



Report on the Implementation of the Performance Management and Development System for Senior Managers in the North West Province

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FOREWORD

The introduction of the Performance Management and Development System (PMDS) for senior managers in the Public Service has created a much needed process through which senior managers can be systematically supported and held accountable for their performance. Such support and accountability are critically important considering that senior managers within the Public Service have been entrusted with the responsibility to manage public resources and drive programmes through which government seeks to create a better life for all citizens. Against this background, the Public Service Commission (PSC) has embarked on a series of oversight studies to establish the progress made by departments in implementing the PMDS for senior managers. One of its recent studies on this was conducted in the Eastern Cape provincial administration with the report published in May 2007. The Report on the Eastern Cape highlighted certain areas of progress, but also drew attention to what was found to be generally low levels of compliance.



The PSC then followed up with another study, this time focusing on the North West Provincial Administration (NWPA). The Report on the NWPA shows that compliance is uneven across departments, and specifies the areas which require the attention of management, the Executive and the Provincial Legislature. These areas include systematic monitoring to ensure that all senior managers enter into performance agreements on time, the quality assurance of performance agreements to ensure that they meet the required standards, and regular performance reviews to ensure the provision of feedback. As provincial administrations are responsible for the bulk of the service delivery functions of Government, it is critical to ensure that they inculcate and sustain a culture of accounting for performance. When this culture takes root, the PMDS will cease to be a mere administrative requirement to be complied with and become a strategic management tool to heighten the level and quality of Public Service delivery.

I am, therefore, pleased to present this report on the status of compliance with Performance Agreements by senior managers in the NWPA. I hope that the findings and recommendations contained in it will facilitate constructive dialogue on the state of compliance in the Province, and inform efforts to enhance the implementation of the PMDS for senior managers.

A handwritten signature in black ink, appearing to read 'Sangweni'.

PROF. SS SANGWENI
CHAIRPERSON

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LIST OF ACRONYMS

BPP	Batho Pele Principles
CMCs	Core Management Criteria
DACE	Department of Agriculture, Conservation and Environment
DDLGH	Department of Developmental Local Government and Housing
DEDT	Department of Economic Development and Tourism
DoE	Department of Education
DoF	Department of Finance
DoH	Department of Health
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
DSAC	Department of Sport, Arts and Culture
DSD	Department of Social Development
DTRCS	Department of Transport, Roads and Community Safety
HoD	Head of Department
HR	Human Resource
KRAs	Key Result Areas
MPSA	Minister for Public Service and Administration
NWPA	North West Provincial Administration
OTP	Office of the Premier
PAs	Performance Agreements
PMDS	Performance Management and Development System
PSC	Public Service Commission
PSCBC	Public Service Coordinating Bargaining Council
PERSAL	Personnel and Salary Administration System
PSR	Public Service Regulations
TR	Treasury Regulations
SMS	Senior Management Service

Executive Summary

1. INTRODUCTION

The Public Service Commission (PSC) has been extensively involved in the monitoring and evaluation of performance management practices in the Public Service. This involvement has always recognized the imperatives of implementing an effective performance management and development system to ensure accountability and improved service delivery. For example, the PSC has conducted studies on the performance management and development systems at the Department of Home Affairs¹ and the Eastern Cape Provincial Administration². The purpose of these studies was among others, to assess the level of compliance with the PMDS requirements, including the management of Performance Agreements (PAs).

These studies have provided useful insights into the performance management and development practices of departments. The studies have shown, for example, that some PAs of senior managers do not reflect the core business of individual departments as articulated in various strategic and/or operational plans, resulting in a disjuncture between individual and organisational performance. Furthermore, the studies have also established that senior managers are reluctant to enter into PAs as these are perceived as hindrances rather than enablers of improved service delivery. In addition, some senior managers view the PA system as an instrument designed to punish them as opposed to a tool to assist effective performance management aimed at ensuring increased accountability.

This Report focuses specifically on the North West Provincial Administration. The Report examines the rate of compliance with PMDS requirements and analyses the overall progress with the implementation of the System.

2. OBJECTIVES

The overall objective of the study was to establish the extent to which departments in the North West Provincial Administration comply with the PMDS requirements. The PSC through the study aimed to assess:

- compliance by SMS members with regards to the completion of and signing of their PAs, as determined by the regulatory framework;
- the alignment of key performance areas (KPA's) to the vision, mission and strategic plan of the department;
- the alignment to broad and consistent staff development plans (i.e. a link between the development of capabilities with departmental strategic and operational planning);
- the implementation and management of PAs within the context of the PMDS; and
- the frequency of formal communication between the SMS member and his/her supervisor regarding performance feedback.

3. METHODOLOGY

The following methodology was applied during the study:

- the sample for this study comprised randomly selected members of the SMS in all the eleven (11) provincial departments. At least 30% of members of the SMS from each department were selected to participate in the study;
- two types of questionnaires were utilized, one was completed by randomly selected members of the SMS and the other by representatives from the Human Resource components; and

¹ Republic of South Africa. Public Service Commission. An Audit into the Granting of Performance Rewards. August 2006

² Republic of South Africa. Public Service Commission. Report on Senior Management Service Compliance with Performance Agreements in the Eastern Cape Provincial Administration. May 2007

- PAs of members of the SMS were collected from departments. The purpose was to assess the extent to which these PAs comply with the PMDS Framework.

4. LIMITATIONS

The following limitations were encountered in the study:

- Not all PAs of the members of the SMS were submitted for the analysis.
- Not all questions in the questionnaires were responded to resulting in some challenges when analysing responses. For example, not all senior managers were able to indicate the frequency with which performance reviews or assessments are conducted in their departments.
- There were instances where no documents were forthcoming despite continuous follow-up by the PSC.

5. FINDINGS

All the 95 questionnaires distributed to sampled members of the SMS and representatives of Human Resource components, were completed and returned, thus representing an overall response rate of 100%³.

As part of the study, the PSC requested the PAs of all senior managers in the province. In this regard, of the 279 members of the SMS employed the PSC received 177 signed PAs. This represents a 63% overall submission rate by departments in the province. Such a submission rate is inadequate, and what is worrying is that this rate may effectively mean that 37% of SMS members in the province were without PAs for the 2006/07 financial year. However, some departments achieved a higher compliance rate. The compliance rates ranged from 33% in the Department of Health to 96% in the Department of Finance.

5.1 OVERVIEW OF AREAS OF COMPLIANCE

The following areas of non-compliance were found to be common among the PAs submitted to the PSC for analysis.

5.1.1 PAs did not reflect the applicable Batho Pele Principles against Key Result Areas and Core Management Criteria

In terms of the SMS PMDS senior managers are required to identify KRAs and incorporate the applicable Batho Pele principles. The Batho Pele principles cut across the KRAs and are therefore used to define the kind of service(s) each KRA is expected to deliver, and are also utilized as criteria when performance assessments are conducted. The PAs analysed by the PSC were generally found to be non-compliant with this requirement. This non-compliance in relation to KRAs and CMCs was found to be as high as 100% in the case of the Departments of Public Works and Economic Development and Tourism.

5.1.2 PAs did not include Personal Development Plans

The inclusion of Personal Development Plans (PDPs) in the PAs of senior managers is compulsory. Senior managers and their supervisors should agree on the steps to be taken to address the developmental gaps and the date at which a review of progress will be done. In the PAs analysed by the PSC, PDPs were not always included. For example, in the Department of Education this kind of non-compliance was found in 100% of the PAs.

³ It should however, be noted that although all the completed questionnaires were returned, not all the questions in the questionnaire were responded to.

5.1.3 PAs did not Identify a Mediator

The majority of PAs assessed did not include the name of a mediator as required by the PMDS. In some departments, such non-compliance was found in as many as 92% of the PAs. The inability to identify a person to mediate could result in a situation where disputes may take too long to resolve if they arise.

5.1.4 PAs signed after 30 April

Paragraph 8.5 (5) of the SMS PMDS states that it is equally the responsibility of a member as it is that of a supervisor to ensure that the PA is signed. These PAs should be entered into within the first month of the financial year (that is, before 30 April of each year). For example, in the Departments of Economic Development and Tourism, Education and Finance the number of PAs signed after the due date of 30 April was found to be as high as 100%. This is a serious cause for concern given that PAs are regarded as legally binding documents and serve as the basis upon which the performance of senior managers will be assessed.

5.1.5 PAs did not include Workplans

In terms of the SMS PMDS, the content of PAs should clearly and directly devolve from and be related to the department's strategic/operational plan and the workplans of the specific unit for the coming year. These strategic/operational and/or the workplans of specific units should be attached to PAs as an annexure. In this regard, 33% of PAs of senior managers in the Department of Economic Development and Tourism did not include performance workplans. A performance workplan specifies the deliverables that the SMS member is responsible for and the performance standards against which the member will be assessed.

5.2 OVERVIEW OF RESPONSES PROVIDED THROUGH QUESTIONNAIRES

During the analysis of the questionnaires completed by a selected sample of senior managers and HR representatives in departments, the following critical issues were identified by the PSC:

5.2.1 The Signing of Performance Agreements is regarded as important

All the senior managers' responses generally agreed that it is important to enter into PAs. They indicated that in the absence of signed PAs there will be no basis to hold senior managers accountable and to measure performance. PAs, they indicated, regulate performance management in a structured manner; promote accountability for use of public resources and act as an instrument for managing conflicts of interest between senior managers and their supervisors.

5.2.2 Mechanisms to Support the Implementation of the PMDS

According to Chapter 4 of the SMS Handbook, performance management and development should be viewed as an approach to how work is done and organized. Effective implementation, therefore, requires enabling organizational mechanisms that support and drive the performance management and development processes. Enabling mechanisms include the provision of guidance and support to SMS members on the implementation of the PMDS. The study found that the support and guidance provided was regarded as inadequate by the managers.

5.2.3 Conducting Performance Reviews

Clause 12(1)(b) of chapter 4 of the SMS handbook, states that as a minimum, two formal performance reviews should take place annually, preferably in the middle of the cycle and one at the end of the cycle. Seven (7) senior managers indicated that in the last two years they had been assessed quarterly, ten (10)



half-yearly, whilst forty-five (45) said that they had only been assessed annually. In addition, three (3) managers said that they had not been assessed at all in the last two years. These findings show that performance reviews are not receiving the attention they deserve.

6. RECOMMENDATIONS

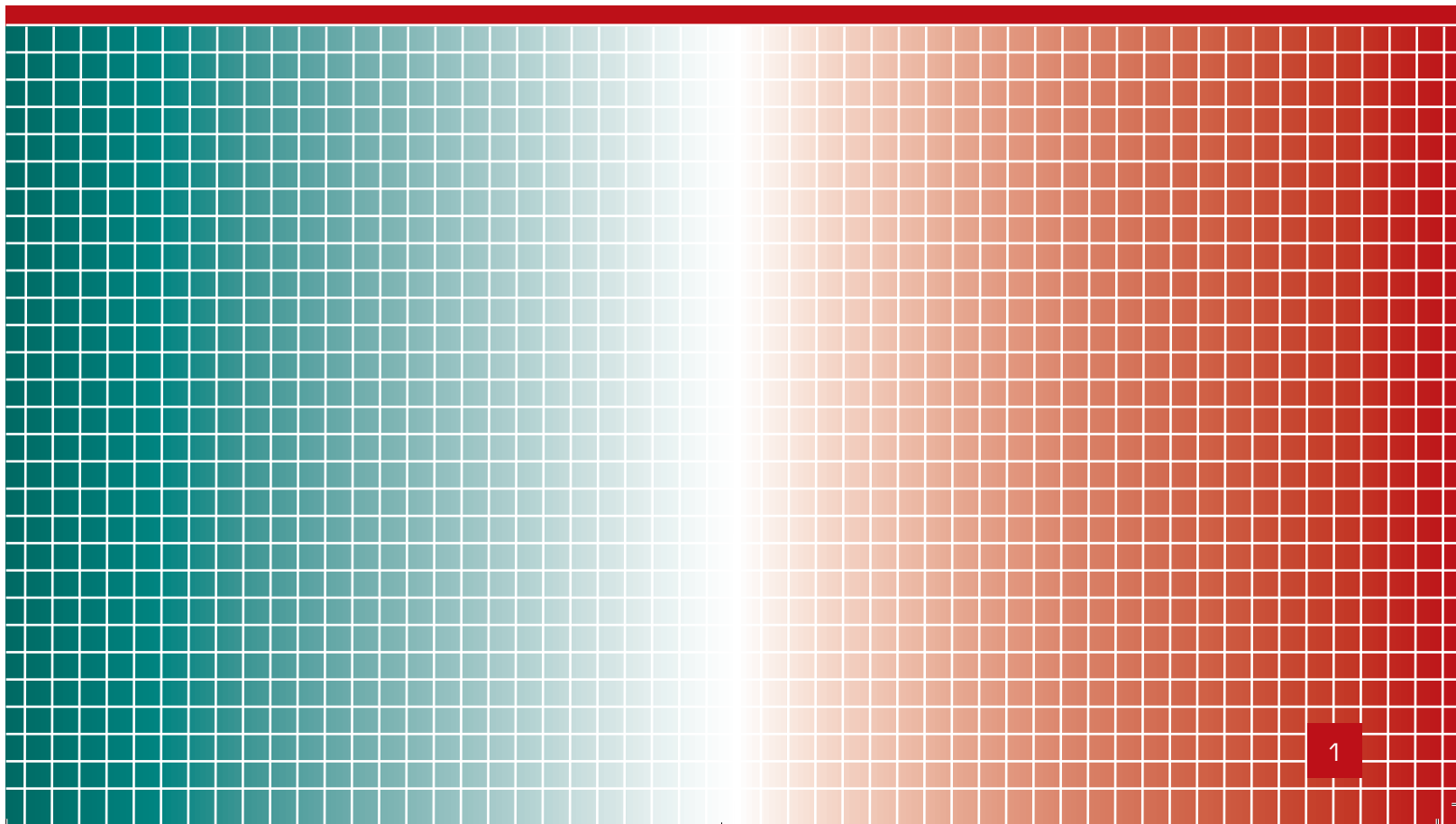
- HoDs and EAs should ensure that senior managers timeously enter into Performance Agreements on an annual basis and that these are co-signed by their supervisors before 30 April of each year. These Performance Agreements should then be used as the basis for the evaluation of the performance of senior managers.
- Performance Agreements should be quality assured by Human Resource components to ensure that they comply with the PMDS provisions, particularly as they relate to content issues. For example, Performance Agreements' KRAs and CMCs should contain the Batho Pele principles and mediators should be identified for purposes of resolving disputes.
- Human Resource components should be strengthened to better play their role in supporting the effective implementation of the PMDS. In this regard, departments should identify the specific capacity challenges that their HR components face and address these accordingly. The work done by DPSA on the role and competency framework for the HR function could serve a useful guide in this regard.
- Through effective monitoring, HoDs should ensure that once Performance Agreements are entered into, performance reviews are conducted on a quarterly, six-monthly and annual basis. In this regard, departments are encouraged to at least institutionalize the mid-term reviews. These reviews would then be used as an opportunity for feedback on performance with a view to identifying shortcomings and improving the overall performance.
- Departments should ensure that training and development on the SMS PMDS takes place which will enable senior managers to understand the important role played by performance management in their day to day activities.
- The Office of the Premier as the centre of government in the province should ensure that necessary support is provided to departments for the full and successful implementation of the performance management and development system. In this regard, the Office of the Premier should also put in place a mechanism of timeously establishing if the PMDS is being implemented as required.
- The Provincial Legislature should ensure that EAs are held accountable for the effective implementation of the PMDS in their respective departments. In this regard, the Legislature should be provided with progress reports which, among others, address the critical compliance issues raised by the PSC in this report.





Chapter One

INTRODUCTION



1.1 BACKGROUND

The Public Service Commission (PSC) has been extensively involved in the monitoring and evaluation of performance management practices in the Public Service. This involvement has always recognized the imperatives of implementing an effective performance management and development system to ensure accountability and improved service delivery. For example, the PSC conducted a study on the State of Performance Management Systems in the South African Public Service⁴, which was followed by other specific studies focusing on the Departments of Correctional Services, Home Affairs and Labour⁵ and the Eastern Cape Provincial Administration⁶, respectively. The purpose of such studies was among others, to assess the level of compliance with the PMDS requirements, including the management of Performance Agreements (PAs).

These studies have provided useful insights into the performance management and development practices of departments. One of the most critical areas highlighted has been the overall poor management of PAs by departments. The studies have shown, for example, that some PAs of senior managers do not reflect the core business of individual departments as articulated in various strategic and/or operational plans, resulting in a disjuncture between individual and organisational performance. Furthermore, the studies have also established that senior managers are reluctant to enter into PAs as these are perceived as hindrances rather than enablers of improved service delivery. In addition, some senior managers view the PA system as an instrument designed to punish them as opposed to a tool to assist effective performance management aimed at ensuring increased accountability.

Considering the above challenges, the PSC, therefore, continues to pay particular attention to performance management and development in the Public Service in order to assess progress closely and to accordingly advise on possible ways forward to ensure improved management of performance in the Public Service. Against this background, the PSC found it important to conduct a study on the assessment on compliance with PAs by members of the Senior Management Service (SMS) within the North West Provincial Administration (NWPA) during the 2007/08 financial year.

1.2 MANDATE OF THE PUBLIC SERVICE COMMISSION

Section 196 (4) (b) of the Constitution, read in conjunction with sections 9 and 10 of the Public Service Commission Act, mandates the Commission to investigate, monitor and evaluate the organization of administration and personnel practices in the Public Service.

In addition to the above, in terms of section (196) (f) (iv) of the Constitution, 1996, the Commission may of own accord or receipt of a complaint, advise national and provincial organs of state regarding personnel practices in the Public Service including those relating to the recruitment, appointment, transfer, discharge and other aspects of the careers of employees in the Public Service.

1.3 OBJECTIVES OF THE STUDY

The overall objective of the study was to establish the extent to which departments in the North West Provincial Administration comply with the PMDS requirements. The PSC through the study aimed to assess:

- compliance by members of the SMS with regards to the completion of and signing of their Performance Agreements (PAs), as determined by the regulatory framework;
- the alignment of key performance areas (KPAs) to the vision, mission and strategic plan of the department;

⁴ Republic of South Africa. Public Service Commission. Report on the State of Performance Management Systems in the Public Service. July 2004

⁵ Republic of South Africa. Public Service Commission. An Audit into the Granting of Performance Rewards. August 2006

⁶ Republic of South Africa. Public Service Commission. Report on Senior Management Service Compliance with Performance Agreements in the Eastern Cape Provincial Administration. May 2007

- the alignment to broad and consistent staff development plans (i.e. a link between the development of capabilities with departmental strategic and operational planning);
- the implementation and management of PAs within the context of the PMDS; and
- the frequency of communication between the SMS member and his/her supervisor regarding performance feedback.

1.4 METHODOLOGY

To achieve the objectives, the methodology was divided into the following two phases:

Phase 1: Data Gathering

The sample for this study comprised randomly selected members of the SMS in all the eleven (11) provincial departments. A systematic random sampling method was utilized, in which a list obtained from Personnel and Salary Administration System (PERSAL) containing the names of all members of the SMS was used to randomly select a sample of SMS members' size. In this regard, a sample size of 30% of members of the SMS from each department was selected to participate in the study.

Two types of questionnaires were developed. The first questionnaire was distributed for completion by randomly selected members of the SMS and the other by representatives of the Human Resource components of all the departments. The questionnaires were designed to measure the participants' level of understanding of the imperatives of the PMDS Framework, whether the framework adds value to service delivery and the extent to which departments have complied with the regulatory framework.

Furthermore, the PAs of members of the SMS were collected from departments. The purpose was to assess the extent to which these PAs comply with the PMDS Framework.

Phase 2: Analysis of Data

The responses received from questionnaires were analysed to establish the participants' level of understanding of the requirements of the PMDS. This was followed by an analysis of completed PAs to check compliance with the requirements of the PMDS prescripts. Responses to questionnaires were also analysed to obtain the understanding of the value added by the PA system to improved service delivery.

1.5 SCOPE OF THE STUDY

The study was conducted within all the provincial departments of the NWPA during 2007 and covered the 2006/07 financial year. **Table 1** below represents the number of the members of the SMS per department as at 31 March 2007. A sample comprising 30% of SMS members per department was utilized.

Table 1: Number of the members of the SMS per Department

Department	Number of SMS Members	Number of SMS Members representing 30% or more
Agriculture, Conservation and Environment	27	9
Developmental Local Government and Housing	21	7
Economic Development and Tourism	8	4
Education	40	13
Finance	24	8

Department	Number of SMS Members	Number of SMS Members representing 30% or more
Health	55	18
Office of the Premier	36	12
Public Works	18	6
Sport, Arts and Culture	9	4
Social Development	14	5
Transport, Roads and Community Safety	27	9
Total	279	54

According to the information provided by the departments, the total number of the members of the SMS in the province as at 31 March 2007 was two hundred and seventy-nine (279). As **Table I** above shows, the highest number of SMS members were in the Department of Health, followed by the Department of Education and the Office of the Premier. The Department of Economic Development and Tourism has the lowest number of SMS members.

1.6 LIMITATIONS OF THE STUDY

The following limitations were encountered during the study:

- Not all PAs of the members of the SMS were submitted for the analysis.
- Not all questions in the questionnaires were responded to resulting in some challenges when analysing responses. For example, not all senior managers were able to indicate the frequency with which performance reviews or assessments are conducted in their departments.
- There were instances where no documents were forthcoming despite continuous follow-up by the PSC.

Efforts were made to minimize the impact of the above limitations on the quality of the results of the study. In this regard, reminders were sent to departments and individuals in instances where there were no responses or documentation received. In addition, participants were informed that confidentiality will be assured if they wished to remain anonymous when completing the questionnaires.

1.7 STRUCTURE OF THE REPORT

The report is structured as follows:

Chapter 2 contains the requirements of the regulatory framework;
Chapter 3 contains a quantitative analysis of the findings of the study;
Chapter 4 contains a qualitative analysis of the findings of the study; and
Chapter 5 provides recommendations and conclusion.



Chapter Two

REGULATORY FRAMEWORK

2.1 INTRODUCTION

Performance management in the Public Service is guided by the Public Service Act⁷, the Public Service Regulations⁸, resolutions of the Public Service Coordinating Bargaining Council⁹ (PSCBC), the Treasury Regulations¹⁰ and the White Paper on Transforming Public Service Delivery¹¹. **Table 2** below summarises the key provisions that guide performance management.

Table 2: Legislative Requirements Governing Performance Management System of SMS Members in the Public Service

SOURCE	PROVISION
Public Service Act, 1994	<p>(a) Chapter II, Section 3 (5): Assigns powers and duties concerning the internal organisation of a department to its EA. This includes:</p> <ul style="list-style-type: none">• The determination and grading of the post establishment; and• The career incidents of employees other than HoDs, such as performance management and discipline in a department. <p>(b) Chapter II, Section 3 B: Assigns the President and relevant Premiers the powers and duties concerning the appointment and other career incidents of HoDs, which may be delegated.</p> <p>(c) Chapter III, Section 7(3)(b): Provides for the following responsibilities of HoDs:</p> <ul style="list-style-type: none">• Efficient management and administration• Effective utilisation and training of staff• Maintenance of discipline• Promotion of sound labour relations• Proper use and care of state property <p>(d) Chapter IV, Section 12(4)(b): Provides for the inclusion, by mutual agreement, of "specific performance criteria for evaluating the performance of the HoD."</p>

⁷ Republic of South Africa. Department of Public Service and Administration. Public Service Act, 1994, as amended

⁸ Republic of South Africa. Department of Public Service and Administration. Public Service Regulations, 2001, issued in terms of section 41 of the Public Service Act, 1994, as amended

⁹ Public Service Coordinating Bargaining Council's Resolutions 13 of 1998 and 9 of 2000

¹⁰ Republic of South Africa. National Treasury. Treasury Regulations, 2001, issued in terms of the Public Finance Management Act, 1999

¹¹ Republic of South Africa. Department of Public Service and Administration. White Paper of Transforming Public Service Delivery, 1997



SOURCE	PROVISION
Public Service Regulations, 2001	<p>(a) Paragraph B.2.1 of Part VII, Chapter I: Indicates that the prescribed employment contract of an HoD shall be as set out in Annexure 2 of the PSR.</p> <p>(b) Paragraph 7 of the employment contract (Annexure 2): Contains the measures that govern the PA of an HoD.</p> <p>(c) Paragraph B.1 of Part VIII, Chapter I: Indicates that an EA shall determine a system for performance management for employees in her/his department other than employees in the SMS. This implies that the MPSA should determine such a system for members of the SMS.</p> <p>(d) Chapter 4 provides for the establishment of the SMS. Paragraph A, Part III states that the performance of all members of the SMS will be managed through a PA, which should be linked to the department's strategic plan. Paragraph B states that all new members of the SMS shall enter into a PA, which will define key responsibilities and priorities, encourage improved communication and enable the supervisor to assess the work of the member of the SMS.</p>
PSCBC Resolution No 13 of 1998	<p>(a) The resolution states that the purpose of the negotiated collective agreement is to set a framework for senior managers to agree to individual PAs.</p> <p>(b) The agreement thus extended the signing of PAs from HoDs to all senior managers (levels 13 - 16) and prescribed the following five items that must be included in a PA:</p> <ul style="list-style-type: none">• Key duties and responsibilities• Output targets for the PA period• Dates for performance review• Dispute resolution mechanism• Date on which salary increments will come into effect and mechanisms for the management/awarding of salary increases.
PSCBC Resolution No 9 of 2000	<p>(a) This resolution extends Resolution 13 of 1998. It provides for the remuneration packages of senior managers/professionals to be translated to a more transparent total cost-to-employer and inclusive flexible remuneration package system.</p>





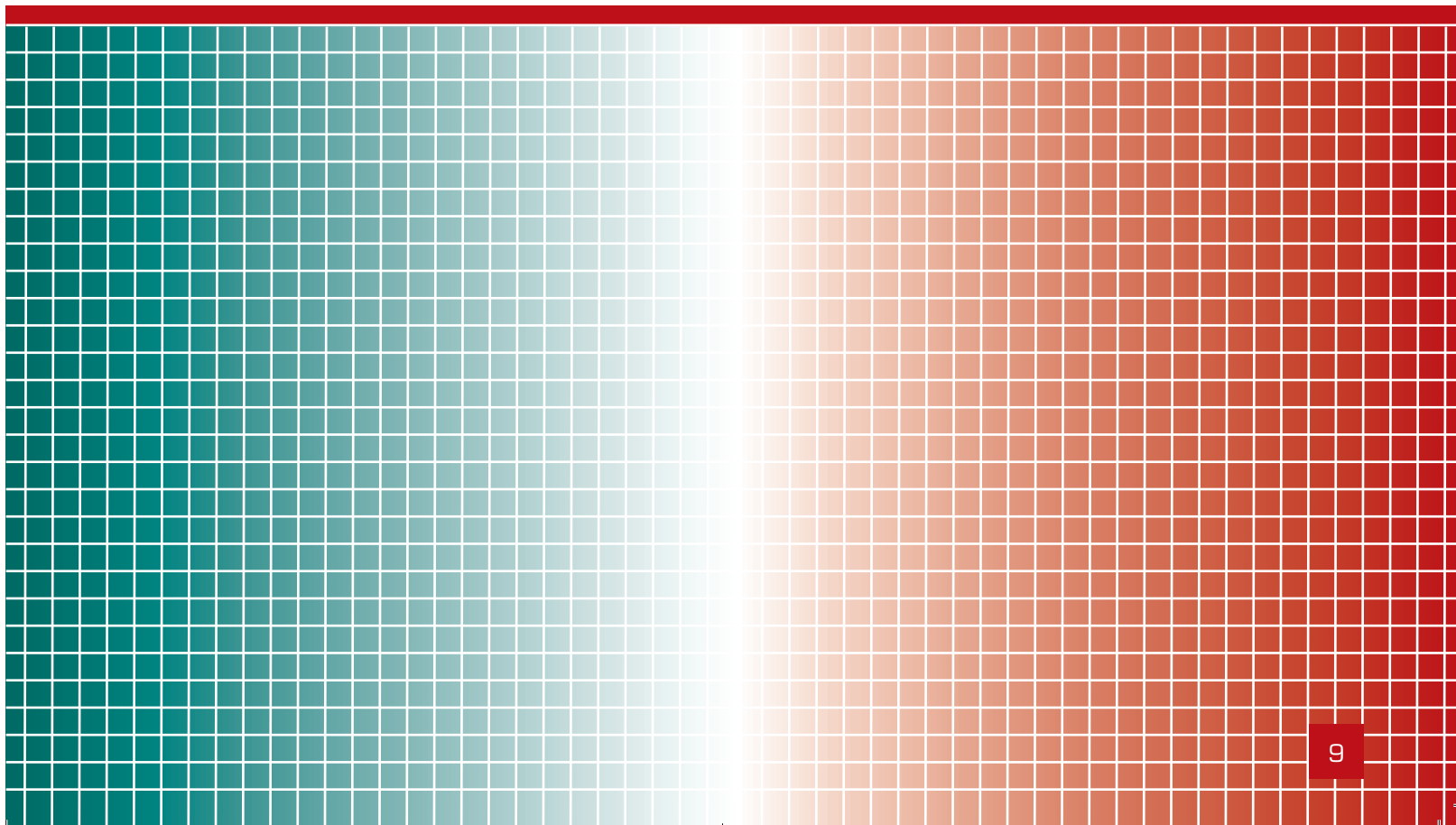
SOURCE	PROVISION
Treasury Regulations, 2001	<p>(a) Departments must comply with the Treasury Regulations regarding strategic planning and budgeting. Part 3, Chapter 5 of the Treasury Regulations deals with strategic planning. The Guidelines provided by National Treasury give detailed and extensive outlines of what is required to effectively link departmental strategy to budgets. Departments need to budget for projected salary increases and financial rewards that may be allocated to members of the SMS based on framework determinations made by the MPSA.</p> <p>(b) This chapter contains both <u>advisory</u> and <u>mandatory</u> elements. The advisory part is captured in paragraphs 6 – 7. The mandatory elements are set out in paragraphs 8 – 19. Please note that the latter part has been designed so as to allow departments flexibility during the implementation process, while ensuring that there will be consistency across departments when assessing SMS members and deciding on monetary rewards.</p>
Batho Pele White Paper, 1997	<p>(a) Batho Pele is a deliberate strategy to instill a culture of accountability and caring by public servants. Through this strategy public servants must become service orientated, strive for service excellence and commit to continuous service delivery improvement.</p> <p>(b) The White Paper sent a strong message of government's commitment to a citizen-centered approach to service delivery, anchored by eight Batho Pele principles:</p> <ul style="list-style-type: none">• consultation• service standards• access• courtesy• information• openness and transparency• redress• value for money
Senior Management Service Handbook	<p>(a) Chapter 4 of the SMS Handbook describes the process and requirements of performance managements and development for members of the SMS. It is issued as directive by the Minister for Public Service and Administration in terms of Part III.B3 of Chapter 4 of the Public Service Regulations, 2001.</p>

The above requirements were considered and used as a basis for this study. Failure to adhere to any of them was considered a case of non compliance and was reflected as such in this report.



Chapter Three

QUANTITATIVE FINDINGS AND ANALYSIS



3.1 INTRODUCTION

The purpose of this chapter is to provide a broad outline of the quantitative findings relating to the assessment of the implementation of the SMS PMDS by departments in the North West province. In addition, the chapter provides an analysis of the response rate of departments with regard to the questionnaires distributed by the PSC as well as an analysis of the number of signed PAs submitted. Lastly, the chapter presents the findings per department with regard to compliance with the PMDS requirements and the analysis of key implications for such compliance levels.

3.2 RATE OF RESPONSE FROM DEPARTMENTS

All the 95 questionnaires distributed to sampled members of the SMS and representatives of Human Resource components, were completed and returned, thus representing an overall response rate of 100%. This cooperation from government departments is commendable and facilitates effective monitoring and oversight. However, it should be noted that not all questions were responded to by SMS members. For example, not all senior managers were able to indicate the frequency with which issues such as performance reviews or assessments are conducted in their departments, be they quarterly, half-yearly or annually. In addition, some SMS members did not motivate their responses to questions with a view to clarify choices made in the questionnaires. Overall, the responses to questions were comprehensive enough to enable thorough analysis to be undertaken.

Table 3 below shows the total number of questionnaires distributed to the selected sample of members of the SMS and Human Resource representatives in departments.

Table 3: Questionnaires received from SMS members and HR representatives

Name of Department	Number of SMS	Number of Questionnaires distributed to Departments	Number of Questionnaires received from Departments
Agriculture, Conservation and Environment	27	9	9
Developmental Local Government and Housing	21	7	7
Economic Development and Tourism	8	4	4
Education	40	13	13
Finance	23	8	8
Health	55	18	18
Office of the Premier	36	12	12
Public Works	18	6	6
Sport, Arts and Culture	9	4	4
Social Development	14	5	5
Transport, Roads and Community Safety	28	9	9
TOTAL	279	95	95

3.3 NUMBER OF SIGNED PERFORMANCE AGREEMENTS SUBMITTED

Of the 279 members of the SMS employed by the North West Provincial Administration (NWPA), the PSC was provided with 177 signed PAs. This represents a 63% overall submission rate by departments in the province. Such a submission rate is low, and what is worrying is that this rate may effectively mean that 37% of the SMS members in the province were without PAs for the 2006/07 financial year. **Table 4** below shows the total number of the members of the SMS per department relative to the number of PAs submitted.

Table 4: PAs received as a percentage of the total members of the SMS

Name of Department	Number of SMS	PAs Received	Outstanding PAs	Response Rate
Agriculture, Conservation and Environment	27	13	14	48%
Developmental Local Government and Housing	21	16	5	76%
Economic Development and Tourism	8	6	2	75%
Education	40	28	12	70%
Finance	24	23	1	96%
Health	55	18	37	33%
Office of the Premier	36	19	17	53%
Public Works	18	16	2	89%
Sport, Arts and Culture	9	6	3	67%
Social Development	14	12	2	86%
Transport, Roads and Community Safety	27	20	7	74%

The Department of Finance had the highest submission rate (96%), followed by the Department of Public Works (89%) and the Department of Social Development (86%). The Department with the highest number of SMS members in the province, namely, the Department of Health, had the lowest submission rate (33%). This is a serious cause for concern as this low response rate could imply that the remaining 67% of SMS members did not enter into PAs during the financial year under review. Compliance with the provisions of the PMDS is very important as it plays a major role in ensuring among others, improved management of performance across all levels in departments. Starting from the level of HoDs, it is important to give effect to the PMDS and ensure that a culture of accounting for performance is inculcated. In the NWPA, it is worth noting that among HoDs there has been a high level of compliance with the PMDS (as shown in Table 5 below).

Table 5: Evaluation of HoDs of the North West Provincial Departments

Departments	PAs Submitted Yes/No			HoDs Evaluated Yes/No		
	2005/06	2006/07	2007/08	2003/04	2004/05	2005/06
Agriculture, Conservation and Environment	No (post is vacant)	Yes	Yes	Yes	No (post is vacant)	No (HoD less than 12 months in post)
Developmental Local Government and Housing	Yes	Yes	Yes	Yes	Yes	Yes
Economic Development and Tourism	Yes	No (post is vacant)	No (post is vacant)	No (post is vacant)	Yes	No (post is vacant)
Education	Yes	No (post is vacant)	No (post is vacant)	Yes	No (HoD suspended)	No (post is vacant)
Finance	Yes	No (post is vacant)	No (post is vacant)	Yes	Yes	Yes
Health	Yes	Yes	Yes	No (post is vacant)	Yes	Yes
Office of the Premier	Yes	Yes	No (post is vacant)	Yes	Yes	Yes
Public Works	Yes	Yes	Yes	Yes	Yes	Yes
Sport, Arts and Culture	Yes	Yes	No (post is vacant)	No (post is vacant)	No (post is vacant)	No (post is vacant)
Social Development	Yes	Yes	Yes	No (post is vacant)	Yes	Yes
Transport, Roads and Community Safety	Yes	Yes	Yes	Yes	Yes	Yes

Source: PSC Records on the Evaluation of HoDs

As the Table above shows, the province has always had a 100% compliance rate in terms of the submission of PAs by HoDs as well as the evaluation of the performance of HoDs. With this high compliance rate, it would naturally be expected that the HoDs would in turn ensure that there is better compliance with the PMDS provisions by cascading this best practice to employees who are levels below them by ensuring that among others, PAs are entered into timeously. However, the evidence in this Report shows that this has unfortunately not been the case.

3.4 PRESENTATION AND ANALYSIS OF THE FINDINGS PER DEPARTMENT

An analysis of the compliance of PAs with the PMDS requirements in departments will be undertaken in this section. The aim of this analysis is to establish the extent to which departments comply with the important provisions of the PMDS. A further aim of the analysis is to highlight areas that may require attention.

Table 6 below provides an overview of the extent to which departments complied with the provisions of the SMS PMDS when preparing PAs of senior managers. The Table specifically identifies the areas of compliance to draw attention to these so that the management and the Executive can take appropriate steps to improve compliance.

Table 6: Non-compliance with the PMDS requirements per department

Department	% of PAs that did not identify KRA	% of PAs that did not include BPP in the KRAs	% of PAs that did not include BPP in the CMCs	% of PAs that did not identify PDPs	% of PAs that did not identify dates for Reviews	% of PAs where Mediators are not identified	% of PAs signed after 30 April due date	% of PAs that did not include workplans
DACE	None	74%	None	None	None	77%	92%	None
DDLGH	None	31%	31%	25%	13%	25%	63%	None
DEDT	None	63%	100%	None	17%	50%	100%	33%
DoE	None	46%	46%	100%	None	11%	100%	None
DoF	15%	15%	8%	15%	92%	92%	100%	None
DoH	11%	72%	72%	39%	None	28%	94%	None
OTP	None	58%	None	5%	None	16%	79%	None
DPW	None	13%	13%	81%	None	19%	50%	None
DSD	None	42%	42%	None	17%	17%	58%	None
DSAC	None	100%	None	None	None	67%	33%	None
DTRCS	None	15%	None	5%	None	20%	85%	None

The Table above shows that non-compliance occurs on the following 8 issues; non-identification of KRAs, non inclusion of the Batho Pele principles in the KRAs and CMCs, inability to identify Personal Development Plans (PDPs), failure to identify dates for performance reviews, failure to identify mediators, signing of PAs after 30 April due date and the non-inclusion of the workplans in the PAs. This is a cause for concern given the fact that these aspects form the most important pillars of the PA system. This information is reflected in percentages in the table and an analysis of each category will follow in paragraphs 3.4.1 to 3.4.8 to examine, among others, the material significance of such non-compliance.

3.4.1 PAs did not identify Key Result Areas

In terms of the SMS PMDS PAs of senior managers should include KRAs and set their weightings and standards. These KRAs should be derived directly from the approved business or strategic plans. In this regard, it was found that 11% of PAs in the Department of Health and 15% in the Department of Finance did not include any KRAs at all. These gaps compromise the potential of the PAs to serve as useful management tools and raise concerns about how senior managers could ignore this basic requirement of the PMDS. KRAs are essentially signifiers of the value each SMS member is adding towards the implementation of the overall strategic and annual plans of departments. Without the specification of KRAs, it is not clear how there can be a shared understanding of performance expectations between the SMS member and his/her supervisor. The fact that departments have allowed certain PAs to be included without KRAs is unacceptable.

3.4.2 PAs did not reflect the applicable Batho Pele Principles against Key Result Areas

In terms of the SMS PMDS senior managers are required to identify KRAs and incorporate the applicable Batho Pele principles in their PAs. On average 48% of the PAs of senior managers in the 11 departments did not reflect the applicable Batho Pele principles against KRAs as required. The Batho Pele principles cut across the KRAs and are therefore used to define the kind of service(s) each KRA is expected to deliver, and are also utilized as criteria when performance assessments are conducted. Failure by departments to include the Batho Pele principles as part of the KRAs ranged from 13% in the Department of Public Works, 58% in the Office of the Premier to 100% non-compliance in the Department of Public Works.



Non-compliance with the directive to include Batho Pele principles as part of the KRAs is worrying considering the fact that the incorporation of these principles is not optional, and that all senior managers are expected to comply. The inclusion of Batho Pele principles as part of the KRAs should not only be seen as a compliance exercise, but also as an attempt to mainstream and institutionalize the culture and ethos of accountability to the recipients of goods and service provided by each Department in terms of constitutional and other legislative requirements.

3.4.3 PAs did not reflect the applicable Batho Pele Principles against Core Management Criteria

In terms of the SMS PMDS senior managers are required to agree with their supervisors on the relevant CMCs and incorporate the applicable Batho Pele principles in their PAs. PAs of senior managers in the Departments of Developmental Local Government and Housing, Economic Development and Tourism, Education, Finance, Health, Public Works and Social Development did not incorporate the Batho Principles as part of the CMCs. This non-compliance ranged from 8% in the Department of Finance, 46% in the Department of Education to 100% in the Department of Economic Development and Tourism. The 100% non-compliance as shown in the Department of Economic Development and Tourism is very high considering the important role played by the Batho Pele principles in the promotion of a culture of accountability for the utilisation of public resources.

Overall, there is a general non-compliance with the requirement to incorporate the Batho Pele principles in the PAs of senior managers in departments. This undermines efforts to mainstream the Batho Pele principles and to make them an ethos that shapes attitudes and guides action. It is important that identification and inclusion of the Batho Pele principles as part of the CMCs is prioritized, as these principles are obligatory. Such compliance will ensure the facilitation of the institutionalization of a culture of Batho Pele in the Public Service.

3.4.4 PAs did not include Personal Development Plans

In terms of the PMDS, senior managers need to identify their developmental requirements as well as necessary steps and timeframes for addressing these requirements. In addition, they are expected to undergo a compulsory 5 days deployment at a service delivery point during a performance cycle as part of the senior management service delivery challenge. PAs of senior managers in the Departments of Developmental Local Government and Housing, Education, Finance, Health, Public Works, Transport, Roads and Community Safety and the Office of the Premier did not identify Personal Development Plans nor reflect the compulsory 5 days deployment at a service delivery point as required by the PMDS. This non-compliance ranged from 5% in the Department of Transport, Roads and Community Safety, 39% in the Department of Health to 100% in the Department of Education.

Personal Development Plans serve as an important framework within which to identify and attend to the critical personal developmental needs of SMS members. In the absence of these plans, it becomes doubtful if any of the training and development interventions SMS members undertake are informed by the real needs that are relevant to their work.

3.4.5 PAs did not include Dates of Reviews for Performance Assessments

In terms of the SMS PMDS regular performance reviews and an annual performance appraisal are required for all SMS members. Performance reviews are important feedback sessions that take place at regular intervals during the course of the financial year. They provide an opportunity for SMS members to receive feedback on how they are performing. They also provide a time for structured reflection by the SMS member using the process of self-assessment. As a minimum two formal performance reviews should take place annually, preferably in the middle of the cycle, and one at the end of the cycle.

On the other hand, performance appraisal discussions take place at the end of the performance management and development cycle. These discussions provide the SMS members with an opportunity to assess their own performance and their contribution to organisational goals and allow for reflection on what would be





needed to improve what was achieved. These also enable supervisors to give more formal feedback on performance over the year and draw on the experience of the SMS members to identify ways of improving what was achieved.

PAs of senior managers in the Departments of Developmental Local Government and Housing, Economic Development and Tourism, Finance and Social Development did not include dates for performance reviews and appraisals as required. This non-compliance ranged from 13% in the Department of Developmental Local Government and Housing to 92% in the Department of Finance. The 92% non-compliance as shown in the Department of Finance is very high considering the important role played by performance reviews and appraisal feedback in the endeavours to improve service delivery. Given the importance of performance reviews, it is not acceptable that senior managers and their supervisors should conclude PAs with such serious gaps.

This non-compliance could imply that senior managers and their supervisors display a lack of appreciation of the importance of the communication and feedback that the performance reviews provide for. These reviews are the very basis on which the use of PAs as a management tool rest. A further concern is that PAs of some senior managers only identified dates for annual performance appraisals. This effectively means that these PAs make no reference to performance reviews taking place during the course of the financial year. The annual performance appraisal normally results in cash rewards in case there is excellent performance, but that does not mean that it should become the only performance assessment of the year. When such a practice happens, it actually distorts the purpose of the PMDS and projects the System as being merely a mechanism for justifying merit awards.

3.4.6 PAs did not Identify a Mediator

The PMDS requires that senior managers and their supervisors identify and agree on a person who would mediate in case of a dispute. On average 38% of the PAs of senior managers in the 11 departments did not identify and agree on a mediator to resolve disputes in the event that these arise. This non-compliance ranged from 11% in the Department of Education, 50% in the Department of Economic Development and Tourism to a staggering 92% in the Department of Finance. The 92% non-compliance is very high and it suggests that the issue of mediators is generally not seen as being important in the Department.

The inability to identify a person to mediate could result in a situation where disputes may take too long to resolve if they arise. Such a situation does not promote sound working relationships and may impact on effective service delivery as well. In the Department of Developmental Local Government and Housing, a further 19% of PAs showed that SMS members identified immediate supervisors who are themselves party to performance contracts as mediators.

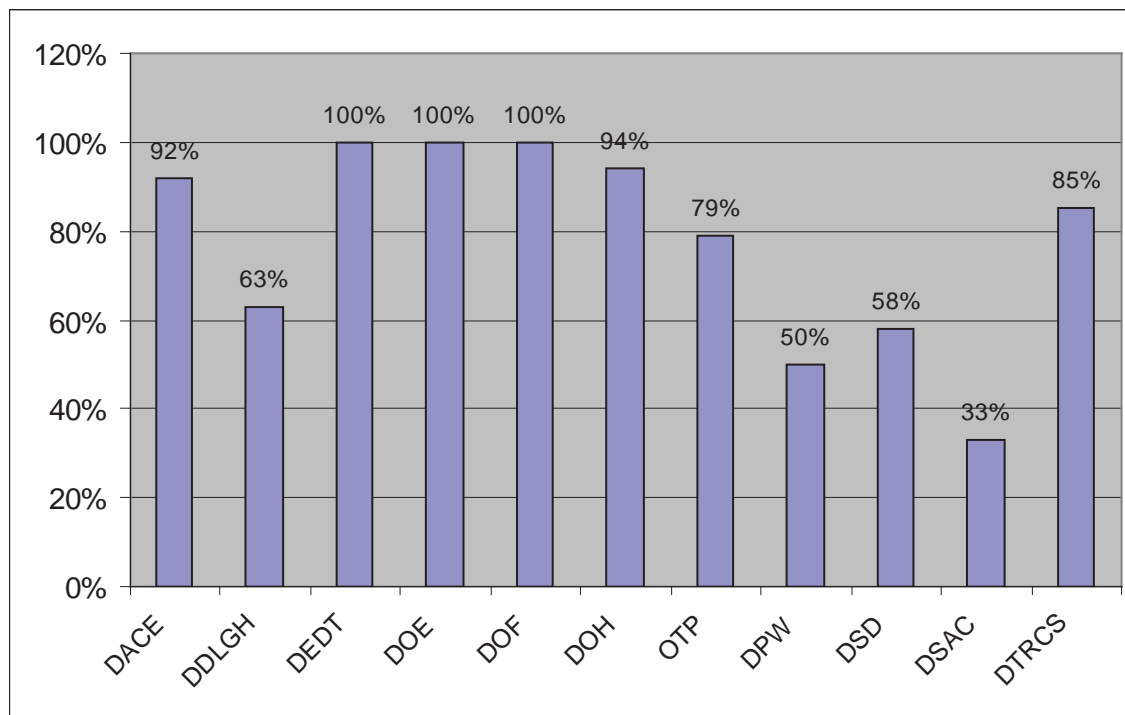
This shows a lack of understanding of what a mediator is and the role that they are expected to play in case a dispute arises. The mediation process by definition requires the involvement of a third party, and it is, therefore, not acceptable to reflect one's supervisor as a possible mediator since they would already be part of the dispute. In this regard, the risk exists that in case disputes arise, there may not be an agreement on who should mediate, thus leading to protracted disagreements between the affected SMS members and their supervisors.

In the Office of the Premier, the PA of the Director-General identified the PSC as the mediator. Given the independent oversight role that PSC Commissioners play in terms of personnel practices as mandated by the Constitution, the PSC discourages the identification of Commissioners as mediators. When the Director General's PA was submitted to the PSC for filing, this matter was brought to her attention, but it is evident that the PA was not revised in response to the concerns raised by the PSC.

3.4.7 PAs were signed after 30 April

Figure I below provides information with regard to the rate of non-compliance of PAs of senior managers in all the departments. In terms of paragraph 8.1 of the amended PMDS all members of the SMS (managers and professionals) must enter into PAs within the first month of the financial cycle, that is, by not later than 30 April of each year:

Figure 1: Percentages of PAs signed after 30 April per Department



According to **Figure I** above, 78% of the PAs of senior managers in the 11 departments were not entered into and signed before the 30 April due date. This non-compliance ranged from 33% in the Department of Sport, Arts and Culture to 100% in the Departments of Economic Development and Tourism, Education and Finance. This suggests that for part of the financial year, there were no PAs in place for these senior managers. If the PAs of senior managers are not concluded timeously, this may impact negatively on performance planning and contracting for individuals at middle management and below.

It should also be noted that although some senior managers signed their performance agreements before the due date of 30 April, their supervisors signed long after the stipulated time-frame as in the case of the Department of Developmental Local Government and Housing. There is generally an apparent lack of urgency in the finalization of PAs and the long delays experienced are a cause for concern, especially when such delays are caused by supervisors themselves.

It was also found that 8% of PAs of senior managers were only signed by SMS members but not by the supervisors concerned, as is the case in the Department of Social Development. The latter Department's PAs, therefore, have no formal status at all since they do not represent an agreement between employees and their supervisors. The implications of this non-compliance are very profound as there is effectively no agreement between the parties regarding performance expectations and the criteria for assessment. Furthermore, such non-compliance could lead to cases of misconduct being instituted against senior managers and their supervisors as it is obligatory in terms of the SMS PMDS to enter into PAs.

In the case of the Department of Finance, a further observation made is that most of the PAs are entered into between SMS members and the Head of Department (HoD). This suggests that the HoD may not have delegated performance management to managers reporting to him. While this may not be a problem in itself, it requires the HoD to make the time that is required to clarify performance expectations with the

SMS members, monitor the performance of each one of them, provide the necessary feedback, deal with poor performance, attend to developmental needs and reward excellent performance. Unless the HoD is able to make adequate space for all these important processes, then effective performance management and development in the Department will be compromised.

3.4.8 PAs did not include Workplans

In terms of the SMS PMDS, the content of PAs should clearly and directly devolve from and be related to the department's strategic/operational plan and the workplans of the specific unit for the coming year. These strategic/operational and/or the workplans of specific units should be attached to PAs as an annexure. The purpose of these workplans is to capture KRAs in a clear and concise manner. The more precisely the KRAs are described, together with the criteria by which they will be measured, the more effective the performance management process will be. In this regard, 33% of PAs of senior managers in the Department of Economic Development and Tourism did not include performance workplans. A performance workplan specifies the deliverables that the SMS member is responsible for and the performance standards against which the member will be assessed. It is, therefore, of concern that a third of the PAs have been concluded without including these important elements of the performance contracting process. The net effect of failure to include workplans in senior managers' PAs is that it would be difficult to ascertain if such PAs are geared towards achieving departmental strategic objectives. However, it should be noted that the rest of the departments in this province have ensured that senior managers include workplans in their PAs.



Chapter Four

QUALITATIVE FINDINGS AND ANALYSIS



4.1 INTRODUCTION

The aim of this chapter is to provide a qualitative analysis in relation to the information obtained from SMS members and HR representatives. The purpose is to highlight common themes in terms of the level of compliance with the PMDS as viewed by the SMS members and HR representatives. The chapter will also outline issues that were found to be prevalent across departments in the North West province. Furthermore, where appropriate the analysis is compared to the compliance findings outlined in chapter 3 of this report to check for consistency.

4.2 QUALITATIVE ANALYSIS OF RESPONSES BY MEMBERS OF THE SENIOR MANAGEMENT SERVICE AND HR REPRESENTATIVES

The qualitative analysis below is organized according to four key categories that were derived from the questionnaires circulated to the respondents. These categories are:

- The signing of PAs, which assesses the responses provided regarding the rate of compliance with PAs and reasons for non-compliance.
- Mechanisms to support performance contracting, which assesses what the departments do to support and promote effective and timely signing of contracts.
- Participation of SMS Members in the Strategic Planning, which assesses the extent to which managers are involved.
- Conducting Performance Reviews, which assesses the frequency with which performance reviews are conducted.

4.2.1 The Signing of PAs is regarded as important

All the senior managers' responses (with the exception of 1)¹² agreed that it is important to enter into PAs. They indicated that in the absence of signed PAs there will be no basis to hold senior managers accountable and to measure performance. PAs, they indicated, regulate performance management in a structured manner; promotes accountability for use of public resources and act as an instrument for managing conflicts of interest between senior managers and their supervisors.

Considering the above encouraging views held by SMS members regarding the importance of PAs, it is surprising that the timely signing of PAs is still a challenge for the province as shown in Chapter 3. These findings suggest that although the SMS members believe that PAs are important, they do not necessarily apply these views in practice and enter into PAs as required. Therefore, it is necessary to set in motion processes that will ensure timely signing of PAs as required by the PMDS. Furthermore, the chapter emphasized the importance of escalating the culture of accounting for performance in the Public Service.

4.2.2 Mechanisms to Support the Implementation of the PMDS

According to Chapter 4 of the SMS Handbook, performance management and development should be viewed as an approach to how work is done and organized. Effective implementation, therefore, requires enabling organizational mechanisms that would support and drive the performance management and development processes. Such an approach becomes particularly important when one considers the kinds of reasons the SMS members advanced for non-compliance with the provisions of the SMS PMDS. These include the following:

- Departmental re-structuring processes have led to re-configuration of activities and functions, and these contributed to delays in concluding PAs;
- The need for clarity on the PMDS requirements and for HR Components to provide assistance and guidance; and
- Delays in the development of operational plans.

¹² The exception was one manager from the Department of Health.



The above reasons suggest that managers see the need for an enabling set of conditions to ensure better compliance with the PMDS. The administrative leadership of departments needs to ensure that such enabling mechanisms are created and sustained.

One of the important enabling mechanisms is the support that HR components should provide. Thirty-seven (37) of the senior managers who responded to questionnaires in this study indicated that the HR components in their departments provided assistance or guidance when they were completing their PAs and workplans. In the Department of Health, a workshop was even organized for senior managers to explain the elements of the PA system, ensure consistency and standardisation of documents as well as the alignment between PAs, workplans and the departmental strategic plan.

However, the respondents also pointed out that in the majority of cases, such assistance or guidance has not always been structured. Instead, it has been provided on an informal basis whereby briefing sessions would be organized with those senior managers who believe that they are experiencing difficulties with the System. This shows a rather casual approach to supporting managers and should be reconsidered. In fact, 39% of the managers who responded to the questionnaires said that Human Resource components did not provide them with any assistance or guidance. The managers had to, instead, rely on peers for such support. The view of the managers was that their Human Resource components seemed to be more concerned with adherence to submission deadlines and the use of correct templates rather than providing assistance. Perhaps what is even of more concern is that in the Department of Education it was indicated that the services of consultants were procured to develop PAs for all senior managers. The danger with this approach is that senior managers are not involved in performance contracting processes and therefore may not take ownership of the processes and feel responsible for their implementation.

These issues raise the need to carefully consider the role that the HR components are playing in terms of facilitating and supporting the implementation of the PMDS for the SMS. It may not be possible to generalize on the support challenges faced by the different departments, but each department would need to respond to its specific challenges to ensure that managers receive the kind of assistance that will heighten compliance with the PMDS.

In ten (10) of the departments it was indicated there was someone in HR who was mandated to assist with issues relating to the requirements of the SMS PMDS. The names of the responsible persons were actually provided to the PSC. The issue then becomes how these individuals understand the kind of support role they need to play, but also how this role complements what supervisors themselves have to do. This distinction is important because it cannot be expected that the responsibility of quality assuring PAs will rest with HR Components alone. Supervisors have a critical role to play in this regard. It is, therefore, worth noting that 82% of the HR representatives indicated that the responsibility of ensuring that KRAs and workplans of managers are aligned to the objectives and targets of their respective sections has to be carried out by the direct supervisor before the PA is signed. This confirms that support and guidance from HR Components need to be complemented by an active involvement of supervisors in ensuring that there is better compliance with the requirements of the PMDS for the SMS.

Another mechanism for supporting the effective implementation of the PMDS is the provision of appropriate training to staff. From the responses provided by HR representatives, it was established that only the Department of Health had provided training on the PMDS. The rest of the departments indicated that no training was provided in the past two years. What was done, instead, was to simply provide all SMS members with copies of the SMS Handbook. Departments need to assess the effectiveness of this approach. The compliance statistics contained in Chapter 3 of this report suggest that there are still gaps in the way managers understand the requirements of the PMDS.

4.2.3 Conducting Performance Reviews

Clause 12(1)(b) of chapter 4 of the SMS handbook, states that as a minimum, two formal performance reviews should take place annually, preferably in the middle of the cycle and one at the end of the cycle. Seven (7) senior managers indicated that in the last two years they had been assessed quarterly, ten



(10) half-yearly, whilst forty-five (45) said that they had only been assessed annually. In addition, three (3) managers said that they had never been assessed in the last two years.

These findings show that performance reviews are not receiving the attention they deserve. It is only through these reviews that proper feedback can be provided and follow up action determined. The fact that some managers were never assessed at all, and that the majority of the assessments done relate to the annual performance appraisals raise even more concerns. In the first place, these observations suggest that performance reviews are seen as an important mechanism for managers to account for their performance. Secondly, the observations suggest that the annual performance appraisals may be the ones receiving the most attention given that these lead to the granting of performance rewards. Such an approach to performance reviews compromises the effectiveness of the PMDS.

There seems to be internal departmental processes that give rise to the above trends. Different HR representatives indicated that their departments conduct the performance reviews differently. The following are examples of the responses received from the HR representatives regarding how often they conduct performance reviews:

- Once a year immediately after the Auditor-General has concluded the auditing process.
- Annually even though the policy provides for at least two (2) written quarterly assessments per year.
- At the end of the financial year regardless of continuous reminders each quarter.
- According to departmental internal policy, performance reviews are to take place once only at the end of September of each year. Apart from sending out reminders to all SMS members the department has not monitored as to whether these have been conducted or not. In this regard supervisors were expected to conduct the reviews and keep copies with them. It has already been identified as a weakness and HR will henceforth request copies of the performance reviews to monitor and ensure compliance.
- At least twice a year on a six monthly basis but these reviews are not submitted to HR components for record-keeping purpose. It is, therefore, difficult to ascertain whether these take place or not.
- Reviews are done on a quarterly basis between managers and their subordinates, and the overall assessments are conducted after the performance cycle has lapsed.

There are very serious weaknesses with the different approaches explained by the HR representatives above. Many of these are not in line with the provisions of the SMS. For example, departments cannot settle for one annual review despite the fact that the PMDS says otherwise. In addition, it does appear that quarterly and mid-term reviews are not really seen as a priority. This is so because even in departments where they are provided for, there is no follow up monitoring to ensure that they do indeed take place. It is therefore important that departments begin to institutionalize quarterly and mid-term reviews as such an arrangement will not only allow for more effective annual appraisals, but also ensure that a structured feedback session happens between the supervisor and the senior manager. In this way officials are given an opportunity to overcome shortcomings and improve their overall performance.



Chapter Five

RECOMMENDATIONS AND CONCLUSION



5.1 INTRODUCTION

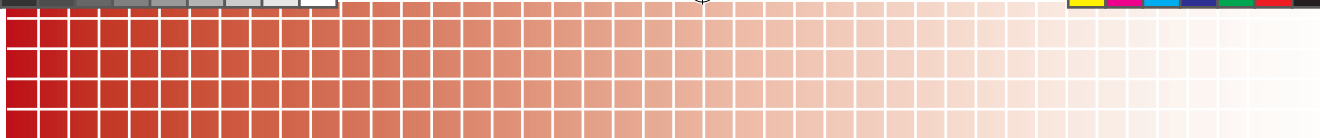
The study has shown that departments in the North West province have not fully complied with the provisions of the PMDS as contained in Chapter 4 of the SMS Handbook. There are areas which require serious attention from departments if the management of performance is to be improved. The study has also discussed the implications of non-compliance with policy prescripts. This Chapter makes key recommendations for consideration by departments as well as some concluding remarks.

5.2 RECOMMENDATIONS

- 5.2.1 HoDs and EAs should ensure that senior managers timeously enter into Performance Agreements on an annual basis and that these are co-signed by their supervisors before 30 April of each year. These Performance Agreements should then be used as the basis for the evaluation of the performance of senior managers.
- 5.2.1 Performance Agreements should be quality assured by Human Resource components to ensure that they comply with the PMDS provisions, particularly as they relate to content issues. For example, Performance Agreements' KRAs and CMCs should contain the Batho Pele principles and mediators should be identified for purposes of resolving disputes.
- 5.2.2 Human Resource components should be strengthened to better play their role in supporting the effective implementation of the PMDS. In this regard, departments should identify the specific capacity challenges that their HR components face and address this accordingly. The work done by DPSA on the role and competency framework for the HR function could serve a useful guide in this regard.
- 5.2.3 Through effective monitoring, HoDs should ensure that once Performance Agreements are entered into, performance reviews are conducted on a quarterly, six-monthly and annual basis. In this regard, departments are encouraged to at least institutionalize the mid-term reviews. These reviews would then be used as an opportunity for feedback on performance with a view to identifying shortcomings and improving the overall performance.
- 5.2.4 Departments should ensure that training and development on the SMS PMDS takes place which will enable senior managers to understand the important role played by performance management in their day to day activities.
- 5.2.5 The Office of the Premier as the centre of government in the province should ensure that necessary support is provided to departments for the full and successful implementation of the performance management and development system. In this regard, the Office of the Premier should also put in place a mechanism of timeously establishing if the PMDS is being implemented as required.
- 5.2.6 The Provincial Legislature should ensure that EAs are held accountable for the effective implementation of the PMDS in their respective departments. In this regard, the Legislature should be provided with progress reports which, among others, address the critical compliance issues raised by the PSC in this report.

5.3 CONCLUSION

Given the strategic role played by the SMS PMDS, especially the management of Performance Agreements in the realization of government programmes, it is important that departments make efforts to ensure compliance with its provisions. This study has shown that departments have not been rigorous enough in their implementation of the PMDS. This is even more worrying considering the important role played by senior managers as drivers of various departmental programmes. Improvement in the management of



Performance Agreements will not only strengthen service delivery initiatives but also boost the morale of senior managers as the instrument would be applied fairly, impartially and consistently. This will also ensure that exceptional performance by senior managers is recognized and rewarded appropriately, while at the same time identifying gaps that could negatively impact on the delivery of departmental goals.

