

LLOYDS BANKING GROUP HARMONISATION OF TERMS AND CONDITIONS

PERFORMANCE MANAGEMENT AND IMPROVEMENT

Lloyds Banking Group (LBG) is currently issuing a new booklet to all colleagues entitled *Succeeding Together- Performance Management in Lloyds Banking Group*. This outlines the new approach to appraisal for all colleagues and comes after quite detailed consultations with Unite. Performance Management is a constant hot topic for us as we seem to get more complaints and issues raised with us about this than many other subjects.

The 2 main issues we hear about are

- the apparent “forced distribution” of performance ratings
- the use of peer comparison in determining performance ratings

For that reason we worked hard to challenge on these issues throughout the talks with varying degrees of success.

There’s no such thing as forced distribution!

If you study the new booklet carefully there is no indication that ratings should be allocated to colleagues based on a required percentage to meet certain quotas. In fact there’s never been any such instruction published anywhere yet we’ve been constantly told that this forcing of ratings does happen on the ground.

We have worked very hard to ensure the right message is given about this in the new processes. Regrettably the booklet doesn’t state clearly that ratings will not be forced but the Company are committing to ensure that all ratings are “grandparented” to ensure that any tendency to mark too low or mark too high is ruled out .

There’s no doubt that in the grandparenting process they will be looking for a normal spread of ratings where the majority of people will be receiving a “good performer “ rating with smaller number achieving the “Developing”, “Strong” and “Top performer” ratings but there will be no forcing. (Those rated as “under performer” should only be those who have been recognised as having a real problem with performance and are being taken through Performance Improvement procedures.)

There is such a thing as Peer Comparison!

Page 8 of the *Succeeding Together*” booklet explains how the Company intend to use “peer comparison” to judge performance ratings. This element is going to be used in assessing the overall contribution of each colleague. We are happy with the concept of “overall contribution” which means that performance will not solely be judged on the achievement of specific targets.



However, Unite have raised objections about the fairness of using "peer comparison". We maintain that if a colleague achieves all their objectives then they should not be rated as anything other than "Good".

The Company maintain you should be marked in comparison to other colleagues in your team at the same level or even other colleagues performing a similar role in another part of the organisation! In that scenario how can colleagues present a challenge to their performance rating if it's based on peer comparison either within or worse still outside their own business area!?

Surely each person's own performance should be confidential thus preventing colleagues from knowing how their performance compares with others?! How many times have our members tried to compare themselves to others and been told "this is about you not anyone else!" Seems like they want it both ways.

In conclusion then whilst we are happy with the apparent softening of the attitude towards forced distribution we remain extremely concerned that our views on peer comparison have been ignored.

We will strongly defend members who find themselves unfairly marked down in future and we will continue to campaign to get the policy amended. Remember members can get individual representation in appraisal rating appeals. Members should contact their local Unite rep or call our helpline on 08081 449595 for any help they need relating to this.

What about Performance Improvement policy?

Discussions are also on going about a new harmonised Performance Improvement policy which will be launched before much longer.

We have concentrated in those discussions on getting a fair procedure which is based on managers helping staff to improve and succeed rather than "managing them out" which is a phrase we hear used all too often.

We will update you further about our success with this as soon as we can.

Gwyn Bates & Wendy Dunsmore

National Secretaries, Unite

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T&CS BALLOT

Due to the delays in the bank providing clarity to all colleagues on the new market pay rates we have decided to extend our ballot to the end of Wednesday 10 Feb.

If you haven't already voted therefore, its not too late. Remember failure to vote is tantamount to accepting the proposals.

The results of the ballot will be communicated to members as soon as possible.

Updates will be published on our website www.unitetheunion.org/lloyds and click on "Newsletters".