# 252034 FORMATIVE ASSESSMENTS WORKBOOK

Formative Assessment 1: SO1 EEK1

**Formulate Performance Standards for Team Members**

In small groups or individually as per your facilitator’s instructions, complete the following:

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| **Case study:**  For this activity you need to divide up into groups of 3-4 learners.  **Cominman Company**  1. Company Background  The Communications & Information Management (Cominman) Company has been in business for 20 years, providing, on a national scale, communications and information management services. The company's warehouse, part of the Property Management Division, provides storage and excess services for company property in the custody of 25 divisions. The warehouse department has a staff of ten personnel: a warehouse supervisor, four property specialists, one property clerk, three drivers, and one data entry clerk. The warehouse makes approximately 50 pickups per week at company locations that include remote areas.  2. Process Description  To request services from the warehouse, a division customer telephones the warehouse property clerk requesting a pick-up of property for storage or excess. The customer provides the clerk with the property identification number or serial number for each piece of property to be picked up and brought to the warehouse. There are typically one to twenty pieces of property per pick-up. If a pick-up date is not requested by the customer, a date will be provided to the customer by the property clerk. The property clerk completes a property transfer form, which reflects the date of the call, customer's name, division, location, property identification number and date scheduled for pick-up. A goal of the warehouse is not to exceed three days from the date of the call to the time of the pick-up, unless a special date has been requested by the customer. The warehouse receives approximately ten calls per week for pick-ups on special dates. On the scheduled pick-up day, the assigned driver takes the transfer form to the designated location. The driver is responsible for ensuring each piece of property matches the property identification numbers or serial numbers listed on the transfer form. After the truck is loaded, the driver obtains the customer's signature on the transfer form. The driver also signs the form and provides the customer with a copy acknowledging receipt.  The driver returns to the warehouse, where a property specialist annotates the date on the transfer form, unloads the truck, and provides the data entry clerk with the signed copies of the form. The data entry clerk enters the information from the transfer form into the automated accountable property system and the transfer forms are then filed. The data entered are intended to transfer accountability from the division customer to the warehouse.  At the end of the month, division customers receive a computer-generated property list indicating the accountable property in their location for which they are responsible. The customer reviews this report for accuracy. If the customer records do not agree with this listing, the customer calls the warehouse supervisor who logs the complaint with the following information: date of the call, division name, property location, date of the property list, and discrepancies. The supervisor assigns a property specialist to resolve these discrepancies.  3. Issue  The warehouse supervisor had recently attended a Quality Leadership Seminar during which time a workshop was conducted on Performance Measurements. During a review of the telephone complaint logbook, a supervisor realised that customer complaints were beginning to increase. The supervisor felt that developing Performance Measurements for the warehouse process would be beneficial. Why?  The Quality Leadership Seminar stressed the value of a team-based approach when solving problems or establishing performance measures. The supervisor, therefore, decided to involve her entire staff in developing performance measurements for their process. The supervisor was the team leader; a trained facilitator was requested to assist them; and the team elected the property clerk as the secretary. They were ready to start.  *(The group is responsible for many processes, such as delivering property, conducting inventory, etc. For purposes of simplicity, this case study only addresses the process of picking up property or storage).*  Step 1: Identify Process  The supervisor thought, "Where do we begin? What is the very first thing we have to do?"  Well first, she thought, we need to define our current process so all my team members can share a common understanding of what we do. The tools? Brainstorming and Flow Diagramming.  Brainstorming is a group technique for generating new, useful ideas. It uses a few simple rules for discussion that increase the chances for originality and innovation.  Flow diagramming is a method of graphically describing the activities and sequence that we perform to produce some output in a process. Before you try to control a process, you must understand it. Flow diagramming is basic to understanding our work and the way we function as a whole.  So the supervisor gathered the department together, and they began to document all the steps in their work process. Post-it sheets were all over the wall! What started their work? A telephone call from a customer. What ended their process? An accurate property list.  They wrote down all the related activities between these two boundaries (input/output) in the order in which they occurred. The department realised that the flow diagramming session was certainly a time of "discovery." Contrary to what they thought, they did not proceed quickly and they did not proceed methodically through their process from beginning to end, capturing every detail the first time through. A lot of discussion took place. Finally, the department reviewed the completed diagram to see if they had missed any activities or decision points and verified the accuracy of the flow diagram. Is this the actual process? Yes, they all agreed.  A lot of time was spent on this effort. However, the supervisor was very pleased. "We have an invaluable tool; a map of our process," she stated  **1.1 Complete Figure 1 by filling in the missing process steps**  **Step 1: Identify Process**  **Department's process for picking up property** |

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| Now we can start thinking about performance measurements."  **Or can we?** The supervisor thought for a moment. She learned in her workshop that performance measurement is better thought of as an overall management system, involving prevention and detection aimed at achieving conformance of the work product or service to our customer's requirements.  Performance measurement is primarily managing outcome, and one of its main purposes is to reduce or eliminate overall variation in the work product or process. The goal is to arrive at sound decisions about actions affecting the product or process and its output.  So she asked her department, "What is our product/ service? What is our output?" The department came up with two outputs:  **1.2 List the 2 outputs** |
| She then told her department that measurements should focus on their customer's needs. They should measure only what is important: Things that impact customer satisfaction, goals given by management, and their own internal objectives. Keeping the customer in mind, she asked her department, "What is the objective of our two outputs?" They responded immediately. Their objectives were:  **1.3 State the objective for each output** |
| **Step 2: Identify Critical Activity to be Measured**  The next step is determining how objectives will be met.  One of the topics discussed in the Performance Measurement workshop was involving employees in the design and implementation of the measurement system. This gives them a sense of ownership and improves the quality of the measurement system.  The supervisor called her department together again. "We are now ready to identify specific critical activities to set up our control points. Controlling, or keeping things on course, is not something we do in the abstract. Control is applied to a specific critical activity."  She continued to instruct her department that they should examine each activity in the process and identify those that significantly impact total process efficiency and effectiveness. Then they should establish measurements for these critical activities."  Ask the following: Does it relate, directly or indirectly, to the ultimate goal of customer satisfaction? Every critical activity should.  The department began to brainstorm. "Keep focused," the supervisor reminded. "Keep looking at our objectives. How can we accomplish these?" The supervisor stated that as they approached the data collecting step, the key issue was not "how do we collect data?" Rather, the key issue is "How do we generate useful information?" You must learn to ask the right question(s), the supervisor cautioned. "It is crucial to be able to state precisely what it is you want to know about the activity you are going to measure. Without this knowledge, there is no basis for making measurements.  The department thought about this and after some more discussion felt they needed the answers to two questions:   * How do we know that we are providing the service that our customers require? * Where can we do better or improve?   All parties finally agreed upon **two sets of critical activities** that needed to be watched closely and acted on if performance is less than the desired goal.   * 1. **Name the critical activities in the process.** |
| * 1. **Explain why these activities were considered critical:** |
| **Step 3: Establish Performance Goals or Standards**  The supervisor was very pleased. "We are moving along quite nicely. Now we are ready to establish a performance goal or standard," she stated. She continued and said that for each control point selected for measurement, it would be necessary to establish a performance goal or standard. She again referred back to her workshop notes.  **A goal or standard is:**  **1.6 Define “goal”** |
| **1.7 Define “standard”** |
| Because this is the first time the department has ever considered formalising measurements, they would need to establish some sort of baseline to set goals. The basis for the initial goals chosen was the informal observations made by the department. The department planned to re-evaluate the goals in six months.  The department looked at Critical Activity 1. They reviewed their objectives and came up with three goals:  **1.8 List three goals that they could have come up with:** |
| For Critical Activity 2, they did the same thing and came up with two goals:  **1.9 List two goals that they could have come up with:**  The department was satisfied that these performance goals would produce the output and their corresponding objectives. They were now ready to move on to the next major activity.  **Step 4: Establish Performance Measurement(s)**  Again, the supervisor was satisfied with their progress. Now they needed to **identify specific performance measures for the two critical activities they identified.**  The department decided to do some **brainstorming to generate potential performance measures.** This step took a considerable amount of time, and the team was clearly frustrated.  The supervisor reminded her department that good performance measures exist to aid in understanding how well a process or activity is working or how well a product or service is produced and delivered. "Remember," she said, "what we measure should help us control and manage our work." She also reminded them that in **addition to identifying performance measures, they must also determine what raw data they will need to collect, find its location, determine what sensors will measure or record the raw data, and decide how often the data will be collected.**  The team felt somewhat overwhelmed by what seemed like a difficult task. The supervisor quickly pointed out that for the first time, they would have measurable data that they could track to determine how well they were doing and identify areas for improvement.  The team frequently found themselves asking, "What is it that we really want to know about what we do." Their supervisor reminded them that since they already had quantifiable goals, they could use these to help determine their performance measures.   * 1. **Identify 5 possible performance measures for critical activity 1:** |
| * 1. **Explain what raw data they will need to collect for critical activity 1:**   2. **How often will the data be collected? Why have they decided on this particular interval for critical activity 1?** |
| * 1. **Identify 5 possible performance measures for critical activity 2:** |
| * 1. **Where will they find the raw data for critical activity 2?** |
| * 1. **How often will the data be collected? Why have they decided on this particular interval for critical activity 2?** |
| Since the department had a goal that 95% of **all** pick-ups (without regard to type) would be performed on time, they needed a performance measure to make a comparison. This was rather straightforward, and the team settled on Percent On-Time Pick-Ups. This measure is the result of a ratio and can be written as:  **1.16 In order to make this calculation, the team had to determine what raw data were needed. Explain where they will get the raw data:** |
| For their final performance measure, the team had already set a goal that they would not spend more than 5% of their time resolving problems resulting from the monthly property list. For their performance measure they chose percent time spent resolving property list problems (time spent by the four property specialists). Again, as a ratio it would be written as:  The raw data are already spelled out in the numerator and denominator of the performance measure. They consist of the total number of hours the four property specialists spend on problem resolution and the total number of hours they work each month. **The sensor to record this did not exist, so the supervisor …**  **1.17 What plan did the supervisor probably come up with to record hours spent on resolutions and total hours worked?** |

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| The team was pleased with their results and was ready to move to the next step.  **Step 5: Identify Responsible Party(ies)**  The team was glad they had completed identifying the performance measurements. The next step was a fairly easy one for the team members. They needed to identify responsible parties for collecting the data, analysing/reporting actual performance, comparing actual performance to goal/standard, determining if corrective actions are necessary, and making changes.  Obviously, many people could be involved in collecting data; however, someone needs to be responsible for compiling the data and comparing actual performance with the department goal. If a difference warrants, they need to notify the decision maker.  **1.18 Responsible parties**   |  |  | | --- | --- | | **Activities** | **Responsible party(ies)** | | Collect data |  | | Analyse/report actual performance |  | | Compare actual performance to goal/standard |  | | Determine if corrective actions are necessary |  | | Make changes |  | |
| **Step 6: Collect Data**  At this step, the supervisor reviewed her notes again. She remembered from her seminar that even the best of measurement systems have failed because of poor data collection.  As the **system owner**, she needed to be the one with the overall responsibility for supervising the data collection process. Each employee was of course responsible for the quality of his/her own work, but she needed to be sure the data were being collected properly and that people were doing their assignments.  Data collection was much more than simply writing things down and then analysing everything after a period of time. She resolved to conduct several **preliminary analyses** to determine if the measurement system was functioning as designed, that the frequency of data collection was appropriate, and to provide feedback to the data collectors with respect to any adjustments in the system.  The team gathered data for a five-month period. During the first month, the supervisor had a preliminary look at the data they were collecting on a weekly basis. She continued her spot checks each month until the full collection period was completed. Ultimately, there were no significant changes to the measurement system or collection frequency. The supervisor felt the team had done an excellent job in understanding their process and designing their system. They were now ready to begin Step 7, which involved analysing the data.  **Step 7: Analyse/ Report Actual Performance**  After five months, the supervisor felt they had a good **baseline** on which to start their analysis. Just what do these data mean? The team was reminded of the issue of customer complaints that started them thinking about performance measures. The supervisor asked them, "What were the questions, identified in Step 2, that we felt needed to be answered?" The team responded:   * How do we know that we are providing the service that our customer requires? * Where can we do better or improve?   In this step, we will explore some of the possible ways to analyse and to display the results of these performance measures to clearly communicate the answer to their questions.  The team had chosen as one of their performance measures: number of days elapsed from call to pick-up. Their goal was pick-up within three days or less from date of call. They had collected the following data:   * The time a call to pick-up was received * The day it was picked up   The forms the team used recorded a lot of information. They revealed how many pick-ups actually took longer than three days and were late, and how early or late each pick-up was. One way to look at the data is to use a **bar chart** to plot the number of late pick-ups each week (the number of on-time pick-ups could also be plotted). This will show the progress each week, and after several weeks or months, some trends may appear.  **1.19 Draw a simple bar chart reflecting the number of late pick-ups each week.**  Every week they do 51 pick-ups. In week one, there were 5 late pick-ups out of 51, with 13 during week two, 4 during week three, 4 during week 4 and 7 during week 5.. |
| The next step would be to investigate what happened during weeks two and 5 and analyse the process to see what can be done to meet the goal.  **1.20 Suggest possible reasons for the late pick-ups:** |
| **Step 8: Compare Actual Performance to Goal/Standard**  The supervisor was satisfied with the team's efforts and results. They had learned a lot about performance measures and now understood their importance and why they needed to measure. They realised that if you cannot measure your process, you cannot control it. If you cannot control it, you cannot manage it. Without dependable measurements, intelligent decisions cannot be made.  They were almost finished with the process. The team needed to compare their actual performance to their goals.  Once a comparison against their goals was completed, the team had several alternatives:   * Forget it. Variance is not significant - economically or statistically. * Fix it. * Challenge the goal (or standard). * Review performance measures. Are they answering our questions?   The supervisor told her team that "if corrective actions are not necessary, the team would continue the data collection cycle."  **Step 9: Corrective Action Necessary?**  Is corrective action necessary? The supervisor instructed her team that if the answer to this question was yes, they would need to take the necessary action to bring their performance back into line with their goal(s)-the final step in closing the feedback loop.  She further stated that the key objectives of correction are:   * Removal of defects, which are, in many cases, worker-controllable. * Removal of defect causes whether worker or management-controllable, dependent up on the defect cause. * Attainment of a new state of process that will prevent defects from happening. * Maintenance or enhancement of the efficiency and effectiveness of the process, an essential condition for continuing process optimisation and ultimately increasing the competitiveness and profitability of the business itself. The removal of defects and defect causes at the expense of productivity or efficiency is inherently self-defeating.   The team decided to tackle the problem of late pick-ups. They had a goal of 95% on-time pick-ups. They never met their goal. Why? After further discussions, the supervisor and team members felt they would form a quality circle team to look at this problem and identify the solution(s). They can use a lot of the data they have already collected to assist them in finding the **root cause of the problem**.  Additionally, they would continue to gather data for another five to six months, review it, and determine if any further action would be necessary.  **Conclusion**  The Quality Improvement Team has been established and currently is working the problem trying to determine the root cause. Therefore, the team would come back to address steps 10 and 11 after they complete their investigation.  **1.21 Brainstorm 4 possible causes of late pick-up times and delays in the process.**  The team members told their supervisor they finally realised the value and importance of doing performance measures on their processes. |
| The supervisor asked her team to summarise for her why they should measure. The team wrote down the following:  **1.22 Performance measures can be used for:**  **The supervisor was very pleased!** |

*Place any extra evidence after this page, clearly marked for easy reference.*

Formative Assessment 2: SO2 EEK2 & 3

**Identify a Variety of Performance Monitoring Systems**

In small groups or individually as per your facilitator’s instructions, complete the following:

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| 2.1 List 4 of the performance monitoring systems discussed in your Learner Guide and discuss their advantages and disadvantages for possible use in your unit |
| 2.2 Select a performance monitoring system in line with the organisation's policies and procedures for performance assessment. **Discuss the criteria you will apply when you select a particular system:** |
| 2.3 List and describe the various ways you will communicate the performance monitoring system to team members to promote buy-in. Refer to documents you will use, meetings you will have and communication skills you will employ: |
| 2.4 Describe your organisation’s policy and procedures for setting up a system for monitoring performance against standards |

*Place any extra evidence after this page, clearly marked for easy reference.*

Formative Assessment 3: SO3 EEK4

**Prepare for a Performance Review of a Team Member**

In small groups or individually as per your facilitator’s instructions, complete the following:

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| 3.1 Write an e-mail/ memo to the team member regarding the proposed arrangements for the performance review. Request his/her input and refer to the time, place and nature of the review |
| 3.2 List 5 of your team members’ regular activities and give each of them a numerical value or KPI, e.g. number of errors in typed letter   |  |  | | --- | --- | | **Activity** | **Numerical Performance Measure** | |  |  | |  |  | |  |  | |  |  | |  |  | |
| 3.3 Explain how you monitor your team members’ performance. Refer to methods and frequency: |
| 3.4 Explain how and where information gathered during the preliminary assessment is documented to be available for future reference |
| 3.5 Draw up a list of 10 tips for giving constructive feedback: |
| 3.6 List the information the documents to be used during the review must contain in accordance with the entity's policies and procedures. |

*Place any extra evidence after this page, clearly marked for easy reference.*

Formative Assessment 4: SO4

**Conduct a Performance Review Interview**

In small groups or individually as per your facilitator’s instructions, complete the following:

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| 4.1 Draw a flow diagram of the review process: |
| 4.2 Role play:   1. Set your team member at ease on entering the venue where the performance appraisal is to take place 2. Give your team member feedback on an activity/task where s/he has exceeded the standard/ goal. Refer to some kind of incentive or reward. 3. Give your team member feedback on an activity/task where s/he has not met the standard/ goal. Refer to some kind of intervention to ensure that his/her performance improves.   Write your preparatory notes here: |
| 4.3 Draw a flow diagram of the 8-step process described below:  **Analysis**   * The supervisor reflects on the performance of the employee and identifies the factors which facilitated or hindered the employee's performance. * The manager then calls the employee for a discussion to better understand his or her performance and provide counselling on further improvements. * During this discussion, appraisal records (such as notes, observations, comments, etc.) are exchanged. The manager then gives a final rating and recommendations regarding the developmental needs of the individual. * These are shown to the subject and his or her comments are recorded on the appraisal form. The appraisal form is then transmitted to the personnel department for the necessary administrative action. The personnel or human resource development department uses these forms for identifying and allocating training, rewards and other activities. |
| 4.4 Explain how you will address performance gaps and build on positive performance. |
| 4.5 What information must your action plan contain? |
| 4.6 Explain the process you will follow to document and sign off agreed actions: |

*Place any extra evidence after this page, clearly marked for easy reference.*