhelming feeling of bureaucracy.

We have the minimum requirements and are not currently thinking of further standardisation.

Adaptations of our performance management to the local situations are done in consultation with someone with knowledge/expertise in implementing these kind of systems (from our own staff) in a workshop setting. This works well in terms of selling the benefits of the system to staff and creating the motivation to do it well. We regard this as a sort of quality control.

Experiences with the system
We are quite satisfied, we started a few years ago. It is a prescriptive approach and at first it was a difficult process to get it through. There were cultural issues, and we do not serve them with all support tools.

For some NRS it is new to have review meetings on their performance and that is already a big thing. Sometimes they see it as control or a way to sack them. But mostly it is just that they do not have experience with performance review.

We have a HR good practice list (from HQ) that can help to guide the implementation. We also see senior managers as key to good quality implementation. If senior staff who are running programmes understand PM and do it well, it is easier to achieve what is essentially a culture change.

SNV Development Organisation, the Netherlands

Our performance management system is competencies based, in terms of behavioural skills. The reason for this is that we transformed from a knowledge-based organisation, we used to deliver technical assistance, to a consultancy organisation. Now we are more focussed on advisory work, and therefore on people, interaction and knowledge transfer.

There are some critical notes on the focus on behavioural skills; it has gone too far to the other side. Therefore we will adapt the system a little bit and focus on knowledge competencies as well.

The competencies serve as part of job profiles. We distinguish levels of performance on the competencies and this makes one a junior or senior for example. The competencies also serve as indicators for appraisal.

Cycle of performance management:
In the beginning of the year each staff member has a meeting on the Personal Result Development Plan and is linked to the annual planning of a region or unit. SNV calls it management agreement. This is a variation of what is generally known as Personal Development Plans, but we added the Result aspect. It includes beside a development plan with personal development objectives also tasks and targets that the employee and the manager agree upon. The PRDP is to be drawn up by the employee and in a formal meeting manager and employee discuss it and agree on it. A format is used to draw up the PRDP. At the end of the year each staff member has a Performance Appraisal Review meeting (PAR). It is a one-way meeting; the manager evaluates the employee on achievements and the progress on competencies. The PRDP partly forms a basis for the appraisal. Staff members will get an evaluation mark ranging from I, II, III, IV to V. A standardised format is used.This cycle of performance monitoring is followed for all staff in the organisation on all levels.

We can say that the PAR is highly standardised. The PRDP is more contextualised as the staff member him/herself can indicate the development goals.Headquarters has developed the system and launched it to the field offices through the Regional Human Resource advisors. The Regional Human Resource advisors are free to organise the further briefing to the managers in the field offices the way they like. Some follow the ideas from head-office, some adapt the procedures, in consultation with field directors. So the transfer of the system to the field offices is not unambiguous.

The experience in practice:
Many people in the organisation find the performance management system as utterly instrumental and many managers regard it as an administrative obligation. Of course some managers make more out of it than others. Some managers indicate they do not get to do it because they are too busy or because of the changes in the organisation.
It turns out, from feedback from employees, that the ones who do have regular review meetings with their managers appreciate it. As with others who hardly get an appraisal indicate that they are not very happy with the system, or with the leadership style. Staff members are encouraged to take responsibility for their appraisal and their professional and personal development and therefore are encouraged to ask for feedback. But many staff members still have quite a patient attitude.

Currently we are working on a management information system for better staff registration. We hope in the future to work on talent management and to signal and follow high potentials.

Concerning feedback and coaching: in the past we did not emphasise the type of managers we would like to have. Nowadays we recruit managers that have the right attitude for people management, which includes giving and receiving feedback and coaching of their staff. We are half way through this process. Now we have newly recruited regional directors with the right attitude. Half the group of directors is new or is

promoted and have that attitude. Problems lie more with middle mangement. Middle management consists of portfolio coordinators, who have advisory roles and also have to coach their employees.

Concerning staff development and training
We offer training and development opportunities for our staff. Currently an extensive programme for advisors is running as a pilot. In the future we also want to run a programme for managers and directors.

SNV Niger

Labour contracts:

SNV has 3 types of contracts, first the SNV international contract, which is the same for all European expatriate staff all over the world. For local staff, there is a local personnel statute negotiated between the country director and the local personnel delegation per country. SNV always makes a comparison with contracts for local staff of other (international) organisations present in the country. This local personnel statute may be very different from one country to another. The interviewee said that in Botswana the local personnel statute did not differ a lot from the SNV international contracts because salaries on the local market were almost equal. Botswana government officials would earn about the same as a local SNV employee. In Niger it was different; Especially the remuneration was different, the local salary could be about 20% of the salary of the international staff, but at the same time much higher that the salary of government officials. At the same time SNV takes care of health insurance, schooling fees for children, housing costs, transport, etc.

The third type of contract is a "third country national contract", a contract for a South-South type posting, e.g. a Malian who works for SNV Benin. This contract boils down to a local contract multiplied by 1.6 to take the expatriate factor into account.

There is criticism on especially the "third country national contract", and SNV is revising its position again.

The contract for local staff is a competency-based system. The appraisal and monitoring of these staff members was equal for the professional local staff members, the international staff members and the local support staff. The local staff in Niger turned out to have limited career opportunities. In Botswana, career opportunities were plentiful.

In Niger, for years staff members had gone on courses, sometimes in neighbouring countries, which was both a reward (going abroad for courses would enhance one's status) as well as a development opportunity.

There has been a mayor shift over the last years. Before, the locally recruited staff on a local contract came in (some of them 15 years ago) and they felt part of the family. The school-system in Niger is very poor, and being employed with SNV gave an opportunity to climb up the career ladder. Many technical staff once started as support staff; for example, one of the cleaners made a career through courses and is now the information technician. People felt they had a job for a lifetime in which climbing up is possible. The training plan

has become a wish list for courses. It was felt that everybody was entitled to a course each year. However, personal improvement is not possible for everybody, and some staff were repeating a secretarial course for the third time.

Now it is expected from the local staff members to come up with a development plan themselves in order to perform better. But career perspectives are very limited. At one point it was decided that the staff members could use their share of the training fund (100 Euro) freely as long as it was on training. But it may be a course in cooking or courses that in the end will help them to find new opportunities outside the organisation. For example: One of the secretaries used the money for courses in cooking and to obtain a retailer's diploma, now she owns a catering enterprise.

The changes in the HRM system towards more competency based, meant the organisation needed to pay attention to all staff to clarify what is development, what is learning. It was explained that learning is not only through doing courses, but more importantly by doing new things, team work, feedback, peer review, having challenging tasks, etc.

The yearly appraisal is similar for all staff. For each function, standard function profiles have been developed and they are at this moment used in a rather rigid way. The responsible manager keeps to the letter of the profiles. At this moment this implies that the local manager who is new to the system, sits for half a week with each staff member to adapt the job-profile. With time, this will become more efficient.

In the appraisal 360' feedback is included. We have a highly technologically developed system to collect the data from others to do the appraisal electronically. We come across some difficulties here. The first one is a technical requirement; you need to have a very stable and quick internet connection to fill in the formats. If this is not the case the informing person sometimes needs to redo the whole work twice or more. The other difficulty is a cultural one; the community is so close that people find it difficult to be critical towards each other, especially when this is in writing. In order to obtain realistic information, the manager would sit with the different colleagues in order to allow them to talk more freely. This worked very well. On the other hand, if there were people who really did not function as team member, they would be very honest at this point.

Coaching, feedback and personal development was considered exciting. The quality of how this was done was high; we have trained people in order to be able to give proper feedback and to coach properly. They had been struggling for some time, but now the system is working well.

How they select people for vacant posts is interesting to discuss. 'People in Niger are used to replying to a vacancy announcement by writing a letter and a CV. They then send plenty of copies of all sorts of certificates. Then selection takes place through a written test. So when we invited people to come for an interview, asked them to tell their story and placed them in role-play to assess them, they were really surprised and people did not understand what they were being asked to do. When we were looking for advisors, elderly men especially would start "preaching", and trying to show their wisdom.
As they had not understood that SNV were looking for advisors with other sorts of competencies, we did the following. We pre-selected a group of candidates. They received a one-day training course in advisory skills, and an explanation of how SNV works. They got used to role-plays. After this short training there was another

assessment. This really helped to select the persons we needed. At the same time, the candidates were very enthusiastic, even if they were not selected; they had gained a lot. Another interesting difference I came across with the situation back home. When I phoned the candidates that were not selected, they would never ask why, they would say 'In shalah' and that was it. When I started to explain to people why they were not selected, as I thought it would help them, candidates acted very surprised.'

Tearfund

Tearfund has a corporate staff development policy outlining its commitment to individual and organisation learning and development. Katy Murray (from the "Learning and Development Team" of Tearfund) has worked on adapting an appraisal tool and staff development guidelines to fit the context in which their DM teams are working. Staff at all grades told her they wanted feedback on how they were doing from their managers, they wanted to develop and grow in their roles and they wanted to offer feedback to their managers too.

The appraisal tool has been through many different guises. It started as one for senior expats, based on Tearfund's UK performance management system. They wanted to include a self-assessment element, and started with graded numbering against specific competencies. This ended up being over 5-pages long, which they tested with senior staff. They found it helpful but very time-consuming. Tearfund was also concerned that self-assessment would not translate so well cross culturally. They decided to field test the appraisal tool with an optional self-assessment aspect; developed this in a focus group with national staff in Central Asia and tested the draft in south Sudan. They avoided words like 'strengths' and 'weaknesses' and used open questions to encourage staff to reflect on the appraisal period (e.g. 'what has gone well during the appraisal period and why'). This can then form the basis for the discussion with their line manager. Feedback from the national staff indicated this was one of the most popular bits of the appraisal process!

They have ended up with one appraisal tool that is simple enough to be used for all staff grades, whether expat or national. The tool incorporates progress on role and development objectives, factors that contributed to learning during the appraisal period, writing a Personal Development Plan and the optional self-assessment element. For staff who are less confident in written English, the tool provides a prompt to facilitate a frank conversation between staff member and line manager.

The staff development guidelines and appraisal tool were launched in south Sudan. The 20-page guideline sprang into life via a simple diagram. As they talked this through, staff was able to brainstorm ideas at each stage. The country director (who gave Katy a strong steer not to raise expectations) was amazed at the many low impact, local, cost effective solutions that staff came up with to meet their development needs (some examples include creating a local reference library, distance learning, bringing staff together to share learning). They were also able to creatively problem solve, despite the many constraints (insecurity, bad weather, time pressures etc) that were highlighted.

Tearfund is now sharing a pack of all these resources with the other programme locations. In some contexts, even the idea of setting role objectives has been quite new. Other key factors to make this work could be giving feedback, active listening and coaching skills.

They found that they need to work closely with the in-country personnel managers to develop training materials and guidelines with them, so that they can train their managers.

Katy's expectation is that the *goals* (to have a productive performance management discussion between line manager and staff member) and the *framework* (a simple form and addressing development needs according to consistent principles), will remain the same across the globe. She expects that the *process* of reaching the goal (the nature of the discussion, the methodologies to meet development needs) will be adapted according to context.

ZOA Refugee care

ZOA Refugee care is currently in a change process regarding their performance management. They are introducing a standardised framework for the whole organisation. Special care is given to the adaptation of this framework to the local wishes, so that the different regions can develop their own specific performance management system.

In this new system the different functions are being described with the help of core definitions. With these local HRM people can complete the different descriptions for their own department. In the bigger countries, where ZOA has many activities, there is a separate HRM-department. This is because ZOA values a solid personnel management system. In countries where ZOA-activities are just in the 'construction-phase', personnel are taken care of by the HRM-department of the head office in the Netherlands. They say it is kind of hard to make local adjustments in HRM all the way from the Netherlands, so that's why local HRM-offices are being set up after a while.

The new system is called: the HRM-year-cycle. It consists of two kinds of meetings. Review meetings (in which personal development plans are also discussed) which must take place around June, and appraisal meetings that are scheduled in October and November. ZOA prefers to have two assessors present at the interviews, and that the second assessor has to be the chief of the first assessor, who is in turn the chief of the interviewee. The second assessor is mostly stationed in the Netherlands, so there is some flexibility in those meetings, according to the travelling-schemes of the higher staff.

The reports of the meetings are being made by the first assessor, and are signed by the parties present. For local staff the reports are kept in the country itself. For the expatriates a copy of the report is stored in the Netherlands. This is to follow their development and have an indication on which training is desirable etc.

In the appraisal meeting a fixed number of subjects are discussed. These subjects are knowledge, output (quantitative and qualitative), communication, and six competencies that differ per function. For the management-positions an extra topic management style is also assessed. The performance of the employees is rated ranging from A and B to C. A means that the employee is performing above the norm. B stands for performing at the norm. And C means that the worker is performing below the set standards. When someone gets a C-rating then the proper action is being discussed. Should the employee receive more training or more encouragement etc. If the rating stays below the norm eventually the employee is discharged.

This system is used in this way for the expatriates. This framework was sent to the different local branches of ZOA. The following question was asked: "Please, look at this system. We know it is made with a western vision. But see what you think can be implemented from the framework which suggests what elements must be modified to fit the local needs." In Burma and Sri Lanka people were enthusiastic and immediately started with the implementation. In Ethiopia however people said that all the talking about performance was not very effective. Here they attached more value to a number that indicated the people's performance.

TVRLS: A 360 view from India

Building on open systems of performance appraisal from 1974, we developed in India what is now known as 360-degree feedback some 20 years ago. One significant difference between the Western approach to 360 degree feedback and that in India is that in India (NAME OF COMPANY) has been promoting it as a provocative tool, an initiation to 'self-discovery', rather than an assessment or prescriptive tool.

They also say that 360-degree feedback is only 'indicative' and not 'conclusive'. Indian 360-degree feedback does not claim to be an objective assessment tool. We see dangers in using it as an appraisal tool for promotions, although we still feel the data generated is significant.

Their 360-degree feedback has, as they say, a spiritual approach, in which performance management is a continuous process rather than an event. Performance management requires an understanding, a desire and a discipline. The understanding concerns comprehension of one's self, motives, interests, responsibilities, as well as an understanding of the limitations and opportunities within organisations to discover and apply one's self. With the desire that must be in performance management we mean wanting to discover and apply oneself. Finally the values of self-discipline and learning are really important.

We state: "A spiritual approach requires spirited people. Systems do not provide spirit. Instead they offer opportunities that people can make their own. One fundamental mistake made by HR managers is assuming that because they are in the business of designing and introducing performance management systems, they are also owners of the system. That error encourages line mangers to think that they have to implement performance management as requirement of the HR department, rather than as an opportunity for the line manager to improve himself and his performance. There is a simple way to stop this notion: make the forms for performance management available for line managers to use whenever they like."

"At best 360 degree feedback can evaluate the impact you are making and identify the constituents you need to focus on. So it is not a substitute for traditional performance appraisals, and comparisons between the two are not warranted. Traditional appraisals establish roles and accountability, help plan performance, and facilitate performance monitoring, assessment and rewards."

We have found that the principles of 360-degree feedback and performance management systems are the same across cultures, although there are definite cultural differences in

sensitivity to feedback and persistence in planning their performance. In relationship-based cultures, like those in India, people become defensive to feedback a little too quickly, brooding over even small things, so the feedback process itself must be sensitive. "When a person is managing employees from different cultures, it is all the more essential to know what impact that manager is making on them. Rather than differentiating between the backgrounds of the staff, one should ask what has been the manager's positive and negative impact. By treating everyone as equal, 360 degree feedback tries to build teams and enhance the competence of the feedback seeker. It offers a tool for developing dialogue between people who work together for a common purpose."

Performance management in faith-based organisations

The key to any performance management approach is to define "successful" performance. If faith is at the heart of an organisation it will be embedded in its core values, vision and strategic goals. The challenge then is to articulate what these statements mean in practice, in each area and function of the organisation, in terms of desired outcomes, behaviour, competencies and attitudes. This provides clear benchmarks for ongoing evaluation of performance.

After operational goals and personal competencies have been defined, faith-based organisations may feel there is a further dimension concerned with the individual's contribution to the organisation's ethos, which needs to be separately evaluated and recognised. This calls for similar clarity about what the desired contribution looks like, and the organisation's expectations of the manager in this regard need to be articulated: precisely what are they being asked to evaluate, is it recorded and how is it fed back to the individual?

Performance expectations need to be communicated to staff in such a way that people understand the connections between faith and the organisation's direction and approach. They also need to be enabled to deliver that approach. Therefore it may be appropriate to offer opportunities for spiritual development alongside other development activities. If the line manager is expected to be a mentor in this respect, the competencies and support required for this role need to be clarified and provided for. Another question to consider is where the boundaries lie in terms of what is appropriate for the organisation to offer without encroaching on the role of other parts of the faith community.

Finally, the inter-relationship of organisational culture and the performance management process is critical. If cases of undesirable performance arise, are they handled in a way that reflects the faith-related elements of the organisation's core values? And how is excellent or extraordinary performance fostered? Linkages with succession and career planning, reward and development all carry messages, which can either undermine or strengthen the success of the performance management process.
(Contributed by Sarah Hinson).