BUILDING AN EFFECTIVE, INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

BY BONGINKOSI MSHENGU
TOPICS TO BE COVERED

1. PURPOSE
2. RATIONALE FOR FORMAL PMS
3. PRINCIPLES OF PM
4. LEGAL AND BUSINESS IMPERATIVES
TOPICS TO BE COVERED (cont.)

5. PERFORMANCE MANAGEMENT CYCLE

6. STEP-BY-STEP IMPLEMENTATION PROCESS
   ▶ 6.1 POLICY FORMULATION
   ▶ 6.2 ENGAGEMENT WITH STAKEHOLDERS
     (MANAGEMENT, STAFF, UNIONS)
TOPICS TO BE COVERED (cont.)

6.3 APPROVAL AND RATIFICATION

6.4 CHANGE MANAGEMENT PROCESS

7. BUDGET

8. ROLE CLARIFICATION BETWEEN MANAGEMENT, HR, UNION AND EMPLOYEE
9. MONITORING AND EVALUATION

- 9.1 PRODUCTIVITY AND EFFICIENCY
- 9.2 PROFITABILITY
- 9.3 BUY IN
- 9.4 LEVEL OF INTEGRATION
TOPICS TO BE COVERED (cont.)

10. QUO VAD15
   10.1 WHAT CAN BC DO FOR YOU?
   10.2 EXCO
   10.3 POLICY AND PROGRAM
   10.4 CHANGE MANAGEMENT
   10.5 TRAINING THE TRAINER
To foster an understanding of the step-by-step approach of implementing a performance management system in an organization.

To assist management to understand the value of managing performance in an organization.
RATIONAL OF FORMAL PERFORMANCE MANAGEMENT SYSTEM

- Focus on contributing towards common goals
- Consistency in managing individual outputs
- Defines expectations and standards
- Fair distribution of rewards
Manager / Subordinate Relationship

Supports Organizational Strategy

Ensures Delivery of Value and Service
PRINCIPLES OF PERFORMANCE MANAGEMENT

- Establish link between individual and organizational goals.
- Mutually agreed attainments which are reduced to writing.
- Regular discussions between manager and subordinate.
- Continuous development and support.
Simplicity.

Create good relationships based on honesty.

Create objectives that are interesting and challenging.
Aim to continuously improve performance.

It clarifies corporate goals.

It is more about people rather than processes.
PMS is a legislated requirement for municipalities in SA.

All staff should truly earn what they are being paid.

Individuals' efforts have an impact on the success of any business.

Effective PMS results in a high performance culture.

High performing organization contributes to improved quality of life for its staff.
PERFORMANCE MANAGEMENT CYCLE

Planning

Rewarding

Coaching

Reviewing
STEP-BY-STEP IMPLEMENTATION

- Write up / formulate a Policy.
- Seek approval by relevant level of authority.
- Engage organised labour.
- Engage management.
- Engage all staff through relevant structures.
Benchmark your policy with relevant organizations.

Design implementation plan and relevant documents.

Train all staff in performance management.

Evaluate and review.
POLICY FORMULATION

- Benchmarking
- Legal Prescripts
- Service Delivery Goals
- Draft Outline/Policy
ENGAGEMENT WITH STAKEHOLDERS

- Canvass the view and contribution of management.
- Present the concept at staff briefings and forums.
- Engage leadership of unions.
- Keep SALGA updated.
Formal presentation to top management forum and EXCO.

Seek support of top management forum.

Seek approval of EXCO.

Seek ratification of HR Portfolio Committee.
CHANGE MANAGEMENT PROCESS

- Assess level of understanding.
- Formulate change management strategy.
- Determine implementation plan and deliverables.
- Conduct Change Management sessions.
- Analyse feedback and effect changes where necessary.
provide budget for the implementation process.

determine budget for the rewards.
GENERAL MANAGEMENT

- Responsible for managing performance.
- Responsible for drawing up draft individual performance agreement.
Negotiating and concluding performance agreement with individual staff member.

Monitoring performance during the course of the year.

Conducting formal assessments with individual staff.

Taking corrective action where necessary.
Custodian of Performance Management Policy.

Administer the PMS.

Provide support to line management.

Provide quality assurance.

Analysis and annual reports.
Communication to membership.

Identification of implementation challenges.

Support.
PRODUCTIVITY AND EFFICIENCY

- Analyse and document possible productivity levels performed at competent levels.

- Analyse and document efficiencies required to attain stretch target levels.

- Share with individual staff members at contracting stage.
PROFITABILITY

- Identify additional revenue / savings attained through PMS implementation.

BUY IN

- Do year-on-year comparisons of service delivery improvements.
- Obtain feedback through periodic surveys.
MONITORING AND EVALUATION

LEVEL OF INTEGRATION

- Talent Management.
- Training Development.
- Employment Equity.
- IDP / Organisation Strategy.
What can BC do for you:

- EXCO
- Policy Program
- Change Management
- Training the Trainer
PM Policy was adopted in 2007.

- Grades 14 to 18 = 850 employees on PMS from 1 July 2009.
- Grades 11 to 13 = 2600 employees on PMS from 1 July 2010.
- Grades 9 to 10 = 3100 employees on PMS from 1 July 2011.
- Grades 7 to 8 = 4200 employees on PMS from 1 July 2012.
- Grades 5 to 6 = 4500 employees on PMS from 1 July 2013.

Team-based approach introduced in July 2015.
IMPLEMENTATION CHALLENGES

- Resistance from the Unions.
- Culture shock.
- Weak support from the leadership.
- Too much focus and emphasis on rewards.
- Compliance vs Commitment.
IMPLEMENTATION CHALLENGES

- Misalignment between KPA's and KPI's to the strategic objectives.
- Absence of comparative data.
- Qualitative vs Quantitative standards.
- Absence of standard guidelines at Implementation.
- Mistrust.
Thank You