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Linking Plans to the Performance Management System

This section outlines the performance management system adopted by the various spheres of government. Performance management systems (PMS) are a requirement set out in terms of the Public Service Act of 1994, the Public Service Regulations of 2001 and the Municipal Systems Act.

The Municipal Systems Act requires that municipalities set targets and monitor and review their performance in order to achieve what is laid out in their integrated development plans (IDPs). Municipalities are beginning to utilise the PMS as a tool to review the IDPs and assess performance. To affect this, some municipalities are drawing up guidelines or scorecards to assess individual municipal departments or the entire municipality.

The Public Service Act of 1994, Public Service Regulations of 2001 (Chapter 1 Part VIII), PFMA, 1999, and the associated Public Service Co-ordinating Bargaining Council resolutions, set out the compliance details for provincial structures with respect to performance monitoring and evaluation. The PMS must enhance organisational efficiency and effectiveness, accountability for the use of resources and the achievement of results.

5.1 Objectives of the PMS

Table 4 provides an overview of the objectives of the PMS.

Table 4. Objectives of the PMS

<ul style="list-style-type: none"> • To align employees performance to the departmental strategic and operational goals
<ul style="list-style-type: none"> • To provide a systematic framework for performance planning, performance monitoring and review and performance appraisal.
<ul style="list-style-type: none"> • To promote a shared sense of responsibility amongst staff for the achievement of strategic goals and objectives.
<ul style="list-style-type: none"> • To promote a culture of transparency and participation through open dialogue about goals and the achievement thereof, personal development, and performance improvement.
<ul style="list-style-type: none"> • To encourage managers to effectively create conditions for staff to perform optimally.
<ul style="list-style-type: none"> • To provide a framework of assessment for identifying good and poor performance and to act appropriately through development and the recognition and rewarding of good performance.

Source: Province of the Eastern Cape. 2002

5.2 Performance management agreements: tools, criteria and standards

A departmental PMS utilises individual performance management agreements as tools in the process of performance management. These agreements must be drawn up and signed each year, and the listing of outputs and activities should be done annually.

The development of individual agreements is a critical step in the first phase of the performance management cycle. These should be linked to the development of departmental and directorate business plans. Individual plans are the basis upon which employee performance should be measured. The contents of these agreements are related to the information contained in the relevant and applicable job descriptions as required by the Public Service Regulations of 2001, Chapter 1 Part III. I.1.

Table 5 maps out the PMS tools that are used according to personnel levels together with the key measurement standards.

Table 5. PMS tools, criteria and standards

Tool	Applicable to	Key Aspects
Performance Agreement	All personnel at levels 13 to 16	Performance is assessed in terms of output / deliverables and not activities
Work Plan Agreement	All personnel at levels 6 to 12	Performance is assessed in terms of actions required to complete the set tasks
Standards Framework Agreement	All personnel at levels 1 to 5 Some categories of professional staff may require standards frameworks	Performance is assessed against general performance standards; Performance standards for professionals are determined by their professional bodies.

Source: Province of the Eastern Cape. 2002

5.3 Performance evaluation

Performance evaluation is a key measure of assessment of the implementation of plans. It determines the overall level of performance of employees / teams during a particular year and also informs how the outcomes of performance should be managed.

Evaluation is based on the assessment of achievement against identified objectives and key performance areas for the year. Performance evaluations take place on a yearly basis, at the level of the Department, the Branch, the Directorate, and the level of the individual.

Tables 6 and 7 provide an overview of a departmental, unit, directorate and individual assessment system. While recognising that the evaluation of departmental, directorate or individual level performance is a formal process, the specification of the annual review, and the link to the business – operation plans and strategic plans is critical.

Table 6. Departmental, unit, directorate and individual assessment system

Focus Area	Actions
Individual Performance Evaluation	<ul style="list-style-type: none"> • Formal & rigorous process linked to communicating the objectives of Performance Evaluation, with outline of objectives of the process; roles of members involved in process; etc. • Rating systems in accordance to performance plan (noting Key Performance Areas; outputs & assessment of achievements; reasons for success & failure; actions to remedy performance; • Rating of competencies noting: identifying key competencies; achievements in relation to competencies; grading etc. • Overall performance rating as per above & objective assessment • Develop Performance Improvement Plan noting: taking process forward; deciding on objectives, Key Performance Areas; improvement areas; developing a programme of action to address obstacles & problems.
Unit Performance Evaluation	<ul style="list-style-type: none"> • Each unit in the directorate must conduct a performance evaluation exercise by assessing whether set strategic objectives on their work plan have been met or not: <ul style="list-style-type: none"> • Which of the objectives have been met and how? • Has the unit under-performed and how did this affect others? • What mechanisms were put in place to proactively address potential obstacles? • What mechanisms could be put in place to correct and improve performance?
Directorate Performance Evaluation	<ul style="list-style-type: none"> • Each Directorate is requested to conduct a similar performance evaluation exercise to that outlined above; • In addition, Directorates should be focused on inter-dependency between • Units and Teams within the Directorate, and the extent to which they have been effective in working together.
Departmental Performance Reviews	<ul style="list-style-type: none"> • These are normally referred to as Strategic Planning sessions, taking place once a year, where the department reviews the achievement of the strategic objectives as set by the Department: <ul style="list-style-type: none"> • Which of these have been achieved and why? • How did the non-achievement of some of these objectives impact on the Department's strategic focus? • What mechanisms can be put in place to address similar obstacles in future? • If necessary, how can the Department adjust its strategic focus?

Source: Province of the Eastern Cape, 2002