



Department:  
Community Safety & Transport Management  
**North West Provincial Government**  
**REPUBLIC OF SOUTH AFRICA**

*PERFORMANCE MANAGEMENT  
DEVELOPMENT SYSTEM (PMDS) POLICY*

**NORTHWEST PROVINCIAL GOVERNMENT:**

**DEPARTMENT OF COMMUNITY SAFETY AND  
TRANSPORT MANAGEMENT**

**HUMAN RESOURCES POLICY**

**POLICY NO. : HR2014/002**  
**NAME OF POLICY : PERFORMANCE MANAGEMENT DEVELOPMENT SYSTEM  
POLICY**  
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## **PREAMBLE**

The North West Department of Community Safety and Transport Management is committed to addressing the needs of its employees. The Department can only achieve this objective through effective delivery of services. Therefore management of employee's performance is an integral part of effective service delivery.

### **1. PURPOSE AND OBJECTIVES**

#### **1.1 The purpose of this policy is:**

- (a) To enhance organizational/departmental performance against the strategic plan.
- (b) To enhance individual performance against agreed upon objectives by solving individual performance problems.
- (c) To enhance the manager-employee relationship by allowing for frequent communication of expectations in terms of set objectives, accurate performance evaluation and feedback.
- (d) To manage under-performance in a firm and constructive manner.
- (e) To reward good performance.
- (f) To give direction to employees in terms of their life-long learning, career progression and personal development.
- (g) To enable a culture of continuous improved service delivery.
- (h) To assist line managers and personnel practitioners to be able to plan, develop performance contracts, monitor employee performance and conduct performance reviews and annual performance assessments.
- (i) To provide easy use of the PMDS tools by managers and employees in general.

#### **1.2 The objectives/goals of the Department with respect to PMDS are:**

- 1.2.1 To establish an objective system through which performance can be managed.
- 1.2.2 To guide employees to enable them to identify the link between strategic focus areas of their Directorates with the departmental operational activities.
- 1.2.3 To give clarity to employees on what must be done, how and why it must be done.
- 1.2.4 To involve employees in setting standards and empowering them on how to achieve them.
- 1.2.5 To establish which skills are necessary and arrange appropriate interventions.
- 1.2.6 To ensure regular and consistent review of employee's performance as well as assessment of employees on an annual basis.
- 1.2.7 To make timeous corrective action where there is deviation in terms of expected performance and outcome.
- 1.2.8 To ensure rewarding of performance or incentive where it is due.

- 1.2.9 All performance reports shall be subjected to moderation, unless otherwise directed during a particular performance cycle.

## **2. SCOPE OF APPLICATION**

- 2.1 The policy shall apply to all employees appointed in terms of the Public Service Act, 1994 within the Department of Public Safety and Liaison Branch other than employees who are members of Senior Management whose management of performance is separately provided for in chapter 4 of the SMS handbook.
- 2.2 The policy shall be used to manage employee's performance, development, probation, monitoring and evaluation (appraisal) as well as the allocation of rewards and other measures that may be prescribed by DPSA from time to time.

## **3. LEGISLATIVE FRAMEWORK**

- 3.1** PMDS Policy No. NWPG 13 as amended;
- 3.2** Public Service Act, No. 103 of 1994 as amended;
- 3.3** Public Service Regulations, 2001 as amended in 2006;
- 3.4** White Paper on Transformation of the Public Service (WPTPS);
- 3.5** White Paper on Human Resources Management in the Public Service;
- 3.6** White Paper on Transforming of Public Service Delivery (Batho Pele)
- 3.7** Labour Relations Act, No. 66 of 1995;
- 3.8** Employment Equity Act, No. 55 of 1998;
- 3.9** Skills Development Act, No. 97 of 1998;
- 3.10** Public Finance Management Act, 1999 (Act No. 1 of 1999);

## **4. ABBREVIATIONS**

- 4.1 SMS** "Employees on salary levels 13 to 16, including managers and professionals;
- 4.2 MPSA** "Minister for the Public Service and Administration";
- 4.3 PAAP** "Performance Assessment Appeals Panel"
- 4.4 PMDS** "Performance Management Development System";
- 4.5 PDP** "Performance Development Plan";
- 4.6 DPMC** "Departmental Performance Moderation Committee";
- 4.7 PA** "Performance Agreement";
- 4.8 KRA** "Key Result Areas";
- 4.9 GAF'S** "Generic Assessment Factors";
- 4.10 DPSA** "Department of Public Service Administration";
- 4.11 PSCBC** "Public Service Bargaining Council";
- 4.12 PSIPF** "Public Service Integrated Policy Framework"

## 5. DEFINITIONS

- 5.1 Department** means "the Department of Community Safety and Transport Management;
- 5.2 Head of Department** "means the Head of the Department, him/herself or his delegated authority or his designated office;
- 5.3 Employee** "means all employees of the Department employed in terms of the Public Service Act of 1994, irrespective of the rank or position, excluding interns, contract workers or temporary employees;
- 5.4 Incentive** "means an encouragement or motivation to greater performance
- 5.5 Performance Cycle** "means the period in respect of which performance is to be assessed,
- 5.6 Performance Standards** "means mutually agreed criteria used to describe how well work must be done and they must be specific, measurable, attainable, and realistic with time frames. Standards developed over time need to be constantly adjusted to reflect current conditions;
- 5.7 Work plan** "is a document which is part of the performance agreement and which contains key result areas, associated outputs/activities and their performance standards;
- 5.8 Performance Agreement** "is a document agreed upon and signed by an employee and her/his supervisor; which includes the description of the job, selected KRA's and GAF's, a work plan and the employee's personal development plan;
- 5.9 Competence** "means the blend of knowledge, skills, behavior and attributes than an employee can apply in the work environment, which indicates an employee's ability to meet requirements of a specific post.
- 5.10 Manager/Supervisor** "means anyone whose duty in the main involves the responsibility for the work of others. Both concepts shall be used interchangeably in this policy.
- 5.11 Main Objectives** "means core responsibilities which together define and accomplish the purpose of the job as indicated in each employee's job description".
- 5.12 Wage Bill** "means the total amount of money that the Department pays to its employees";

## 6. PRINCIPLES

- 6.1 The Department shall manage performance of employees in the Public Safety in a consultative, supportive and non-discriminatory manner in order to enhance organizational efficiency and effectiveness.
- 6.2. The performance management shall also be used for the purposes of skills development.
- 6.3 All employees shall be eligible for performance rewards provided they meet the set criteria.

- 6.4 PMDS has been chosen as a management tool through which the standard of efficiency can be upgraded to improve the quality of service delivery, standard of performance and to have a skilled and professional public service.
- 6.5 PMDS should focus on performance related processes, outputs and consistency within the department.
- 6.6 The PMDS is developed within the Department for the improvement of service delivery.
- 6.7 The performance management procedures should minimize the administrative burden on supervisors whilst maintaining transparency administrative justice.
- 6.8 All performance reports shall be subjected to moderation, unless otherwise directed during a particular performance cycle.
- 6.9 The Department shall reward good performance with the incentives available at its disposal based on the provisions of the Incentive Policy Framework and shall manage and deal with poor performance by using the available interventions.

## **7. POLICY STATEMENT**

The Department is committed to providing measures and procedures to ensure that performance management within the Department is targeted at the improvement of service delivery, ensures under-performance is managed in a firm and constructive manner and to reward good performance.

## **8. STATUTORY AUTHORIZATION**

- (a) The Public Service Regulations 2001, as amended in 2006, requires that the Head of the Department should indicate in writing the period in respect of which performance is to be assessed, the performance cycle, an annual date for assessment of performance and the superior responsible for monitoring, supervising and assessing the employee's performance.
- (b) The White Paper on Human Resources Management indicates that the success of the Department in delivering its operational and developmental goals depends primarily on the efficiency and effectiveness with which employees carry out their duties.
- (c) The WPTPS calls on all provincial departments to make service delivery a priority and also provides a framework to enable them to develop departmental service delivery strategies.
- (d) The Skills Development Act aims at improving productivity in the work-place and the competitiveness of employers.
- (e) The Code of Good Practice on the Integration of Employment Equity into Human Resource policies and practices indicates that specificity of job descriptions contributes to setting clear performance objectives in an employee's career development plan. This may avoid perceptions of unfair or discriminatory treatment in performance.

- (f) The Incentive Policy Framework requires that the pay progression cycle for first time appointees in the Public Service be amended to 24 months, running from 01 April to 31 March of the year following the next year. The pay progression cycle for other employees remains 12 months, running from 01 April to 31 March of the next year.
- (g) The Provincial policy No. 13 as amended and approved on 02/05/2005 reflected that in terms of Incentive Policy Framework, the awards/bonuses of employees on salary level 1–10 should not exceed 18% of the employee's salary notch, employees on salary level 11–12: Middle Management Services (MMS), qualify for the performance bonuses up to the maximum of 14% of the MMS member's total package.

## **9. ROLES OF STAKEHOLDERS**

Stakeholders play an important role in the Performance Management System. Notwithstanding the requirements of the PMDS policy the key roles of the stakeholders are hereto identified:

### **9.1 Head of Department or his/her delegate shall:**

- Determine a system for performance management and development for employees within his/her department who are not senior managers.
- Ensure total commitment of managers by way of full compliance with the policy framework.
- Designate formal annual assessment dates for each employee.
- Appoint a Moderating Committee constituted by officers with expertise from different line functions.
- Ensure that the Moderating Committee is well conversant with the assessment processes and procedures.
- Ensure that all employees are assessed on an annual basis.
- Ensure that a systematic remedial support for poor performance is in place and that good performance is rewarded accordingly.
- Ensure that employees are provided with the necessary resources or tools to carry out their responsibilities.
- Appoint a Performance Assessment Appeal Panel.

### **9.2 Human Resource Utilization and Capacity Development shall:**

- Ensure the implementation of the system.
- Ensure the development of Performance Contracts and all related documents.
- Ensure that all stakeholders are properly trained and informed about the PMDS matters.



- Manage and monitor the process, serve as chairperson at Moderating committee meetings.
- Be supportive and drive the process forward and be the overall co-ordinators.

### **9.3 PMDS Personnel Practitioner/Unit shall:**

- Monitor the development of all performance documents and implementation in line with government policies.
- Give advice to first line supervisors in preparation of such documents.
- Facilitate and coordinate the moderation process.
- Give advice at moderating committee meetings.
- Cascade training to all managers and give advice on PMDS policy matters.
- Identify problems relating to PMDS broadly.
- Assist with queries/enquiries concerning PMDS and advice on counseling.
- Facilitate information sharing sessions and identify training needs, and
- Administer PMDS review questionnaires.

### **9.4 Departmental Performance Moderating Committee:**

- The department must establish the Departmental Performance Moderating Committee (DPMC) for salary levels 1-12.
- The Moderation process for PMDS shall be the responsibility and prerogative of the Head of the Department in terms of its appointment and responsibilities. This committee shall be reviewed regularly to ensure representivity in terms of gender, race and expertise.
- The composition of the committee shall be made up of at least two officers from each program and also cater for specialized fields in the Department, unless decided otherwise by the Head of the Department.
- The Committee shall be categorized into two for the purposes of expertise, sharing of the workload, suitable environment for presenters and consistency:
  - ✓ **Moderating Committee for levels 1-10:** Shall be composed of members who are at levels not less than 10 and not higher than 12.
  - ✓ **Moderating Committee for levels 11-12:** This committee shall be composed of members who are at levels not less than 13.

#### **9.4.1 The Departmental Performance Moderating Committee shall:**

- Conduct assessment moderating meetings to review and/ or ratify assessment outcomes.
- Monitor procedural and substantive compliance with policy.

- Ensure that there is fair and objective compliance assessment of all employees' performances.
- Advise the department on financial and non-financial rewards, including the specific percentage for performance bonuses, mindful of the maximum set by MPSA (which is 1.5%).
- Provide oversight of the application of PMDS ensuring that the performance management process, including the setting of performance standards is valid, fair and objective.
- Review overall assessment scores across sections in the department.
- Recommend reward levels and remedial action for performance and non performance.
- Make sure that only 2% of the departmental wage bill can be allocated for the purpose of pay progression.
- Provide the HOD with recommendations on the granting of performance rewards and interventions relating to performance assessment reports presented to it.
- The Moderating Committee does not take away the responsibility of the supervisor to oversee the performance management actions and assessment outcomes of his or her subordinate and to ensure equity and consistency in their components.

#### **9.4.2 Moderation Actions**

- If the Moderating Committee identifies deviations or discrepancies in the assessment report (and having engaged the supervisor in its sitting), it must finalize the moderation process and present the identified deviations or discrepancies in writing.
- The assessment report(s) must thereafter be forwarded to the Head of the Department or his/her delegate for final consideration. Detailed minutes of the decisions must be kept by all role players involved.

**9.5 The Chairperson of the Moderating Committee** shall be a manager dealing with the Human Resource Development and Capacity Utilization functions, he/she shall:

- Create a climate of openness for full participation by all members including the reporting officer.
- In cooperation with the rest of the committee, determine the factors to be assessed or presented. Participate in questioning to lead the committee and to ensure objectivity.
- Establish the climate during the discussions and where consensus has been reached, discussion should discontinue. Summarize the discussion particularly where conflicting ideas exist and lead the committee to take a decision on the report.

- Serve as an advisor to the Head of the Department in terms of management and implementation of PMDS in the Department.

#### **9.6 Managers/Supervisors shall:**

- show the employees the link between strategic objectives of the department and the directorates that the employees are serving;
- communicate the performance assessment process to all employees before the commencement of the performance assessment cycle;
- fully inform the employees of the criteria used for assessment;
- explain the development of Performance Agreements to all employees under their supervision;
- develop a Performance Agreement jointly with each employee;
- provide informal performance feedback to employees on regular basis and formal feedback on designated date;
- identify training needs of employees;
- carry out the annual assessment of employees on the designated date;
- convey the final assessment results to the employees;
- report/present the annual assessment of the employees to the Moderating Committee;
- afford the employee the right to refuse to sign a performance assessment questionnaire if not satisfied with the outcome of the assessment; and
- identify the appeals route to be followed in the event of dissatisfaction with the outcome of the assessment.

#### **9.7 Employees shall:**

- obtain, complete and sign Performance Contracts together with the Job Description;
- provide the supervisor with the necessary information and evidence of performance;
- commit themselves to personal development for purposes of advancement and growth;
- take full responsibility for their career; and

#### **9.8 Union representatives shall:**

- Not form part of the moderating committee but may be allowed to observe during the proceedings.
- Assist the employee in case of an appeal with the intension of giving advice.

## **10. STEPS IN THE PMDS AND PROCEDURES**

There are procedures to be followed by all stakeholders in the Department. It is important that care should be taken in the process of adhering to them.

### **10.1 Performance Cycle**

The performance cycle as seen here below will assist in terms of when and how should the process be followed. Face-to-face on-going communication is an essential requirement of the process and covers the full performance cycle. For effectiveness of operation the cycle is divided into integrated phases or elements of:

- Performance planning and agreement;
- Performance monitoring, developing and control;
- Performance assessment or appraisal; and
- Managing the outcomes of assessment

The performance cycle is a 12-month period for which performance is planned, executed and assessed. It must be aligned to the same period as the Department's annual business plan, which is 01 April to 31<sup>st</sup> March of the following year. The 12-month cycle is also linked to the financial year for the purpose of planning, pay progression and other performance related incentives such as performance awards or cash bonuses. The probation cycle, however, is linked to the appointment date of a jobholder and will run as follows:

- 12 months starting from date of appointment in rank for employees who have been in the Public Service before 1<sup>st</sup> July 2012 and;
- 24 months for new entrants in Public Service, starting from the first day of appointment ending 31<sup>st</sup> of a year following that (e.g 01 March 2013 – 31 March 2015).

## Steps in the PMDS Performance cycle for levels 1 to 12



### 10.2 Assessment/Review Process

This exercise is initiated and performed by the supervisor in consultation with the employee concerned, at the end of September and March each year.

The employee concerned shall be informed at least a week before the actual assessment/review in order to prepare her/himself.

A one-on-one principle shall be used, in a private quiet place.

An employee shall be deemed to have met the expected outcome unless there is evidence to the contrary (below or above average).

The employee shall be afforded an opportunity to rate her/himself.

A rating of a 4 or 5 should be accompanied by tangible evidence (a written motivation to support the marks allocated).

A rating of a 1 or 2 should be accompanied by written motivation by Supervisor regarding remedial actions taken / performance improvement plan initiated and implemented.

If the supervisor is not convinced by the employee's own rating, she/he should give her/his supervisor's rating and remark on the column provided.

### **10.3 Moderation Process**

- Moderation shall be based on the performance ratings against each Key Result Areas as well as the Generic Assessment Factors.
- The supervisor shall present the performance reports of his/her employees before the Moderating Committee and motivate with evidence to justify the scores.
- Each moderator shall give her/his own rating against each KRA and GAF based on the supervisor's motivation/document and evidence provided.
- The chairperson shall lead the committee to arrive at a moderating committee's rating, either through consensus or averaging of the scores; voting should be discouraged.
- The chairperson shall enter the said scores (agreed scores) on the original document.
- Practitioners shall then plot the said scores on the calculator to determine the final score.
- The Moderating Committee's final score shall determine the type of reward or intervention and a recommendation shall be forwarded to the Head of Department.

### **10.4 Performance Outcomes/Rewards**

- The outcome of the performance assessment process shall be used to decide on the rewards and interventions for the employees.
- A corrective action shall be considered for employees who consistently perform below fully effective despite performance improvement endeavours.

## 11. Qualifying Criteria

An employee shall qualify for a performance reward if:

- He/she has completed a continuous period of at least 12(twelve) months by the 31<sup>st</sup> March each year.
- The performance is at least satisfactory (rated 3.00).

## 12. Performance Rewards/Incentives

Employees who meet the qualifying criteria will be rewarded with the following rewards:

- **Pay-progression:** If an employee's performance is at least "fully effective" rated 3.00. NB. An employee on a Personal Notch or the maximum notch will not qualify for a pay-progression.
- **Performance Bonus:** If an employee's performance is at least "significantly above expectations" rated **3.5 to 5.00**.

## 13. Performance Assessment Tools

Only the prescribed assessment tools are to be used for the purposes of recording, managing and evaluating the performance of employees in the Department.

The Heads of Components are entrusted with the responsibility of ensuring that the correct tools are utilized. These tools should not be modified and if a different form is used such a report shall be disqualified and shall not be processed until the correct form is used.

These tools shall be e-mailed to all Heads of Components and PMDS practitioners shall advise on the usage of such documents.

The following tools are prescribed to be used:

**13.1 Annexure A Performance Agreement:** The performance agreement is the cornerstone of performance management at the individual level. All employees must enter into and sign performance agreements before the end of the first quarter of the new cycle. Departmental and component performance measures should inform the development of the individual employee's PA. The PA format applies to all levels in the department and the contents must reflect the department's strategic and annual operational plan, component business plans and the employee's job description, job role and actual activities and responsibilities. The purpose of the PA is to communicate the employee's performance expectations of the manager.

**13.2 Annexure B Annual Work-plan:** Only one document for the entire 12 (twelve) months period. The work-plan should include the KRAs, outputs, activities and resource requirements. The supervisor and the employee agree on the key activities and performance indicators to be achieved during the period. The work-plan contains the essence of the performance agreement.

**13.3 Annexure C Personal Development Plan (PDP):** It assists in identifying developmental areas and needs of the employee, as well as methods to improve these. It is used to record the skills gaps identified during the contracting process. The gaps should be performance related rather than career oriented. A copy of this form should be immediately forwarded to Skills Planning Division for the development of the WSP.

**13.4 Annexure D Generic Assessment Factors (GAFs):** They are elements and standards used to describe and assess performance, taking into consideration knowledge, skills and attributes. The supervisor and employee must agree on at least **five** out of the **fifteen** GAFs that are deemed to be most important for effective performance in that particular job. The factors chosen should be related to the employee's functions only and included in the work-plan. Each factor must be linked to a particular KRA.

**13.5 Annexure E Half-yearly Review Form:** Performance review meetings are an integral part of the monitoring process. These reviews must take place as often as is practical and/or required by circumstances. The reviews are necessary to motivate and to reveal to the employee areas that need improvement and if required, to modify the PA. This form is used to review the performance of an employee on six months basis during a performance cycle (**at the end September and end of March**). Both the employee and the supervisor must make their comments and attach their signatures.

**13.6 Annexure F Annual Performance Assessment Instrument:** The assessment instrument for **non-SMS employees (salary levels 1-12)** is contained in **Annexure F**. The same assessment instrument is used to conduct the performance reviews, as well as the overall annual performance of the employee. This form is used to summarize the overall performance for the past 12 (twelve) months. The scores are averaged and plotted in the electronic calculator to determine the final score.

**13.7 Annexure G Probation review form:** when an employee is on probation, four quarterly reports are expected together with **Annexure E**.

## **14. Moderation Strategy**

Labour relations issues (grievance procedures), the financial implications on the value of the rewards and the policy requirements should be considered during every plenary session for the smooth implementation of the PMDS.



**14.1 All performance reports for employees on levels 1-12 must be presented before the Moderating Committee by Supervisors.**

- Based on motivation and evidence forwarded by the supervisor and the submission by an individual employee the Committee shall give its own ratings.
- The supervisor and or Employees shall be expected to submit evidence against any KRA or GAF that is rated "**above satisfactory**" **4s** and **5s** and attach it to the assessment document.
- Any KRA or GAF in a performance report without such evidence shall be deemed to have been performed at "**fully effective**" (a rating of a **3.00**).

**14.2 Moderation should be done on a 10% sample of reports scoring between 3.00% and 3.9%; all cases scoring 2.49% and below and all reports rating 4.00% and above.**

- The reports that shall escape the sampling process be regarded as to have been accepted as they are.
- Based on the motivation and evidence forwarded by the supervisor and the possible submission by an individual employee the committee shall give its own ratings.
- The supervisor and or employees shall be expected to submit evidence against any KRA or GAF that is rated "**above satisfactory**" **4s** and **5s** and attach it to the assessment document.
- Any KRA or GAF in a performance report without such evidence shall be deemed to have been performed at "**fully effective**" (a rating of a **3**).

**14.3 The Moderating Committee shall sit on all the performance reports without any presentation by the supervisor and recommend to the Head of Department the determined outcomes.**

- The supervisor and or employees shall be expected to submit evidence against any KRA or GAF that is rated "**above satisfactory**" **4s** and **5s** and attach it to the assessment document.
- Based on the motivation and evidence forwarded by the supervisor and the individual employee the committee shall give its own ratings. Any strategy based on any view, to be used during a particular performance period, shall be subject to the approval of the Head of Department.
- The Directorate HRM shall formulate a submission for the HOD's approval of a moderation strategy for that particular performance period.

## **15. Performance Assessment Appeal Panel**

- (a) The Performance Assessment Appeal Panel (PAAP) shall be established by the Head of the Department to manage disagreement over ratings between employee and supervisor.
- (b) The Panel must be constituted in such a manner that expertise of the different line function including labour relations is included. The employee concerned may also be represented by a member of his/her employee organization if he/she so chooses. The Panel must consider all written representations within fourteen working days from the date of being received.
- (c) Submission for the approval of the appointment of the Performance Appeal Panel and the Moderation Committee must be done concurrently to the HOD for speeding up the process.

### **15.1 The PAAP has the following responsibilities**

- (a) To make recommendations to the Head of Department or his/her delegate on the rating of employees where there is disagreement between the employee and the supervisor (having exhausted interventions within the Programme) and/or between the supervisor and the Moderating Committee.
- (b) Make recommendations regarding actions to be considered where managers and supervisors did not properly and fairly execute their responsibilities with regard to the PMDS.
- (c) In the event of any continued/persistent disagreement over the performance assessment of an employee, involving the employee and his/her supervisor, the employee may, within five days of being informed of the decision of the Performance Assessment Appeal Panel, follow the formal grievance rules of the Public Service. As is the case with other aspects of the PMDS, employees must be informed of the route and processes to be followed in the event of disagreement over performance assessment.

### **15.2 Performance assessment outcomes**

- (a) The outcome of the performance assessment process shall be used to decide on confirmation of appointment for employees on probation, rewards and development of the employees.
- (b) The following outcomes may be linked to the completion of a performance assessment:
  - Performance improvement mechanism(s) -to address further Training/development in some aspects of the job;

- Rewards/incentives-which must be in line with the Public Service Incentive Policy Framework dated 27/01/2003; as well as DPSA Circular 2 dated 01/07/2005 on the Implementation of an inclusive flexible remuneration package system for employees on salary levels 11 and 12.
- Correction action-as a result of the of the employee's consistent "not fully effective" performance despite performance improvement endeavours; or as a result of the supervisor's consistent negative behavior patterns.

(c) In the event a dispute arises between a supervisor and an employee assessed, the Public Service Grievance Procedure as well as the Public Service Act will be resorted to for a resolution.

### **15.3 Managing Performance that is not fully effective**

- (a) The employee's performance rating as "not fully effective" or lower during the annual performance assessment must not be the first indication of the employee's short-comings.
- (b) Performance monitoring, including the performance reviews, provide opportunities to ensure that this does not happen.
- (c) In managing performance that is not fully effective or lower, the following remedial or developmental support may also be implemented, subsequent to the determination of the cause thereof:

**15.3.1 Training and Development-** In the case where an employee lacks the necessary inherent competencies in order to carry out his/her job.

**15.3.2 Employee Assistance Programme** -where an employee encounters social and related problems that may cause poor work performance.

**15.3.3 Incapacity Code-** If the performance is not fully effective or lower and the desired improvement cannot be effected due to employee's unfitness or incapacity to carry out his/her duties, the supervisor must comply with the procedural requirements of PSCBC Resolution 10 of 1999 and Resolution 1 of 2003 (Incapacity Code).

**15.3.4 Disciplinary Action-**After suggested performance improvement mechanisms and several warnings, consistent poor performance on the part of employees may require the taking of disciplinary actions in terms of the Labour Relations Act and the Disciplinary Code and Procedure (PSCBC Resolution 2 of 1999 as amended).

**15.3.5 Managers / Supervisors** are advised to refer to the approved Poor Performance Management Guidelines when dealing with poor performance.

## **15.4 Rewarding Good Performance**

15.4.1 The purpose of incentives or rewards is to recognize and acknowledge employee's good performance (that is performance which is significantly above expectation or outstanding performance) and to motivate those who are performing above the agreed upon or set standards).

15.4.2 Heads of Departments shall in terms of the Medium Term Expenditure Framework allocate a certain percentage of the budget towards financial incentive scheme. Such financial incentives shall be communicated to all employees.

15.4.3 Rewards or incentives must be linked with performance and focused on results or performance output. They shall influence performance and create more pleasant work environment as they serve to appreciate and add meaning to employee's work.

15.4.4 The reward system shall be implemented in respect of each deserving employee based on the assessment of the supervisor and the recommendation of the relevant Moderating Committee (where applicable) with the approval of the HOD or his/her delegate.

15.4.5 There must be consistency in the application of rewards/incentives within the department and equal rewards must be awarded for staff that performs at the same level so that they are perceived as equitable.

15.4.6 The Public Service Incentive Framework makes provision for the awarding of the Pay Progression and/or performance bonus to employees who achieve performance, which is satisfactory fully effective and/or significantly above expectation or outstanding.

## **16. DEALING WITH PROBATION**

16.1 In terms of the Public Service Act, 1994 as amended, the period of probation shall not be less than 12 calendar months. The period of probation is linked to the appointment date of the employee. The assessment must decide on whether the appointment must be confirmed or not and must therefore take place 12 calendar months after the date of appointment. This means, an employee's probationary period will not necessarily coincide with the 01 April to 31 March cycle.

16.2 Performance Management and Development System will serve as the process to assess an employee during probation. The performance assessment of employees on probation must be conducted quarterly (Annexure **G**). At the expiry of the probationary period the supervisor of the probationer must do a final assessment of the employee's performance through an Annual Assessment Instrument (Annexure **F**) in order to make a recommendation on whether or not appointment must be confirmed.

This assessment must not be subjected to moderation. Where probation period runs concurrently with the performance cycle, **two** Annual Assessment Instruments must be completed (that is, the one to decide on probation and the other one to be moderated).

16.3 Although the outcome of this assessment may not necessarily lead to the employee to qualify for PMDS rewards, it may be utilized for confirmation of appointment and development purpose.

## **17. Pay Progression**

Employees are eligible for pay progression to the maximum notch of the salary level attached to their posts. Only one notch progression per assessment can be awarded to an employee. New employee must complete a continuous period of twenty four (24) months on his/her salary notch and must be performing satisfactorily. The pay progression will take place annually on the **01 July** of each year. Employees on personal notch will not qualify for pay progression, but shall receive annual salary adjustment.

## **18. Cash Bonus**

An employee must have at least one year continuous service in a particular post as at 31 March of a performance cycle before he/she qualifies for a performance bonus.

## **19. MONITORING, EVALUATION AND REVIEW**

The Department's Human Resources Development and Capacity Utilization Sub-Directorate is responsible for communicating the provisions of this document within the department. All managers and supervisors are responsible for the implementation thereof.

The policy shall be amended as and when a need arises to ensure that it is aligned to prevailing legislations.

## **20. RELATED POLICIES**

Effective implementation of this policy requires that it be read together with other Departmental Policies.

**21. EFFECTIVE DATE**

The policy shall come into operation from the effective date i.e the date upon which it has been approved and signed off by the Accounting Officer.

**APPROVED**



**BDT MAHLAKOLENG (MR)**  
**HEAD OF DEPARTMENT**

**SIGNED THIS DAY** .....07.....**OF**.....09.....**2014.**

## ANNEXURE G

### Road Map

The template here below indicates the functions and the deadlines to be followed from the beginning of a performance cycle to the actual implementation of the performance.

FUNCTION	PURPOSE	DATE/ DEADLINE	REMARKS
<p><b>Quality Assurance exercise.</b></p> <p><b>Preparation and packaging of reports for moderation.</b></p>	<p>Brief &amp; update line managers on policy issues and challenges encountered during the past period.</p> <p>Capacitating and updating the District HRD Practitioners on PMDS matters.</p> <p>Training and briefing of the moderating committee to update members on new developments. To share the moderation strategy.</p> <p>Submission of performance reports for the period ending 31 March each financial year.</p> <p>To manage and monitor the process of the submission of the reports &amp; ensure that the correct data is captured.</p>		<p>Identify &amp; analyze needs of supervisors through enquiries and surveys.</p> <p>Practitioners are expected to perform certain functions to ensure compliance at District level.</p> <p>This exercise forms part of consultation with stakeholders.</p> <p>HRD Practitioners should insist on supervisors submitting documents.</p> <p>Physical inspection of assessment tools is required to advice on the actual corrections to be made.</p> <p>Verify information from the PERSAL.</p>
<p><b>Monitoring and provision of support &amp; technical advice to line function.</b></p>	<p>Submission of Performance Contracts for the subsequent period.</p> <p>To ensure performance contracts are developed inline with the approved PMDS Policy.</p>		<p>Identification of challenges encountered by managers and formulates interventions.</p>

	<p>All performance reports for the current period must be submitted on or before the 30 April each year.          Reports that will be submitted later than 30 June will be deemed to have not been submitted.</p>		
<p><b>Moderation Process.</b></p>	<p>To facilitate the sitting of committees to moderate on the performance reports presented before it as required by the policy.</p>	<p>All Districts shall be allocated time frames for the moderation process.          If there are any reports not moderated upon because of unacceptable reasons, such reports shall be deemed to have been on an average performance level.</p>	

The template indicates the functions and the deadlines to be followed from the beginning of a performance cycle to the actual implementation of the performance outcomes.



**TABLE 1**

**PMDS RATING/REWARDS SCALE TABLE (LEVELS 1-10)**

<b>RATING</b>	<b>SCORE (CALCULATOR)</b>	<b>PERFORMANCE CATEGORY</b>	<b>OUTCOME/DECISION/REWARDS</b>	<b>REMARKS</b>
1.	From 1 to 1.99	Unacceptable performance	<ul style="list-style-type: none"> <li>- No Rewards or Incentives.</li> <li>- Probation period may be extended or employment terminated.</li> </ul>	Appropriate intervention compulsory. Prescribed incapacity procedures must be followed.
2.	From 2 to 2.99	Performance not fully effective.	<ul style="list-style-type: none"> <li>- No Rewards or Incentives.</li> <li>- Probation period to be extended.</li> </ul>	Appropriate intervention compulsory.
3.	From 3 to 3.49	Performance fully effective.	<ul style="list-style-type: none"> <li>- Appointment to be confirmed.</li> <li>- <b>Pay progression:</b> One notch</li> </ul>	Appropriate skills development programmes to be considered in order to improve the level of performance.
4.	From 3.5 to 4.94	Performance significantly above expectations.	<ul style="list-style-type: none"> <li>- Appointment to be confirmed.</li> <li>- <b>Pay Progression:</b> One notch.</li> </ul>	Appropriate skills development programmes to be considered in order to improve the level of performance.
			<p><b>Performance bonus: (5%-18%)</b></p> <p>3.5 - 3.55 = 5%</p> <p>3.56 - 3.67 = 6%</p> <p>3.68 - 3.78 = 7%</p>	

			$3.79 - 3.90 = 8\%$ $3.91 - 4.01 = 9\%$ $4.02 - 4.13 = 10\%$ $4.14 - 4.25 = 11\%$ $4.26 - 4.36 = 12\%$ $4.37 - 4.48 = 13\%$ $4.49 - 4.59 = 14\%$ $4.60 - 4.71 = 15\%$ $4.72 - 4.82 = 16\%$ $4.83 - 4.94 = 17\%$ $4.95 - 5 = 18\%$
5.	From 4.95 to 5	Outstanding Performance	
	<b># Performance</b>	<b>Bonus is calculated</b>	<b>on the salary notch for the assessment period qualifying</b>

**TABLE 2**

**PMDS RATING/REWARDS SCALE TABLE (LEVELS 11-12)**

<b>RATING</b>	<b>SCORE (CALCULATOR)</b>	<b>PERFORMANCE CATEGORY</b>	<b>OUTCOME/DECISION/REWARDS</b>	<b>REMARKS</b>
1.	From 1 to 1.99	Unacceptable performance	- No Rewards or Incentives. - Probation period may be extended or employment terminated.	Appropriate intervention compulsory. Prescribed incapacity procedures must be followed.
2.	From 2 to 2.99	Performance not fully effective.	- No Rewards or Incentives. - Probation period to be extended.	Appropriate intervention compulsory.
3.	From 3 to 3.49	Performance fully effective.	- Appointment to be confirmed. - <b>Pay progression:</b> One notch	Appropriate skills development programmes to be considered in order to improve the level of performance.
4.	From 3.5 to 4.91	Performance significantly above expectations.	- Appointment to be confirmed. <b>Pay Progression:</b> One notch. Plus <b>Performance bonus: (5%-14%)</b>	Appropriate skills development programmes to be considered in order to improve the level of performance.
			3.5 - 3.58 = 5% 3.59 -3.74 = 6% 3.75 - 3.91 = 7% 3.92-4.08 = 8% 4.09 -4.25 = 9%	

			$4.26 - 4.41 = 10\%$ $4.42 - 4.58 = 11\%$ $4.59 - 4.75 = 12\%$ $4.76 - 4.91 = 13\%$	
5.	From 4.95 to 5	Outstanding Performance	$4.92 - 5 = 14\%$	
	# Performance	Bonus calculated	is on the salary notch for the qualifying	assessment period