



9th Staff Committee of the  
European Central Bank

# **CSAIO 15**

## **Performance Evaluation at the European Central Bank**

**ESRIN, Frascati, 16+17 October 2014**

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# Agenda

1. *Please allow me a personal question ...*
2. **Definition and Scope**
3. **The ECB's way of doing it**
4. **Critical reflection**
5. *„I have a dream ...“*

# ***1. Please allow me a personal question ...***

- **Photo and question will be added for actual presentation and for ex-post delivery, but not for the hand-outs (surprise element, sorry 😊)**

## 2. Definition and Scope

### **Performance Evaluation is ...**

- ... a formal process...
- ... to assess ...
- ... an individual's ...
- ... contribution ...
- ... with regard to a certain deliverable ...
- ... typically as part of a wider framework.

## 2. Definition and Scope

**Performance Evaluation** is a formal process...

- Documented
- Systematic
- Periodic

... **to assess** ...

- Measuring
- Comparing



## 2. Definition and Scope

**Performance Evaluation** is a formal process to assess **an individual's ...**

- Adapted
- Relevant

**... contribution ...**

- Actions
- Behaviour
- Output

## 2. Definition and Scope

**Performance Evaluation** is a formal process to assess an individual's contribution **with regard to a certain deliverable ...**

- Task
- Job
- Position

**... typically as part of a wider framework.**

- Performance management
- Career development
- Organisational development

### 3. The ECB's way to do it



## The ECB appraisal system

(as presented by the HR department):

- Performance and development tool
- Covers both past performance and the expectations of the appraiser and the appraisee for the year ahead
- Designed to foster a structured dialog between appraisers and appraisees
- Get better in doing the right things in the right way
- Shall be embedded in a continuous and timely feedback throughout the performance period
- No direct or mechanic link to the Annual Salary and Bonus Review (ASBR) which is presented as a comparative exercise.



# 3. The ECB's way to do it



## The ECB appraisal form

... (names of appraiser, appraisee, date etc.)

### 3. Previous performance cycle

3.1 Key responsibilities & agreed objectives

3.2 Assessment on values & competencies

3.3 Input from other managers

### 4. Forthcoming performance cycle

4.1 Key responsibilities & objectives

4.2 Improvement and development measures

### 5. Summary assessments (first appraiser, second appraiser and appraisee)

## 3. The ECB's way to do it



## The ECB values

- Competence
- Effectiveness & efficiency
- Integrity
- Team spirit
- Transparency & accountability
- Working for Europe

# 3. The ECB's way to do it

## The ECB competencies



<b>Interpersonal competencies</b>	<b>Task oriented competencies</b>	<b>Personal competencies</b>	<b>Information oriented competencies</b>	<b>People Management competencies (for managerial roles)</b>
Service Orientation	Achieving Objectives	Commitment	Processing	Guiding People
Relationship Building	Organising	Adaptability	Analysing	Coaching /Developing
Teamwork	Steering	Continuous Improvement	Policy Judgment	Managing Teams
Communicating	Building the Organisation	Breadth of Awareness	Conceptualising	Providing Leadership
Influencing		Initiative	Innovating	
Conflict Resolution		Stress Resilience	Strategic Thinking	
		Emotional Intelligence		

### 3. The ECB's way to do it



## Multi-source feedback (for managers)

- 270 degree online assessment with input from all subordinates, external counterparties and other managers at the same level; line manager excluded here as he/she provides his/her feedback in the appraisal)
- Self-assessment by the manager
- One-to-one coaching session by the external consultant with the handout of a detailed report summarising the input received
- Bi-annual exercise (one year for all senior management and Heads of Division, second year for all Heads of Section)



## 4. Critical reflection of the ECB approach

- Lack of consistency between appraisal and individual salary increases (ASBR)
- Although intended as an ongoing process, factually the appraisal is a tick-box exercise performed once a year
- Lack of consistency of the process across business areas
- ECB values: not lived top-down, but expected bottom-up, when it fits the interest of the institution
- ECB competencies: some of the inter-personal and personal competencies are defined in a rather unspecific way and can/have been misused to limit e.g. diversity

## 5. *“I have a dream”*

*... that once the ECB will have a fair and balanced performance evaluation system, which*

- ... will be consistent*
- ... has robust checks implemented to avoid misuse*
- ... is really an ongoing process throughout the year*
- ... motivates staff rather than causing demotivation*



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