uniteinaxa
YOUR UNION . YOUR VOICE . DECEMBER 2015

Performance Mis-management

Once again we have entered the Performance Review cycle with employees across the country having their contribution and performance assessed. Unfortunately in our recent Pay and Performance Management survey only 30% of respondents thought the Performance Management system worked in a fair and consistent manner and 72% believed that performance ratings are forced to fit a distribution curve within departments.

Performance Management is supposed to be a process where your <u>individual contribution</u> is considered and whether or not you have succeeded in meeting the personal targets you were set at the beginning of the year. On **One** it states *"the year-end review is to assess employee's contribution and performance in a given year against objectives previously set and agreed…"* It should be completely irrelevant how your colleagues have done, the review of your performance is supposed to be all about you.

However, clearly this is not happening. We have found increasing evidence across **AXA UK**, many managers are trying (or being told) to shoe horn performance ratings for the employees within their departments into an arbitrary average distribution curve that not only does not reflect the

What the CEO thinks!

At the AXA European Works Council in Paris last week, British delegates challenged AXA CEO Henri de Castries over the issue of forced distribution being applied to individual performance ratings.

Visibly shaken by the evidence presented to him showing that this was occurring he passionately stated that any manager doing this *"should be rated the lowest possible rating"* in their performance management review.

performance of the department as a whole, consigning it to being average, but also destroying the whole rationale behind the performance management by influencing the rating given to an individual, a rating that should solely be based on their own performance.

What is the point in having a process designed to assess individual performance, that is then broken to fit an arbitrary budget driven curve?

All the work done by the individual and their manager is a waste of their time and **AXA**'s money if the performance rating has to be "fixed" to fit a distribution curve and fails to accurately reflect the performance of the employee.

The company states that there is no forced distribution of performance ratings and that the bell curve is purely used to calculate pay and bonus budgets.

This may be the intention but there is more than enough evidence that across the entire group managers are using the bell curve to decide ratings in departments, fitting employees into rating percentages and then using the performance management process to justify a rating (and sometimes not even doing that, just saying *"we have to have x amount of partially successful ratings"*).

That this is happening with increasing regularity across the company means the tail is wagging the dog and that the performance management process, as it is being implemented, is not fit for the purpose it was put in place for.

Either the Executive have to ensure their managers are not applying any form of forced distribution to department ratings, or replace the system with something that is not wasting time and money to produce a pointless and artificial result.

Don't agree with your rating?

If your manager has told you they have rated you lower than expected because of forced distribution, or any other reason you don't agree with (remember the end of year rating should not come out of the blue), speak to your union rep and appeal it.

Last year our reps in Morecambe challenged several performance management ratings and had a 100% success rating in getting them overturned.

So don't sit there and stew, appeal the rating if it is not right!