



LIMPOPO  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
CO-OPERATIVE GOVERNANCE,  
HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS

MEMORANDUM

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TO : HONOURABLE MEC

FROM : DIRECTOR: HUMAN RESOURCE PLANNING

ENQ : MANAMELA OM

SUBJECT : REVIEWAL OF DEPARTMENTAL PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM (PMDS)

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1. PURPOSE

To request the Honourable MEC to approve the reviewed Departmental PMDS policy in line with the New Incentive Framework.

2. BACKGROUND

The Department has adopted the implementation of Performance Management and Development System for all employees in the Departmental Staff establishment. Since the adoption the Department has been implementing the PMDS guided by the Departmental policy with a view of ensuring consistency in the application of the system. The policy that is currently in force was reviewed in 2012.03.02 and has contributed towards the Department being the best implementer of PMDS Nationally and Provincially.

Since that the organization is not static, the current prevailing circumstances in the Department warrants that the policy be reviewed to be in tune with the changes in Legislations, National Directives etc.

3. DISCUSSION

The Minister of Public Service and Administration (MPSA) has on the 2012.10.04 Amended Incentive Policy Framework for Employees on Salary Level 1 to 12 which brought a new dimension in the awarding of pay progression to the qualifying employees. The changes in performance assessment period (half yearly and year end assessment ) as determined by Office of the Premier also dictated a need for the policy to be amended in line with prevailing circumstances affecting the implementation of Performance Management and Development System in the Department

The attached PMDS policy includes items which have been revamped in line with the current circumstances prevalent in the Department. This policy has been subjected rigorous Research and Policy Coordination Directorate processes in terms of scrutiny, wording and alignment. Recognized organized labour in the Department also participated in the reviewal processes of this policy

3. **RECOMMENDATION**

It is hereby recommended that the Honourable MEC approve the attached Performance Management and Development system policy.

*[Signature]*  
\_\_\_\_\_  
7 DIRECTOR :HR. PLANNING  
*Supported*

*2016/08/05<sup>th</sup>*  
DATE

*[Signature]*  
\_\_\_\_\_  
DIRECTOR : RESEARCH AND POLICY COORDINATION

*2016/08/08*  
DATE

*[Signature]*  
\_\_\_\_\_  
CHIEF DIRECTOR: SHRM

*2016/08/08<sup>th</sup>*  
DATE

*[Signature]*  
\_\_\_\_\_  
DEPUTY DIRECTOR GENERAL: CORPORATE SERVICES

*2016/08/08*  
DATE

*[Signature]*  
\_\_\_\_\_  
CHIEF FINANCIAL OFFICER

*2016/08/08*  
DATE

*Recommended for approval.*

*[Signature]*  
\_\_\_\_\_  
HEAD OF DEPARTMENT

*2016/08/08*  
DATE

APPROVE/NOT APPROVED

*Approved*

*[Signature]*  
\_\_\_\_\_  
HONOURABLE MEC

*16/08/2016*  
DATE



LIMPOPO

PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
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HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS

# PMDS POLICY



LIMPOPO

PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
CO-OPERATIVE GOVERNANCE,  
HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS

**DEPARTMENTAL POLICY FOR  
PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM**

**VERSION 4**

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## **(i) ACRONYMES AND ABBREVIATIONS**

<b>CAR:</b>	Confirmed Assessment Rating (by DMC)
<b>CMC:</b>	Core Management Criteria
<b>CIP:</b>	Compulsory Induction Programme
<b>DG:</b>	Director-General
<b>DMC:</b>	Departmental Moderating Committee
<b>DPSA:</b>	Department of Public Service and Administration
<b>EA:</b>	Executing Authority
<b>GAF:</b>	Generic Assessment Factor
<b>HOD:</b>	Head of Department
<b>HRCD:</b>	Human Resource Capacity Development
<b>HRM:</b>	Human Resource Management
<b>IPF:</b>	Incentive Policy Framework (issued by the MPSA in 2003)
<b>KRA:</b>	Key Result Area
<b>MEC:</b>	Member of the Executive Council
<b>MMS:</b>	Middle Management Service (as from 1 July 2005)
<b>MPSA:</b>	Minister for the Public Service and Administration
<b>MTEF:</b>	Medium Term Expenditure Framework
<b>PA:</b>	Performance Agreement
<b>PAR:</b>	Provisional Assessment Rating
<b>PDP:</b>	Personal Development plan
<b>PFMA:</b>	Public Finance Management Act, 1999
<b>PMDS:</b>	Performance Management and Development System
<b>PSA:</b>	Public Service Act, 1994
<b>PSC:</b>	Public Service Commission
<b>PSCBC:</b>	Public Service Co-ordinating Bargaining Council
<b>PSR:</b>	Public Service Regulations, 2001
<b>SBAP:</b>	Sub-Branch Assessment Panel
<b>SMS:</b>	Senior Management Service
<b>SMS PMDS:</b>	Performance Management and Development System for the SMS
<b>VAR:</b>	Validated assessment rating by Sub-Branch Assessment Panel
<b>NDP:</b>	National Development Plan
<b>MOU:</b>	Memorandum of Understanding

## **(II) DEFINITION OF TERMS**

**Accelerated grade progression for non-OSD employees:** progression from a lower grade (salary level) to the next higher grade (salary level) linked to the job weight of a specific post after 12 years' service on the lower salary level, based on at least above satisfactory performance for a cumulative, and not necessary successive, period of 12 years.

**Annual Performance Rating:** The annual performance rating of an employee that takes place at the end of the performance cycle. The result of this particular rating is the overall annual performance score for the employee during the entire performance cycle.

**Assessment instrument:** A single performance assessment tool that is used to assess the performance of an individual employee in relation to the achievement of key result areas and core management criteria or generic assessment factors as contained in the workplan of the performance agreement.

**Attribute:** An attribute (as part of a competency) is generally defined to consist of motives, traits and self-concept.

**Business plans:** See operational plan(s)

**Continuous service:** means uninterrupted years of completed service on a specific salary level.

**Competence:** Competence relates to an employee's capacity to meet the job requirements (job competence).

**Competency:** A competency is a particular mix of knowledge, skills and attributes required to effectively perform a job/task/role.

**Sub Branch:** A business unit composed of directorates.

**Sub Branch Assessment Panel:** A panel headed by the General Managers and further composed of all Senior Managers in the Sub-Branch for the purpose of assessing/moderating each employee's provisional assessment rating.

**Confirmed assessment rating:** The assessment score for an employee that has been confirmed by the departmental Moderating Committee (see also validated and provisional assessment rating).

**Customers:** People internal or external to the department with whom employees interact to provide a service.

**Department:** The Department of Public Service and Administration (DPSA) as defined in section 1 of the Public Service Act, 1994.

**Development:** Training and development activities to enhance the employee's competencies and to improve performance.

**Executing Authority:** The President, a Minister, Premier or Member of the Executive Council.

**Feedback:** Objective and timely information by the Director/supervisor on the employee's performance against set expectations and standards, understood by the staff member, and aimed at improving performance.

**Generic Assessment Factor:** An element used to describe and assess aspects of performance, taking into consideration knowledge, skills and attributes.

**Grievance Rules:** The rules for dealing with the grievances of employees in the Public Service, published by the Public Service Commission in Government Notice R 1012 of 25 July 2003, Government Gazette No. 25209.

**Grade progression for non-OSD employees** means progression from a lower grade (salary level) to the next higher grade (salary level) linked to the job weight of a specific post after 15 years' service on the lower salary level, based on the prescribed level of least satisfactory performance

**Grade progression and accelerated grade progression for OSD employees** means progression from a lower grade (salary scale) to the next higher grade (salary scale) attached to an OSD post, based on the specific requirements for grade progression and accelerated grade progression in the OSD post, as contained in the relevant OSD.

**Grade Progression Model** is the Model contained in PSCBC Resolution 3 of 2009, which is applicable to Non-OSD employees on salary levels 1 to 12.

**Incentive Policy Framework: Salary Level 1 to 12:** DPSA circular 1/7/1/4/1, dated 27 January

2003: "Implementation of an incentive policy framework linked to departmental performance management systems for employees on salary levels 1 to 12."

**Integrated Performance Management and Development System (IPMDS):** A performance management system developed by the DPSA in 2003 for voluntary use in the Public Service.

**Key Result Area (KRA):** An area of a job in which performance is critical for making an effective contribution to the achievement of departmental strategies, goals and objectives.

**Moderation:** The review of employee assessment scores by a committee to ensure consistency and equity across the department through a common understanding of the performance standard required at each level of the rating scale and to assist in complying with the requirement that expenditure on bonuses should not exceed 1.5% of the remuneration budget.

**Operational Plan(s) (or Business Plan):** A one-year plan derived from and giving life to the strategic plan by translating the strategic objectives identified in the strategic plan into key result areas and activities with measurable standards, for a particular year for the Department, Branches, Sub-Branch and Directorates.



**Outcome:** A broad statement about a specific objective, aim or intent, the achievement of which will require one or more specific outputs to be achieved.

**Output:** A concrete result or achievement (i.e. a product, action or service) that contributes to the achievement of a key result area.

**Performance cycle:** means the cycle that commences 1 April to 31 March of the next year; therefore a continuous period of 12 months.

**Pay progression** means progression to a higher notch within the same salary level/scale, limited to the awarding of 3 notches per pay progression cycle for non-OSD employees and the number of notches provided for in the respective OSD for OSD employees. NB: Check Determination

**Pay progression cycle** means a continuous period of 24 months, running from 1 April to 31 March of the year following the next year, for 1st time participants and 12 months, running from 1 April to 31 March of the next year, for employees other than 1st time participants

**Performance:** Human performance involves (1) people's behaviour or actions, and (2) the outcomes or effects of those actions. Performance is a process in which resources are used in an effective, efficient and productive way to produce results that satisfy requirements of time, quality and quantity, and which are the effect or outcome of the actions or behaviour of a performer in the work process.

**Performance Agreement:** A document agreed upon and signed by an employee and her or his supervisor, which includes a description of the job, selected KRAs and GAFs, a workplan and the employee's personal development plan.

**Performance Appraisal/Assessment:** The measurement, assessment, rating or appraisal of employee performance. The formal annual process is usually referred to as performance appraisal or assessment, while more informal processes are referred to as performance review.

**Performance Cycle:** A 12-month period for which performance is planned, managed and assessed. It must be aligned to the same period as the Department's annual business plan i.e. 1st April to 31st March of the following year.

**Performance Incentives:** A set of (a) financial rewards linked to the results of performance appraisal, including pay progression, performance bonus, and (b) a variety of non-financial rewards that may be contained in the departmental performance incentive scheme.

**Performance Incentive Scheme:** A departmental performance related incentive scheme aligned with their performance management systems. PSR 1/VIII F and G provide for DPSA approved Policy 01 April 2006.

**Performance Indicator:** A measure used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered).

**Performance Management:** A purposeful, continuous process aimed at positively influencing employee behaviour for the achievement of the organisation's strategic goals; the determination of the correct activities as well as the evaluation and recognition of the execution of tasks/duties with the aim of enhancing their efficiency and effectiveness; and a

means of improving results from the Department, teams and individuals by understanding and managing performance within an agreed framework of planned goals, objectives, standards and incentives.

**Performance Management System:** An authoritative framework for managing employee performance, which includes the policy framework as well as the framework relating to all aspects and elements in the performance cycle, including performance planning and agreement; performance monitoring, review and control; performance appraisal and moderating; and managing the outcomes of appraisal.

**Performance Standard:** Mutually agreed criteria to describe work in terms of time-lines, cost and quantity and/or quality to clarify the outputs and related activities of a job by describing what the required result should be. In this framework, performance standards are divided into indicators and the time factor.

**Performance Review:** A structured and formal, at least half-yearly, discussion between supervisor and employee to monitor progress, resolve problems and adjust work plans during the performance cycle, thereby providing an opportunity for improvement before the annual review takes place. If the employee's performance is not fully effective or unsatisfactory, the half-yearly review must be in writing.

**Personal Development Plan (PDP):** A requirement of the performance agreement whereby the important competency and other developmental needs of the employee are documented, together with the means by which these needs are to be satisfied and which includes time lines and accountabilities.

**Provisional Assessment Rating (PAR):** An employee's total assessment rating score that has been agreed upon between the employee and her/his supervisor.

**Rating:** The allocation of a score to a KRA, a GAF and/or to overall performance in accordance with the five-point rating scale of the PMDS.

**Remuneration bill** means all personnel expenditure; therefore includes salaries (basic and total packages), employer's contribution to the GEPF, medical aid contributions, service bonuses, home owners allowances as well as other allowances for which employees may qualify (e.g. danger allowances, allowances payable to employees serving Executing Authorities) – in other words the total remuneration budget for the financial year.

**Senior Management Service (SMS):** Employees on salary levels 13 to 16, including managers and professionals.

**Strategic Plan:** The end product of strategic planning, setting out the mission and vision statements and the medium and long-term strategic objectives of the Department, laying out the organizational future directions, performance targets and strategy. The contents of the strategic plan must be in compliance with the requirements of Chapter 5 of the Treasury Regulations, 2001, and Chapter 1 Part III.B of the Public Service Regulations, 2001.

**Strategic Planning:** This is the process by which top management determines the overall strategic direction and priorities, as well as the organisational purpose and objectives and how they are to be achieved.

**Supervisor:** An official responsible for the allocation of work, monitoring of activities, discussing performance and development, and the half-yearly performance review and annual performance rating of an employee.

**Validated Assessment rating (VAR):** The performance rating for an employee that has been validated by the Sub-Branch Assessment Panel for submission to the Departmental Moderating Committee.

**Wage Bill** for purposes of pay progression, consists of the combined total of the employees' salary notches, the employer's contribution to the GEPF and service bonuses (for total cost to employer package employees this refers to the total package).

**Weight:** With reference to the inclusion and assessment of KRAs and GAFs in the performance agreement/workplan, each of the KRAs and GAFs is allocated a weight or percentage, which indicates the relative importance or impact of the specific KRA or GAF in comparison to the others selected in the performance agreement, and the combined weights should add up to 100%.

**Workplan:** A document which is part of the performance agreement and which contains key result areas, associated outputs/activities and their performance standards and resource requirements.

**Smart Phone :** a mobile phone that performs many of the functions of a computer, typically having a touch screen interface, internet access, and an operating system capable of running downloaded application.

## **1. PREAMBLE**

The Performance Management and Development System provide measures for the Department to determine the extent to which individual employees achieve their set objectives and the overall performance of the Department in terms of its mandates. The customization of principles and framework is fundamental for the successful implementation of Departmental PMDS for the provision of measures against which individual performance can be measured as well as service delivery

The Provincial Executive Council (EXCO) number 31 of 2014/2015 states that the Province should adopt and customize the PMDS issued by the Minister of Public Service and Administration (MPSA). The decision taken by EXCO necessitated the review of Limpopo Provincial PMDS Policy to be in line with determination made by MPSA hence the Department is thus reviewing PMDS Policy within the framework provided by the approved Provincial PMDS Policy

## **2. PURPOSE AND OBJECTIVES OF THE POLICY**

### **2.1 PURPOSE OF THE POLICY**

The purpose of the policy is aimed at planning, managing and improving employee performance to ensure optimal utilization of human resources as a critical element in achieving the outcomes and objective of the department

### **2.2. OBJECTIVE OF THE POLICY**

- (a) To provide a framework to manage performance in a consultative, transparent and non-discriminatory manner in order to enhance efficiency and effectiveness.
- (b) To allow for the development of common language and the use of standard terminology
- (c) To create a culture of best value approach to service delivery
- (d) To ensure a linkage between the Departmental Strategic Plan and organizational and individual performance.
- (e) To develop PMDS Service Delivery Standards for Units and performance of individuals.
- (f) To provide guidelines on the assessment and rewarding of individual performance.
- (g) To provide guidelines of dealing with under-performance.
- (h) To develop the skills that assist individuals in performing their functions.
- (i) To provide guidelines on career pathing and corrective placement.  
To provide disputes resolution mechanism

## **3. SCOPE OF APPLICATION**

This policy applies to all employees within the Department including employees on probation and employees on contract for more than twelve month appointed in terms of the Public Service Act, 1994, as amended.

Performance Management process shall link to broad and consistent plans for staff development and align with Department's Strategic goals. The primary orientation of performance management shall be developmental but shall allow for effective response to consistent inadequate performance and for recognizing outstanding performance.

As an employee Performance Management System, the PMDS is not applicable to Departmental or team performance management or assessment.

This PMDS is used to assist in deciding on –

- (a) Probation
- (b) Performance rewards
- (c) Pay progression
- (d) Performance development
- (e) Steps in the event of not fully effective performance
- (f) Steps in the event of disagreements or grievances
- (g) Grade Progression

#### **4. LEGAL FRAMEWORK**

- (a) The Constitution of the Republic of South Africa, 1996
- (b) The Public Service Act, 1994, as amended
- (c) The Public Service Regulations, 2001 (Chapter 1, Part VIII)
- (d) The Skills Development Act (Act 97 of 1998)
- (e) The Labour Relations Act (Act 66 of 1995)
- (f) Promotion of Equality and Prevention of Unfair Discrimination Act, (Act 4 of 2000)
- (g) Promotion of Access to Information Act (Act 2 of 2000)
- (h) Employment Equity Act (Act 55 of 1998)
- (e) Public Finance Management Act, 1999
- (f) Promotion of Administrative Justice Act, 2000
- (g) White Paper on Transformation of the Public Service, 1995
- (h) White Paper on Human Resource Management, 1997
- (i) White Paper on Affirmative Action, 1998
- (j) White Paper on Transforming Public Service Delivery (Batho Pele), 1997
- (k) White Paper on Public Service Training and Education, 1998
- (l) SMS Performance Management and Development System (1 April 2002)
- (m) Relevant Collective Agreements
- (n) Relevant DPSA directives and Departmental Policies

5. **ADMINISTRATION OF DEPARTMENTAL PMDS**

The Human Resource Planning component shall coordinate and monitor the implementation of Performance Management and Development System in the Department.

6. **POLICY CONTENTS**

6.1 **ROLES AND RESPONSIBILITIES**

**MODERATION COMMITTEES AND RELATED FUNCTIONS**

**BRANCH MODERATION COMMITTEE**

- (a) The Chief Directors of Branches within the Department must convene and chair moderation committees comprising of all Directors in the Branch to moderate performance assessments of all employees on salary level 1-12 within the branch prior to Departmental Performance Moderation Committee.
- (b) In case the Branch Moderation Committee is not satisfied about the rating given, the committee shall refer the performance assessments back to the supervisors or employees for reconsideration. The employees must ensure that the referred Performance Assessment is reworked and resubmitted to the PMDS Unit within five (5) days calculated from the date the PMDS Report was referred back for reconsideration. In a situation where the supervisor and supervisee maintain the correctness of the initial ratings, a separate representation must be attached to the initial assessment report and be submitted to PMDS unit in accordance with the time line as stipulated. The Branch Committee shall only effect changes to the scores in line with Paragraph 6.2. (c) below.

6.2 **DEPARTMENTAL MODERATION COMMITTEE (DMC)**

- (a) The Head of Department shall constitute and chair a committee comprising of at least three Heads of Department to moderate the evaluation reports for Deputy Director Generals. The Deputy Director General: Corporate Services shall chair a committee comprising of at least two Deputy Director Generals to moderate the evaluation reports for Chief Directors and Directors. The Chief Director: SHRM shall chair the moderation of performance assessment for employees on Level 1-12. Recognized Labour Unions must be represented in all the Moderating Committees.
- (b) The Moderating Committees shall critically analyze the Performance Assessment Reports of employees and effect necessary changes on the scores in case the Committee is dissatisfied about the ratings given.

- (c) The Moderating Committee shall ensure that the ratings given are supported by verifiable evidence and that there is a correlation between the ratings on the Assessments Reports and Departmental Performance Report. The Key Results Area in the mid-year and end year Assessments rated commendably (4) and outstandingly (5) without the achievements stipulated clearly underneath the self rating on the assessment format shall automatically be reduced to satisfactory performance (3) by the Moderating Committee.
- (d) The DMC shall strategically monitor the implementation of PMDS in line with the Departmental Management Plan, Provincial and Departmental PMDS policy guidelines.
- (e) The DMC shall regularly advise the HOD on what steps needs to be taken in order to ensure full compliance with PMDS by all employees
- (g) Deal with disputes between parties signing the Memorandum of Understanding on performance.
- (h) Recommend employees for the awarding of performance bonuses and pay progressions.
- (i) Ensure that 1,5% wage bill for the awarding of performance bonus and 2% of pay progression is not exceeded in the awarding of performance incentives. Where the amount required to pay performance bonus is higher than the available budget, the DMC must scaled down % until the amount is within the available budget.

**7. APPEALS.**

The Deputy Director General: Corporate Services shall hear all the appeals cases relating to the Performance Instruments, assessment evaluation reports, awarding of performance incentives and take decision on the premise of the information provided. If the employee is dissatisfied about the outcome of the appeal, the employees may lodge grievance in terms of the grievance procedures.

**8. COMPILATION OF PERFORMANCE AGREEMENTS/INSTRUMENTS**

**8.1. Employees who must compile Performance Instruments/Performance Agreements**

- (a) All employees appointed permanently, on probation and on contract for 12 months and above must compile Performance Instruments/Agreements/MOUs.

- (b) Members of Senior Management Service [SMS] must include eight (8) principles of Batho Pele in their Performance Agreements in terms of amendment to chapter 4 of the SMS handbook pertaining to PMDS and the Key Result Areas dealing with Risk Management..
- (c) All SMS members shall be exposed to a coalface of service delivery for a period of at least 5 days within the financial year under review.
- (d) Failure to compile and sign Performance Agreements/Memorandum of Understanding on Performance shall constitute an act of misconduct and employees shall be subjected to disciplinary measures.
- (e) In the case of a newly appointed employee, the Performance Agreement /Memorandum of Understanding must be compiled retrospectively [that is, from the date of assumption of duty] within two [2] months after the assumption of duty.
- (f) All Performance Agreements/Instruments must be aligned with the Departmental Strategic Plan/ Departmental Management Plan/Directorate Strategic Plan.
- (g) Employees must submit their Performance Agreements/Performance Instruments on Performance to Performance Management Unit on or before the 15 April of every financial year. Employees who fail to submit their Performance Agreements Performance Instruments (MOUs) on or before 15 April of every financial year due to unforeseen circumstances shall be granted extended deadline which will expire on the 30 April of that particular financial year. Employees who submit Performance Instruments /Agreements after the expiration of the extended deadline shall automatically be disqualified to participate in the incentive framework or granting of benefits and such employees will also be subjected to disciplinary action.

## **8.2 Employees Appointed in Acting Capacities**

- (a) Employees appointed to act for a period six (6) months must only add the Key Result Areas/ Competencies of the post in which they are acting into the PAs/ MOUs of their permanent posts.

## **8.3 Employees Who Should not Compile Performance Agreements /Performance Instruments(MOUs)**

- (a) Community Service Workers, Internships, students on Learnership Programme should not compile Performance Instruments (MOUs). They may only compile at discretion of the relevant managers for developmental purposes.



- (b) Employees who are away on training for period exceeding six (6) calendar months must not compile and sign Performance Agreements/Instruments and assessments reports.

## **9 PERFORMANCE EVALUATION REPORTS.**

### **9.1 PERFORMANCE ASSESSMENTS**

- (a) Employees formal assessment shall be done twice in a financial year and must be submitted to PMDS unit in accordance with the dates as reflected on 9.2 below. The agreed score between the Supervisee and Supervisor shall be regarded as Provisional Assessment Rating until ratified by the Departmental Moderating Committee.
- (b) It is the responsibility of the employee to compile the assessment report, have the report assessed, signed by the supervisor and submit the correctly compiled report to PMDS division on or before the prescribed deadline as illustrated on item. The employee who submit the incorrect report on the last day of the extended deadline and fail to correct and submit the correct report on the same day of the extended deadline shall be deemed to have not submitted and clause no 9.1. (c) below shall be invoked.
- (c) Failure to submit the Performance Agreements/Performance Instruments and two assessments (mid-year and end-year) reports in accordance with the time table illustrated on item 9.2 will lead to employees being disqualified to receive performance bonuses and pay progressions in spite of their good performance and their names shall be referred to Labour Relation for disciplinary action.
- (d) The assessing employee shall at least be one level above the assessed employee. Employees acting in higher positions than the assessed can also, by virtue of their acting capacity, carry out the assessment of employees who are of equal rank with him/her.
- (e) Performance review reports and data on the employees whose performance has been reviewed shall be kept in the Performance Management Unit.
- (f) Supervisors who contribute to the late submission of their supervisees Performance Agreements / Instruments and Assessments Reports shall equally be disqualified from the granting of performance incentives and such supervisors will also face disciplinary action. The affected employees whose reports are delayed by their supervisors must inform PMDS division in writing five days before the expiration of extended submission deadline to allow enough time for intervention in order to avoid disqualification.

**9.2 TIME TABLE FOR THE SUBMISSION OF PERFORMANCE AGREEMENTS/INSTRUMENTS AND PERFORMANCE EVALUATION REPORTS.**

Description of Activities	Normal Submission deadline	Extended submission deadline
Performance Agreements/Instruments	15 April	30 April
Half yearly assessment	15 October	31 October
End year assessment	15 April	30 April
Referred assessment from Branch committee	within five (day) from the date of receipt of referral	no extension

9.2.1. In case where the extended submission deadline falls on weekends or Public Holiday, the last working day prior to the extended deadline will be regarded as the submission deadline.

**9.3 PERFORMANCE REVIEWS: EMPLOYEES APPOINTED IN AN ACTING CAPACITY.**

- (a) The performance of an employee appointed to act in a post for a period of six (6) months and above, must be reviewed against the performance targets of the post in which he/ she is acting.
- (b) The performance of an employee appointed to act in a post for a period of less than six (6) months shall be reviewed against the performance targets of both the permanent post and the one in which she/ he is acting.
- (c) The performance reviews shall be carried out partly by the employee's previous supervisor and partly by the new supervisor for the period of appointment in an acting capacity.

**9.4. EMPLOYEES ON PROBATION.**

- (a) Employees on probation shall be reviewed in accordance with Paragraph 9.1. (a) using the prescribed assessment format for Performance Management System and shall qualify for the granting of performance incentives provided they have completed 12 calendar months in the same salary level (that is from 01 April to 31 March) of that particular performance cycle and satisfied the qualifying criteria.
- (b) The employee's probationary appointment shall only be sanctioned by the authorized officers as per Human Resource Management delegations.

- (c) The probationary appointments will be monitored and coordinated by Performance Management Unit.

#### **9.5 GUIDING PRINCIPLES.**

- (a) Employees who are on a longer authorized absence from work (that is maternity leave, extended sick leave, disability leave shall qualify for assessment with a view of granting performance bonus and pay progression provided they have completed at least six (6) months actual service and that they have been on the same salary level counting from 01 April to 31 March of the financial year and their performance is satisfactory. In case the leave of employees on maternity or longer authorized absence from work starts before the commencement of the new financial year, their Performance Agreements/Performance Instruments must be submitted to PMDS division within five (5) days of return from leave to avoid disqualification.
- (b) Employees shall only qualify for assessment for the granting of Pay Progressions and Performance bonuses on condition that the Performance Agreements/Instruments and performance reviews [applicable also to employees on authorized absence] has been conducted and reports compiled accordingly and that they have been on the same salary level counting from 01 April to 31 March of the financial year.
- (c) The annual assessment rating or score shall be determined by adding the scores of all two formal reviews and divide the scores by two in order to obtain the average score.
- (d) The Department is not allowed to exceed 1.5% of the total annual remuneration budget of the employees when processing performance bonuses and 2% when processing pay progression/grade progressions. In case where the amount required is more than the available budget, the percentage bonuses shall be scaled down until the total amount required is within the available budget. Payment of performance bonuses and pay progressions can only be effected once the Head of Department has granted the approval. The Executing authority may, under exceptional circumstances and after the scaled down principle has been applied, authorize that the amount of 1, 5% be exceeded but not further than 1, 8% of the compensation of employees.
- (e) The request for the retrieval of Performance Assessment Reports from PMDS division for the purpose of re-scoring in order to qualify for performance incentives is strictly prohibited.

- (f) The employees who experiences any PMDS related challenges either in the signing of Performance Instruments/Agreements or Performance Assessment must notify PMDS division in writing five days before the expiration of extended deadline as stipulated on table 9.2 in writing to allow ample time for intervention before the closing down of extended deadlines. The employee must also attach their prepared copy of Performance Instruments /Assessment report.
- (g) Employees on personal salary notches as well as employees on higher salary notches than the salary level of the post they are occupying, do not qualify for pay progression.
- (h) Employees on personal salary notches and employees on higher salary notches than the salary levels of the posts they are occupying and with 12 months continuous salary [counting from 01 April to 31 March of the financial year] on the same salary [relative] level shall qualify for consideration of performance bonus. Employees who were counter-offered by the Department or awarded higher notches within the same salary level will qualify to receive performance incentives for the year under review provided that all qualification criteria has been satisfied.
- (i) With effect from 01 July 2012, the qualifying period for pay progression for first (1<sup>st</sup>) time participants is twenty –four (24) months. The pay progression cycle for employees other 1<sup>st</sup> time participants (i.e. employees who were in service before 01 July 2012) is not amended and remains twelve (12) months.
- (j) The pay progression system does not stop the Executing Authority to award a higher salary to employees in terms of the PSR (Chapter 1 Part V/C3).
- (k) The implementation of pay progression for qualifying employees shall be done in accordance with table O below and the cost shall not exceed 2% of the compensation of employees.
- (l) Employees seconded to other institutions for a period of more than three (3) months shall be assessed in those institutions where they are seconded. The Performance evaluation results must be sent to their permanent workstations for processing. Their performance bonuses and pay progression shall be paid by their permanent workstations.
- (m) Employees who were suspended will qualify to receive performance incentives provided they performed satisfactorily or commendably in accordance with the qualifying criteria and all the required reports were submitted to PMDS Unit on time.
- (n) The administration of PMDS related activities shall continue to be done in the PERMIS system as approved by the Head of Department in an attempt to

further professionalize the system. A full automated PMDS system is still under development and employees will be required to send their Performance Instruments/Agreements as well as the Assessment Reports on line. Employees without computers will continue to use paper based system until they have access to computers. A downloadable E-PERMISS application will be created and made accessible to employees for use by their SMART Phones when compiling and sending PMDS related reports on line.

- (o) The calculation of score and the granting of performance incentives will be guided by the table below for employees on salary level 1 to 12 and SMS

POINTS	RATING	MEANING	PAY PROGRESSION	% OF AWARD/BONUS
150%-167%	5	Outstanding Performance	1,5% Notch	1-10: 13-18% 11-12 : 10-14% SMS : 10-14%
115-129% 130-149%	4	Commendable Performance	1,5% Notch	1-10: 9-12% 11-12 : 7-9% SMS : 5-9%
100%-114%	3	Satisfactory Performance	1,5% Notch	No award
70-99%	2	Marginal Performance	No Pay Progression	No award
69 and lower	1	Unsatisfactory Performance	No Pay Progression	No award

#### 10 Dispute resolution mechanism

Where the employee is not satisfied with the process of assessment, she/he must sign the report and attach representation to her/his immediate supervisor and sent a copy to PMDS division for record purposes. If the matter remains unresolved, it must be reported to Chief Director of the Branch and later to Deputy Director General of the Sub-Department. If the dispute is still unresolved, the matter can be referred to the Head of Department. If the dispute is not resolved the employee may lodge a grievance in terms of the

grievance procedure. If the employee is still not satisfied he/she may follow the dispute route if all internal measures have been exhausted.

**11. Managing Poor or Unacceptable Performance.**

- (a) The supervisor shall in consultation with the Human Resource Capacity Development [HRC] directorate, develop Performance Improvement plans in respect of underperformers and ensure that they receive on the job training on a regular basis. The responsibility of managing poor performance of the affected employees resides with the Line Managers of poor performing employee.
- (b) The HRC shall at the beginning of every financial year access the Performance Agreements/ Memorandum of Understanding in the Performance Management Unit to compile and consolidate the skills audit report and ensure proper implementation of the findings.
- (c) The supervisors may in consultation with Employee Wellness Programme [EWP] Unit arrange mandatory referral of challenged employees [i.e. employees with personal problems which affect their performance at work] to receive specialized treatment.
- (d) If a challenged employee has been identified, but refuses specialized treatment, and continues underperforming, the Department may take disciplinary action against her/him.
- (e) The employee on probation shall have their probation be extended by a maximum of six (6) months due to poor performance.

**12. ADOPTION AND REVISION**

The policy shall be considered and adopted by the Labour Management Forum

**13. INCEPTION DATE**

The date of the approval of the policy will be regarded as the inception date of the policy.

**14. DEFAULT**





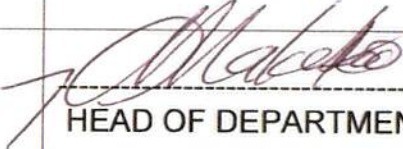

Any deviations from this policy or decision on matter not covered herein must receive prior approval by the Executing Authority.

15. **REVIEW**

This policy is subject to review after three (3) years or when required due to changes in legislation and regulations or when deemed necessary to ensure that it is aligned to prevailing resolutions and regulations.

16. **ENQUIRIES**

Any enquiries related to this policy must be directed to Performance Management Development System Unit.

POLICY TITLE:	DEPARTMENTAL POLICY FOR PERFORMANCE MANAGEMENT & DEVELOPMENT SYSTEM	
COMPILED BY:	HR PLANNING, POST PROVISIONING & HR INFORMATION MANAGEMENT	 _____ DIRECTOR
QUALIFIED BY:	RESEARCH AND POLICY CO-ORDINATION	 _____ DIRECTOR
ACKNOWLEDGED BY:	STRATEGIC HUMAN RESOURCE MANAGEMENT	 _____ CHIEF DIRECTOR
RECOMMENDED BY:	CORPORATE SERVICES	 _____ DEPUTY DIRECTOR GENERAL
ADOPTED BY:	CORPORATE SERVICES	 _____ HEAD OF DEPARTMENT
APPROVED BY:	CORPORATE SERVICES	 _____ MEMBER OF EXECUTIVE COUNCIL

2016/08/05<sup>th</sup>  
DATE

2016/08/08  
DATE

2016/08/08<sup>th</sup>  
DATE

2016/08/08  
DATE

08/08/2016  
DATE

10/08/2016  
DATE