



## **KWAZULU-NATAL OFFICE OF THE PREMIER**

is adopting this Provincial

### **POLICY FRAMEWORK ON EMPLOYEE PERFORMANCE AND DEVELOPMENT SYSTEM [EPMDS]**

**IMPLEMENTATION DATE:** 01 APRIL 2018 IN LINE WITH THE DPSA DETERMINATION AND DIRECTIVE ON PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM FOR EMPLOYEES OTHER THAN EMPLOYEES WHO ARE MEMBERS OF SENIOR MANAGEMENT SERVICE

A stylized, handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

**MS P.D. GWALA KHUMALO  
ACTING DIRECTOR-GENERAL:  
OFFICE OF THE PREMIER**



KWAZULU-NATAL PROVINCIAL ADMINISTRATION

## EMPLOYEE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

[EPMDS]

This Provincial Policy Framework was approved by the Committee of Heads of  
Department of the Province of KwaZulu-Natal on 6 March 2018.

Signed:

A handwritten signature in black ink, appearing to be 'P D Gwala Khumalo', is written over a horizontal line.

Ms P D Gwala Khumalo  
Acting Director-General

**IMPLEMENTATION DATE:** 01 APRIL 2018 IN LINE WITH THE DPSA  
DETERMINATION AND DIRECTIVE ON PERFORMANCE MANAGEMENT AND  
DEVELOPMENT FOR EMPLOYEES OTHER THAN EMPLOYEES WHO ARE  
MEMBERS OF THE SENIOR MANAGEMENT SERVICE

<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
<b>ACRONYMS</b>	<b>4</b>
<b>1. INTRODUCTION</b>	<b>5</b>
<b>2. PURPOSE</b>	<b>5</b>
<b>3. DEFINITIONS</b>	<b>5</b>
<b>4. SCOPE</b>	<b>7</b>
<b>5. SOURCES OF AUTHORITY</b>	<b>7</b>
<b>6. CONSEQUENCE MANAGEMENT</b>	<b>8</b>
<b>7. POLICY PROVISIONS</b>	<b>8</b>
7.1 General provisions	8
7.2 The performance agreement	10
7.3 Amendments to the performance agreement	13
7.4 Templates for performance management	14
7.5 Performance monitoring, review and assessment	14
7.6 Probation	16
<b>8. PERFORMANCE MODERATION</b>	<b>17</b>
<b>9. OUTCOMES OF PERFORMANCE ASSESSMENT</b>	<b>20</b>
<b>10. ROLES AND RESPONSIBILITIES</b>	<b>25</b>
<b>11. MONITORING AND EVALUATION</b>	<b>28</b>

<b>ANNEXURES issued in terms of this policy framework</b>	
<b>Annexure A</b>	Performance Agreement Template
<b>Annexure B</b>	Work Plan Template
<b>Annexure C</b>	Guide to generic assessment factors
<b>Annexure D</b>	Personal Development Plan Template
<b>Annexure E</b>	Half-yearly Review template
<b>Annexure F</b>	Performance Assessment Instrument
<b>Annexure G</b>	Probation Assessment Template
<b>Annexure H</b>	Procedures for Non-agreement on Assessment
<b>Annexure I</b>	Work Plan Template for Elementary Occupations
<b>Annexure J</b>	Personal Development Plan for Elementary Occupations
<b>Annexure K</b>	Elementary Occupations Half-yearly / Annual Performance Assessment Instrument Template

## ACRONYMS

<b>CAR</b>	Confirmed Assessment Rating
<b>D-G</b>	Director-General
<b>DMC</b>	Departmental Moderating Committee
<b>DPSA</b>	Department of Public Service and Administration
<b>EA</b>	Executive Authority
<b>GAF</b>	Generic Assessment Factor
<b>HOD</b>	Head of Department
<b>HRD</b>	Human Resource Development
<b>IRC</b>	Intermediate Review Committee
<b>KRA</b>	Key Responsibility Area
<b>MMS</b>	Middle Management Service
<b>MPSA</b>	Minister for Public Service and Administration
<b>MTEF</b>	Medium Term Expenditure Framework
<b>PA</b>	Performance Agreement
<b>PDP</b>	Personal Development Plan
<b>PFMA</b>	Public Finance Management Act, 1999
<b>PMDS</b>	Performance Management and Development System
<b>PSA</b>	Public Service Act, 1994
<b>PSC</b>	Public Service Commission
<b>PSCBC</b>	Public Service Coordinating Bargaining Council
<b>PSR</b>	Public Service Regulations, 2016
<b>TCE</b>	Total Cost to Employer

# **EMPLOYEE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM (EPMDS)**

## **1. INTRODUCTION**

- 1.1 The Employee Performance Management and Development System (EPMDS) provides a standardised framework for the management of employee performance, assessment and development on salary levels 1 to 12, which is inclusive of employees covered by an occupation specific dispensation in a Department who are employed in terms of the Public Service Act, 1994.
- 1.2 Departments may adopt the policy framework in its current form. If there are, however, unique circumstances within a department that necessitate the modification of the policy, departments may customise the policy to suit those prevailing circumstances but must ensure that they remain within the minimum and maximum provisions of the provincial policy and submit such amendments to the PSCBC for ratification through the Office of the Premier.

## **2. PURPOSE**

The purpose of performance management and development is to ensure adequate planning, management, assessment and evaluation of employee performance to assist in improving upon performance and thereby on service delivery.

## **3. DEFINITIONS**

For the purpose of this policy, unless the context indicates otherwise, the following definitions are set out for the terms indicated:

**“annual performance rating”** means the annual performance rating as part of an employee’s assessment that takes place at the end of the performance cycle. The result of this rating is the overall annual performance score for the employee during the entire performance cycle.

**“assessment instrument”** means an assessment tool used to assess the performance of an individual employee in relation to the achievement of key result areas and core management criteria or generic assessment factors as contained in the work plan of the performance agreement.

**“competency”** means the combination of knowledge, skills, behaviour and aptitude that a person can apply in the work environment, which indicates a person’s ability to meet the requirements of a specific post.

**“Confirmed Assessment Rating (CAR)”** means the assessment score for an employee that has been confirmed by the Departmental Moderating Committee (see also validated and provisional assessment rating).

**“elementary occupation”** means an occupation at salary level 1-4 that includes messengers, labourers and other occupations performing simple tasks where employees may be illiterate and not able to complete lengthy documentation.

**“Generic Assessment Factor (GAF)”** means an element used to describe and assess aspects of performance, taking into consideration knowledge, skills and attributes and which is embedded in a Key Result Area.

**“Key Result Area (KRA)”** means an area of a job in which performance is critical for making an effective contribution to the achievement of departmental strategies, goals and objectives

**“performance agreement”** means a document agreed upon and signed by an employee and her or his supervisor, which includes a description of the job, selected KRAs and GAFs, a work plan and the employee’s personal development plan.

**“performance assessment”** means the measurement, assessment, rating, review or appraisal of employee performance.

**“performance cycle”** means a 12-month period for which performance is planned, managed and assessed aligned to the same period as the Department’s annual performance plan, i.e. 1 April to 31 March of the following year.

**“performance incentives”** means a set of (a) financial rewards linked to the results of performance appraisal, including pay progression, performance bonus, and (b) a variety of non-financial rewards that may be contained in the departmental performance incentive scheme.

**“performance incentive scheme”** means a departmental performance related incentive scheme aligned to or integrated with its performance management system, established in terms of Public Service Regulation 73.

**“performance indicator”** means a measure used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered).



**“performance management”** means a purposeful, continuous process aimed at managing and developing employee behaviour for the achievement of the organisation’s strategic goals; the determination of the correct activities as well as the evaluation and recognition of the execution of tasks/duties with the aim of enhancing their efficiency and effectiveness; and a means of improving results from the Department, teams and individuals by managing performance within an agreed framework of planned goals, objectives, standards and incentives.

**“performance review”** means a written, structured and formal assessment of an employee’s performance discussed between supervisor and employee to monitor progress, resolve problems and adjust work plans during the performance cycle, thereby providing an opportunity for improvement before the annual review takes place.

**“performance standard”** means mutually agreed criteria to describe work in terms of time-lines, cost and quantity and/or quality to clarify the outputs and related activities of a job by describing what the required result should be. In this framework, performance standards are divided into indicators and the time factor.

**“Personal Development Plan (PDP)”** means a plan documenting the important competency and other developmental needs of the employee, together with the means by which these needs are to be met and which includes time lines and accountabilities and which is a mandatory part of the performance agreement.

**“supervisor”** means an employee responsible for the allocation of work, monitoring of activities, discussion of performance and development, and the finalisation of the half-yearly performance review and annual performance rating of an employee.

#### **4 SCOPE**

The EPMDS is applicable to all employees in the Provincial Administration on salary levels 1 to 12, inclusive of employees covered by an occupation specific dispensation (OSD), appointed in terms of the Public Service Act, 1994, but excludes members of the Senior Management Services (SMS).

#### **5 SOURCES OF AUTHORITY**

Public Service Act, 1994, as amended

Public Service Regulations, 2016



Skills Development Act 97 of 1998

Labour Relations Act 66 of 1995

Public Finance Management Act 1 of 1999

Promotion of Administrative Justice Act 2 of 2000

Treasury Regulations, 2005

Relevant collective agreements

Determination and Directive on the Performance Management and Development System of Employees other than members of the Senior Management Services for Implementation with effect from 1 April 2018

2017 Incentive Policy Framework for Non-Occupation Specific Dispensation (OSD) Employees on Salary Levels 1 to 12 and Employees Covered by OSDs

## **6 CONSEQUENCE MANAGEMENT**

- (a) Any non-compliance with this policy framework must be dealt with in terms of section 16A of the Public Service Act.
- (b) An employee who does not comply with any one of the requirements in subsection 7(1)(a)-(m) below, shall not qualify for any performance rewards, ie. pay progression and performance bonuses.

## **7 POLICY PROVISIONS**

### **7.1 General provisions**

- (a) The performance cycle is a 12 month period, from 1 April of a year to 31 March of the following year, for which performance is planned, executed and assessed. The probation cycle is linked to the appointment date of a jobholder.
- (b) An employee must enter into, sign and submit a performance agreement (PA), which includes a work plan and personal development plan, to Human Resource Management/Development (HRM/D) within three (3) calendar months of his/her date of appointment and thereafter within two (2) months of the beginning of each financial year on or before 31 May of a year. A performance agreement must be signed by both parties for it to be binding.

- (c) The relevant supervisor must ensure that the signed PAs are submitted to their internal HRM/D components on or before the end of the first working day following the due date for the signing of PAs.
- (d) The half-yearly review is the mid-term review for the April to September period and must be completed in writing and submitted to HRM/D on or before 31 October of the year that is being assessed.
- (e) The employee and the supervisor must ensure that annual performance assessments are finalised and submitted to HRM/D by 31 July of the financial year following the year of assessment.
- (f) Quarterly performance reviews are required for quarter 1 and quarter 3. In cases of satisfactory performance or better these reviews may be either oral or written but in cases of poor or unsatisfactory performance these reports must be in writing.
- (g) Failure to enter into, sign and submit a Performance Agreement, half-yearly review form and/or annual performance assessment, or failure to comply with the above-mentioned deadlines will result in an employee not being eligible/not qualifying for pay progression or a performance bonus for the performance cycle in question and may result in the employee and/or his/her supervisor being subjected to disciplinary action for non-compliance.
- (h) If an employee is appointed, seconded or transferred to another post or position at the same salary level during the performance cycle, a new performance agreement must be entered into for the new post or position within three (3) calendar months of his/her appointment, secondment, transfer and the performance assessment must take both periods of work in the cycle into consideration.
- (i) For seconded employees, a copy of the signed PA must be submitted by the seconding department to the releasing department within 30 days.
- (j) An employee who is appointed to act in a higher position or seconded for three (3) months or longer must amend the relevant parts of his/her PA to include the new roles and responsibilities.
- (k) If an employee who is not an SMS member is appointed to act in an SMS post for a period longer than three (3) months, he/she must amend his/her performance agreement or work plan to include the new roles and

responsibilities. The PA and work plan must be developed and managed in terms of the departmental performance management system for non-SMS employees.

- (l) If a post against which an employee is held, is upgraded due to job evaluation or where the employee has advanced due to grade progression in terms of the OSD during an assessment cycle and there is no change to the job description outputs and work plan targets, the employee will be eligible for assessment and may qualify for a performance bonus, but not for pay progression if he/she scores in the applicable range.
- (m) If an employee is **absent with permission** for a continuous period of three (3) months or longer, the affected employee shall be regarded as having performed satisfactorily for that period of absence within the performance cycle provided that the performance agreement was entered into, signed and submitted by the due date. Examples of such absences include, *inter alia*, injury on duty, pregnancy, ill-health, study leave, secondment, travel, annual leave or suspension. Such employees are excluded from consideration for performance bonuses because they have not performed above average for the full duration of the performance cycle.

## **7.2 Performance Agreement (PA) - Annexure A**

- (a) **A Performance Agreement** must include the following: -
  - (i) a personnel number, job title, post grade as well as a clear description of the main objectives of the employee's job and the relevant outputs or key responsibility areas and competency requirements;
  - (ii) a work plan containing the outputs, activities, and resource requirements; and
  - (iii) a personal development plan (PDP) that identifies the employee's competency and developmental needs in terms of the inherent requirements of the of the job as well as methods to improve these.
- (b) **The Work Plan (Annexure B and Annexure I for Elementary Occupations).**
  - (i) The performance of an employee is assessed on **Key Result Areas (KRAs)** and the **Generic Assessment Factors (GAFs)** relevant to his/her job based on his/her job description and contained in the PA. Each

employee must be assessed against both areas. KRAs covering the main areas of work will account for 100% of the final assessment, while the GAFs are embedded in the KRAs and are not separately weighted and scored.

- (ii) **KRAs** describe what is expected from an employee in his/her role and focus attention on actions and activities that will assist units and ultimately the Department in performing effectively. In the Work Plan the KRAs are broken down into outputs and activities including the resource requirements. These are used to indicate how the performance/achievement of the outputs and activities will be measured. KRAs may cover many different aspects of the work such as -
  - (aa) Specific tasks or events which the employee must ensure are achieved;
  - (bb) Levels of performance which the employee must maintain and promote;
  - (cc) Actions or situations for which the employee is personally responsible in delivering his/her “unique contribution”; and
  - (dd) Duties and responsibilities related to advice and support given, for example, by specialists to clients.
- (iii) Although there is no limit to the number of KRAs to be included in a PA, the number of KRAs included should preferably not exceed five. Each KRA must be broken down into measurable outputs and/or duties/responsibilities and activities. Each KRA must be weighted (as a percentage %) according to the importance and impact it has on the employee’s job as captured in the job description. The weighting of all the KRAs must total 100%. The weight of each KRA may not be less than 10% and may not exceed 30%.
- (iv) Employees shall identify, discuss and agree on the GAFs that are most relevant to their area of work. GAFs shall not be weighted or assessed independently, but must be incorporated and assessed in an integrated manner with the KRAs (refer to **Annexure C** for a Guide to Generic Assessment Factors).

(c) **Personal Development Plan (PDP) - Annexure D and Annexure J** for Elementary Occupations. Any employee development identified in the GAFs must be used to inform areas of development to be included in the PDP of an employee.

- (i) A PA is incomplete if it does not contain a Personal Development Plan. It is used to identify any gaps in the performance of the employee, either historical or anticipated, to relate this to a supporting GAF shortfall and then to plan and implement a specific set of actions to reduce the gap.
- (ii) The competence gap may relate to any of the GAFs included in this EPMDS or any other area of the employee's knowledge, skill and attribute requirements. The PDP must include interventions relating to the technical or occupational "hard skills" of the job, through *inter alia*, appropriate training interventions, on-the-job training, expanded job exposure, or job rotation.

(d) **Dispute Resolution**

- (i) If both the employee and his/her supervisor do not sign the performance agreement by 31 May due to a dispute relating to the content of the agreement, a person must be appointed within one (1) month after the expiry of the period to consider the dispute. Such appointment shall be made by the relevant executive authority, provided that the person so appointed shall be an employee.
- (ii) The person appointed to resolve a dispute must be chosen on the basis of his/her functional expertise and people skills and not necessarily a legal qualification since performance disagreements should preferably be a consensus driven process resolved through dialogue.
- (iii) The person appointed to consider the dispute in terms of subsection 7.2(d) shall within one (1) month of his or her appointment consider the dispute and recommend to the head of department that a performance agreement be signed. The EPMDS mediation process shall not exceed a period of one month.

- (iv) The relevant employee and his/her supervisor must sign the performance agreement as recommended in subsection 7.2(a) within two (2) weeks of receipt thereof, failing which the agreement shall be deemed to have been signed from the date of the recommendation.
- (v) Any dispute regarding any differences that may arise out of performance agreements, performance reviews or performance assessments must first be resolved internally within the Branch/Component/Unit. However, should the mediation process fail, an employee may consider a formal grievance in terms of the Public Service Grievance Procedure.

### **7.3 Amendments to the performance agreement**

- (a) The initial PA is signed prior to the start of the performance cycle. Significant changes, additions and subtractions, must however be reflected in the PA and Work Plan on an on-going basis.
- (b) The PA and Work Plan against which an employee is assessed at the end of the cycle must accurately reflect the employee's actual activities and outputs during the entire performance cycle. Any amendment made to the PA and Work Plan must be committed to writing and signed and dated by both the employee and her/his supervisor.
- (c) Employees are discouraged from amending a PA in the last quarter of a performance cycle (ie. 1 January to 31 March), unless changes to the employee job description, job grade, organisational structure of the department or its functions or amendments to the objectives and priorities resulting in significant changes (more than 20% difference and/or a period longer than three (3) months) to the content of the job of the employee.
- (d) In the case where the amendment of the PA is justified, the amended PA must be accompanied by a written motivation explaining the reasons for the changes. This motivation must be signed by the supervisor and the head of the component and submitted to HRM/D to inform and clarify, matters of performance during annual assessments and moderation.



## 7.4 Templates for performance management

Departments may develop their own templates for performance agreements, mid-year reviews and annual assessments or they may utilise the templates included as annexures to this policy framework.

## 7.5 Performance monitoring, review and assessment

### (a) Performance monitoring

The performance of an employee at the individual level must be continuously monitored by the supervisor to enable the identification of performance barriers and changes and to address development and improvement needs as they arise. The supervisor must as a minimum provide oral feedback to the employee on his/her performance if the performance is satisfactory and in writing if the performance is unsatisfactory.

### (b) Categories of performance and rating scale

The following four **categories of performance** are used for the purpose of performance rating, review and the annual assessment of employees:

RATING	CATEGORY	DESCRIPTION
1	NOT EFFECTIVE (less than or equal to 66%)	Performance does not meet the standard expected for the job. The review/assessment indicates that the jobholder has achieved <u>less than fully effective results against almost all</u> of the performance criteria and indicators as specified in the Performance Agreement and Work Plan.
2	PARTIALLY EFFECTIVE (67%-99%)	Performance meets some of the standards expected for the job. The review/assessment indicates that the jobholder has achieved <u>less than fully effective results against more than half</u> of the performance criteria and indicators as specified in the Performance Agreement and Work Plan.
3	FULLY EFFECTIVE (100%-119%)	Performance fully meets the standard expected in all areas of the job. The review / assessment indicates that the jobholder has achieved as a minimum <u>effective results against all</u> of the performance criteria and indicators as specified in the Performance Agreement and Work Plan.
4	(a) HIGHLY EFFECTIVE (120%-127%)  (b) EXCEPTIONAL (128%-133%)	(a) Performance far exceeds the standard expected of a jobholder at this level. The review/assessment indicates that the jobholder has achieved <u>better than fully effective results against more than half</u> the performance criteria and indicators as specified in the Performance Agreement and Work Plan and maintained this in all areas of responsibility throughout the performance cycle.  (b) Performance is exceptional. The review/assessment indicates that the jobholder has achieved <u>better than fully effective results in all</u> areas of the performance criteria and indicators as specified in the Performance Agreement and Work Plan and maintained this in all areas of responsibility throughout the performance cycle.