CHAPTER 4

CHAPTER 4

PERFORMANCE MANAGEMENT AND DEVELOPMENT

1. **INTRODUCTION AND CONTEXT**

   1.1 This chapter describes the process and requirements of performance management and development for members of the SMS. It is issued as a directive by the Minister for the Public Service and Administration (MPSA) in terms of Part III.B3 of Chapter 4 of the Public Service Regulations, 2001 (PSR). In as far as national heads of department (HoDs) are concerned, this chapter should be applied in conjunction with the system for the evaluation of HoDs, issued by the Office of the Public Service Commission. The same applies to those provincial administrations that have adopted the national HoD evaluation system for their provincial HoDs. The performance management and development system is summarised at Annexure A.

   1.2 This directive replaces circular 2/3/1/1/P of 12 May 1999 and the Handbook - Management of Performance Agreements, but should be read in conjunction with the Handbook - Performance Management and Development (August 2000). There are two key reasons for the substitution of the mentioned circular and Handbook:

   (1) The competency framework specifying core competencies for members of SMS needs to be clearly linked to performance management (PM).

   (2) Departments have had the opportunity to work with PM generally and performance agreements (PAs) specifically, for a period of time and have learnt some valuable lessons. The Department of Public Service and Administration (DPSA) has drawn on these experiences to identify areas where clearer and more specific guidance would be useful to departments.

   1.3 **The new elements** introduced by this chapter are (Mandatory elements summarised at Annexure B):

   (1) Mandatory assessment of demonstrated managerial competence of members of the SMS by means of the Core Management Criteria(CMC);

   (2) Standardised rating scale to which performance related rewards must be directly related;

(3)   Two-tier reward system comprising pay progression and performance bonuses; and

(4)   The introduction of personal development plans.

2.   PURPOSE

The chapter aims to:

(1)   Consolidate the provisions regarding performance management and development (PM&D) for the SMS that must be applied by departments;

(2)   Provide guidance on linking the SMS Competency Framework developed to guide recruitment and selection to the management of SMS performance;

(3)   Encourage and further develop good practice in the management and development of the SMS based on an assessment of existing practice and the feedback obtained from members during consultation processes;

(4)   Create a better understanding of the context and best practice parameters for implementing PM&D for the SMS;

(5)   Give guidance on the implementation and management of PAs within the context of a PM&D system;

(6)   Explain and illustrate the critical areas of a PM&D cycle that links with related HR - systems; and

(7)   Suggest the conditions that departments will need to create in order to manage performance effectively.

3.   DATE OF IMPLEMENTATION

The system came into effect on 1 April 2002.

4.   KEY PRINCIPLES

4.1   The key principles underpinning the effective implementation of PM are outlined in the PSR. These principles are captured below. For details, departments must refer to the relevant sections of the PSR (Part VIII A of Chapter 1) and the Handbook - Performance Management and Development (August 2000).

4.2 The principles are:

(1) Departments shall manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational efficiency and effectiveness, accountability for the use of resources and the achievement of results;

(2) Performance management processes shall link to broad and consistent staff development plans and align with the department's strategic goals;

(3) Performance management processes shall be developmental, but shall allow for effective response to consistent inadequate performance and for recognising outstanding performance [including demonstration of agreed CMC's]; and

(4) Performance management procedures should minimise the administrative burden on supervisors (and members of the SMS) while maintaining transparency and administrative justice.

5. REGULATORY FRAMEWORK

5.1 Performance management in the public service is guided by the Act, the PSR, resolutions of the Public Service Co-ordinating Bargaining Council (PSCBC) and the Treasury Regulations, 2001.

(1) **Public Service Act, 1994**

(a) **Section 3 (5)**: Assigns powers and duties concerning the internal organisation of a department to its EA. This includes:

- The determination and grading of the post establishment; and
- The career incidents of employees other than HoDs, such as performance management and discipline in a department.

(b) **Section 3 B**: Assigns the President and relevant Premiers the powers and duties concerning the appointment and other career incidents of HoDs, which may be delegated.

(c) **Section 7(3)(b):** Provides for the following responsibilities of HoDs:

- Efficient management and administration
- Effective utilisation and training of staff
- Maintenance of discipline
- Promotion of sound labour relations
- Proper use and care of state property

(d) **Section 12(4)(b):** Provides for the inclusion, by mutual agreement, of "specific performance criteria for evaluating the performance of the HoD."

(2) **Public Service Regulations, 2001**

(a) **Paragraph B.2.1 of Part VII, Chapter 1:** Indicates that the prescribed employment contract of an HoD shall be as set out in Annexure 2 of the PSR.

(b) **Paragraph 7 of the employment contract (Annexure 2):** Contains the measures that govern the PA of an HoD.

(c) **Paragraph B.1 of Part VIII, Chapter 1:** Indicates that an EA shall determine a system for performance management for employees in her/his department other than employees in the SMS. This implies that the MPSA should determine such a system for members of the SMS.

(d) **Chapter 4** provides for the establishment of the SMS. **Paragraph A, Part III** states that the performance of all members of the SMS will be managed through a PA, which should be linked to the department's strategic plan. **Paragraph B** states that all new members of the SMS shall enter into a PA, which will define key responsibilities and priorities, encourage improved communication and enable the supervisor to assess the work of the member of the SMS.

(3) **PSCBC Resolution No 13 of 1998**

(a) The resolution states that the purpose of the negotiated collective agreement is to set a framework for senior managers to agree to individual PAs.

(b) The agreement thus extends the signing of PAs from HoDs to all senior managers (levels 13-16)

and prescribes the following five items that must be included in a PA:

- Key duties and responsibilities
- Output targets for the PA period
- Dates for performance review
- Dispute resolution mechanism
- Date on which salary increments will come into effect and mechanisms for the management/awarding of salary increases.

(4) **PSCBC Resolution No 9 of 2000**

This resolution extends Resolution 13 of 1998. It provides for the remuneration packages of senior managers/professionals to be translated to a more transparent total cost-to-employer and inclusive flexible remuneration package system.

(5) **Treasury Regulations, 2001**

(a) Departments must comply with the Treasury Regulations regarding strategic planning and budgeting. Part 3, Chapter 5 of the Treasury Regulations deals with strategic planning. The Guidelines provided by National Treasury give detailed and extensive outlines of what is required to effectively link departmental strategy to budgets. Departments need to budget for projected salary increases and financial rewards that may be allocated to members of the SMS based on framework determinations made by the MPSA.

(b) This chapter contains both advisory and mandatory elements. The advisory part is captured in paragraphs 6 – 7. The mandatory elements are set out in paragraphs 8 – 19. Please note that the latter part has been designed so as to allow departments flexibility during the implementation process, while ensuring that there will be consistency across departments when assessing SMS members and deciding on monetary rewards.

6. INTEGRATION OF THE PM&D SYSTEM WITH ALL OTHER ORGANISATIONAL PROCESSES

6.1 PM&D systems need to be integrated with all other organisational processes and systems to be effective.

Performance management and development is fundamentally an approach to how work is done and organised rather than a system. All other systems and processes should support or be informed by effective performance management and a focus on continuous improvement of performance. A further key determinant of success, flowing from this, is that the process is driven from the highest level in the organisation. The following should also be taken into account in managing PM&D at departmental level.

(1) **Strategic planning and performance assessment**

    (a)   The content of PAs should clearly and directly devolve from and be related to the department's strategic/operational plan and the plans of the specific unit for the coming year. In practice this entails that departments should aim to have their plans prepared prior to the commencement of the financial year. This will enable relevant and appropriate PAs to be developed for members of the SMS and, if applicable, for other officials.

    (b)   Individual performance assessments should therefore, be informed by and, in turn, inform the evaluation and review of organisational and unit achievement over the preceding period. Reviews of achievement against departmental strategic objectives and business plans should coincide with individual quarterly performance reviews, to enable individual and organisational performance to be more effectively linked. The mid-term individual performance review should coincide with the annual departmental or unit strategic review. Annual individual performance appraisals should be linked to and informed by evaluation of unit and organisational performance. New PAs should reflect decisions on how results could be improved in the forthcoming year.

(2) **Strategic HR planning linked to PM & D and other HR systems**

    (a)   The PSR clearly indicate the processes and format for strategic HR planning (Part IIID of Chapter 1) that must enable the identification of core competencies and the subsequent identification of human resource development needs of a department. Jobs will need to be designed, analysed and evaluated in terms of the strategic HR plan and job profiles developed for each job.

(b)   These profiles will guide recruitment and selection and provide the basis for PM&D. The profiles, PAs and the outcomes of performance reviews and appraisal must, in turn, become the basis for staff development plans. Departments will need to budget for projected package progression and cash bonuses that may be allocated within the framework and policy as determined by the MPSA.

(c)   The HoD is responsible for ensuring that these systems are implemented in an integrated way in line with the department's strategic objectives, and that departmental information systems support easy access to, and integration of, information.

(3)   **Competency framework**

(a)   The generic management competencies apply to all staff in the SMS. The core generic competencies are intended to help build a common sense of good management practice in the public service. As such, they will inform the selection process, performance management and the identification of development needs of members of the SMS.

(b)   This chapter provides advice on how the link between these generic CMCs and performance management should be made.

(4)   **Management development**

(a)   Key conditions for effective performance in most management jobs are that managers take responsibility for results but also that they are given the space for ongoing learning and development about how best to achieve them. Managers should play an active role in the development of their PAs with their supervisors and in identifying ways in which performance could be improved. Managers should be encouraged and trained to make informed judgements, take responsibility for results and look for ways of improving what is achieved.

(b)   The performance management and development process should play a key role in effective management development. Departments should not allow the role of the appraisal in enabling the

determination of rewards and key career incidents to overshadow the developmental orientation of the PM&D system. The key purpose of PAs, reviews or appraisals is for supervisors to provide feedback and enable managers to find ways of continuously improving what is achieved.

(c) The HoD is responsible for creating an environment conducive to this.

(5) **Communication**

(a) Communication is key to performance management and development. Staff should not just know, but also understand, the strategic goals of the organisation. It should be clear to all managers how they are expected to contribute to the achievement of these goals. It is also important that information on achievement against these objectives is available to all staff.

(b) Information on the department's PM&D system needs to be provided to all managers as well as staff in general to ensure that there is no confusion or misunderstanding about the PM&D policy and what is required.

(c) It is the responsibility of the HoD to ensure that appropriate lines of communication are in place and effectively maintained.

(6) **Organisational learning**

(a) Departments should ensure that systems are in place to enable learning to take place at individual and departmental level. This should inform future planning and decision-making.

(b) The HoD must ensure that an environment is created in which achievement is honestly assessed in the public interest and ways found to improve service delivery. The performance of the department as a whole and the particular units of SMS members should inform individual assessment. It must also be possible to admit and take responsibility for problems or shortcomings and make proposals that will enable improvement.

(c) Learning and improvement should apply to the performance management system itself.

Departments will need to review whether it is serving the intended purpose effectively.

(7) **Managing poor/unacceptable performance**

Departments are entitled to satisfactory work performance from members of the SMS. Should the performance of a member of the SMS fail to comply with required standards in this regard, departments are obliged to apply the applicable incapacity code and procedures in order to appropriately address the situation. These procedures are contained in Resolution 10 of 1999 and are explained in Chapter 7 of this Handbook. Refer to paragraph 15.11 for measures pertaining to unsatisfactory performance.

7. LINKING THE PM CYCLE TO PLANNING AND BUDGETING

7.1 Part 3 of the Treasury Regulations and Part III of Chapter 1 of the PSR require that strategic planning be undertaken by departments and a draft strategic plan be finalised and approved by the EA. It is the responsibility of the HoD to ensure this is effectively achieved. This strategic planning process should link to the PM&D cycle, where organisational requirements are translated into individual objectives or targets.

(1) **Content of the strategic plan**

(a) The strategic plan should cover a period of three years and be consistent with the department's published medium term estimates. In addition, it should:

• Define the vision, mission or strategic focus of the department, as informed by government policy and the constitutional mandates of that department;

• Set out clear strategic goals and objectives, strategies for achieving them and service delivery improvement plans (see Part IIIC of Chapter 1 of the PSR);

• Record budget decisions on strategic resource allocation based on strategic decisions, plans and what will be needed to implement them. This is the MTEF budget exercise, which should be an integral part of strategic planning and directly related to the

goals, strategies and plan. The budgeting process should not be run as a separate and parallel process as is often happening;

- Provide the basis for departmental and unit level business planning, by allocating to specific units the responsibility and resources for achieving an aspect of the overall departmental strategy within a financial year; and

- Lay a clear basis for the monitoring of progress and evaluation of achievement by clarifying expected results with indicators, criteria and standards. This should provide a sound basis for the PAs of individual managers and for directly linking them to departmental and unit responsibilities and plans.

(b) The strategic planning process and the actual draft strategic plan are among the key responsibilities of an HoD. The EA approves and is jointly responsible with the HoD for the strategic plan. The PAs of the HoD, her/his deputies and all other members of the SMS should be based on the departmental and unit strategy and operational plans.

(2) **Proposed planning cycle**

(a) The diagram at Annexure C outlines the flow of activities which, if followed, would make it much easier for departments to achieve the goal of effectively using PAs as instruments to advance their strategic objectives and improve what is achieved.

(b) As illustrated in the diagram, the planning cycle should typically commence by mid November.

8. ENTERING INTO A PERFORMANCE AGREEMENT

8.1 All members of the SMS (managers and professionals) **shall enter into PAs** by not later than 31 March annually. These PAs shall apply for a particular financial year and shall be reviewed annually. Newly appointed members of the SMS shall complete their PA within the first three months of appointment. Within that time, there should have been enough induction and

acclimatisation to the new environment to enable judgements about what it will take to deliver a good service for that year. The format at Annexure D shall be utilised as the basis of all PAs, with the understanding that departments may adjust the *pro forma* to suit their particular needs. The PAs of individual members shall be based on a department's strategic/operational plan, the milestones agreed upon by the relevant EA and top management, as well as the work plans of individual components.

8.2   Failure to deliver in terms of a PA cannot result in summary termination of service. However, it can serve as evidence in support of such termination based on incapacity should such a process become necessary.

8.3   The performance of a member of the SMS shall be reviewed on a **quarterly basis**, with the understanding that such reviews may be **verbal** if the SMS member's performance is **satisfactory. However, a minimum of two formal reviews must take place during the course of the year (one preferably in the middle of the PM&D cycle and the other towards the end of the cycle), linked to the review of the department's or unit's strategic/operational plan.**

    (1)   Departments may decide to adjust the system to meet the needs of different jobs or categories of jobs but must use one standard assessment instrument (see paragraph 13.1) on which to base decisions on probation, rewards, promotion and skills development; and

    (2)   All members of the SMS must have a personal development plan, included as part of the PA.

8.4   PAs will only be effective if:

    (1)   All members of the SMS are committed to proper management of performance, not because of a need to comply but rather because it is a good management tool. In this regard, each member of the SMS will need to have the effective implementation of the agreed PMDS as one of their priority organisational objectives;

    (2)   Objectives and competency gaps are reviewed more in terms of relevant departmental vision, mission and strategy rather than functional responsibilities and duties;

    (3)   All members of the SMS are properly inducted and trained in the use of performance management, CMC's and the PA system in particular; and

(4)   All performance assessment data is kept in an efficient database for continuous updating and re-use in various other competency based people management aspects.

9.   CONTRACTING AND DETERMINATION OF ASSESSMENT CRITERIA

9.1   The criteria upon which the performance of a member of the SMS must be assessed shall consist of **two components**, both of which shall be contained in the PA. Each SMS member must be assessed against both components, with a weighting of **80:20** allocated to the **Key Result Areas (KRAs)** and the **Core Management Criteria (CMC)** respectively.   Each area of assessment will be weighted and will contribute a specific part to the total score. KRAs covering the main areas of work of the SMS member, will account for 80% of the final assessment. The CMCs will make up the other 20% of the member's assessment score.

(1)   **Key Results Areas (KRAs)**

(a)   KRAs describe what is expected from a member of the SMS in her/ his role. They focus attention on actions and activities that will assist units and ultimately the department in performing effectively.

(b)   The primary tool for capturing KRAs in a clear and concise manner is a work plan. The proposed PA template (see Annexure D) makes provision for the inclusion of a work plan which describes KRAs and the criteria for measuring them.   The more precisely those KRAs are described, together with the criteria by which they will be measured, the more effective the performance management process will be.

(2)   **Core Management Criteria (CMC)**

(a)   The eleven CMCs of the SMS could be used to determine expected performance standards in PAs and to assess achievement through performance review and appraisal meetings.

(b)   The purpose of including the CMCs in the PMS is to contribute to the process of developing a common understanding of, and set of expectations about, good management practice. These criteria and standards should not displace the importance of specific results-based performance criteria and expectations for a particular job and their

relationship to the specific goals of the organisation.

(c)   The CMCs are supplementary to the specific performance criteria (KRAs) for any particular job in any specific department.

(d)   The eleven CMCs are as follows:

- Strategic Capability and Leadership
- Programme and Project Management
- Financial Management
- Change Management
- Knowledge Management
- Service Delivery Innovation
- Problem Solving and Analysis
- People Management and Empowerment
- Client Orientation and Customer Focus
- Communication
- Honesty and Integrity

(e)   These core criteria and standards are:

- Related to **how** managers do their jobs - they do not describe the results that should be achieved; and
- Generic – they identify areas that are important to most management jobs and provide standards based on how these should be carried out effectively in most organisational and job contexts.

(f)   A table that includes the elements of each criterion, a description and possible standards that may be expected for performance at the "Fully Effective" level only, is provided in Annexure E.

(g)   Note that not all CMC will be relevant to a specific job or to a specific work environment. The human resource units in departments should work with line management in their departments in deciding up-front which CMCs will be used during the evaluation process and how it will be weighted. Some level of consistency will be required for similar jobs within the department. (See paragraph 10.5 for details).

10.   CONTENTS OF THE PERFORMANCE AGREEMENT

10.1   The PA shall address, at minimum, the following:

(1)   Description of the purpose of the job.

(2)   Identification of KRAs, their weighting and the standards for measuring them.

(3)   Agreement on which CMC's are relevant, their weighting and the standards for measuring them.

(4)   Agreement on the personal development plan.

(5)   Dates of reviews and formal assessment of the SMS member's performance.

(6)   Dispute resolution.

(7)   Dates for consideration of performance related rewards.

10.2   **Description of the job**

The purpose of the job should be based on the job profile and the department or unit operational plan.

10.3   **Identification of Key Result Areas**

(1)   The setting of KRAs should be derived directly from the required outputs of the approved strategic/operational plan.

(2)   **KRAs** should be broken down into specific activities or outputs in a work plan. Indicators are then used to indicate how the successful performance/achievement of the activities or outputs will be measured.

(3)   The identification of KRAs can cover many different aspects of the work:

(a)   Specific tasks or events which the member should ensure are achieved;
(b)   Levels of performance which the member should maintain and promote;
(c)   Actions or situations for which the member is personally responsible for delivering her/his "unique contribution"; and

(d)   Duties and responsibilities related to advice and support given, for example, by specialists to clients.

(4)   The KRAs of a member of the SMS should not simply be a repetition of the outputs of the persons under her/his control or the consultants to be contracted, but should where possible indicate the value to be added by the member.

(5)   The KRAs should exclude generic managerial and/or leadership responsibilities, since these are to be covered by the CMC.

(6)   Although there is no limit to the number of KRAs to be included in a PA, they should preferably not exceed five or six.   Each KRA should be broken down into measurable outputs and/or duties/responsibilities.

10.4   Agreement on how achievement of KRAs will be measured

(1)   The manner in which performance objectives in a work plan are formulated, need to satisfy five primary criteria:

S   Simple, clear and understandable

M   Measurable, in terms of quantity and where possible, quality, money and time

A   Agreed between the member and the supervisor

R   Realistic – within the control of the member, taking account of her/his experience – but challenging

T   Timely – to reflect current priorities, assessable within the annual reporting cycle of the PA

(2)   It is important to realise that there must be flexibility when agreeing on performance objectives and measures. There should be a mutual understanding that the PA may have to be adjusted during the course of the financial year because of changed circumstances.

(3)   The KRAs should be weighted according to the importance that they have in the member's job.   The weighting of all the KRAs should add up to 100.

10.5 **Agreement on the standards for measuring Core Management Criteria (see also paragraph 11)**

(1) Every member of the SMS should be assessed against all those CMCs that are applicable to her/his job. The number of CMCs chosen should prefereably not exceed five or six. A scientist may for example not have any employees under her/his control (People Management and Empowerment) or may have no financial responsibilities (Financial Management). Moreover, all CMC will not be equally important in a particular job context, or may apply in different ways to different jobs. To adapt the CMCs to specific jobs and job contexts, the SMS member together with her/his supervisor will need to:

(a) **Decide** which of the CMCs apply to the member's job.

(b) **Weight each relevant criterion** to show the extent to which it relates to the specific member's job. One way of jointly arriving at decisions on how important any specific criterion is to a specific job is to use the factors of impact and frequency. The greater the impact and frequency, the greater the importance that criterion is likely to have on the achievement of effective performance results. The weighting of all the criteria should add up to 100.

(c) **Adapt the generic standards** to the demands and context of the job as necessary.

(2) The agreements reached on the **job-specific performance results and criteria** and knowledge of the **context** will inform this process. Departments should view the inclusion of CMCs in the PAs of members of the SMS as a window of opportunity to promote behaviour change and service delivery improvement in their specific environments.

(3) For all members of the SMS with managerial responsibilities* the following CMCs shall **as a minimum** be included in their PAs:

(a) Financial management
(b) People management and empowerment
(c) Client orientation and customer focus

* Note: For professionals, departments should decide on their own which CMCs are relevant

10.6. Agreement on the personal development plan

(1) Identify developmental requirements of the member through using either the self assessment tool produced by DPSA (available at or http://www.dpsa.gov.za/ project/sms/202/selfevaluatinquestionnaire.x|s or working through the CMC, as well as identifying job-specific development needs;

(2) Agree on the steps to be taken to address the developmental gaps and the date at which a review of progress will be undertaken; and

(3) Note these undertakings as part of the PA, using the format attached to Annexure D (Appendix C thereof), or another jointly agreed on.

10.7 Dates of assessment and monitoring of the performance of members of the SMS

(1) Dates and the format for reviews and the annual appraisal shall be agreed and adhered to (refer to paragraph 12). It is advisable to keep a record of the mid-term review meeting and the annual appraisal, in the event of differences of opinion arising out of these meetings. In the case of review meetings:

(a) A review of the SMS member's progress in achieving her/his objectives is required as it may lead to modifications to the PA;

(b) The performance of the SMS member in achieving the results required by the PA should be discussed against the background of the criteria in the performance management instrument that will be used to evaluate her/his performance over the whole PA period; and

(c) This approach provides a natural build-up to formal assessment.

(2) The above approach should ensure that the member of the SMS:

(a) Reports to her/his supervisor against all parts of their agreement, particularly where performance varies from expectations;

(b)   Alerts the supervisor to any emerging factors that could preclude the achievement of any PA undertakings;

(c)   Establishes and maintains appropriate internal controls and reporting systems in order to meet performance expectations; and

(d)   Reports to the supervisor on revision of targets (if necessary) and progress towards the achievement of PA undertakings.

10.8   Dispute resolution

(1)   The PA must specify mechanisms to resolve disputes about all aspects of the PA:

(a)   Mechanisms for dispute resolution must include any differences which might arise out of the assessment of work performance;

(b)   In agreeing on a mutually acceptable person to resolve disputes that might arise, an individual within the public service should be considered first;

(c)   If possible, the person identified should be involved in the conclusion of the PA. This will enhance her/his understanding of the contents of the PA and may even prevent disputes from arising; and

(d)   Persons selected to resolve disputes should preferably be chosen on the basis of their functional expertise and people skills and not their legal qualifications since dispute resolution should preferably be an informal process.

10.9   Annual remuneration package adjustment and performance related rewards

(1)   All members of the SMS are eligible for a cost-of-living (remuneration package) adjustment with effect from 1 January of a particular year, irrespective of the outcome of performance evaluation.

(2)   The MPSA will annually issue a directive on the extent of the above-mentioned adjustment.

(3)   Members of the SMS may furthermore be considered for performance related pay increases and/or rewards (see paragraphs 15.4 and 15.5 in this regard).

(4)   The annual PA of a member of the SMS forms the basis in terms of which the granting of performance related pay increases and/or rewards will be considered. Failure to

sign a PA may furthermore result in disciplinary action being instituted against members who are at fault.

11. APPLICATION OF THE CMC

11.1 At the start of each performance cycle, an HoD, assisted by her/his human resource unit, should do the following:

(1) **Selection of the CMC**

(a) Determine which of the eleven CMC are applicable to particular jobs within her/his department and weight those that are relevant according to importance, taking into account the minimum requirements outlined in par 10.5; **OR**

(b) Allow SMS members and their supervisors to select and jointly agree the appropriate CMC's for the member's job role; **OR**

(c) Apply a combination of (1) and (2) above (e.g. decide that certain CMC must be part of the assessment of all members of the SMS, while others may be included depending on the specific situation).

(2) **Determination of standards**

(a) Determine which standards are to apply to each of the selected CMCs (using the generic standards at Annexure E as a guide); **OR**

(b) Decide to allow managers, together with their supervisors, flexibility to agree appropriate standards according to their position within the department and their job description; **OR**

(c) Apply a combination of (1) and (2) above.

(3) **Formalised agreement**

Note that the selected CMCs, and their relevant standards, are part of the PA and ensure that both the manager and supervisor sign off on these as a basis for assessment.

12.   REVIEW AND APPRAISAL

Regular performance reviews and an annual performance appraisal are required for all members of the SMS.

(1)   **Performance reviews**

(a)   Reviews are important feedback sessions that take place at regular intervals during the course of the year. They provide an opportunity for members to receive feedback on how they are performing. They also provide a time for structured reflection by the member using the process of self-assessment.

(b)   At minimum, one formal performance review should take place annually (preferably in the middle of the cycle), in addition to the formal (end of cycle) appraisal session.

(c)   Departments may use their own instruments according to which they conduct these reviews. An example of such a form is provided at Annexure F.

(2)   **Performance appraisal**

(a)   The appraisal discussion takes place at the end of the performance management and development cycle. This discussion should enable:

- An opportunity for the member to assess her/his own performance and its contribution to organisational goals and allow for reflection on what would be needed to improve what was achieved;
- An opportunity for the supervisor to give more formal feedback on performance over the year and draw on the experience of the member to identify ways of improving what was achieved;
- An opportunity for the member to contribute to, and respond to comments regarding her/his performance and identify issues beyond her/his control that limit the achievement of results;
- An open discussion between the member and her/his supervisor in which achievements can be fully recognised and ideas for problem solving agreed;   and

- Agreement on an overall appraisal outcome reflecting judgement on the level of achievement attained in terms of the performance agreement that can be used to determine performance-related salary increments and rewards.

(b)   The next paragraphs contain detailed guidance on the process to be followed.

13.   ASSESSMENT INSTRUMENT FOR ANNUAL PERFORMANCE APPRAISAL

13.1   The PSR require departments to use a single instrument to assess the performance of employees:

An executing authority may establish separate instruments for different occupational categories or levels of work; but when assessing an individual employee, a single assessment instrument shall be used in order to assist in deciding on probation, rewards, promotion and skills development of the employee. (PSR, 2001)

13.2   With a view to achieving the above, the assessment instrument attached at Annexure G has been developed. Departments may customise this to suit their particular needs. This particular *pro forma*:

(1)   Allows an overall judgement of performance at the appraisal meeting to be made that is clear and unambiguous;

(2)   Enables the department to compare the appraisal outcomes of individual members;

(3)   Provides clear descriptions that clarify the meaning of a specific rating for each level in the rating scale. These should be clear to both the member and the supervisor at the start of the performance cycle;

(4)   Enables the fair and equitable determination and allocation of package progression and cash rewards based on performance by providing a clear link between the policy on salary and rewards for the department's SMS members and the standard rating scale;

(5)   Enables the fair management of key career incidents such as probation and action as a result of incapacity or

incompetence by making an explicit link between the rating that summarises the appraisal outcome and its implications for these key career incidents. This link should be transparently specified in departmental policy; and

(6) Enables the systematic identification of an individual's skills development needs based on the demonstrated competency of individuals through performance.

13.3 When assessing the performance of SMS members, departments shall use the following standard rating scale:

LEVEL 5: OUTSTANDING PERFORMANCE – Performance far exceeds the standard expected of a member at this level. The appraisal indicates that the jobholder has achieved exceptional results against all performance criteria and indicators and maintained this in all areas of responsibility throughout the year.
LEVEL 4: PERFORMANCE SIGNIFICANTLY ABOVE EXPECTATIONS - Performance is significantly higher than the standard expected in the job. The appraisal indicates that the member has achieved better than fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
LEVEL 3: FULLY EFFECTIVE - Performance fully meets the standard expected in all areas of the job. The appraisal indicates that the member has achieved effective results against all significant performance criteria and indicators and may have achieved results significantly above expectations in one or two less significant areas throughout the year.
LEVEL 2: PERFORMANCE NOT FULLY SATISFACTORY – Performance is below the standard required for the job in key areas. The appraisal indicates that the member has achieved adequate results against many key performance criteria and indicators but has not fully achieved adequate results against others during the course of the year. Improvement in these areas is necessary to bring performance up to the standard expected in the job.
LEVEL 1: UNACCEPTABLE PERFORMANCE – Performance does not meet the standard expected for the job. The appraisal indicates that the member has not met one or more fundamental requirements and/or is achieving results that are well below the performance criteria and indicators in a number of significant areas of responsibility. The member has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

14. ANNUAL PERFORMANCE APPRAISAL PROCESS

14.1 The annual performance appraisal involves:

(1) **Assessment of the achievement of results as outlined in the work plan**

(a) Each **KRA** should be assessed according to the extent to which the specified standards (example 1) or performance indicators (example 2) have been met.

(b) An indicative rating on the five-point scale should be provided for each KRA.

(c) This rating should be multiplied by the weighting given to the KRA during the contracting process, to provide a score.

(d) The assessment rating calculator (refer to paragraph 14(3)) may then be used to add the scores and calculate a final KRA score, based on the 80% weighting allocated to the KRAs.

(2) **Assessment of the core management criteria**

(a) Each CMC should be assessed according to the extent to which the specified standards that have been selected are met.

(b) An indicative rating on the five-point scale should be provided for each CMC.

(c) This rating should be multiplied by the weighting given to each CMC during the contracting process, to provide a score.

(d) The assessment rating calculator (refer to paragraph 14(3) may then be used to add the scores and calculate a final CMC score, based on the 20% weighting allocated to the CMC.

(3) **Overall rating**

(a) An overall rating, in accordance with the assessment rating calculator (hard copy at Annexure H and soft copy available at http://www.dpsa.gov.za/docs/policy/index.htm or http://www.dpsa.gov.za/project/sms/index.htm) is provided as a summary of the outcome of the performance review for both the specific job-

related performance results and the assessment against the core management criteria.

(b) The assessment-rating calculator may then be used to provide a final score based on adding the scores achieved for the KRAs and the CMCs.

15. USING PERFORMANCE APPRAISAL TO ALLOCATE REWARDS AND DECIDING ON KEY CAREER INCIDENTS

15.1 National policy and guidelines on performance based pay and rewards

(1) As mentioned in par 10.9, all members of the SMS are eligible for a cost-of-living package adjustment to be determined by the MPSA, irrespective of the outcome of the performance evaluation. This will be granted in January of each year.

(2) All members of the SMS are furthermore eligible to be considered for performance related pay increases (package progression) on a biennial basis (once every two years) provided that their performance is evaluated to be fully effective (total score : 65% or higher). Those with scores of significantly above expectations (total score: 80% or higher) annually qualify for performance rewards. The measures that apply to both these types of monetary rewards are set out in paragraphs 15.2 to 15.7.

(3) Final decisions on the awarding of such rewards shall be taken by the EA personally, who shall act on the advice of a moderating committee (see par 15.10).

15.2 Departmental decisions on appraisal results and budgeting for monetary rewards

(1) Departments may use performance appraisal results to make decisions in a range of areas. The PSR dictate that a single system be used to determine those decisions that will materially affect staff and their careers such as:

(a) Confirmation/non-confirmation of probation
(b) Promotability assessment
(c) Pay progression (within framework determined by MPSA)
(d) Performance bonus allocation (within framework determined by MPSA)
(e) Non-financial rewards
(f) Staff development needs

(g)   Access to career development opportunities
(h)   Initiation of incapacity procedures.

(2)   The single rating scale outlined above can be used to ensure that clear decisions are made on the above. The descriptions attached to each rating on the scale are designed to ensure transparency, consistency and fairness in the assessment of performance.

(3)   Departments will need to project the resource implications of monetary rewards and ensure that these are provided for in the budget (refer to paragraphs 15.4 and 15.5).

(4)   Departments should integrate the provisions of this chapter in their departmental policy on performance management and development and ensure that there are proper linkages between the performance measures that apply to members of the SMS and non-SMS members. At provincial level, there may be a need to co-ordinate the integration of this chapter into provincial/ departmental policy/policies. Such an integrated policy should show how the SMS performance management and development arrangements will link to the departmental/provincial system as a whole.

15.3   Non-financial rewards

(1)   Other more creative rewards for performance, which are non-monetary, need to be explored and used. The ideal way of doing this is to discuss the nature of non-monetary rewards preferred by managers within a particular department, and to develop policy guidelines accordingly.

(2)   The following examples of non-financial rewards could be applied:

(a)   Increased autonomy to organize own work, trust and the resources to carry on doing what you have proved you do well;
(b)   Explicit acknowledgement and recognition in publications or other publicity material; and
(c)   Public awards of various kinds made by senior leadership in recognition of a specific achievement or innovation or for consistent achievement over a specific period.

(3)   Departments using any reward system must ensure that it is clear, transparent and fair or it may actually end up being de-motivating to other members.

15.4   Performance rewards (cash bonuses)

(1)   EAs have the authority to reward members of the SMS for meritorious performance.

(2)   For a member of the SMS who has achieved a total score of 80 – 84%, a cash bonus calculated up to a maximum of 5% (but not less than 3%) of her/his total remuneration package, may be awarded.   For a member of the SMS who has achieved a total score of 85% and above, a cash bonus calculated up to a maximum of 8% (but not less than 6%) of her/his total remuneration package may be awarded.

(3)   Performance rewards may only be granted to SMS members who have completed an assessment period of at least 12 months over a period commencing on 1 April of a particular year and ending on 31 March of the following year: Provided that the member of the SMS remained on the same level (e.g. level 14) for the duration of the said period.   Moreover, departments may not spend more than 1,5%* of their total annual SMS remuneration budget (i.e. the budget for the all inclusive flexible remuneration packages of all their SMS members) on performance rewards for the SMS.

*<u>Note</u>: The mentioned 1,5% is the maximum percentage that may be spent: Provided that it may, in exceptional cases, be exceeded with the approval of the relevant EA.

(4)   Should a situation occur where the budgeted amount (i.e. 1,5% of the SMS remuneration budget) for cash bonuses prove to be insufficient to award the maximum of 5% and 8% to deserving members, departments will have to manage the situation by scaling down the applicable percentages to be granted or setting tighter standards for the granting of performance rewards.

(5)   In the case of HoDs of national departments and of those provinces who have adopted the system for the evaluation of HoDs issued by the Office of the Public Service Commission, the assessment processes outlined by the Commission must be followed.   HoDs will, however, qualify for exactly the same performance rewards as other SMS members, with the understanding that the 10% non-pensionable HoD allowance should not be factored into the total remuneration package when calculating the percentage cash bonus.

(6) The following table summarises the cut-off points and maximum percentages that will apply for the awarding of cash bonuses:

CASH BONUSES		
CATEGORIES	TOTAL SCORE	CASH BONUS
A: Outstanding performance	85% and above	In the range 6 - 8%
B: Performance significantly above expectations	80 – 84%	In the range 3 - 5%

(7) The cash bonus is to be calculated on the package of the member of the SMS at the time that she/he completed the assessment cycle of 12 months (i.e. 31 March).

15.5 Pay progression system

(1) Pay progression is an upward progression in remuneration from a lower remuneration package to a higher remuneration package. This is effected by way of progression within the same remuneration band from the lowest to the highest package based on a time schedule of 24 months to a member of the SMS who achieves a total score of 65% and above (fully effective).

15.6 Applicability

(1) This centralised pay progression system is applicable to all members of the SMS (in a full-time capacity) including Senior Professionals (in a full-time and part-time capacity) on SMS Grades 13 to 16 who are on a **standard remuneration band** and who are assessed and received at least a **fully effective assessment** in terms of the new PMS.

15.7 Implementation and application of system

(1) The assessment for pay progression shall be in terms of the PMS.

(2) Although the implementation date of this system is 1 April 2002, the first pay progression can only be effected on 1 April 2003.

(3) First progression shall be based on assessments for the period 1 April 2001 to 31 March 2003: Provided that the affected members are at least in service for a period of 24 months on their current remuneration packages on 1 April 2003.

(4)   Future progression cycles will run over 24 months, commencing on 1 April of a particular year.

(5)   Members must have been on a specific remuneration package within a band for at least two years (24 months) in order to be considered for pay progression with effect from the next 1st of April. **(In practice this may have the effect that a member appointed/promoted with effect from 1 May of a year to a SMS position shall only qualify 35 months later for possible pay progression.)**

(6)   Members shall be eligible for progression to the next higher remuneration package, within the relevant remuneration band, after completion of at least 2 years service at the current remuneration package and she/he should have received at least a fully effective assessment on completion of the two year period in question.

(7)   If a member is appointed/retained on a higher remuneration package in terms of the recruitment and retention policy (Part V.C3 of Chapter 1 of the PSR) she/he shall also be eligible for pay progression as outlined above (i.e. completion of qualifying periods on the specific remuneration package and after being assessed).

(8)   Members who benefit from this pay progression system during a financial year will receive the benefit in addition to possible annual cost-of-living package adjustments.

(9)   This system does not affect the authority of EAs to award higher packages to members within the scope of their remuneration bands in terms Part V. C3 of Chapter 1 of the PSR.

(10)   Members who are awarded a higher remuneration band by EAs (in terms of Part V. C3 of Chapter 1 of the PSR) that does not correlate to the job weight attached to their job, shall not qualify for pay progression in the higher remuneration band. This relates to members who were on personal notches and translated to a remuneration package that is above the salary level or remuneration band linked to the job weight.

(11)   Members may receive a (once-off) performance (cash) award and pay progression in the same year if the member has achieved a total score of 80% or more - see paragraph 15.4 for performance rewards.

15.8 General matters

(1)   The pay progression system will have the effect that members who achieved a score of at least 65% over the last 12 months of a pay progression cycle, will qualify every 24 months for the awarding of the next higher package. Only continuous service over 24 months on the same level will count for purposes of such pay progression. A member who benefited from pay progression will only be eligible for further pay progression after completion of a further period of 24 months.

15.9 Linking the rating scale to specific consequences

(1)   Departmental policy should make either a direct or indirect link between performance appraisal ratings and specific consequences for members of the SMS.

(2)   If a direct link is made, the policy should specify for each rating what such consequences would be.

(3)   Departments may, however, prefer a more indirect link to be made that would enable supervisors to consider other factors in making final decisions. Other situational factors departments might want to consider are:

    (a)   The level of difficulty and uncertainty in a specific job;
    (b)   Whether the incumbent has taken on a new area of responsibility;
    (c)   Whether the incumbent is on probation and not yet familiar with all aspects of the job;
    (d)   Whether the incumbent has acted on learning from past experience; and
    (e)   The labour market and the scarcity of a particular skill or expertise.

(4)   The following is how the relationship between performance rating and decisions in other areas must be established:

    (a)   **OUTSTANDING PERFORMANCE (85% and higher)**

        • Probation confirmed
        • In the range of 6 to 8% of total remuneration package as performance bonus (taking into account framework determined by MPSA)

- Progression to next higher package in remuneration band (taking into account framework determined by MPSA)
- Access to development opportunities in line with promotion along career path

(b) **PERFORMANCE SIGNIFICANTLY ABOVE EXPECTATIONS (80 to 84%)**

- Probation confirmed
- In the range of 3 and 5% of total remuneration package as performance bonus (taking into account framework determined by MPSA)
- Progression to next higher package in remuneration band (taking into account framework determined by MPSA)
- Access to development opportunities to improve results in areas of less outstanding performance and in line with promotion along career path

(c) **FULLY EFFECTIVE (65 to 79%)**

- Probation confirmed
- Progression to next higher package in remuneration band (taking in account framework determined by MPSA)
- Access to development opportunities to improve results in areas of less than excellent performance and in line with promotion along career path

(d) **PERFORMANCE NOT FULLY ADEQUATE (50 to 64%)**

- Probation confirmed or, in exceptional cases, probationary period extended
- Performance improvement measures agreed and responsibility for remedial action identified
- Agreed programme for supporting and monitoring performance improvement

(e) **UNACCEPTABLE PERFORMANCE (49% and lower)**

Probation extended or employment terminated (after prescribed incapacity procedures have been followed).

(5) Departments will need to clearly indicate in their PM&D policy whether there is a direct or indirect link between specific ratings and specific consequences and what that might be. If the link is indirect, departments must indicate what additional factors will be taken into account.

15.10 Moderation of agreements and performance appraisal results

(1) The EA shall appoint a committee that can assist her/him to ensure that effective PAs that lay a fair basis for appraisal are developed and reviewed. This committee should ensure that there is consistency across the department in the development of performance standards and measures.

(2) The committee should also moderate assessment results and make recommendations to the EA on the granting of performance rewards and pay progression.

(3) The process of moderation should not become a bottleneck that slows down the finalisation of agreements and performance appraisal results.

(4) Departmental Corporate Services Units should support this committee, individual supervisors and jobholders in the process of developing PAs and reviewing/appraising performance. They should also be able to provide technical advice for the ongoing development and maintenance of the PM&D policy and system. Moreover they need to assist with financial calculations on the granting of rewards.

15.11 Corrective measures for dealing with performance not fully adequate/unacceptable

(1) **Members on probation**

(a) Members who perform unsatisforily during probation must be dealt with in the following manner:

- Training/re-training
- Counselling/coaching
- Be given a verbal and subsequently a written notice on extension of their period of probation.
- Supervisors should be able to determine during the process of assessment of

performance what the reason for unsatisfactory performance is. Corrective measures should be designed accordingly and suitable action be taken. The considerations mentioned in par 6.1(7) also apply here.

(2) **Members permanently employed**

(1) Supervisors are responsible for dealing with unsatisfactory performance of managers within the period of assessment. Supervisors should take into consideration the following:

- The need to set clear performance standards
- Provision of enabling working facilities and resources
- Counselling/couching
- Training/re-training

15.12 Personal development plan

(1) To address the gap that exists between the required competency profile and actual competencies needed, a training and development plan will be designed for the individual member. The training and development needs will not only be identified during performance reviews and assessments, but also on initial appointment when the work plan is developed.

(2) Members should have ongoing and equitable access to development. Development should support work performance and career development, driven by the needs of individual members linked to their department's strategic plan and operational plans.

(3) Training and development activities will focus on equipping members with the competencies they require to perform effectively in their current jobs and to prepare them for the future. The training and development needs of the members will de determined through continuous monitoring, quarterly reviews and annual assessments. Also refer to paragraph 10.6 regarding the self-assessment tool.

16.   OVERSIGHT AND MODERATION

16.1   The roles and responsibilities of the key role-players with regard to oversight and moderation of the PMS are largely determined by the legal and regulatory framework.

(1)   The role of **DPSA** is to:

(a)   Provide directives and guidelines to supplement the PSR in identified areas;

(b)   Work with departments to determine, to develop and refine the reward framework;

(c)   Pro-actively support problem-solving approaches on performance management and other systems in the public service;

(d)   Better facilitate learning through benchmarking and assisting departments to develop better measures of performance against strategic objectives; and

(e)   Support and advise the MPSA in fulfilling her/his responsibilities in regard to the PMS.

(2)   The role of the **EA** is to:

(a)   Ensure that there is a performance management policy and approved system in place in her/his department.

(b)   Adapt the PMS used in the department, based on experiences during the implementation process.

(c)   Hold the HoD accountable for performance under her/his own performance agreement.

(d)   Ensure that there is an appropriate and valid strategic plan as well as a departmental operational plan in place, to guide the development of PAs; and

(e)   Ensure that a mechanism is in place for the development of effective PAs and the moderation of appraisal results.

(3)   The role of the **HoD** is to:

(a)   Ensure that the department designs or chooses and communicates among all its members a suitable PMS, underpinned by the use of a PA. As a minimum, the HoD ensures that there is articulation between the system for SMS members and that used by the rest of the department;

(b)   Lead by example, completes and adheres to her/his PA, champion and enforce compliance by all SMS members to their PAs;

(c)   Build a culture of performance and open discussion in her/his department to enable the PAs to be fully and appropriately developed and implemented;

(d)   Ensure that the compulsory fields provided on **PERSAL** relating to performance management for members of the SMS are kept up to date and properly maintained;

(e)   Ensure that all the strategic resources are effectively utilised and other planning processes are efficiently run, in order to support implementation of the departmental strategic plan;

(f)   Require of every member to prioritise the correct implementation of the department's PMS;

(g)   Make provision for a database for capturing and updating all performance assessment results;

(h)   Make decisions based on recommendations, whether they be for recognition or sanction; and

(i)   Take final decisions on sanctions, especially where they are being disputed.

(4)   The role of the **HR or Corporate Services Unit** is to:

(a)   Facilitate the full understanding of the PMS, and implementation of PAs in their departments;

(b)   Assist the HoD to develop the best PMS required for that department and to maintain/refine the system;

(c)   Assist the EA in assessing and managing appraisal results and reward or sanction recommendations;

(d)   Provide information on how the whole process is being implemented to monitoring bodies such as the DPSA and PSC, as required; and

(e)   Provide the administrative support to the HoD to comply with the requirements in par 16.1(3) above.

(5)   The role of all members of the **SMS** is to:

(a)   Ensure that they complete and implement their own PAs; and

(b)   Commit to proper implementation policy and procedures agreed in their department on the implementation of the PMS.

(6)   The role of the **PSC** is to:

(a)   Monitor the effective implementation of the PMS as a whole, in line with the PSC's constitutional mandate; and

(b)   Develop and align the PA system for HoDs to the system described in this chapter.

17.   RECORDING PERFORMANCE RELATED DATA

17.1   Performance management data collection, recording and aggregation are vital to the continued efficient implementation of the system. The systems for data collection on performance must allow aggregation and cross-checking against performance criteria at the relevant level.   In this regard, aggregated performance data can be used to discuss team and group progress during meetings.

17.2   All performance reviews and annual appraisals should be fully recorded, and the resultant records signed as a true reflection of the discussion and outcome by both the SMS member and the supervisor. This is done:

(1)   As a basis for future action, e.g. in meeting training and developmental needs;

(2) As evidence for both parties agreeing to what has taken place;

(3) As an indication to the manager that performance matters are being taken seriously and documented; and

(4) As an indication that departmental PM procedures are being implemented correctly.

17.3 The following data and information should be stored in an HR information system:

(1) All results of performance reviews and annual appraisals, including discussions, as well as counselling provided;

(2) All performance related pay and rewards given to the manager year on year, indicating the level of performance being rewarded and the nature of the reward; and

(3) All disputes that had to be resolved. The record must include any disagreements voiced by the manager regarding any aspect of the assessment and how this was resolved.

17.4 DPSA will arrange with PERSAL for the introduction of appropriate fields to capture the results of performance assessments and for processing decisions on pay progression and performance rewards.

18.   CONFIDENTIALITY

All personal performance information recorded as suggested above must be kept confidential and only be released to third parties (other than the SMS member and her/his supervisor or EA/HoD as employer) with the member's written permission.

19.   REPORTING

The MPSA will determine which information pertaining to the PM&D system for the SMS must be included in the annual reports of departments. Proper record keeping will facilitate the collection of data.

SUMMARY OF PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

1.   Introduction

    1.1   Departments have had the opportunity to work with performance management arrangements for the SMS since the introduction of performance agreements in 1998. Based on an assessment of these experiences, DPSA has developed a more comprehensive and integrated performance management policy framework in the form of a chapter of the SMS Handbook. This particular chapter attempts to integrate and consolidate information that was previously scattered across different circulars and guides. It also attempts to fill in various gaps identified by DPSA and departments.

    1.2   By providing for a higher degree of uniformity in performance management and development for the SMS, the DPSA hopes to foster greater consistency in assessment processes and ultimately, to impact positively on productivity and service delivery. The new system should also assist in retaining competent SMS members, by providing for a clear system of package progression and performance rewards. At the same time, direct links are made to incapacity processes in the event of a SMS member failing to perform according to expectations.

    1.3   Another feature of the system is the link to the recently introduced SMS competency framework. The assessment of all SMS members will henceforth include core management criteria, which are aimed at ensuring that SMS members pay sufficient attention to their managerial responsibilities without sacrificing the output orientation that has been introduced by performance agreements.

2.   How does the new system differ from the previous one?

    2.1   The following table summarises the similarities as well as differences between the old and the new performance management framework:

Old policy framework	New policy framework
Similarities	
✓ Provided for performance agreements	✓ Continues to provide for performance agreements
✓ Provided for the payment of cash	✓ Also provides for the payment of cash

Old policy framework	New policy framework
bonuses to high achievers ✓ Emphasised outputs as opposed to personality traits or processes.	bonuses, but within a clearer policy framework and within set parameters ✓ Continues to focus on measurable outputs, but balances this with good management practice in the form of Core Management Criteria
Differences X Not development-orientated	✓ Includes a development orientation by focusing on management/leadership competencies and by providing for personal development plans
X No guidance on the linkages between organisation planning processes and individual performance management	✓ Linkages are clearly indicated
X Lack of clarity on formats to be used for performance agreements and assessment instruments	✓ Key elements of performance agreements and assessment instruments clearly highlighted and examples of formats to be used are provided
X No standarised rating scale	✓ Standardised rating scale
X No indication up-front of maximum percentages and amounts to be spent on performance bonuses	✓ Parameters of monetary rewards clearly spelt out
X No provision for pay progression	✓ Pay progression provided for
X No common assessment cycle	✓ Clarity on assessment cycle which is linked to the financial year
X Cost-of-living increases linked to satisfactory performance	✓ Cost-of-living increases delinked from performance, while clear linkages are provided between appraisal results and consequences such as monetary rewards as well as the initiation of incapacity procedures

3. Conclusion

   3.1 As indicated above, many of the positive elements of the previous performance management framework have been retained. At the same time a number of new elements have been added, which should assist in managing performance more effectively in future.
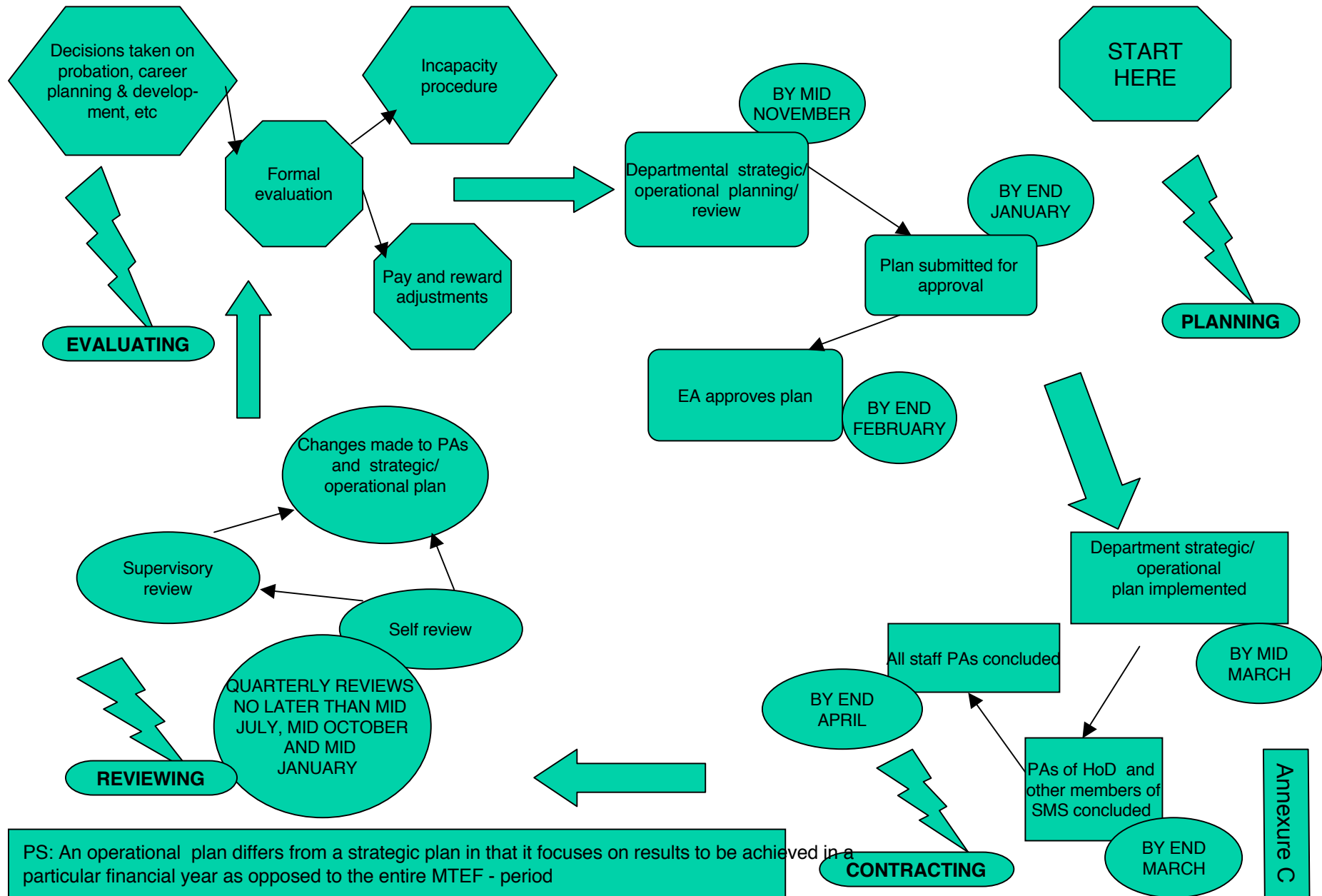
MANDATORY ELEMENTS IN THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

No	Subject	Item
1	All members of the SMS shall enter into PAs	8.1
2	PAs shall apply for a particular financial year	8.1
3	To complete a PA within first three months of appointment	8.1
4	Format of PA at Annexure D shall be used as basis	8.1
5	PAs shall be based on a dept's strategic/operational plan	8.1
6	Performance of a member shall be reviewed on a quarterly basis – may be verbal if satisfactory	8.3
7	Minimum of 2 formal reviews must take place during course of year	8.3
8	Must use one standard assessment instrument on which to base decisions on probation, rewards, promotion and skills development	8.3(1)
9	All members must have a personal development plan included as part of the PA	8.3(2)
10	Criteria upon which the performance of a member must be assessed – shall consist of two components – with a weighting of 80:20 allocated to Key Result Areas and CMC's (for SMS members with managerial responsibilities)	9.1
11	The PA shall address, at minimum, the following: - Description of the purpose of the job. - Identification of KRAs, their weighting and the standards for measuring them. - Agreement on which CMCs are relevant, their weighting and the standards for measuring them. - Agreement on the personal development plan. - Dates of reviews and formal assessment of the SMS member's performance. - Dispute resolution. - Dates for consideration of performance related rewards.	10
12	Identified 3 CMC's shall as a minimum be included in a PA – financial management, people management and empowerment and client orientation and customer focus (for SMS members with managerial responsibilities)	10.5(3)
13	Dates of assessment and the format for quarterly reviews and the annual appraisal shall be agreed and adhered to	10.7(1)
14	The PA must specify mechanisms to resolve disputes	10.8(1)

No	Subject	Item
15	All members of the SMS are eligible for a cost of living adjustment	10.9(1)
16	MPSA will annually issue a directive on the extent of the cost of living adjustment (remuneration package)	10.9(2)
17	Annual PA forms the basis in terms of which the granting of performance related pay increases and/or rewards will be considered	10..9(4)
19	Regular performance reviews and an annual performance appraisal are required for all members of the SMS	12.1
20	Dept shall use a standard rating scale (level 1 to 5) when assessing performance	13.3
21	All members are eligible to be considered for – performance related pay increases (package, progression) on a biennial basis provided that their performance is evaluated to be fully effective (65 and higher)	15.1(2)
22	Those who score significantly above expectations (80% +) annually qualify for performance rewards	15.1(2)
23	Final decisions on the awarding of rewards shall be taken by the EA, who shall act on the advice of a moderating committee	15.1(3)
24	Performance rewards may only be granted to members who have completed an assessment period of at least 12 months	15.4(3)
25	Depts may not spend more than 1,5% of their total annual SMS remuneration budget on performance rewards (cash bonus)	15.4(3)
26	For HoDs (Provinces who adopted system) the assessment processes outlined must be followed	15.4(5)
27	Cut off points and maximum % that will apply is provided in item 15.4(6)	15.4(6)
28	Cash bonus to be calculated on package of member at a time that member completed the assessment cycle of 12 months	15.4(7)
29	Assessment for pay progression shall be in terms of the new system	15.7(1)
30	First pay progression can only be effected 1 April 2003	15.7(2)
31	First progression shall be based on assessments for period 1/4/2001 – 31/3/2003; - members should have been in service for period of 24 months	15.7(3)
32	Members who are awarded a higher remuneration band that does not correlate to the job weight attached to the job – shall not qualify for pay progression	15.7(10)
33	EA shall appoint a committee that can assist to ensure that effective PAs are developed and reviewed	15.10(1)
34	Managers who perform unsatisfactory during probation must be dealt with in the manner stipulated in 15.11(1)	15.11(1)

PM & D CYCLE

Decisions taken on probation, career planning & develop-ment, etc

Formal evaluation

Incapacity procedure

Pay and reward adjustments

EVALUATING

BY MID NOVEMBER

Departmental strategic/ operational planning/ review

BY END JANUARY

Plan submitted for approval

EA approves plan

BY END FEBRUARY

START HERE

PLANNING

Changes made to PAs and strategic/ operational plan

Supervisory review

Self review

QUARTERLY REVIEWS NO LATER THAN MID JULY, MID OCTOBER AND MID JANUARY

REVIEWING

Department strategic/ operational plan implemented

BY MID MARCH

All staff PAs concluded

BY END APRIL

PAs of HoD and other members of SMS concluded

BY END MARCH

CONTRACTING

Annexure C

PS: An operational plan differs from a strategic plan in that it focuses on results to be achieved in a particular financial year as opposed to the entire MTEF - period

SENIOR MANAGEMENT PERFORMANCE AGREEMENT NAME OF DEPARTMENT/PROVINCE (AS APPLICABLE)

BETWEEN (Names and Designations of parties to agreement)   SMS MEMBER: AND   HEAD OF DEPARTMENT (OR DELEGATED SUPERVISOR)   PERIOD OF AGREEMENT: (indicate from when until when, i.e a full financial year (from 1 April 200__ to 31 March 200__)

1. JOB DETAILS

Persal number :

Component :

Location :

Salary level :

Notch (package) :

Occupational classification :

Designation :

2. JOB PURPOSE

Describe the purpose of the job (overall focus) as it relates to the Vision and Mission of the Department. Capture the overall accountability that the jobholder has in relation to her/his position.

3. JOB FUNCTIONS

Describe the key functions that the jobholder is required to perform, based on the job profile, and the departmental strategic/operational plan.

4. REPORTING REQUIREMENTS/LINES & ASSESSMENT LINES

4.1 The SMS member shall report to the . …………………..as her/his supervisor on all parts of this agreement. The SMS member shall:

(1) Timeously alert the supervisor of any emerging factors that could preclude the achievement of any performance agreement undertakings, including the contingency measures that she/he proposes to take to ensure the impact of such deviation from the original agreement is minimised.

(2) Establish and maintain appropriate internal controls and reporting systems in order to meet performance expectations.

(3) Discuss and thereafter document for the record and future use any revision of targets as necessary as well as progress made towards the achievement of performance agreement measures.

4.2   In turn the supervisor shall:

(1)   Create an enabling environment to facilitate effective performance by the SMS member.

(2)   Provide access to skills development and capacity building opportunities.

(3)   Work collaboratively to solve problems and generate solutions to common problems within the department that may be impacting on the performance of the SMS member.

---

5.   PERFORMANCE APPRAISAL FRAMEWORK

Performance will be assessed according to the information contained in the work plan (attached as Appendix A) and the Core Management Criteria (CMC) framework (attached as Appendix B). The specific KRAs and CMCs together with their weightings are, for example, as follows:

5.1   The KRAs and CMCs during the period of this agreement shall be as set out in the table below.

5.2   The SMS member undertakes to focus and to actively work towards the promotion and implementation of the KRAs within the framework of the laws and regulations governing the Public Service. The specific duties/outputs required under each of the KRAs are outlined in the attached work plan. KRAs should include all special projects the SMS member is involved in. The work plan should outline the SMS member's specific responsibilities in such projects.

KEY RESULT AREAS (KRAs)	Weight
1.	
2.	
3.	
4.	
5.	
TOTAL	100%

5.3   The SMS member's assessment will be based on her/his performance in relation to the duties/outputs outlined in the attached work plan as well as the CMCs marked here-under. CMCs should be selected (✓) from the list that are deemed to be critical for the SMS member's specific job.

CORE MANAGEMENT CRITERIA		Weight	CORE MANAGEMENT CRITERIA		Weight
			TOTAL		100%

6. DEVELOPMENTAL REQUIREMENTS

Provide details on the areas in which development is required. These may relate to the attainment of specific objectives or standards specified for Key Result Areas (KRAs), as well as to the CMCs.

The plan for addressing developmental gaps is attached as Appendix C.

7. TIMETABLE AND RECORDS OF REVIEW DISCUSSIONS AND ANNUAL APPRAISAL

Specify the dates when progress reviews and feedback sessions will take place, as well as the annual evaluation session:

8. MANAGEMENT OF PERFORMANCE OUTCOMES

Identify and specify what actions will be taken in recognition of superior performance or to address poor/non-performance: (These should be based on Chapter 4 of the SMS Handbook).

9. DISPUTE RESOLUTION

9.1   Any disputes about the nature of the senior manager's PA, whether it relates to key responsibilities, priorities, methods of assessment and/or salary increment in this agreement, shall be mediated by:

9.2   If this mediation fails, the dispute-resolution procedures referred to in Chapter 4 of the SMS Handbook will apply.

10. AMENDMENT OF AGREEMENT

Amendments to the agreement should be in writing and can only be effected after discussion and agreement by both parties.

11. SIGNATURES OF PARTIES TO THE AGREEMENT

The contents of this document have been discussed and agreed with the SMS member concerned.

Name of SMS member:

Signature: ……………………………………………………..

Date: ……………………………

AND

Name of supervisor of SMS member:

Signature: ……………………………………………………..

Date: ……………………………

APPENDIX A: PERFORMANCE WORK PLAN

Two examples of work plans are described here. Managers would select the appropriate form based on the nature of their job.

EXAMPLE 1

KEY RESULT AREA	PERFORMANCE STANDARDS	RESOURCE REQUIREMENTS	ENABLING CONDITIONS

OR

EXAMPLE 2

KEY RESULT AREA	KEY ACTIVITIES/ OUTPUTS	PERFORMANCE MEASURES		RESOURCE REQUIREMENTS	ENABLING CONDITIONS
		TARGET DATE	INDICATOR		

APPENDIX B: GENERIC CORE SMS MANAGEMENT CRITERIA AND STANDARDS

This shows one example of a criterion and its standards. The same approach would apply to all others

CRITERIA	STANDARDS		WEIGHTING
	GENERIC	DEPARTMENT SPECIFIC	
Strategic Capability and Leadership	◊ Gives direction to team in realising the organisation's strategic objectives; ◊ Impacts positively on team morale, sense of belonging and participation; ◊ Develops detailed action plans to execute strategic initiatives; ◊ Assists in defining performance measures to evaluate the success of strategies; ◊ Achieves strategic objectives against specified performance measures; ◊ Translates strategies into action plans; ◊ Secures co-operation from colleagues and team members; ◊ Seeks mutual benefit/win-win outcomes for all concerned; ◊ Supports stakeholders in achieving their goals; ◊ Inspires staff with own behaviour – "walks the talk"; ◊ Manages and calculates risks; ◊ Communicates strategic plan to the organisation; and ◊ Utilises strategic planning methods and tools.	◊	(as percentage – indicated in paragraph 5 of this Annexure)

APPENDIX C: PERSONAL DEVELOPMENT PLAN

Competency to be addressed	Proposed actions	Responsibility	Time-frame	Expected outcome

GENERIC CORE MANAGEMENT CRITERIA (CMC) AND STANDARDS

		Description	Generic Standards for "Fully Effective" Performance
1.	Strategic Capability and Leadership	Provides a vision, sets the direction for the organisation and/or unit and inspires others to deliver on the organisational mandate	◊ Gives direction to team in realising the organisation's strategic objectives; ◊ Impacts positively on team morale, sense of belonging and participation; ◊ Develops detailed action plans to execute strategic initiatives; ◊ Assists in defining performance measures to evaluate the success of strategies; ◊ Achieves strategic objectives against specified performance measures; ◊ Translates strategies into action plans; ◊ Secures co-operation from colleagues and team members; ◊ Seeks mutual benefit/win-win outcomes for all concerned; ◊ Supports stakeholders in achieving their goals; ◊ Inspires staff with own behaviour – "walks the talk"; ◊ Manages and calculates risks; ◊ Communicates strategic plan to the organisation; and ◊ Utilises strategic planning methods and tools.
2.	Programme and Project Management	Plans, manages, monitors and evaluates specific activities in order to deliver the desired outputs and outcomes.	◊ Establishes broad stakeholder involvement and communicates the project status and key milestones; ◊ Defines roles and responsibilities for project team members and clearly communicates expectations; ◊ Balances quality of work with deadlines and budget; ◊ Identifies and manages risks to the project by assessing potential risks and building contingencies into project plan; ◊ Uses computer software programmes to help manage project; and Sets and manages service level agreements with contractors.
3.	Financial Management	Compiles and manages budgets, controls cash flow, institutes risk management and administers tender procurement processes in	◊ Demonstrates knowledge of general concepts of financial planning, budgeting and forecasting and how they interrelate; ◊ Manages and monitors financial risk; ◊ Continuously looks for new opportunities to obtain and save funds; ◊ Prepares financial reports and guidelines based on prescribed format;

	Description	Generic Standards for "Fully Effective" Performance
	accordance with generally recognised financial practices in order to ensure the achievement of strategic organisational objectives.	◊ Understands and weighs up financial implications of propositions; ◊ Understands, analyses and monitors financial reports; ◊ Allocates resources to established goals and objectives; ◊ Aligns expenditure to cash flow projections; ◊ Ensures effective utilisation of financial resources; ◊ Develops corrective measures/actions to ensure alignment of budget to financial resources; and ◊ Prepares own budget in line with the strategic objectives of the organisation.
4. Change Management	Initiates, supports and champions organisational transformation and change in order to successfully implement new initiatives and deliver on service delivery commitments	◊ Performs analysis to determine the impact of changes in the social, political and economic environment; ◊ Keeps self and others calm and focused during times of change or ambiguity; ◊ Initiates, supports and encourages new ideas; ◊ Volunteers to lead change efforts outside of own work team; ◊ Consults and persuades all the relevant stakeholders of the need for change; ◊ Inspires and builds commitment within own area for the change by explaining the benefits of change, and the process of implementing the change; ◊ Coaches colleagues on how to manage change; ◊ Proactively seeks new opportunities for change; ◊ Identifies and assists in resolving resistance to change with stakeholders; ◊ Designs specific projects to enable change that are aligned to the organisational objectives; and ◊ Uses the political, legislative and regulatory processes of the Public Service to drive and implement change efforts.
5. Knowledge Management	Obtains, analyses and promotes the generation and sharing of knowledge and learning in order to enhance the collective knowledge of the organisation.	◊ Uses appropriate information systems to manage organisational knowledge; ◊ Uses modern technology to stay abreast of world trends and information; ◊ Evaluates information from multiple sources and uses information to influence decisions; ◊ Creates mechanisms and structures for sharing of knowledge in the organisation; ◊ Uses libraries, researchers, knowledge specialists and other knowledge bases appropriately to improve organisational efficiency;

	Description	Generic Standards for "Fully Effective" Performance
		◊ Promotes the importance of knowledge sharing within own area; ◊ Adapts and integrates information from multiple sources to create innovative knowledge management solutions; and ◊ Nurtures a knowledge-enabling environment.
6. Service Delivery Innovation	Champions new ways of delivering services that contribute to the improvement of organisational processes in order to achieve organisational goals.	◊ Consults clients and stakeholders on ways to improve the delivery of services; ◊ Communicates the benefits of service delivery improvement opportunities to stakeholders; ◊ Identifies internal process improvement opportunities to SDI; ◊ Demonstrates full knowledge of principles on service delivery innovations; ◊ Identifies and analyses opportunities where innovative ideas can lead to improved service delivery; ◊ Creates mechanisms to encourage innovation and creativity within functional area and across the organisation; and ◊ Implements innovative service delivery options in own department/organisation.
7. Problem Solving and Analysis	Systematically identifies, analyses and resolves existing and anticipated problems in order to reach optimum solutions in a timely manner.	◊ Explains potential impact of problems to own working environment; ◊ Demonstrates logical problem solving approach and provides rationale for proposed solutions; ◊ Determines root causes of problems and evaluates whether solutions address root causes; ◊ Demonstrates objectivity, thoroughness, insight fullness, and probing behaviours when approaching problems; and ◊ Demonstrates the ability to break down complex problems into manageable parts and identify solutions.
8. People Management and Empower-ment	Manages and encourages people, optimises their outputs and effectively manages relationships in order to achieve organisational goals.	◊ Seeks opportunities to increase personal contribution and level of responsibility; ◊ Supports and respects the individuality of others and recognises the benefits of diversity of ideas and approaches; ◊ Delegates and empowers others to increase contribution and level of responsibility; ◊ Applies labour and employment legislation and regulations consistently; ◊ Facilitates team goal setting and problem solving;

	Description	Generic Standards for "Fully Effective" Performance
		◊ Recognises individuals and teams and provides developmental feedback in accordance with performance management principles; ◊ Adheres to internal and national standards with regards to HR practices; ◊ Deals with labour matters; ◊ Identifies competencies required and suitable resources for specific tasks; ◊ Displays personal interest in the well-being of colleagues; ◊ Able to manage own time as well as time of colleagues and other stakeholders; and ◊ Manages conflict through a participatory transparent approach.
9. Client Orientation and Customer Focus	Willing and able to deliver services effectively and efficiently in order to put the spirit of customer service (Batho Pele) into practice.	◊ Develops clear and implementable service delivery improvement programmes; ◊ Identifies opportunities to exceed the expectations of customers; ◊ Designs internal work processes to improve customer service; ◊ Adds value to the organisation by providing exemplary customer service; and ◊ Applies customer rights in own work environment.
10. Communication	Exchanges information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and influence others to achieve the desired outcomes.	◊ Expresses ideas to individuals and groups both in formal and informal settings in an interesting and motivating way; ◊ Receptive to alternative viewpoints; ◊ Adapts communication content and style according to the audience including managing body language effectively; ◊ Delivers messages in a manner that gains support, commitment and agreement; ◊ Writes well structured complex documents; ◊ Communicates controversial sensitive messages to stakeholders tactfully; ◊ Listens well and is receptive; and ◊ Encourages participation and mutual understanding.
11. Honesty and Integrity	Displays and builds the highest standards of ethical and moral conduct in order to promote confidence and trust in the Public Service.	◊ Conducts self in accordance with organisational code of conduct; ◊ Admits own mistakes and weaknesses and seeks help from others where unable to deliver; ◊ Reports fraud, corruption, nepotism and maladministration; ◊ Honours the confidentiality of matters and does not use it for personal gain or the gain of others;

Description	Generic Standards for "Fully Effective" Performance
	◊ Discloses conflict of interests issues; ◊ Establishes trust and shows confidence in others; ◊ Treats all employees with equal respect; ◊ Undertakes roles and responsibilities in a sincere and honest manner; ◊ Incorporates organisational values and beliefs into daily work; ◊ Uses work time for organisational matters and not for personal matters; and ◊ Shares information openly, whilst respecting the principle of confidentiality.

SENIOR MANAGEMENT PERFORMANCE REVIEW FORM
NAME OF DEPARTMENT/PROVINCE (AS APPLICABLE)

1.   PERSONAL DETAILS

SURNAME:

NAME:

DATE OF BIRTH:

DESIGNATION:

OCCUPATIONAL CLASSIFICATION:

DATE APPOINTED IN RANK:

COMPONENT:

DEPARTMENT/PROVINCIAL DEPARTMENT:

HIGHEST EDUCATIONAL QUALIFICATION:

PERSAL NUMBER:

PERIOD OF REPORT:

2.   PARTICULARS ON DEPLOYABILITY/TRANSFERABILITY

Please indicate whether you are deployable/transferable, and if so, your preferences in respect of departments and geographical areas.

3.   ACTION POINTS FROM PERFORMANCE REWIEW DISCUSSION

At the end of the performance review, the interviewer should record the conclusion of the performance review discussion here, showing agreed action and recording the outcome of the discussion of the individual's aspirations and possible lateral moves. Any aspects that may possibly have an influence on the confirmation/non-confirmation of the member's probation, should also be included here.

Signature of SMS member: Signature of supervisor:

Date: Date:

---

4.   SELF ASSESSMENT AGAINST WORKPLAN

Work through each KRA and assess performance to date in meeting the requirements outlined in the performance measures. Note gaps, reasons for the gaps and steps to be taken to address them.

Ask yourself:
　　What did you achieve?
　　What were the constraints that you experienced?

---

5. SELF ASSESSMENT AGAINST CMC FRAMEWORK

Work through core management criteria and assess the extent to which the specified standard has been met. Note any gaps, and steps to be taken to address the gaps.

Ask yourself:
> *What are your areas of strength?*
> *What are your areas of weakness?*
> *What do you aim to do about the weaknesses?*

6. PERFORMANCE ASSESSMENT BY REPORTING OFFICER (SUPERVISOR)

ACHIEVEMENT IN KEY RESULT AREAS
(Please give your assessment of the extent to which the jobholder has achieved the desired results, and any shortfalls)

ASSESSMENT OF CORE MANAGERIAL RESPONSIBILITIES

(Please comment on the performance of the jobholder against the requirements of the CMC framework)

7. ASSESSMENT OF POTENTIAL

Comment on the potential of the individual covering the range of areas and career opportunities for which the individual might be most suited, any limitations and your reasons.

Annual Performance Assessment Instrument

Following completion of this form, a copy must be forwarded to the departmental HR Unit

C O N F I D E N T I A L

PERFORMANCE APPRAISAL

Period under review

Surname and initials

Job title

Rank	Remuneration level

Persal no.	Component

Date of appointment to current remuneration level: Age

Designated group

African	Coloured	Male	Disabled
☐	☐	☐	☐

Indian	White	Female	
☐	☐	☐	

Probation	Extended probation	Permanent	Contract
☐	☐	☐	☐

PART 1 – COMMENTS BY RATED SMS MEMBER

(To be completed by the SMS member, prior to appraisal. If the space provided is insufficient, the comments can be included in an attachment)

1. During the past year my major accomplishments as they related to my performance agreement were:

    _____

    _____

    _____

    _____

    _____

    _____

2. During the past year I was less successful in the following areas for the reasons stated:

    _____

    _____

    _____

    _____

    _____

PART 2 – PERFORMANCE APPRAISAL

Standard Rating Schedule for CMCs and KRAs:

Term	Description	Rating
Level 5: Outstanding performance	Performance far exceeds the standard expected of a member at this level. The appraisal indicates that the jobholder has achieved exceptional results against all performance criteria and indicators and maintained this in all areas of responsibility throughout the year.	5
Level 4: Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the member has achieved better than fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.	4

Level 3: Fully effective	Performance fully meets the standard expected in all areas of the job. The appraisal indicates that the member has achieved effective results against all significant performance criteria and indicators and may have achieved results significantly above expectations in one or two less significant areas throughout the year.	3
Level 2: Performance not fully satisfactory	Performance is below the standard required for the job in key areas. The appraisal indicates that the member has achieved adequate results against many key performance criteria and indicators but has not fully achieved adequate results against others during the course of the year. Improvement in these areas is necessary to bring performance up to the standard expected in the job.	2
Level 1: Unacceptable performance	Performance does not meet the standard expected for the job. The appraisal indicates that the member has not met one or more fundamental requirements and/or is achieving results that are well below the performance criteria and indicators in a number of significant areas of responsibility. The member has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.	1

Rating by Supervisor and SMS member of Key Result Areas (KRAs):

Key Result Areas	Weight (%)	Own rating (1- 5)	Super-visor's rating (1- 5)	Mode-rating Com's rating (1- 5)	Score
1.					
2.					
3.					
4.					
5.					
Total	100%				80%

Rating by Supervisor and SMS member of Core Management Criteria (CMCs)

(Details to be completed by Supervisor and SMS member with the aid of the attached guide.)

Assessment factor	Weight (%)	Own rating (1-5)	Super-visor's rating (1- 5)	Mode-rating com's rating (1-5)	Score
Strategic Capability and Leadership					
Programme and Project Management					
Financial Management					
Change Management					
Knowledge Management					
Service Delivery Innovation					
Problem Solving and Analysis					
People Management and Empowerment					
Client Orientation and Customer Focus					
Communication					
Honesty and Integrity					
TOTAL	100%				20%

FINAL SCORE

GRAND TOTAL KRA + CMC (80% + 20%)	OWN RATING	SUPERVISOR'S RATING	MODERATING COM'S RATING

PART 3 -   DEVELOPMENT, TRAINING, COACHING, GUIDANCE AND EXPOSURE NEEDED BY SMS MEMBER

(To be completed by Supervisor in consultation with SMS member)

PART 4

1.   Supervisor's recommendation

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Signature   Name   Date

2.   SMS member's comments:

---------------------   --------------------------------   -------------------
Signature   Name   Date

3.   Comments of Chairperson of Moderating Committee:

---------------------   --------------------------------   -------------------
Signature   Name   Date

4.   Decision by Executing Authority:

---------------------   --------------------------------   -------------------
Signature   Name   Date

PART 5: CONFIRMATION/EXTENSION/TERMINATION OF PROBATION.

Supervisor's comments:

1.   I recommend the confirmation of the probation of Ms/Mr _____
        in view of the member's diligence and as her/his conduct has been
        uniformly satisfactory.

<div align="center">OR</div>

2.   I recommend that the probation of Ms/Mr _____ be
        extended for a period of _____ months for the following
        reasons:

3.   I recommend that _____ probation be terminated for the
        following reasons:

_____   _____   _____
Signature   Name   Date

Member's comments:

_____   _____   _____
Signature   Name   Date

<u>Comments of Chairperson of Moderating Committee</u>:

_____   _____   _____
Signature   Name   Date

<u>Decision by Executing Authority or her/his delegate</u>:

_____   _____   _____
Signature   Name   Date

Senior Management Service
Department
Annual Performance Assessment
Assessment Rating Calculator

Name:

Year:

KRA	Weight	Rating	Score		CMC	Weight	Rating	Score
1	20%	3	0.6		1	20%	4	0.8
2	30%	3	0.9		2	50%	5	2.5
3	30%	3	0.9		3	30%	5	1.5
4	20%	3	0.6		4			0
5			0		5			0
6			0		6			0
7			0		7			0
8			0		8			0
9			0		9			0
10			0		10			0
11			0		11			0
	100%		60			100%		96
KRA weight			80%		CMC weight			20%
KRA SCORE			48%		CMC SCORE			19%
FINAL SCORE								67%

FOR THE KRA

1. For each KRA fill in the weighting that you have allocated to it. Ensure that the weighting adds up to 100. Note that space is made for 11 KRAs, but you should try to limit this to 5 or 6. Fill in whatever number of KRAs are relevant to you.

2. Rate each KRA according to the extent to which performance has met the criteria specified in the standards and indicators. Use the five point scale described in the guidelines.

3. The assessment rating calculator will automatically calculate a score for each KRA by multiplying the weighting by the rating.

4. The calculator will then automatically calculate a total score for the workplan by adding up the scores and multiplying this total by the 60% weighting allocated to the KRAs.

FOR THE CMC

5. For each relevant CMC fill in the weighting that you have allocated to it. Ensure that the weighting adds up to 100. Note that there are certain CMC's that are compulsory for HoDs and for other SMS members with managerial responsibilities. Also note that departments are advised to limit the total number of CMCs to five or six.

6. Rate each CMC according to the extent to which performance has met the specified standards. Use the five point scale described in the guidelines.

7. The assessment rating calculator will automatically calculate a score for each CMC by multiplying the weighting by the rating.

8. The calculator will then automatically calculate a total score for the CMC by adding up the scores and multiplying this total by the 40% weighting allocated to CMC.

FOR THE OVERALL RATING

9. The assessment rating calculator will provide a final appraisal score by adding the totals obtained for the KRAs and the CMC.