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Department
Co-operative Governance and Traditional Affairs
PROVINCE OF KWAZULU-NATAL

**DEPARTMENTAL
EMPLOYEE PERFORMANCE MANAGEMENT
AND DEVELOPMENT SYSTEM FOR
EMPLOYEES
ON SALARY LEVELS 1-12**

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HEAD OF DEPARTMENT

DATE: 05/08/2013

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INTRODUCTION

1. (1) The EPMDS has been designed as a system to assist with performance management of employees on salary levels 1 to 12 in the Department, and comes into operation upon signature hereof by the Head of Department.

(2) Three main levels are involved in performance management:

- (a) at the organisational level the Executive Authority and the HOD determine the strategic priorities and overall key result areas of the Department, while objectives are identified for the priorities and assigned to components within the Department;
- (b) at the component level, components undertake the execution of projects and activities that lead to the achievement of the integrated business plans; and
- (c) at the employee level each employee develops a performance agreement jointly with his or her Supervisor.

(3) Key requirements for the successful implementation of the EPMDS are the following –

- (a) the Departmental Strategic Plan which identifies high-level priorities and specific objectives to be achieved by the Department of Co-operative Governance and Traditional Affairs;
- (b) the Annual Performance and Operational Plans which set out the targets for the Business Units;
- (c) Performance Agreements that enable the Department to assign specific performance objectives and targets to employees; and
- (d) training of Managers, Supervisors and employees in the Employee Performance Management and Development System.

DEFINITIONS

2. In this policy, unless the context indicates otherwise –

- (a) a word or expression, to which a meaning has been assigned to in the Public Service Act and the Regulations, has the same meaning;
- (b) clause headings are for convenience only and will not be used in its interpretation, and the following expressions bear the meanings assigned to them and similar expressions bear corresponding meanings:

“**AAP**” means Assessment Appeal Panel;

“**absence for a continuous prolonged period**” means absence for a period of four calendar months due to, vacation, sick, special, or maternity leave, or as a result of suspension;



“annual performance rating” means the annual performance rating as part of an employee’s assessment that takes place at the end of the performance cycle, with an overall annual performance score for the employee during the entire performance cycle as the end result;

“assessment instrument” means a tool used to assess the performance of an individual employee in relation to the achievement of key result areas and generic assessment factors as contained in the Work Plan of the performance agreement;

“attribute”, as part of a competency, is generally defined to consist of motives, traits and self-concept;

“CAR” means Confirmed assessment rating and is the assessment score for an employee that has been confirmed by the Departmental Moderating Committee;

“CMC” means Core Management Criteria which are units of knowledge, skills, attributes or work activity undertaken that are directly related to effective performance in a job;

“competence” means an employee’s capacity to meet the job requirements;

“competency” means a particular mix of knowledge, skills and attributes required to effectively perform a job, task or role;

“customers” mean people internal or external to the Department with whom employees interact to provide a service;

“Department” means the KwaZulu-Natal Department of Co-operative Governance and Traditional Affairs as defined in section 1 of the Public Service Act, 1994 (Act no. 103 of 1994);

“development” means training and development activities to enhance the employee's competencies and to improve performance;

“DMC” means Departmental Moderating Committee;

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"DPSA" means the Department of Public Service and Administration;

"EPMDS" means Employee Performance Management and Development System;

"**elementary occupations**" includes, but is not limited to general workers, food services aids, cleaners, grounds men, security guards, telecom operators, messengers and drivers;

"**Executive Authority**" means the Member of the Executive Council responsible for co-operative governance and traditional affairs;

"**feedback**" means objective and timely information by the Supervisor on the employee's performance against set expectations and standards, understood by the employee, and aimed at improving performance;

"**GAF**" means a Generic Assessment Factor, which is an element used to describe and assess aspects of performance, taking into consideration knowledge, skills and attributes;

"**grievance rules**" means 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;

"**HCD**" means the Human Capital Development component of the Department;

"**HOD**" means Head of Department;

"**HRA**" means the Human Resource Administration component of the Department;

"**HRM and D**" means Human Resource Management and Development component of the Department;

"**IPF**" means the Incentive Policy Framework applicable to salary Level 1 to 12, as contemplated in DPSA circular 1/7/1/4/1, dated 27 January 2003:

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"Implementation of an incentive policy framework linked to Departmental performance management systems for employees on salary levels 1 to 12";

"IRC" means the Intermediate Review Committee;

"KRA" means a Key Result Area, which is an area of a job in which performance is critical for making an effective contribution to the achievement of Departmental strategies, goals and objectives;

"mediator" means an official who is ranked one level higher than the parties involved in a dispute;

"MMS" means Middle Management Service, with effect from 1 July 2005;

"Moderation" means the review of employee assessment scores by the DMC;

"MPSA" means the Minister for Public Service and Administration;

"Operational Plan" means 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, Chief Directorates and Directorates, and "business plan" has a corresponding meaning;

"Outcome" means 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" means a concrete result or achievement, and includes, but is not limited to, a product, action or service that contributes to the achievement of a KRA;

"PA" means a Performance Agreement, which is 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, a copy of which is attached to this Policy as Annexure A;



"PAR" means the Provisional Assessment Rating, which entails an employee's total assessment rating score that has been agreed upon between the employee and his or her Supervisor;

"PDP" means the Personal Development Plan of an employee, which is 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;

"Performance" means human performance, which involves employee actions, and the outcomes or effects of those actions, and 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 appraisal or assessment" means the measurement, assessment, rating or appraisal of employee performance;

"Performance cycle" means a 12-month period for which performance is planned, managed and assessed, and be aligned to the same period as the Department's Annual Business Plan from 1 April of one year to 31 March of the following year;

"Performance incentives" means a set of financial rewards linked to the results of performance appraisal, including pay progression, performance bonus, and a variety of non-financial rewards that may be contained in the Departmental performance incentive scheme;

"Performance incentive scheme" means a Departmental performance related incentive scheme aligned with its performance management system, established in terms of Public Service Regulations, 2001;

"Performance indicator" means a measure used to gauge the extent to which an output has been achieved;

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“Performance Management” means a purposeful, continuous process aimed at managing and developing 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 and duties with the aim of enhancing their efficiency and effectiveness; and a means of improving results from the Department, teams and individuals by managing performance within an agreed framework of planned goals, objectives, standards and incentives;

“Performance management system” means 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” means mutually agreed criteria to describe work in terms of time-lines, cost and quantity and quality, to clarify the outputs and related activities of a job by describing what the required result must be;

“Performance review” means 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;

“PFMA” means the Public Finance Management Act, 1999 (Act No. 1 of 1999);

“PSC” means the Public Service Commission established in terms of the Constitution of the Republic of South Africa, 1996;

“PSCBC” means the Public Service Co-ordinating Bargaining Council;

“PSR” means the Public Service Regulations, 2001;

“rating” means the allocation of a score to a KRA, a GAF and to the overall performance in accordance with the five-point rating scale of the EPMDS;

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"SMS" means the Senior Management Service, and includes employees on salary levels 13 to 16;

"Strategic plan" means the end product of strategic planning, setting out the mission and vision statements and the medium and long-term strategic objectives of the Department, the contents of which 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" means 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" means 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;

"VAR" means the Validated Assessment or Performance Rating of an employee that has been validated by an assessment higher than the employee's Supervisor for submission to the DMC;

"weight" refers to the inclusion and assessment of KRAs and GAFs in the performance agreement or Work Plan, in that each KRA and GAF 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, provided that the combined weights add up to 100 percent; and

"Work Plan" refers to a document which forms an Annexure to the performance agreement and which contains key result areas, associated outputs and activities as well as performance standards and resource requirements.

APPLICATION

3. The EPMDS applies to all employees in the Department on salary levels 1 to 12 which is inclusive of employees covered by an occupational specific dispensation and employees in elementary occupations appointed in terms of the Public Service Act, 1994.

LEGISLATIVE FRAMEWORK

4. (1) The EPMDS framework is in line with the Department of Public Service and Administration EPMDS framework of April 2007.

(2) Other applicable legislation and prescripts include –

- (a) The Constitution of the Republic of South Africa, 1996;
- (b) The Public Service Act, 1994, (Proclamation 103 of 1994);
- (c) The Public Service Regulations, 2001 (Chapter 1, Part VIII);
- (d) The Skills Development Act, 1998 (Act No. 97 of 1998);
- (e) The Labour Relations Act, 1995 (Act No. 66 of 1995);
- (f) The Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000);
- (g) The Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);
- (h) The Employment Equity Act, 1998 (Act No. 55 of 1998);
- (i) The Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (j) The Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000);
- (k) The White Paper on Transformation of the Public Service, 1995;
- (l) The White Paper on Human Resource Management, 1997;
- (m) The White Paper on Affirmative Action, 1998;
- (n) The White Paper on Transforming Public Service Delivery (Batho Pele), 1997; and
- (o) The White Paper on Public Service Training and Education, 1998.

PURPOSE

5.(1) For the purpose of this Policy, performance management is aimed at planning, managing and improving employee performance, and to optimise every employee's output in terms of quality and quantity, thereby improving the Department's overall performance and service delivery.

(2) In order to achieve individual excellence and achievement, the objectives for performance management are to–

- (a) establish a performance and learning culture in the Public Service;
- (b) improve service delivery;
- (c) ensure that all employees know and understand what is expected of them;
- (d) promote interaction on performance between jobholders and their Supervisors;
- (e) identify, manage and promote employees' development needs;
- (f) evaluate performance fairly and objectively;

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- (g) recognise categories of performance that are fully effective and better; and
- (h) manage categories of performance that are not fully effective and lower.

(3) The following key principles underpinning effective performance management are outlined in the PSR Chapter 1 Part VIII:

- (a) Departments must manage performance in a consultative, supportive and non-discriminatory manner to enhance organisational efficiency and effectiveness, accountability for the use of resources and the achievement of results;
- (b) performance management processes must link to broad and consistent employee development plans and align with the Department's strategic goals;
- (c) performance management processes must be developmental, and allow for recognising fully effective performance, and for an effective response to performance that is consistently not fully effective and lower; and
- (d) performance management procedures must minimise the administrative burden on supervisors while maintaining transparency and administrative justice.

ROLE PLAYERS

6. The following key role players must assume the responsibilities outlined to promote the implementation of the EPMDS within the Department:

- (a) the Executing Authority must–
 - (i) identify the key government priority areas and the priorities for the Department to deliver on;
 - (ii) assign the responsibility for the achievement of Departmental goals to the HOD through the latter's performance agreement; and
 - (iii) authorise the use of the EPMDS as the Departmental policy and system;
- (b) the Head of Department must–
 - (i) develop the medium term strategic priorities of the Department by means of the medium-term strategic plan, translated annually into operational or business plans;
 - (ii) ensure that components are assigned specific responsibilities drawn from the Department's strategic and annual business plans; and
 - (iii) give effect to the EPMDS by issuing it as a Departmental policy and performance management system;
- (c) each Senior General Manager must–
 - (i) develop the branch business plan derived from the Departmental strategic and business plans;

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- (ii) determine the KRAs for the General Managers, based on those indicated in branch objectives; and
- (iii) supervise General Managers' performance agreements;
- (d) each General Manager must–
 - (i) develop the operational plans for the Chief-directorates; and
 - (ii) determine the KRAs and CMCs for the managers of the directorates under her or his control and supervise their performance agreements;
- (e) each Senior Manager must–
 - (i) implement assigned objectives of their directorates;
 - (ii) ensure that sub-directorates develop operational plans, which clearly define objectives, output and targets;
 - (iii) ensure availability of employee and budget to carry out the responsibilities of the directorate, and to fund and support the activities;
 - (iv) ensure that KRAs and GAFs are determined for all employees in their directorates; and
 - (v) supervise the performance agreements of the Deputy-Managers as well as review the assessments of all other employees within her or his directorate;
- (f) each Deputy Manager must–
 - (i) manage their specific objectives;
 - (ii) develop operational plans, which clearly define the objectives, outputs, targets and performance indicators for each of the identified objectives;
 - (iii) assist in determining KRAs and GAFs for all employees; and
 - (iv) must complete and supervise the performance agreements and assessments of all employee under his or her direct supervision;
- (g) all Supervisory Employees within a Directorate or Business Unit must–
 - (i) ensure that they explain the development of a PA to all employees under their supervision;
 - (ii) develop a PA jointly with each employee;
 - (iii) clarify for employees the objectives of the unit, the clients of the unit, the employee's job description, the KRAs and GAFs, time frames, measures and the actual performance rating method;
 - (iv) assist employees to identify and incorporate training needs into their PAs which will be captured in the personal development plan;
- (h) all employees on salary levels 1 to 12 must–
 - (i) clarify with their immediate Supervisors the dates and process for developing and submitting their PAs;

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- (ii) develop a draft PA, based on the required objectives, KRAs and GAFs and other aspects of their job that have been previously clarified by the immediate Supervisor;
 - (iii) present the draft PA to the Supervisor for consideration, verification and final approval, before transmitting the PA to the IRC for validation;
 - (iv) undertake initial self-evaluation and compile the relevant motivation in support of his or her performance rating; and
 - (v) present this motivation to their immediate Supervisor when performance rating is jointly undertaken;
- (i) the Sub Directorate: Performance Management must –
- (i) ensure that the EPMDS policy is made available and revisions are properly communicated;
 - (ii) a plan is developed for training of Supervisors as well as employees in the implementation of the EPMDS;
 - (iii) timeously communicate regulatory changes likely to affect the EPMDS;
 - (iv) ensure alignment in respect of Probation and the EPMDS;
 - (v) ensure that PAs of relevant employee are completed and submitted timeously through regular monitoring;
 - (vi) communicate reminders for completion and submission of PAs, review reports and end of cycle assessments through circulars;
 - (vii) ensure that the Moderating Committee is constituted by the HOD and senior management; and
 - (viii) ensure that on-going training and technical support is provided to all employees;
- (j) the Sub Directorate: Skills Development must–
- (i) incorporate identified training needs into the training and skills development planning and implementation processes of the Department; and
 - (ii) jointly develop and implement the workplace skills plan for the Department in co-operation with the HRM and D component;
- (k) the IRC must validate–
- (i) the PAs of employees within the relevant business units; and
 - (ii) the end of cycle assessment of employees within the relevant business unit and to this end the said Committee is required to review the ratings accorded by Supervisors with a view to ensuring fairness and adherence to norms and standards;
- (l) the DMC must–



- (a) monitor the performance management process by ensuring that norms and standards are adhered to.
- (b) develop an overall view of the results of process and undertake quality testing, rather than assessing each individual case for purposes of evaluating ratings; and
- (m) the AAP must–
 - (i) be established by the EA to manage disagreements over ratings referred to above;
 - (ii) be constituted in such a manner that expertise of the line function, performance management, legal affairs and labour relations is included, and the Panel must consider written representations of an employee; and
 - (iii) inform an employee of the right to institute a formal grievance, in the event that the Assessment Appeal Panel is unable to satisfactorily resolve the appeal.

THE PERFORMANCE CYCLE

7.(1) Performance management at the employee level is an on-going interactive process between an employee and her or his Supervisor about the employee's performance.

(2) Face-to-face on-going communication is an essential requirement of the process and covers the full performance cycle.

(3) For effectiveness of operation the cycle is divided into integrated phases or elements of–

- (a) performance planning and agreement;
- (b) performance monitoring, developing and control;
- (c) performance assessment or appraisal; and
- (d) managing the outcomes of assessment.

(4) The performance cycle must be aligned to the same period as the Department's APP, which is valid from 1 April in any specific year to 31 March of the following year, provided that the probation cycle of an employee remains linked to the appointment date of the relevant employee.

THE PERFORMANCE AGREEMENT

8.(1) The PA is the cornerstone of performance management at the individual level.

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- (2) All employees must enter into and sign a PA before 31 May of each year.
- (3) Failure to comply with this deadline means an employee is not eligible for a performance bonus or pay progression for the performance cycle in question, unless proof of compliance can be provided to the HCD Directorate, and may result in the employee and her or his Supervisor being subjected to disciplinary action.
- (4) Departmental and component performance measures must inform the development of the individual employee's PA.
- (5) The PA format applies to all employees on salary levels 1-12 in the Department and the contents must be reflected in the Department's strategic and annual operational plan, component business plans and the employee's job description, job role and actual activities and responsibilities.
- (6) The content of a PA, must be linked to the Departmental Annual Performance Plan and must include the following –
- (a) employee data (persal number, job title and level, description of the employee's job role, job purpose, key result areas and generic assessment factors;
 - (b) a work plan containing the KRAs, outputs, activities and resource requirements; and
 - (c) a personal development plan that assists in identifying developmental areas and needs of the employee, as well as methods to improve these.
- (7) If an employee changes jobs during the performance cycle, but remains at the same level, a new PA must be entered into for the new role and the performance assessment must take both periods into consideration.
- (8) If a post against which an employee is held, is upgraded due to a job evaluation during an assessment cycle, the employee will be eligible for a performance bonus based on the outcome of her or his assessment, but will not qualify for a pay progression.
- (9) The PA, including the Work Plan, must be re-negotiated if the employee has not been performing the functions of the job due to absence for a period of four calendar months and more.
- (10) A PA without a completed job description, Work Plan and Personal Development Plan will be regarded as invalid.



THE WORKPLAN

9. (1) The Work Plan contains the essence of the performance agreement, as contemplated in the Guide to the Work Plan and template attached to this Policy as Annexure B.

(2) The job description is the source document from which the KRAs in the PA are to be obtained.

(3) The employee is assessed using both KRAs and GAFs.

(4) KRAs covering the main areas of work will account for 80% of the final assessment, while the GAFs make up the other 20% of the assessment score.

(5) In the Work Plan the KRAs must be broken down into outputs and activities with the resource requirements.

(6) KRAs must cover all aspects of the work –

- (a) specific tasks or events which the employee must ensure are achieved;
- (b) levels of performance which the employee must maintain and promote;
- (c) actions or situations for which the employee is personally responsible for delivering her or his "unique contribution"; and
- (d) duties and responsibilities related to advice and support given.

(7) KRAs to be included in a PA must not be less than three and not exceed five.

(8) Each KRA must be weighted in % according to the importance it has in the employee's job.

(9) The weighting of all the KRAs must add up to 100.

(10) GAFs must add up to 100% and contribute 20% of the employee's assessment score.

(11) The service delivery imperative must be applied in assessing the following GAFs –

- (a) Job knowledge;
- (b) Technical skills;
- (c) Acceptance of responsibility;
- (d) Quality of work;
- (e) Reliability;

- (f) Initiative;
- (g) Communication;
- (h) Interpersonal relationships;
- (i) Flexibility;
- (j) Team work;
- (k) Planning and execution;
- (l) Leadership;
- (m) Delegation and empowerment;
- (n) Management of financial resources; and
- (o) Management of human resources.

(12) 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 (refer to Annexure C for a Guide to GAFs).

(13) To adapt the GAFs to specific jobs and job contexts, the employee and Supervisor must–

- (a) decide which of the GAFs apply to the employee's job; and
- (b) weigh each relevant GAF to show the extent to which it relates to the specific job.

(14) Each selected GAF is rated using the guide to generic factors for assessing performance as contemplated in Annexure C.

PERSONAL DEVELOPMENT PLAN

10.(a) The PA must include a PDP in the format substantially compliant with Annexure D.

(b) The purpose of the PDP is to identify any performance output shortfall in the work of the employee, either historical or anticipated, to relate this to a supporting GAF shortfall and then to plan and implement a specific set of actions to reduce the gap.

(c) The competence gap may relate to any of the GAFs included in this EPMDS or any other area of the employee's knowledge, skill and attribute requirement.

(d) The PDP must include interventions relating to the technical or occupational skills of the job, through appropriate training interventions, on-the-job training, expanded job exposure, and job rotation.

(e) The employee and the Supervisor must take joint responsibility for the achievement of the PDP with allocated accountabilities clearly recorded on the PDP agreement document.

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ABSENCE DURING THE CYCLE

11.(a) In the case of an employee's absence for a continuous period of four calendar months, Supervisors and employees must reach mutual agreement on the meaningful rating for an annual assessment.

(b) If it is not possible to make a meaningful review or annual rating, it must be indicated in writing.

(c) New work plans must be developed on return from a prolonged absence.

(d) An employee is not penalised for any form of formally approved leave, although she or he has not rendered the same extent of service as an employee who did not have such prolonged leave: Provided that when bonuses are considered, the principle is that "doing all the work" translates to a 3-rating, which entitles an employee to a full salary, a 13th cheque and pay progression.

(e) Should the employee exceed the targets set in the newly negotiated work plan, then she or he can qualify for a performance bonus.

(f) Supervisors must balance the rights, rating and assessment of an employee who had been on prolonged leave of absence, against the contribution of those employees who had to do more work because of the prolonged absence of such an employee.

ACTING IN HIGHER POSITIONS

12.(a) Acting appointments must be made in writing and be accepted by the acting employee.

(b) When an employee is appointed to act in a higher position for a period shorter than six weeks, the Work Plan must be based on the post that the employee is permanently appointed to.

(c) Recognition for performance of the duties in a higher position must be given during the performance assessment, on the Work Plan of the permanent post.

(d) When acting in a higher position for longer than six weeks, where an acting allowance is being paid, a Work Plan must be compiled for the higher position that the employee would be expected to perform against.

(e) The performance of an employee, acting in a higher position, must be assessed in terms of the amended Work Plan, against the standards applicable to the level of the employee's permanent position.

(f) Performance incentives must be calculated at the salary level of the post to which the employee is permanently appointed, based on the employee's salary notch on 31 March of the cycle.

EMPLOYEE MOVEMENT

13. (a) When employees are transferred at the same level, it is their responsibility to provide their most recent performance assessment to the new Department.
- (b) Where employees change jobs within the Department during the EPMDS cycle, performance reviews related to the employee vacating the post must be completed prior to moving to the new position.
- (c) If the employee changing jobs is a Supervisor or Manager, performance reviews for each employee under her or his control must be completed prior to her or his movement.
- (d) When an employee is transferred to another Department, a progress review discussion will be conducted for the current EPMDS cycle prior to the employee leaving the Department.
- (e) In the case of Supervisors, regardless of the reason for their departure, they will be required to assess their employees prior to departure.

MISCONDUCT AND SUSPENSION

14. Decisions pertaining to performance rating must be based on an employee's actual performance.

AMENDMENTS TO THE PERFORMANCE AGREEMENT

- 15.(a) The initial PA is signed at the start of the performance cycle, significant changes and additions must on an on-going basis be reflected in the PA and Work Plan.
- (b) The PA and Work Plan against which an employee is assessed at the end of the cycle must accurately reflect the employee's actual activities and outputs during the entire performance cycle.
- (c) Amendments must be made to the PA and Work Plan and these must be signed and dated by both the employee and her or his Supervisor.

PERFORMANCE MONITORING

16. Performance at the individual level must be continuously monitored to –
- (a) address development and improvement needs as they arise
 - (b) determine progress and identify obstacles in achieving objectives and targets;
 - (c) enable Supervisors and employees to deal with performance-related problems;
 - (d) identify and provide the support needed;
 - (e) modify objectives and targets; and
 - (f) ensure continuous learning and development.

CATEGORIES OF PERFORMANCE AND RATING SCALES

17. The categories of performance are set out in Annexure 1 of this Policy.

THE FIVE-POINT RATING SCALE

18. As illustrated in Annexure 1, the EPMSD utilises a five-point rating scale.

PERFORMANCE REVIEW AND ASSESSMENT

19.(1) The Half-yearly review form, Annexure E must be used for all employees except Elementary Occupations and Annexure F1 only for Elementary Occupations.

(2) Performance review meetings are an integral part of the monitoring process and these reviews must take place as often as is practical and is required by circumstances.

(3) In order to facilitate this process, an employee's performance will be reviewed on a quarterly basis as indicated on the Table contained in Annexure 2.

(4) Before the assessment cycle commences or within one month after appointment of promotion to a post, the Supervisor must explain the performance assessment procedure to the employee and inform the employee of the criteria to be used for her or his performance assessment.

(5) Both the employee and the Supervisor must be clear on what is to be measured, when and how.

(6) The involvement of both parties when measuring performance is of critical importance.

(7) The Supervisor must prepare by –

- (a) reviewing the previous period and objectives and targets for the next period;
- (b) reviewing support needed and drafting training and development needs;
- (c) seeking appropriate feedback from relevant role-players to support the process;
- (d) reviewing and updating all relevant documentation; and
- (e) identifying internal/external factors affecting the employee's performance.

(8) The employee must prepare by –

- (a) reviewing previous objectives and identifying possible new objectives;

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- (b) collecting supporting facts on performance delivered;
- (c) identifying factors that affected her or his performance;
- (d) identifying support that will be needed as well as possible training and development needs; and
- (e) reflecting on the feedback to be given to the Supervisor.

(9) The assessment discussion must enable –

- (a) an opportunity for the employee to assess her or his own performance and its contribution to organisational goals and to identify areas of improvement;
- (b) an opportunity for the Supervisor to provide formal feedback on performance over the year and to identify ways of improving what was achieved;
- (c) an opportunity for the employee to contribute to, and respond to comments regarding her or his performance and identify issues beyond her or his control that limit the achievement of results;
- (d) an open discussion between the employee and her or his Supervisor in which achievements can be fully recognised and ideas for problem solving agreed;
- (e) agreement on an overall assessment score reflecting judgement on the level of achievement attained in terms of the performance agreement; and
- (f) an opportunity for the Supervisor and the employee to agree on areas of personal development.

ANNUAL PERFORMANCE ASSESSMENT

- 20.(a) The assessment instrument for non-SMS employees (salary levels 1 to 12) is contained in Annexure F and Annexure F1 for Elementary Occupations.
- (b) Annexure F and F1 instruments are used to conduct assessment for overall annual performance of the employee and it is this overall annual performance assessment score that is to be used as the basis of deciding career incidents for the employee.
- (c) The same assessment instrument may be used for deciding rewards and skills development and for confirmation of probation in conjunction with Annexure G.
- (d) Apart from the review discussion and the Supervisor's knowledge of the employee's actual performance, Managers must base the assessment on Annexure B, F and F1.
- (e) Supervisors must complete and submit performance assessments and motivation to the relevant authority within two (2) months into the new performance cycle, on or before the 31 May.

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(f) Failure to comply with this deadline means an employee is not eligible and does not qualify for performance bonus or pay progression for the performance cycle in question unless proof of compliance can be provided/presented to the HCD Directorate and may result in the employee and/or his/her Supervisor being subjected to disciplinary action.

(g) Motivation per KRA must be provided for any rating (PAR) that is above the marking of three (i.e. a rating of 4 and 5) and must be provided by the employee as discussed with his/her Supervisor and limited to one page.

(h) For any rating below the marking of 3 (1 and 2) a Performance Improvement Plan must be attached to the performance assessment as per Annexure (H).

STEPS IN THE ASSESSMENT PROCESS

21.(1) The EPMDS relies on agreement between the direct Supervisor and employee on-

- (a) the expected performance; and
- (b) the required results achieved during the cycle.

(2) The Supervisor will have the most knowledge of the employee's performance and plays a critical role in the assessment process.

(3) The annual assessment must take place after the end of the performance cycle on 31 March of each year.

(4) The annual assessment provides the final rating score on which decisions pertaining to career incidents such as pay progression and the possible granting of performance awards are based.

(5) The process commences with a self-assessment by the employee, the Supervisor assesses the employee and thereafter they meet for a Provisional Assessment Rating. .

SELF-ASSESSMENT

22. The role of the employee whose performance is being assessed is to -

- (a) assess his/her own progress according to his/her performance agreement and Work Plan, during the period under review and allocate performance ratings;
- (b) bring to his/her manager's attention, significant other outputs that were delivered during this period which are not contained in the performance plan and/or performance which he/she regards as being meritorious;

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- (c) provide inputs on areas of performance, which the manager has identified as not being fully effective;
- (d) review her or his performance agreement for validity; and
- (e) discuss and initiate possible amendments to the performance agreement.

SUPERVISORY ASSESSMENT

23. The role of the employee's Supervisor in the assessment is the following--

- (a) facilitate the assessment session;
- (b) assess the employee's performance according to her or his performance agreement and Work Plan during the period under review and allocate performance ratings;
- (c) give recognition to the employee for good performance during the review period;
- (d) recognise other significant outputs that were delivered during this period which are not contained in the performance plan and/or performance which she or he regards as being meritorious;
- (e) identify performance areas which have been identified as being not fully effective;
- (f) allow the employee opportunity to give her or his input during the session;
- (g) identify remedial steps which will be taken to eliminate factors which have hampered the employee's performance;
- (h) review the employee's performance agreement and workplan, for validity;
- (i) discuss and initiate possible amendments to the employee's performance plan;
- (j) record her or his comment about the performance of the employee.

ASSESSMENT OF THE ACHIEVEMENT OF RESULTS (KRAS) OUTLINED IN THE WORK PLAN

24. The assessment must be done in the following manner--

- (a) each KRA must be assessed on the extent to which the specified standards have been met and outputs achieved;
- (b) an indicative rating on the five-point scale must be provided for each KRA;
- (c) the rating calculator must be used to add the scores and calculate a final KRA score, based on the 80% weighting allocated to the KRAs.

ASSESSMENT OF THE GAFS

25. GAFs must be assessed as follows--

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- (a) each GAF must be assessed according to the extent to which the specified standards have been met;
- (b) an indicative rating on the five-point scale must be provided for each GAF;
- (c) the rating calculator must then be used to add the scores and calculate a final GAF score, based on the 20% weighting allocated to the GAFs.

PROVISIONAL ASSESSMENT RATING

- 26.(a) An overall score, in accordance with the assessment rating is provided as a summary of the outcome of the annual performance review for KRAs and GAFs.
- (b) The assessment rating calculator must be used to provide a score based on adding the scores achieved for the KRAs and the GAFs.
 - (c) During this face-to-face session the Supervisor and employee must endeavour to reach consensus on the ratings (self-assessment and Supervisor assessment).
 - (d) If there is consensus between the Supervisor and employee on the rating, this becomes the PAR.
 - (e) The employee's Supervisor then submits this provisional rating to the Senior Manager, in the event that the Supervisor is not the Senior Manager.
 - (f) The Senior Manager submits all employee annual assessments to the IRC
 - (g) If there is disagreement that cannot be resolved between themselves on the scores given, the employee and Supervisor must each note their reasons, and these must be submitted to a mutually agreed mediator for mediation before IRC.
 - (h) If this mediation does not result in a resolution within five days, the notes may later be used if a grievance is submitted after the finalisation of the whole process.

PERFORMANCE IMPROVEMENT PLAN

- 27.(a) The purpose of the performance improvement plan is to identify any short fall in employee performance and implement a specific set of actions to reduce the identified gaps in KRA /GAFs.
- (b) The employee and Supervisor are required to take joint responsibility for the development and achievement of the performance improvement plan (attached to the half yearly review).
 - (c) Any identified gaps must be forwarded to HCD with a request for intervention.
 - (d) Employee's failure to improve performance after all the interventions have been exhausted, the Supervisor can apply incapacity code in terms of Labour Relations Act 1995 (Act No. 66 of 1995).

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(e) If there is disagreement that cannot be resolved between themselves on the scores given, the employee and Supervisor must each note their reasons, and these must be submitted to a mutually agreed mediator for mediation before moderation.

(f) If this mediation does not result in a resolution within five days, the notes may later be used if a grievance is submitted after the finalisation of the whole process.

PERFORMANCE MODERATION

28. (1) Reasons for the moderation of employee ratings include the following –

(a) the purpose of performance assessment review by higher levels of management above IRC is to ensure, as far as possible, that the performance of all employees is evaluated fairly and consistently across the Department;

(b) the MPSA has determined that only 1.5% of the Departmental remuneration budget can be allocated for the granting of performance bonuses; and

(c) the MPSA has also determined that only 2% of the Departmental wage bill can be allocated for the purpose of pay progression.

(2) There must be a common understanding of the standards required at each level of the rating scale as well as the unit of measurement and standards that must be linked to posts where similar outputs are required.

(3) Moderating of performance takes place at different levels in the organisation to contribute to consistent and fair performance management and assessment processes.

(4) As noted above, the provisional assessment rating is that which is agreed upon between the employee and her or his Supervisor.

(5) At this point the employee is aware of the rating. Any change, especially if the intention is that the rating score will be lowered must be dealt with in a consultative, just and transparent manner.

NORMAL DISTRIBUTION CURVE OF PERFORMANCE CATEGORIES

29.(a) Performance that is fully effective is generally rewarded by means of pay progression.

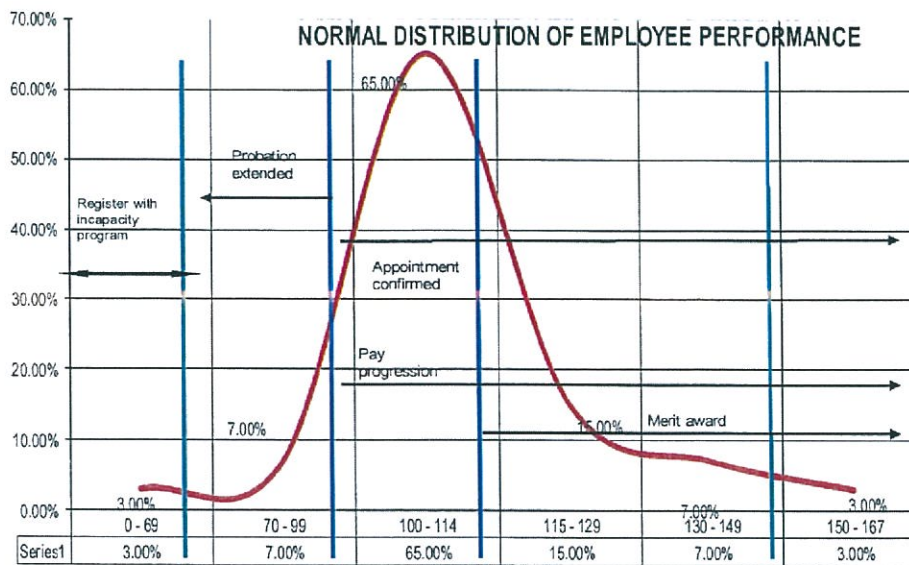
(b) Only performance that is significantly above expectations and outstanding qualifies for performance awards.

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(c) The following guideline, based on the statistical normal distribution curve principles, may assist the Moderating Committee to evaluate the summarised analysis of the outcome of performance ratings.

(d) In terms of this normal distribution, about 25% of employees may generally qualify for one of the three categories of performance bonus.

FIGURE 1



(f) This can be illustrated as follows –

Performance Category	Total Score	The following % of employees must fall in this category
Unacceptable performance	69% and lower	3%
Performance not fully effective	70% - 99%	7%
Performance fully effective (and slightly above expectations)	100% - 114%	65%
Performance significantly above expectations	115% - 129%	15%
	130% - 149%	7%
Outstanding Performance	150% - 167%	3%

THE INTERMEDIATE REVIEW COMMITTEE

30.(a) The Business Units must establish an IRC for reviewing the provisional assessment rating of employees.

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- (b) The IRC must comprise of the General Manager or the highest level employee as Chairperson and all relevant managers.
- (c) The nature of such committees will depend on the size and structure of the Department.
- (d) Any recommended changes in ratings by the IRC must be communicated to the Supervisors of the employees concerned.
- (e) The IRC may recommend changes to rating score (PAR) including the lowering of such ratings.
- (f) The IRC receives annual assessments of all employees reporting to it, to review and compare these, and to validate the ratings.
- (g) If the IRC agrees with the PAR, it then becomes the VAR.
- (h) Any recommendation on the lowering of rating scores must be referred back to the employee's Supervisor to try and reach consensus on the change.
- (i) If the Supervisor or a mediator cannot convince the employee of a change in the rating, the rating is forwarded to the Moderating Committee.
- (j) The Moderating Committee may confirm the rating, which then becomes the CAR which is the final rating score for an employee.
- (k) After receiving written confirmation of a final CAR from the DMC, an aggrieved employee may submit his or her grievance to the AAP, and failing agreement and a solution, the employee may then submit a formal grievance in terms of the Public Service Grievance Procedure.

DEPARTMENTAL MODERATING COMMITTEE

31. The HOD establishes a Departmental Moderating Committee for employees on salary levels 1 to 12, which is chaired by the General Manager: HRM and D, with the following members who are also appointed at the discretion of the HOD:

- (a) Senior General Manager: Local Government Branch;
- (b) Chief Financial Officer;
- (c) Senior General Manager: Traditional Affairs Branch;
- (d) General Manager: Monitoring and Strategic Planning; and
- (e) Senior General Manger: Development and Planning.

POWERS AND FUNCTIONS OF THE DEPARTMENTAL MODERATING COMMITTEE

32.(1) The role of the DMC is to ensure that the annual performance assessment is done in a realistic, consistent and fair manner, to monitor the performance assessment process by



obtaining an overall sense of whether norms and standards are being applied consistently and realistically to employees on the same level.

(2) The DMC must not assess each individual case for purposes of evaluating ratings, but must develop an overall view of the results of process.

(3) The DMC confirms the rating, which then becomes the confirmed assessment rating, which is the final rating score for an employee.

(4) The DMC must keep detailed minutes of decisions.

(5) The DMC must –

(a) provide oversight of the application of the EPMDS, ensuring that the performance management process, including the setting of performance standards is valid, fair and objective;

(b) advise the Department on financial and non-financial rewards, including the specific percentage for performance bonuses, mindful of the maximum set by the MPSA;

(c) detect potential problems in the system and advise the HOD accordingly;

(d) review overall assessment scores across sections in the Department;

(e) recommend reward levels and remedial action for performance and non-performance, respectively; and

(f) make recommendations regarding actions to be considered where Managers and Supervisors do not properly and fairly execute their responsibilities with regard to assessment and rating in terms of the EPMDS.

(6) The DMC must not allow the process of moderation to cause unnecessary delays to the finalisation of the performance assessments.

(7) The DMC may delegate authority to approve performance assessments, which are rated as fully satisfactory, to any functionary or functionaries within the Department.

ASSESSMENT APPEAL PANEL

33.(1) The role of the AAP becomes clear in the overall context of performance review and moderation and is two-fold –



- (a) as a Departmental recourse for an employee in a disagreement over a proposal by the IRC to amend an assessment rating, and after being informed of final rating (CAR) before a formal grievance is lodged; and
- (b) as an arbiter in *ad hoc* disputes and disagreements.

(2) The AAP is constituted by the HOD for specific cases and may include expertise of the line function, performance management, legal affairs and labour relations.

(3) The Panel will consider written representations from employees in the event of a disagreement and after submission in writing to the Labour Relations Unit of the Department.

(4) The AAP that is then constituted, has the following responsibilities —

- (a) to review a disagreement between an employee and the Department over her or his CAR, and to make a recommendation in this regard to the Departmental Moderating Committee;
- (b) The submission in this instance is made by the aggrieved employee to Labour Relations who then ensures that the AAP is activated and set up appropriately; and
- (c) to act as an arbiter and make recommendations to the Departmental Moderating Committee in the event of special cases of disputes and disagreements, for example in a specific section or with a specific Manager or Supervisor, or of a specific employee, especially in cases where the interpretation or application of the EPMDS is an issue.

DISAGREEMENTS OVER RATING AND ASSESSMENT

34. (1) Agreement on a rating between an employee and her or his Supervisor, or during a review and moderation actions, is not always guaranteed. If the requirements of the system are met for regular consultation and discussion between the Supervisor and the employee, there must be little cause for continued disagreement.

(2) However, disagreement may occur between —

- (a) the employee and her or his Supervisor;
- (b) an employee and her or his Supervisor, and the IRC ;
- (c) the IRC and the DMC; or
- (d) the Moderating Committee and the HOD or Executive Authority.

(3) Disagreements at the levels of the IRC or the DMC are minimised if the assessment of senior managers is done before the assessment of non-managers.

(4) The route and processes to be followed in the event of disagreement over performance assessments is as follows –

- (a) In the event of disagreement that could not be resolved, the disagreement must be referred to a Mediator by the party declaring the dispute;
- (b) A Mediator intervenes as a first attempt and if disagreement remains unresolved, a case is submitted to IRC;
- (c) The IRC makes recommendations and returns the case to the Supervisor and Supervisee concerned;
- (d) If no agreement is reached, the case must be referred to the AAP for mediation and decision;
- (e) AAP submits recommendation to DMC;
- (f) DMC then submits recommendations to HOD and;
- (g) Employee is then formally informed of the final score.

(5) The affected Employee is entitled to seek redress through other means available in law, that is, employees may follow the formal grievance rules of the Public Service if not satisfied.

PROBATION

35. (1) Employees who are employed for a period not exceeding one year and are employed in terms of the contract, do not serve a probationary period.

(2) The performance of employees on probation is managed in terms of the EPMDS process as well as the Departmental policy on probation.

(3) A Supervisor of the probationer must ensure that –

- (a) the probationer, at the commencement of the probationary period, knows the performance and other requirements for obtaining confirmation of probation;
- (b) the performance of an employee on probation must be conducted quarterly and must be linked with the EPMDS;
- (c), the probationer receives training, counselling or other assistance to meet the requirements for confirmation;
- (d) the probationer receives written confirmation of appointment at the end of the probationary period if she or he has been found suitable for the relevant post; and
- (e) when dismissal as a result of poor performance is considered, the probationer is afforded the opportunity to state her or his case, during which process the probationer

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may be assisted by a personal representative, including a colleague or trade union representative.

(3) The EPMDS will serve as the system that is used to assess an employee during the period of her or his probation.

(4) The performance assessment of employees on probation must be conducted quarterly and must link with the EPMDS, regardless of the date of employment.

(5) The performance assessment form must be submitted to HRA immediately following the assessment.

(6) At expiry of the probationary period the Supervisor of the probationer must make a recommendation on whether or not appointment must be confirmed.

(7) If the probationer is not deemed suitable for the relevant post, other options such as the extension of probation, formal registration on the incapacity programme or as a last resort dismissal, will be considered. (Refer to Annexure G for probation assessment form)

(8) Should an employee's probationary period coincide with the assessment cycle 1 April to 31 March, the relevant probationary report must be completed on a quarterly basis and in addition, the half yearly and the Annual assessment must also be completed and submitted in accordance with EPMDS.

MANAGING PERFORMANCE THAT IS NOT FULLY EFFECTIVE

36.(1) Supervisors are required to first identify performance barriers and develop PIP, in line with a developmental approach to deal with unacceptable performance of employees under their supervision.

(2) The Supervisor must comply with the procedural requirements of PSCBC Resolution 10 of 1999 and Resolution 1 of 2003 – "Incapacity Code".

(3) The EPMDS provides for the early identification and resolution of unacceptable performance.

(4) The employee's performance rating that is "not fully effective" or is lower must not be indicated for the first time during the annual performance assessment

(5) Performance monitoring, including the performance reviews, provide opportunities to ensure this does not happen.

(6) Interventions by the Supervisor to overcome performance shortfalls on the part of the employee can include any or all of the following –

(a) personal counselling;

(b) on-the-job mentoring and coaching;

(c) formal training/re-training;

(c) restating the Work Plan performance requirements and

(d) work environment audits to establish other factors affecting performance.

(7) Employee not responding to reasonable and continuous attempts to improve performance must be formally registered on an Incapacity Programme and advised of this in writing.

PAY PROGRESSION

37. (1) The pay progression system was introduced by and is managed in terms of DPSA Minute 1/7/1/4/1 Incentive Policy Framework (IPF) dated 27 January 2003. Please consult this DPSA Minute for detail on the IPF.

(2) Employees on salary levels 1 to 12 are eligible for pay progression to the maximum notch of the salary level attached to their posts.

(3) Progression to the next higher notch within the employee's salary level as of 1 July 2003 must be based on a period of continuous service and performance, and is not automatic.

(4)(a) An employee must complete a continuous period of at least 12 months on his and her notch (1 April to 31 March) and must be performing at least at the level of fully effective as assessed in terms of the EPMDS.

(b) One (1) notch to eligible employees with a satisfactory performance rating.

(c) Two (2) notches for employees with above average assessments, limited to 10% of the eligible employees with the stipulated assessment.

(d) Maximum of three (3) notches for employee with excellent performance assessments, limited to 5% of eligible employees with the stipulated assessments.

(5) The qualifying period for first time participants is 24 months with effect from 1 July 2012, in line with PSCBC Resolution 1 of 2012.

(6) The assessment cycle runs over a continuous period of 12 months, commencing on 1 April of a particular year.

(7) Pay Progression takes place annually on 1 July of each year, in line with the Departmental performance management policy and is based on –

- (a) actual service in a particular salary level for the period 1 April to 31 March; and
- (b) an assessment of at least satisfactory performance.

(8) Only valid notches on the salary level must be used in the process of progression.

(9) Employees on personal notches, therefore on a notch above the maximum of the salary level attached to his or her post does not qualify for pay progression, but must receive any annual salary adjustments on the salary scale.

(10) The pay progression system does not prevent the Executive Authority from awarding a higher salary to employees in terms of the PSR (Chapter 1 Part V/C3).

(11) Therefore –

- (a) employees, who are awarded a higher salary level by the Executive Authority, which does not correlate to the job weight attached to their job, do not qualify for pay progression on the higher salary level; and
- (b) employees, who are awarded a higher notch within the salary level, which correlates to the job weight attached to their job, qualify for pay progression

(12) Employees may in the same financial year receive pay progression and other performance related incentives or both provided for in the Departmental performance related incentive schemes.

DEPARTMENTAL PERFORMANCE INCENTIVE SCHEME

38.(1) The Department has a financial performance incentive scheme for employees on salary levels 1 to 12, which includes the awarding of performance bonuses, subject to the measures contemplated in clause 39 below.



(2) If an employee makes a suggestion, improvement or invention of exceptional value to the Department or the Public Service as a whole—

(a) the Department has the right to use any such suggestion, improvement or invention;
and

(b) the executive authority may reward the employee through—

(i) any non-financial reward; or

(ii) a non-pensionable cash award not exceeding 20 per cent of the employee's pensionable annual salary, or, with the Executive Authority's approval, a non-pensionable cash award in excess of 20 per cent of the employee's annual salary

(3) The IPF introduced flexibility in the awarding of performance incentives, but placed a ceiling of a maximum of 18% of basic salary for non-SMS performance bonuses

(4) The IPF also determined that a Department will not spend more than 1.5% of its annual remuneration budget for employees on levels 1 to 12 on performance incentives.

(5) The Department must annually budget 2% of its wage bill for pay progression and 1,5% of the remuneration budget for the allocation of performance rewards.

(6) If this is insufficient to award deserving employees, the Department must scale down the percentages or set tighter standards for the granting of awards.

(7) The 1.5% may be exceeded with the approval of the Executive Authority in exceptional cases.

(8) In terms of the IPF-

(a) MMS members qualify for pay progression; and

(b) performance awards or bonuses payable in terms of the Departmental incentive scheme, are limited to a maximum of 14% of MMS members' package.

PERFORMANCE BONUS

39.(1) A performance bonus is a financial award granted to an employee in recognition of sustained performance that is significantly above expectations and is rated as such in terms of the rating scale.

(2) In order to qualify for a performance bonus, an employee must complete a continuous period of employment of at least twelve months on his or her salary level on 31 March of a year.

(3) The value of a bonus is calculated on the employee's actual notch (levels 1 – 10) or remuneration package (levels 11 and 12), but not exceeding the maximum notch of the scale attached to the post.

(4) The percentage cash bonus for the MMS is calculated on the member's total package, and the percentage ranges have been created to accommodate possible Departmental financial constraints.

(4) For purposes of illustration the following three broad groups of total performance scores can be distinguished, with the corresponding categories, percentages and outcomes –

TABLE 1

Performance groups	Percentages	Performance categories	Percentages	Outcomes
Below satisfactory performance	99% and below	Unacceptable performance	69% and below	No notch increase No cash bonus
		Performance not fully effective	70% - 99%	No notch increase No cash bonus
Satisfactory performance	100% - 114%	Performance fully effective (and above)	100% - 114%	Notch increase No cash bonus
Above satisfactory performance	115% and above	Performance significantly above expectations	115% - 149%	Notch increase Cash bonus in % range
		Outstanding performance	150% - 167%	Notch increase Cash bonus in % range

(5) The following cash bonuses may be granted to employees who qualify in terms of their annual performance assessment, i.e. who have completed the assessment period of 12 months of the performance cycle from 1 April to 31 March on a specific salary level –

Salary levels 1 to 10

PERFORMANCE CATEGORY	TOTAL SCORE FOR KRAs and GAFs	AWARD CATEGORY	CASH BONUS
Performance significantly above expectations	115% - 129%	C	5% to 8%
	130% - 149%	B	9% to 12%
Outstanding performance	150% - 167%	A	13% to 18%

Salary levels 11 and 12 (MMS)

PERFORMANCE CATEGORY	TOTAL SCORE FOR KRAs and GAFs	AWARD CATEGORY	CASH BONUS **
Performance significantly above expectations	115% - 129%	C	4% to 6%
	130% - 149%	B	7% to 9%
Outstanding performance	150% - 167%	A	10% to 14%

(6) The following tables summarise other measures –

Salary levels 1 to 10

PERFORMANCE CATEGORY	TOTAL SCORE	PROBATION	DEVELOPMENT	PAY PROGRESSION	CASH BONUS
Unacceptable performance	69% and lower	Extend probation or terminate in terms of Incapacity Code	Agree on development programme	-	-
Performance not fully effective	70% - 99%	Extend probation	Agree on development programme	-	-
Performance fully effective and above)	100% - 114%	Confirm appointment	Agree on development opportunities	1 notch (1%)	-

Performance significantly above expectations	115% - 129%	Confirm appointment	Agree on development opportunities	1 notch (1%)	5% to 8%
	130% - 149%	Confirm appointment	Agree on development opportunities	1 notch (1%)	9% to 12%
Outstanding performance	150% - 167%	Confirm appointment	Agree on development opportunities	1 notch (1%)	13% to 18%

Salary levels 11 and 12 (MMS)

PERFORMANCE CATEGORY	TOTAL SCORE	PROBATION	DEVELOPMENT	PAY PROGRESSION	CASH BONUS
Unacceptable performance	69% and lower	Extend probation or terminate in terms of Incapacity Code	Agree on development programme	-	-
Performance not fully effective	70% - 99%	Extend probation	Agree on development programme	-	-
Performance fully effective and above	100% - 114%	Confirm appointment	Agree on development opportunities	1 notch (1%)	-
Performance significantly above expectations	115% - 129%	Confirm appointment	Agree on development opportunities	1 notch (1%)	4% to 6%
	130% - 149%	Confirm appointment	Agree on development opportunities	1 notch (1%)	7% to 9%
Outstanding performance	150% - 167%	Confirm appointment	Agree on development opportunities	1 notch (1%)	10% to 14%

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NON-FINANCIAL INCENTIVES

40.(1) The Department must from time-to-time and at the discretion of the HOD introduce mechanisms for non-financial recognition to stimulate performance across the Department.

(2) Managers may also propose forms of non-financial recognition, provided these remain non-financial, fit into the budget and do not change any basic condition of employment.

(3) The following are examples of recognition that can be considered –

- (a) acknowledgement and recognition of performance excellence; in Department publications; specially created awards and certificates; citations at conferences or meetings; and attendance at conferences;
- (b) increased autonomy to organise own work;
- (c) increased resources with which to perform work;
- (d) public awards of various kinds made by management in recognition of a specific achievement or innovation or for consistent achievement over a specific period;
- (e) specific access to specialised training and development opportunities; and
- (f) participation on a prioritised rotation basis in study tours or overseas and other visits by the Executive Authority, HOD or senior management.

MONITORING AND EVALUATION

41.(a) The responsibility for monitoring and evaluating the effective implementation of EPMDS resides with the Directorate: Performance Management.

(b) Such monitoring and evaluation will be undertaken on an on-going basis.

(c) A report on the effectiveness of the implementation of EPMDS within the Department will be compiled by the Directorate: Performance Management on an annual basis.

(d) The Directorate: Performance Management will be responsible to take corrective steps in overcoming deficiencies within the system.

(e) In undertaking the monitoring and evaluation, relevant data will be gathered from PERSAL, Human Resource surveys and feedback from organised labour on the effectiveness of this system.

EFFECTIVE DATE

42. This policy comes into effective on the date of signature hereof by the Accounting Officer.



ANNEXURE 1

CATEGORIES OF PERFORMANCE

The following five categories of performance are used for the purpose of performance rating, review and the annual assessment of employees –

RATING	CATEGORY	DESCRIPTION
1	UNACCEPTABLE PERFORMANCE	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved <u>less than fully effective results against almost all</u> of the performance criteria and indicators as specified in the Performance Agreement and Workplan.
2	PERFORMANCE NOT FULLY EFFECTIVE	Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved <u>less than fully effective results against more than half</u> of the performance criteria and indicators as specified in the Performance Agreement and Workplan.
3	PERFORMANCE FULLY EFFECTIVE	Performance fully meets the standard expected in all areas of the job. The review / assessment indicates that the employee has achieved as a minimum <u>effective results against all</u> of the performance criteria and indicators as specified in the Performance Agreement and Workplan.
4	PERFORMANCE SIGNIFICANTLY ABOVE EXPECTATIONS	Performance is significantly higher than the standard expected in the job. The review/assessment indicates that the employee has achieved <u>better than fully effective results against more than half</u> of the performance criteria and indicators as specified in the Performance Agreement and Workplan and fully achieved all others throughout the performance cycle.
5	OUTSTANDING PERFORMANCE	Performance far exceeds the standard expected of an employee at this level. The review/assessment indicates that the employee has achieved <u>better than fully effective results against all</u> of the performance criteria and indicators as specified in the PA and Workplan and maintained this in all areas of responsibility throughout the performance cycle.

ANNEXURE 2

PERIODS OF ASSESSMENT

	Assessment Period	Type of assessment	Finalisation dates
1.	1 April – 30 June	Verbal	1 st week of July annually
2.	1 July – 30 September	Written	1 st week of October annually
3.	1 October – 31 December	Verbal	2 nd week of January annually
4.	1 January - 31 March	Written	31 May annually

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