

5. CONCLUSION

From the foregoing it is clear that performance management consists of organisational and individual performance management. Although they are closely linked they should preferably be managed as two separate systems. As is demonstrated above, individual performance management can only be meaningful if it cascades out of the organisational PMS.

The organisational PMS is developed in three phases starting with performance planning, followed by performance measurement and reporting and finally performance reviews and recognition of team performance. During the performance planning stage it is important to align the IDP, PMS and the Budget. It is also advisable to conduct a diagnostic analysis of the Municipality that will gauge the level of organisational health and identify areas of improvement that will increase the Municipality's ability to deliver on its objectives. The Balanced Scorecard approach should be used to link the IDP objectives to operational plans and ensuring that there is a balance of outcome, output and input indicators in the departmental and divisional SDBIPs. The areas of improvement that were identified during the diagnostic analysis need to be included in the SDBIPs so that progress towards addressing them can be measured and monitored.

The organisational PMS must result in regular reports for all divisions and business units being submitted on a regular basis. These reports need to be consolidated into a monthly municipal performance report that must be submitted to the Executive Committee and a quarterly performance report that is submitted to Council. At the end of the financial year the quarterly reports should be consolidated into an annual municipal performance report that should be distributed in the communities.

In developing the individual PMS it is important to follow a developmental approach. Each employee needs to have an individual performance plan that will be in line with the organisational SDBIPs. As the work gets executed in line with these performance plans there should be constant communication between the manager / supervisor and the employee. When a problem is identified, such as a lack of capacity, the supervisor and the employee should agree on the required interventions that will develop and increase the employee's capacity. In this way the PMS becomes a performance management and development system.

The individual PMS should be used to give each employee direction by means of individual performance plans that are compiled and agreed to between the supervisor and jobholder. The individual PMS is then also used for assessing individual performance against these plans. These assessments take place in the form of quarterly reviews and an end of the year evaluation. The quarterly reviews should be one-on-one sessions between the employer and employee, except for the end of the year evaluations for Section 57 employees that must be conducted by evaluation committees prescribed by Regulations. For non-section 57 employees, the results of the one-on-one end of the year evaluation must be moderated by a moderation committee that will check for consistency and whether they are realistic and fair. Once this has been completed it is possible to reward the high performers and to take remedial action in respect of performance that is not up to standard.