

DRAFT PERFORMANCE MANAGEMENT POLICY

1. POLICY PURPOSE

The purpose of this policy is to ensure that roles and responsibilities are effectively implemented at all levels within the municipal structure and to establish a process whereby the vision and goals of Ngaka Modiri Molema District Municipality (NMMDM) can be met.

2. POLICY OBJECTIVE AND SCOPE

The objective and scope of this policy is to establish a set of appropriate key performance indicators in Ngaka Modiri Molema District Municipality (NMMDM) for measuring performance including outcomes and impact with regards to the Ngaka Modiri Molema District Municipality's (NMMDM) development priorities and objectives set out in its Integrated Development Plan (IDP).

2.1 This policy aims to achieve the following out comes:-

- Setting daily, weekly, monthly, quarterly and annual targets and monitoring performance.
- Measure to review the performance at least once a month.
- Steps to improve performance within regards to those development priorities and objectives that was not achieved.
- Establish a process of regular reporting to the council, political structures, political office bearers, staff, public organs of the state and the Public.
- Identification of skills gap and training needs.

3. POLICY DEFINITION(S)

The following key concepts are applicable to this policy: (Defining policy concepts provides clarity of what certain words mean in relation to the policy content).

"analysis" means a breakdown of information into components of essential features, identified components and the relationship between them.

"community participation" means the involvement of communities and citizens in taking part in the affairs of the municipality to promote democratic and accountable governance.

"evaluation" means the systematic assessment of worth and/or merit on some object, and assessment of information to provide useful feedback about specific outcomes.

"inputs" means resources such as time, staff, material, assets, equipment and technology an organization invest in a program.

"IDP" means a five year strategic planning instrument, reflecting the needs of the communities and the strategies and objectives of the municipality in achieving its constitutional objectives.

“key performance indicators” means performance indicators set by the municipality in consultation with the community where by performance in achieving target will be measured.

“legislative framework” means the framework of legislation and policy guidelines prescribing the adoption and implementation of performance management systems.

“monitoring” means the continuous verification of progress made towards the achievement of objectives and goals and includes the collection and analysis of data.

“performance agreement” means Agreement to be entered into with Municipal Managers and Managers directly accountable to the Municipal Manager.

“performance management system” means a system implemented by the municipality in terms of which performance of the municipality continuously monitored to measure progress made towards achieving KPI's

“performance reporting” means monthly, midyear and annual reporting on the performance of the municipality as required by legislation.

“review” means the analysis undertaken and a fixed point in time to determine the degree of which stated objectives have been reached.

“service delivery budget implementation plan (SDBIP)” means the management implementation and monitoring toll that gives effect to the integrated Development Plan and budget of the municipality.

“service delivery” means the basic municipal service rendered to the community as contemplated in the Batho Pele White Paper.

4. LEGISLATIVE FRAMEWORK

This document is established within the framework of the following legislations and policies. Please ensure that latest legal prescripts are consulted when implementing and reviewing the policy.

- The Constitution of the RSA, 1996.
- The White Paper on Local Government.
- The Municipal Structures Act, Act 155 of 1996.
- The Municipal Performance Management Regulation, 2001.
- The Municipal Performance for Managers, 2006.
- The Municipal Financial Management Act, Act 56 of 2003.
- The MFMA Circulars.
- The Municipal Planning and performance Regulations.

5. POLICY PROCEDURE / TARGET AUDIENCE

The policy is applicable to all Municipal employees and in some instance the provisions of this policy should be included in the relevant Performance Management Contract of staff appointed in specific positions.

6. GENERAL POLICY PROVISIONS

The following sections reflect the provisions for this policy:-

6.1 PERFORMANCE CULTURE

- 6.1.1 The aim of the performance management in the municipality must include the promotion of performance culture across all level in the municipality.
- 6.1.2 The Performance Management System (PMS) should assist the Municipality in administering its affairs in an economical, effective, and accountable manner.
- 6.1.3 Employees at all levels should know what is expected of them and outcome expected Performance Management Policy

6.2 PERFORMANCE MONITORING COMPONENTS

Performance monitoring approach should include the following:-

- 6.2.1 A set of appropriate Key Performance Indicators (KPI) measuring performance against expected outcomes and impact on the municipal development priorities.
- 6.2.2 A set of measurable targets for each of the municipal development priorities.
- 6.2.3 Measure to monitor performance at least once a year.
- 6.2.4 Steps to improve performance on the municipal development priorities when needed.
- 6.2.5 A process of regular reporting to the council, political structures, organs of state, staff and community.

6.3 PERFORMANCE CRITERIA

The legislative framework requires that the Performance Management System (PMS) must differentiate between general staff and managers directly accountable to the Municipal Manager or second level posts. Key Performance

Areas (KPA) should be developed for financial and nonfinancial purposes and meet prescribed requirements.

6.3.1 PERFORMANCE CRITERIA FOR GENERAL STAFF

- Deliverable of each employee must be defined in each one s' job description where the evidence required for each output.
- The Key Performance Indicators (KPI) should include what, where, how and when tasks must be completed.
- Performance be monitored daily informally daily and or weekly and formally on monthly basis.
- Performance evaluation must assess the contribution made towards Key Performance Areas and (KPA's) and Performance of staff will be evaluated on a quarterly basis.
- Supervisors must be trained thoroughly in proper appraisal procedures.
- Supervisor must apply consistent, explicit and objectives related standards when preparing a performance appraisals.
- Audit system must be in place to ensure appraisals are unbiased.
- Problem areas must be documented.
- Time table must be established for improvement when appraisals detect sub-standard performance.
- Employees must be given a clear opportunity to respond to negative appraisals including the right to appeal against the ratings given.

6.4 PROCESS FOR POOR PERFORMANCE

Processes should be adapted to accommodate measures to address poor performance. In the event that an employee is failing to his/her performance objectives the following guideline should be followed.

6.4.1 ADDRESSING POOR PERFORMANCE

Poor performance must be addressed. The following steps should be followed:-

- Ensure the employee is fully aware of their job descriptions and requirements.
- Agree performance plan based on KPA's, KPI's and CCR's.
- Provide adequate training, instructions and coaching.

- Provide regular feedback on improvement.

6.4.2 POOR PERFORMANCE COUNSELLING

In instance where poor performance does not improve performance counseling should be applies:-

- Employee's direct manager is responsible for conducting any formal counseling session for poor performance.
- Address the reasons why employee is failing to meet performance standards.
- Agree on personal Performance Development Plan that assist employee to improve performance.
- Inform employee of possible consequences of not complying with performance standards.
- Document all measures taken.

6.4.3 CORRECTIVE ACTION(S)

Corrective action should be considered when an employee, after reasonable time of counseling still continues to perform unsatisfactory notwithstanding appropriate evaluation, instruction and guidance.

Formal disciplinary steps may be implemented, including a disciplinary hearing and corrective action through a series of graduated disciplinary measures considered.

6.5 TECHNICAL SYSTEMS

6.5.1 PERFORMANCE MONITORING AND AUDITING

- The Performance Management System (PMS) is the key to integrate the Intergrated Development Plan (IDP) and Service Delivery Budget Implementation plan (SDBIP).
- The municipality must develop and implement systems to ensure, monitoring, reporting, evaluation, review, validation and assessments are performed.
- Monitoring of performance should be communicated to the community.
- Performance reports should be provided to the council at least twice a year.

6.5.2 DATA RECORDS AND REPORTING

Performance data must be collated, analyzed to compare existing trends within the municipality. The results should be communicated to develop shared improvement strategies that can enhance perform