

## SUMMARY OF PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

### 1. Introduction

- 1.1 Departments have had the opportunity to work with performance management arrangements for the SMS since the introduction of performance agreements in 1998. Based on an assessment of these experiences, DPSA has developed a more comprehensive and integrated performance management policy framework in the form of a chapter of the SMS Handbook. This particular chapter attempts to integrate and consolidate information that was previously scattered across different circulars and guides. It also attempts to fill in various gaps identified by DPSA and departments.
- 1.2 By providing for a higher degree of uniformity in performance management and development for the SMS, the DPSA hopes to foster greater consistency in assessment processes and ultimately, to impact positively on productivity and service delivery. The new system should also assist in retaining competent SMS members, by providing for a clear system of package progression and performance rewards. At the same time, direct links are made to incapacity processes in the event of a SMS member failing to perform according to expectations.
- 1.3 Another feature of the system is the link to the recently introduced SMS competency framework. The assessment of all SMS members will henceforth include core management criteria, which are aimed at ensuring that SMS members pay sufficient attention to their managerial responsibilities without sacrificing the output orientation that has been introduced by performance agreements.

### 2. How does the new system differ from the previous one?

- 2.1 The following table summarises the similarities as well as differences between the old and the new performance management framework:

Old policy framework	New policy framework
<u>Similarities</u>	
3 Provided for performance agreements	3 Continues to provide for performance agreements
3 Provided for the payment of cash	3 Also provides for the payment of cash

<b>Old policy framework</b>	<b>New policy framework</b>
bonuses to high achievers 3 Emphasised outputs as opposed to personality traits or processes.	bonuses, but within a clearer policy framework and within set parameters 3 Continues to focus on measurable outputs, but balances this with good management practice in the form of Core Management Criteria
<u>Differences</u>	
X Not development-orientated	3 Includes a development orientation by focusing on management/leadership competencies and by providing for personal development plans
X No guidance on the linkages between organisation planning processes and individual performance management	3 Linkages are clearly indicated
X Lack of clarity on formats to be used for performance agreements and assessment instruments	3 Key elements of performance agreements and assessment instruments clearly highlighted and examples of formats to be used provided
X No standardised rating scale	3 Standardised rating scale
X No indication up-front of maximum percentages and amounts to be spent on performance bonuses	3 Parameters of monetary rewards clearly spelt out
X No provision for pay progression	3 Pay progression provided for
X No common assessment cycle	3 Clarity on assessment cycle which is linked to the financial year
X Cost-of-living increases linked to satisfactory performance	3 Cost-of-living increases delinked from performance, while clear linkages are provided between appraisal results and consequences such as monetary rewards as well as the initiation of incapacity procedures

### 3. Conclusion

- 3.1 As indicated above, many of the positive elements of the previous performance management framework have been retained. At the same time a number of new elements have been added, which should assist in managing performance more effectively in future.