



KARIBIB TOWN COUNCIL

PERFORMANCE MANAGEMENT POLICY



KARIBIB TOWN COUNCIL

Office of the Chief Executive Officer

Performance Management Policy

SECTION 1

1. DEFINITIONS

Competencies

The visible application of knowledge and skills within a specific environment. The evaluation of competency not only addresses the knowledge of a person, but also the manner in which this knowledge is applied in the work environment.

Evidence

The documentary proof that must be submitted to substantiate the level of achievement i.e. rating against the KPI. Evidence must be independent, clearly reflect achievement, and signed off by relevant person/s.

Goals

General statements that describes the desired outcome or purpose of any activity. This means the positive impact that the department wishes to have on Community at large.

Impact

Refers to the changes and consequences that result from specific activities or achievement. These may be both intended and unintended. Impact is generally assessed in terms of the contribution made to the achievement of a goal.

Indicators

Are agreed signs/measures of effective performance that clarify intentions and help in assessment of achievement? Deliverables, standards, or measures used to indicate whether or not an objective has been met. The results must be within the control of the employee, objective and observable, and capable of being measured.

Input

The resources that are used to produce outputs or results. Inputs may be monetary or the amount of time employees spent on producing desired results.

Job analysis

is the process of identifying the purpose of a job in relation to:

- Organizational goals.
- Key performance areas or results that need to be achieved.
- How they would be achieved?
- What will be required to achieve them?

Key Performance Areas

(KPA's) are those areas of a job that are critical in terms of making an effective contribution to achievement of organizational goals.

Council

refers to Karibib Town Council

Nonfinancial Rewards

These are non-monetary rewards such as holidays, flexible working hours, access to training opportunities, birthday hampers, gift, awards, and cards e.t.c given to employees as rewards for good performance

Objectives

Are statements that concretely and specifically describe a result to be achieved? They serve as a basis for:

- Clarifying intentions
- Planning
- Guiding activity towards a desired result
- Assessing achievement.

Objectives are directly linked to the Strategic Plan Priorities of a Council.

Outcome

It is the consequence of achieving specific objectives. It is assessed in terms of goals and impact on the achievement of goals. It describes what changed as a result of the effort.

Output (Result)

It is a concrete achievement that contributes to the achievement of a longer-term outcome or goal.

They may be:

Specific outputs such as houses built, patients served, Road constructed, performance agreements developed and signed.

Performance agreement

It is the outcome of a process that links individual performance plans to Council goals and defines what is required to achieve effective performance.

It involves supervisors and employees agreeing on objectives and standards of performance to guide performance and performance assessment.

Performance appraisal

It is the process of assessing performance.

It is part of a larger process of linking individual performance management and development to organizational goals. It is also only one aspect of managing and developing the performance of individuals.

It is a cyclical and iterative process aimed primarily at performance improvement through ongoing learning and development.

Performance Management focal person

This is the person within the Council that is appointed to develop and maintain the system and support all Head of Departments with logistical and technical arrangements related to the implementation of the performance management systems.

Head of Department

This is the person that has staff members that report to him or her and is therefore required to conduct the performance appraisal and management processes with these staff members.

Performance review

Is the formal process of assessing performance; during the review:

- Achievement is assessed
- Problems are identified
- Remedial measures are agreed upon

Performance standards

These are mutually agreed criteria to describe how well work must be done. They may be used to clarify the key performance areas of a job by describing what minimum performance levels are required to meet the requirements of the job as well as what “doing well” means or would look like to an observer.

Personal Development Plan

It is a general but realistic development plan based on an employee's aspirations and the longer-term needs of the Council. It generally reflects specific actions to be taken by the employee and the Council to help the employee develop his/her potential and capacity.

Target Rating scale

It is a standard scale for rating an employee's performance in relation to specific categories of performance. These are often used to introduce a degree of comparability into systems for performance assessment. A rating scale of 1 – 5 is used to determine the extent to which a target has been achieved. The details of the rating scale are as follows:

5	Outstanding performance: Performance far exceeds the standard expected of an employee at this level.
4	Performance significantly above expectations: Performance is significantly higher than the standard expected in the job.
3	Fully effective: Performance fully meets the standards expected in all areas of the job.
2	Performance not fully effective: Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job.
1	Unacceptable performance: Performance does not meet the standard expected for the job. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement

Targets

These are agreed quantitative or qualitative standards which must be achieved. This refers to the output level the person must achieve in order to be given a particular performance score. Targets must consider realistic timeframes and it must be possible to implement them within a 12-month period. Inclusion of these targets eliminates subjectivity in the review process.

1. Introduction

This policy document is formulated in terms of the Council resolution for the purpose of enhancing effective service delivery by Karibib Town Council, which requires the Council to establish a performance management system that is:

- a) Commensurate with its resources;
- b) Best suited to its circumstances; and
- c) In line with the priorities, indicators and targets contained in its strategic plan.

The Council is also required by the Act to:

- a) Promote a culture of high performance among its political structures, and in its administration.
- b) Administer its affairs in an economical, effective, efficient and accountable manner.

2. Purpose

- 2.1 The overall purpose of Performance Management is to improve performance and align Council performance to the set goals/ objectives in the strategic plan.
- 2.2 To enhance organisational/departmental performance against the strategic priorities, development plan on service delivery and budget implementation plan.
- 2.3 To enhance individual performance against agreed upon performance management objectives.
- 2.4 To enhance the manager-employee relationship by allowing for frequent communication of expectation in terms of set objectives, accurate performance evaluation and feedback.
- 2.5 To manage under-performance in a constructive manner.
- 2.6 To recognise good performance.
- 2.7 To give direction to employees in terms of their life-long learning, career progression and personal development.
- 2.8 To enable a culture of continuous improved service delivery.

3. Policy principles

The following fundamental principles form the basis for the understanding and successful implementation and management of the system and process:

- 3.1 The system is aligned and directed by the business planning process, supports the achievement of business planning targets, integrates systematically with other human resource processes and is owned by the leadership.
- 3.2 The Council leadership own and drive the performance Management process.
- 3.3 Departments and individual performance will be aligned to the Strategic Plan and operational Plan through cascading of the Council scorecard to unit scorecards and individual performance scorecards.
- 3.4 Performance Management provides a basis for improving performance and developing people and also acts as a mechanism for corrections and continues improvement of individual performance.
- 3.5 Performance Management must support the implementation of Council values. It must be inculcated through a check and balance mechanism that ensures consistent practice of the appropriate behaviour.

3.6 All performance management practices will be non-discriminatory, founded on fairness and equity.

3.7 Performance management will be applied consistently throughout the Council in line with the performance cycle [see **Timelines**].

3.8 Rewarding employees for good performance is a recognition tool and aimed at encourage high performance.

3.9 Performance Management provides a basis for rewarding people in relations to their contribution by developing their skills, non-financial rewards and including recognition of achievements and opportunities to take more responsibilities or enhance knowledge and skills.

3.10 Goal setting is set at the top and is cascaded down within the Council structures.

4. Scope

4.1 The policy is intended to ensure the consistent implementation of the performance management system and applies to all permanent employees within Karibib Town Council.

5. Performance Management process

5.1 Planning

a, Each department must have a clear understanding of how it contributes to the achievement of the organisational objectives. Alignment of all department strategies with the organisational strategy is imperative.

b, Each department must have a strategic objectives, which must be cascaded down to inform departments and individual plans.

c, Each person in the Council must understands their contribution to the success of the Council strategies.

d. The departmental planning involves setting targets for the departmental plan based on the goals of Council as laid down in the strategic plan.

e. Head of departments and Supervisors must be involved in the departmental planning process to assist them understand the goals of the organisation.

5.2 Performance Management cycle/planning schedule needs to be institutionalised and aligned with other business cycles in Council.

The following schedule is presented below:

TIMELINE	
Deadline	Action
	Complete departmental Plans
	Balance Score Cards Completed, signed- off & submitted to HR (all Levels)
	1 st Quarter Review completed and ratings submitted to HR
	1 st Quarter performance moderations completed PMC
	2 nd Quarter Review Completed and ratings Submitted to HR

	2 nd st Quarter performance moderations completed by PMC
	3 rd Quarter Review
	3rd Quarter performance moderations completed by PMC
	Final Review completed and submitted to HR
	Final Review Moderations completed by PMC
	Final Sign-off by CEO
	Recognition (given by the Council)
	Next FY Performance Scorecard to be completed

5.3 Performances Agreement/Contracting

- a. At the beginning of each financial year, supervisors/line managers shall meet with their employees to jointly establish performance targets in each key objective that will be measured for the particular review period.
- b. Both parties must clarify the objectives, targets and performance measures and have the same understanding on what needs to be achieved and how it will be measured.
- c. Supervisors/line managers will explain how meeting these targets will contribute to the achievement of the department and organisation performance targets.
- d. The Performance Scorecards should include the Key Objectives with specific Performance measures and targets, signed by both supervisor and employee to indicate agreement on the set targets.
- e. Supervisors/line managers are ultimately accountable for the development of Balanced Scorecard in their respective departments.
- f. Completed and signed off Balanced Scorecards must be submitted to the human resources department within the timeframe as per the PMS schedule (refer to timelines) for data capturing and record keeping.
- g. All Performance Scorecards will be properly filed.
- h. New targets if necessary will be determined at each review/assessment session.
- i. When targets change during the course of the work cycle, supervisors shall communicate these changes and modify Performance Scorecards as necessary. Modifications shall be signed and dated by both the supervisor and the employee.

5.4 Performance Reviews

5.4.1 Interim reviews

- a. Compulsory and formal performance reviews are conducted quarterly during the financial year (Sept, Dec and March).
- b. Supervisors/line managers shall evaluate employees' performance during the past 3 months compared to their performance targets.
- c. line managers/ Supervisors must have one-on-one sessions with their direct reports for the purpose of reviewing their performance
- d. They shall use verifiable information collected and documented throughout the cycle to determine the extent to which actual performance has met the targets defined in the Performance Scorecard.

- e. Supervisors/line managers shall notify employees of review session at least a week before the time.
- f. All appraisals shall be in writing and in the approved format.
- g. Both supervisor and employee shall sign and date the completed performance appraisal indicating that the discussion has taken place.
- h. In an event that the employee does not agree with the appraisal, the employee shall sign, but add a comment describing the different view.
- i. The employee shall be given a copy of the final assessment and be allowed to reflect on it and to respond in writing within three (3) working days should there be any objections.
- j. The rating of the interim reviews shall be used as an input into the final performance rating.
- k. Interim review result must be submitted to Head of Human Resources for record keeping and data capture
- l. Supervisors/line managers are encouraged to have regular **informal interim reviews/ performance feedback** session during the year.
- m. Evaluation/ assessment shall be done solely on agreed performance measures and indicators to avoid subjectivity.

5.4.2 Final reviews

- a. Final reviews must be conducted at the end of the financial year in June (Assessment conducted in July).
- b. Supervisors/line managers must have one-on-one sessions with their direct reports for the purpose of reviewing their performance
- c. They shall use verifiable information collected and documented throughout the cycle to determine the extent to which actual performance has met the targets defined in the Performance Scorecard.

5.4.3 Process for final year-end rating

- a. The final year-end rating will be the average of the interim quarterly reviews and the year-end reviews ratings.
- b. The final review will thus measure performance for the whole year from July to June.
- c. Both the employee and the manager must agree and sign off the final year rating.

- d. Final ratings are subject to moderation. All department ratings shall be submitted to the Performance Management Committee for moderation. Moderation results will be final.
- e. Once the moderation process has been completed, all Managers must give feedback to all their direct reports
- f. Reasons for any changes made during the moderation session should be communicated to all affected by their immediate supervisors/line manager.

6. Performance Reviews

6.1 Performance review of individual managers occurs on a quarterly basis during the periods in the table below.

First quarter	During the first week of October
Second quarter	During the second week of February.
Third quarter	During the first week of April
Fourth quarter and annual review	End of July

7. The Balance Score Card

7.1 The Council has adopted the balanced score card as a model to implement its performance management System. The model enables the Council to create a link between its mission and vision with its priorities and objectives. These are further cascaded down through the strategic initiatives & priorities. The latter informs the budget process of the Council. With an emphasis on “balanced”, the Scorecard uses four perspectives to answer critical service delivery questions. This provides the balance that successful organisations seek in measuring performance.

Perspective	Definition	Leading Question
Customer	The Council must focus on how to meet service needs in an efficient manner.	Is the organization delivering the services communities or its customers want?
Financial	The Council must focus on how to meet service needs in an efficient manner.	Is the service delivered at a good price?
Internal Business	The Council needs to focus on those critical operations that enable them to satisfy citizens.	Can the organisation improve upon a service by changing the way a service is delivered?
Innovation, Learning and Growth	The organization’s ability to improve and meet citizen demands ties directly to the employees’ ability to meet those demands	Is the organisation maintaining technology and employee training for continuous improvement?

8. Performance Scale

Council shall use a five-point performance scale based on alarms and targets. This performance scale is illustrated hereunder:

5	Outstanding performance: Performance far exceeds the standard expected of an employee at this level.
4	Performance significantly above expectations: Performance is significantly higher than the standard expected in the job.
3	Fully effective: Performance fully meets the standards expected in all areas of the job.
2	Performance not fully effective: Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job.
1	Unacceptable performance: Performance does not meet the standard expected for the job. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

9. The Outcome of the PMS

9.1 In order to determine the overall outcome of municipal performance, an annual community satisfaction survey should be conducted and its results be used to measure the satisfaction level of the Council's main customers. The survey results are also used to improve on performance and to constantly inform the annual planning process.

9.2 The Council also conduct an employee satisfaction survey on an annual basis in order to test the satisfaction level of employees as the Council's internal customers and most precious assets.

10. Personal Development Plans

10.1 Each employee should have a PDP.

10.2 Supervisors and employees shall jointly identify strengths and weaknesses to prepare a PDP for each employee.

10.3 PDP's will specify:

- how employees can more fully apply their strengths in their current positions,
- build up areas of weakness, enhance their performance in their current positions, or
- Develop the skills and experience they will need for possible future assignments, based on the organisation strategy and business plan.

10.4 The PDP shall be attached to the Performance Scorecard.

11. Managing Under Performance

11.1 This performance management policy must be read together with the disciplinary policy.

11.2 When an employee's performance falls below targets (scale 1) during the performance cycle, the supervisor shall document the performance deficiency and take actions, including (if appropriate) disciplinary action, to assure that performance targets will be met within the set time frame.

11.3 The supervisor shall document the performance that falls short of targets by preparing a Performance Improvement Plan (PIP). It will specify (a) the performance gap, (b) the steps to be taken to improve performance, including the timeframe for improvement, (c) the consequences of failure to improve, and (d) a follow-up date.

11.4 The Performance Improvement Plan shall be considered successfully completed only when the employee's actual performance has improved to the point where targets are being met.

11.5 The PIP will be considered unsuccessful when the employee's performance has not improved within agreed time frame period in spite of the mutually agreed and implemented improvement actions. The supervisor/manager will then have to proceed with the formal disciplinary process.

11.6 Employees must take full ownership of his/her Performance Improvement Plan (via the DPD mechanism) and commit to relevant mutual agreed upon development interventions

11.7 Employees should be assisted as far as possible to encounter or handle personal or social issues through coaching and mentoring, but not to the detriment of Council performance.

12. Transitions

12.1 When employees move into or out of their positions, relevant performance information shall be communicated in a timely way.

12.2 Probationary employees shall have Performance Scorecard within 30 days of their date of employment. To remove an employee from probationary status, the supervisor shall provide performance documentation that the probationary employee's performance is meeting performance targets.

12.3 Employees whose responsibilities are changed substantially, either within their current position or by transfer (promotion, lateral transfer, or demotion), shall have Performance Scorecard established within 30 days following the new assignment.

12.4 When a supervisor leaves a work unit, the next-level supervisor shall ensure that performance documentation concerning the employees supervised by the departing supervisor is made available to the new supervisor.

13. Access and Use of Performance Information

13.1 Completed performance appraisals (with ratings, supporting information, and signatures and dates) shall be treated as confidential. Performance Scorecards and any information recorded for the purposes of clarifying performance, tracking progress, or reporting on the status of the results achieved, will be made available to managers/supervisors as required.

13.2 Council shall retain all completed performance appraisals on file for three years and destroyed thereafter.

13.3 Personnel decisions should be based on performance information. Decisions involving promotions, performance-based disciplinary actions, recognition, and reductions in force shall be supported by a current (completed within the past twelve months) appraisal on file.

14. Performance Management Committee

The Performance Management Process of Council shall be overseen by a Performance Management Committee (PMC), which normally consists of expertise from a local authority/ (As chairperson,) Chief Executive Officer, Head of department responsible for human resources/ performance management, MC Member, two external members and a union/ shopsteward. Their nomination is subject to the Management Committee approval. The committee may not exceed ten (10) members in total.

14.1 The mandate of the PMC should be to:

- (a) Ensure that the principles of the performance management process/system is adhered to at all times, i.e. equity, fairness, transparency, continuous improvement, a focus of development and career management, and that mutual agreement is reached on the performance review outcomes.
- (b) The PMC should only intervene when it comes to their attention that the performance management process is being undermined or that due process is not followed in the line.
- (c) The PMC should handle all appeals that are lodged with them as per appeal procedures.
- (d) Any appeal should first be made to the second-line supervisor who should do everything in his/her power to resolve all disputes.
- (e) In the event that he/she fails to resolve a dispute, then it should be escalated to the PMC. Hence, the assumption is made that the PMC will only have to address a limited number of complex appeals.
The premise is that performance management is owned by line and therefore line should take the responsibility and retain the accountability to ensure that all management processes are sound at all times.
- (f) The PMC is mandated to validate the performance ratings after each review/assessment.
The PMC should then indicate acceptance of the ratings and sign it off. In the event that the PMC believes that the ratings do not correlate to actual council performance, then line management should be requested to review the ratings in consultation with the relevant individuals.

15. Roles and responsibilities in Performance Management

15.1 Manager's Responsibilities

- Ensure that your own Performance Scorecard is comprehensive, measurable and aligned to Council Performance Scorecard.
- Identify any gaps of own knowledge, skills and behaviours that could prevent you from meeting objectives and initiate action plans to address these.
- Actively demonstrate personal commitment to the Performance Management process.
- Demonstrate good management practices and behaviour at all time.

- Provide direction and a solid framework for your team members' Performance Scorecard to ensure that they are aligned with the Performance Scorecard of the council.
- Jointly create the Performance Scorecard's with your team members and ensure that measures are sound and objective.
- Gain Commitment of your team members to their Performance Scorecards and keep them up to date.
- Track and record evidence of good performance as well as under performance in a "portfolio of evidence" which will assist with the review.
- Give on-going honest, constructive feedback and coaching to correct and reinforce performance.
- Facilitate the implementation of your team members' Personal Development Plans.
- Take appropriate, positive and timely action where performance does not meet the agreed outcomes and standards.
- Prepare for and allocate adequate time for on-going and final performance reviews.
- Base the performance ratings in the reviews on solid and documented track records.

15.2 Employee's Responsibilities

- Participating with their line manager in developing your Performance Scorecard determining critical results and related performance indicators. Revising them as frequently and as necessary.
- Assuring that they have a clear understanding of your manager's expectations and requesting clarification if necessary.
- Take ownership of objective and targets as agreed upon.
- Managing their performance to achieve critical results and bringing to your manager's attention circumstances that may affect achievement of critical results.
- Always, seeking performance feedback from your manager, team, internal and external clients.
- Participating in courageous discussions of their performance.
- Taking action to enhance or improve aspects of performance identified as outstanding performance or areas needing improvement.
- Create a Development Plan with their manager and then manage it by taking accountability for your plan (Skills, Knowledge, and Attitude).
- Continuously review their Performance Scorecard and Development Plan. Modify, if required, jointly with your manager.
- Track and record evidence of good performance as well as under performance. Clearly, concisely, and accurately document accomplishments over the year.
- Seek out feedback and support throughout the year.
- Respond to performance feedback.

15.3 Human Resources Department

- Facilitate effective implementation of the policy;
- Provide regular training on all aspects of performance management, including preparation of Performance Scorecards and conducting performance assessments;
- Monitor and report on compliance to performance management system;
- Conduct audits on performance management and governance;

- Facilitate Performance Management training - educate and train line management and employees in the knowledge, skills and attributes to successfully manage performance throughout the organisation;
- Provide Management with relevant reports in respect of Performance Management;
- Ensure that the Council strictly adheres to Performance management process time frames (contracting, interim and final reviews)
- Provide information for the on-going enhancement of the Performance Management Policy.
- Ensure accurate information is captured on the system – whether an electronic or manual database
- Ensure that technology, where applicable, is properly used for measurement, evaluation and reporting.

16. Performance assessment and rewards

16.1 A thorough assessment of performance of managers is conducted at the end of the financial year through the office of the Chief Executive officer and be approved by the Committee and endorsed by the Council as final.

16.2 The evaluation and awards are covered in the recognition policy

17. Rewards/ Recognition

17.1 The Council shall adopt the reward policy to guide the performance awards.

18. Communicating the system

18.1 To address the issue of the extent to which employees understand the performance management system and target achievement, regular engagement processes with employees shall be structured and include:

18.2 Quarterly meetings that involve discussion of the set goals formulation and progress, to which employees are invited, and through which all can develop a greater sense of the end target of their own responsibilities.

18.3 Responsibility for communication of these issues rests with the office of the CEO.

18.4 Communication of an accountability framework and process map of performance management to all parties, to ensure an understanding of how the Council's developmental plan is devised.

Signed by:

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Chief Executive Officer

Date

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Chairperson of Council

Date

Witness:

Chairperson of Management Committee

Human Resources Department