



## **HUMAN RESOURCE POLICY PERFORMANCE MANAGEMENT**

<b>Policy No: NLMHRED007</b>	<b>Effective Date: 01 April 2008</b>
<b>Approved:</b>	<b>Review Date: 01 April 2009</b>

Notwithstanding the review date herein, this policy shall remain effective until such time approved otherwise by Council and may be reviewed on an earlier date if necessary, subject to Labour Law Dispensation or operational requirements.

### **1. SCOPE**

This policy is applicable to all permanent and section 57 employees of Ngwathe. This policy must, be read with and the SALGA Toolkit: Implementing a Basic Performance Management System for Municipalities, which is contained in the reference section at the end of this manual. And where applicable, should be read with the Skills Development, Career Planning and Succession Planning.

### **2. PREAMBLE**

The implementation of a Performance Management System is crucial for any organisation. For Ngwathe, it will help convert Integrated priorities into realistic operational plans, which will yield the desired impact within the Ngwathe community.

Employee performance is aligned to Ngwathe's objectives and strategies by way of converting strategies and objectives into measurable deliverables, which are worked into individual Job Descriptions as well as Performance Contracts/Agreements.

The process takes the form of an ongoing cycle which involves Performance Planning, Monitoring, Measurement, Review, Reporting and Improvement, with pre-determined indicators and targets at organisational and individual level. The policy document thus addresses the organisational part first and the individual part afterwards.

As it is mainly a people's matter, its actual usage should be perceived as **legitimate** at the organisational level, as well as **fair, consistent** and **confidential** at an individual level.

### 3. POLICY

The policy aims amongst others:

#### 3.1 Facilitate increased accountability

The Performance Management System should provide a mechanism for ensuring increased accountability between:

- Ngwathe's Citizens and Ngwathe's Council
- Political and administrative components of Ngwathe
- Departments and the executive office

### **3.2 Facilitate Learning and Improvement**

The Performance Management System should enable Ngwathe to improve delivery and form the basis for monitoring the IDP. It should also serve as an ***early warning signal*** for approaches which yield the desired impact and those which do not.

### **3.3 Facilitate Decision Making**

The Performance Management System should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on resource allocation.

### **3.4 Encourage and reward good performance**

Through performance measurement, monitoring and reviewing, employees will be able to note the extent of their contribution to Ngwathe's objectives/plans. The employees will be motivated to improve on their performance by way of appropriate rewards and their own motivation.

### **3.5 Enable Skills Development for employees as well as job satisfaction**

The Ngwathe Performance Management System makes provision for employee development by way of Individual Development Plans, wherein individual developmental needs are planned for and monitored.

## **4. PRINCIPLES GOVERNING NGWATHE'S PERFORMANCE MANAGEMENT SYSTEM**

#### **4.1 Simplicity**

The system must be simple and user-friendly, allowing the municipality to operate within its existing resource capacity and involve external stakeholders.

#### **4.2 Politically Driven**

Legislation clearly tasks the Executive Committee as the owner of the Performance Management System. The Executive Committee will drive both implementation and improvement of the system, and delegate responsibilities in this regard.

#### **4.3 Incremental Implementation (Three Phases)**

Based on Ngwathe's resources and capabilities, a phased implementation approach has been adopted as mentioned above and improvement of the system will be continuous.

#### **4.4 Transparency and accountability**

The process of managing performance in within Ngwathe will be inclusive, open and transparent. Citizens will know how departments are run, resources spent and who the persons in charge of particular services are. All information on the performance of departments will be availed to employees, the public, managers and specific interest groups as listed under '**stakeholders**' below.

## **4.5 Integration**

The Performance Management System will integrate all functions / departments by way of effective communication, work processes, monitoring, measurement, reviewing and reporting. It will not be reduced to just another reporting burden.

## **5. OBJECTIVITY AND CREDIBILITY**

Ngwathe's Performance Management System will be founded on objective and credible information, collected and reported with integrity.

## **6. STAKEHOLDER ANALYSIS**

The SALGA Performance Management System toolkit, which is contained within the reference section of the manual, refers to the Stakeholder Analysis as well as the relevant time frames which must be adhered to.

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## **8. AUTHORITY**

Formulation Policy	:	Municipal Manager
Authorisation Policy	:	Council
Ownership and Maintenance Manager	:	Director Corporate Services