

# **A discussion of the appropriateness of performance pay and direct entry for the police service in England and Wales**

**A report by Professor Roger Seifert for the Police Federation of England and Wales**

## **Contribution-related pay and role-based pay**

Performance-related pay is a potential disaster for the police. It has been tried before and failed miserably, and there is no reason to believe it would be any better this time round.

While many companies use forms of performance-related pay, none do so without problems. In the public sector it failed in teaching, and has caused endless problems in the civil service. In no part of the public sector has the evidence shown that it improves performance, but there are studies that show that performance overall has worsened.<sup>1</sup>

The main objections which cover most of the points below include, *inter alia*, the real difficulties in measuring performance; the proportion of salary that comes from the bonus; the system of awarding it; the right to appeal against management decisions; the tendency that staff believe that the bonus is not awarded for performance but for other reasons such as cronyism and discrimination; after several years differentials become distorted; the demotivation of those not receiving the bonus; the aspect that if a high performer receives five years of bonus that may be enough and they stop making the extra effort needed; and the ways in which it undermines team work.

It is also highly bureaucratic and requires more HR staff to administer. Under national pay scales and supplements the main job of HR with respect to pay is to administer the national scheme. If, on the other hand, each force has its own supplements, bonuses, and job evaluated schemes then the administrative and management burden becomes much greater leading to larger numbers of HR specialists. This is frequently compounded by requirements to consult and negotiate

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<sup>1</sup> David Marsden and Ray Richardson 'Motivation and performance related pay in the public sector: a case study of the inland revenue'; Centre for Economic Performance, London School of Economics, Discussion Paper No.75, May 1992. This was one of several studies from the LSE over many years to support this finding. Also see David Guest 'Human Resource Management, Corporate Performance and Employee Wellbeing: Building the Worker into HRM' in *Journal of Industrial Relations* (2002) Vol. 44(3): 335-358. This was also one of several studies by Guest's team to illustrate the problems.

with representative bodies, the numbers of grievances (appeals) arising from localised pay systems, and the need to update all system to reflect local conditions.<sup>2</sup>

The question of measurement alone is problematic. Is this through quantitative target achievement (such as numbers of arrests)? In which case it looks like a modern form of payment by results with the attendant problems associated with both absolute measurement, and the difficulties associated with ascribing improvement to a particular cause – such as better technology; better team work; and/or the efforts of a particular individual. British industry was replete with endless disputes around payment by results in the 1960s and 1970s, and it was largely abandoned by the 1980s. The alternatives include qualitative assessment through appraisals, which is another expensive system with many critical aspects such as the objective nature of the judgements being made. Appraisals in and of themselves are time consuming (not least of senior management resource); are generally unsatisfactory for those involved; give rise to grievances; and require the award of the bonus to be worthwhile. So in sectors, such as banking and finance, appraisals can be thorough and testing but the associated bonuses are very large.

We know from previous reports and studies that individual, team and force performance do need to be carefully monitored but are not easy to measure and may contradict one another. If the performance measure is based on ‘effectiveness’ (closeness to target achievement) then we know there are problems with setting and specifying targets, especially if they come in the form of performance indicators.<sup>3</sup>

Staff tend to chase the indicator rather than the substantive professionally-defined outcome. If it is measured through some notion of ‘efficiency’ then we also know this must be input-output based, and not just be about doing more with less --- the evidence shows you only get less for less. In addition, as I have argued elsewhere, performance measures tend to favour short-term, visible, and local outcomes and this mitigates against any planning strategy to reduce crime, discriminates against

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<sup>2</sup> James Buchanan ‘Health sector reform and human resources: lessons from the United Kingdom’ in *Health Policy and Planning* (2000) 15(3): 319-325. Again this is part of a series of such studies, also supported by the CIPD, about the need for larger numbers of HR managers in these circumstances.

<sup>3</sup> The literature on this topic is legion. Early studies by V. F. Ridgway on the ‘Dysfunctional Consequences of Performance Measurements’ in *Administrative Science Quarterly* 1956 Vol. 1(2): 240-247 set the scene for fifty years of debate and evidence-based research into the problems. More recent studies examined over 600 different types of systems currently in use to work out the best combination, see, for example, Ittner, C. and Larcker, D. ‘Determinants of Performance Measure Choices in Worker Incentive Plans’ in *Journal of Labor Economics* 2002, Vol. 20 (2): 58-90. These studies focussed on sectors with easier to measure outcomes and processes than the police, and with less harmful results if the system failed.

those doing less visible but equally important work, and takes no notice of what happens next door! Work done by myself and others on the use of performance indicators in the NHS and civil service show that they distort management decisions, frustrate staff activity and professionalism, and create the conditions for serious medium-term failure of the system of service delivery.

We need to be clear that some jobs allow a clearer and more vivid proof of performance than others --- so domestic violence unit personnel may find it harder to demonstrate performance achievement against more complex targets than beat bobbies trudging through a recorded number of streets or meeting 999 calls within certain time limits. We all know that targets are not themselves easy to set, that performance achievement of such targets may distort other activities as officers chase the indicator and not the reality, and again pits officer against officer, thereby undermining team work and force-wide and inter-force co-operation.

## **Skills**

Another area of difficulty is concerned with the whole area of skill. This again is a vague concept with little possibility of accurate measurement and assessment. Some skills may be easier to appreciate than others and may be more visible to senior officers, and may be more in the public eye or prioritised than others.

Qualifications are not in and of themselves skills but indicators of a possible range of some particular skills, and therefore not appropriate for pay linked achievement. A skills ladder similar to that in the NHS and for teaching assistants to become teachers have had limited and mixed success.<sup>4</sup> In practice they have been overtaken by operational need and management control over budgets. A skills ladder, however devised, is usually an excuse for senior managers to hide behind qualifications in place of judgement. As we know Neyroud is riddled with contradictions, wish lists, and top-down assertion of the rights of senior ranks to the detriment of all other ranks.

Nowhere is there a payment for skills system; it is possible that Winsor means pay for qualification? If so there are cases where extra payments are made for specific

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<sup>4</sup> Cox, A., Grimshaw, D., Carroll, M. and McBride, A. (2008), 'Reshaping internal labour markets in the National Health Service: new prospects for pay and training for lower skilled service workers?'. *Human Resource Management Journal*, 18: 347–365. This is again one of many such studies including others by Julian Le Grand and Jill Rubery into these aspects of skills-related promotions and mobility. Also see studies about blurring of boundaries and skill ladders concerning teaching and health assistants, such as, Bach, S., Kessler, I. and Heron, P. (2006), 'Changing job boundaries and workforce reform: the case of teaching assistants'. *Industrial Relations Journal*, 37: 2–21; and by the same authors 'The consequences of assistant roles in the public services: Degradation or empowerment?' *Human Relations* 2007 vol. 60(9): 1267-1292

qualifications such as with nursing post-graduate diplomas, but these are in addition to a system based on a proper basic pay.

### **Entry routes for officers**

Much of this section paragraphs 3.1 to 3.13 and the next section 4.1 to 4.15 concerns issues raised in the Neyroud and Hutton reports. It is not clear why Winsor deals with them given his remit is on pay.

Both sections deal with labour market issues of recruitment, retention, promotion, and retirement. As such they are partly subject to wider government policy matters and the nature of the labour markets themselves. In addition they impinge on a range of important issues about the nature of police officers' job, the nature of the force itself, the relationship with the citizens, and the perception of the public and the state as to the composition of the police force.

We need to put to one side here the development of civilianisation and Winsor's desire to speed that up and to integrate officers with non-officers in some future hybrid force.

We also need to understand the nature of the internal labour market whereby officers are promoted and are redeployed. In particular it goes to the heart of one of the problems of Winsor – the apparent downgrading of those police officers that remain at the level of constable or sergeant for most or all of their careers. These are the 'bedrock' of the force according to Winsor, but his proposals undermine and reduce their importance and their pay.

Specific elements such as fast-tracking are largely unproblematic and subject to force discussions. Although the public and collegial expectation would remain that officers experience life at all rank level.<sup>5</sup>

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<sup>5</sup> Goldsmith, A. 'Police reform and the problem of trust' in *Theoretical Criminology* 2005 vol. 9(4): 443-470. In this paper he examines some of the determinants of public trust in the police including performance. It is difficult to find hard evidence about the relationship between trust, police performance, and the need for police to be promoted through the ranks. But a range of studies such as this one indicate the links between public perception of police performance and their training, promotion, job experiences, and management. The theoretical and empirical complexity of this issue is also shown by a range of other research, such as, Patalano, D. 'Police Power and the Public Trust: Prescriptive Zoning Through the Conflation of Two Ancient Doctrines' in *Boston College Environmental Affairs Law Review* 2001, Vol. 28 (4): 683-718

### **Direct or multi-point entry**

The details listed in questions 3.6 to 3.13 are concerned with the same fundamental issue: entry to a rank above that of constable. If, as Neyroud wants and Winsor supports, the police becomes more of a profession (whatever that exactly means) then we would expect all entry to be at the rank of constable. It would be odd if a lawyer who retrained as a doctor became a consultant before they had been a junior hospital doctor; and odd if a police officer retrained as a teacher and started in a school as a head of the history department. If a profession is to have credibility at any level it must take on board the need for on the job training and value of accumulated experience. Teachers will not respond positively to being managed by a head without classroom experience, and the evidence is that applies equally to the police. In addition the public need to have confidence in senior officers and that implies a level of experience at all levels of activity.

### **About the author**

*Roger Seifert read Politics, Philosophy and Economics at Oxford University. He took a MBA from the London Business School and a PhD from the London School of Economics. He worked as a management consultant for Incomes Data Service, and was appointed professor of industrial relations at Keele University in 1993. In 2008 he took up the same post at Wolverhampton Business School. He has researched, advised, published and broadcast on a wide range of labour relations' issues associated with state policy and public sector.*