

# **ANNEXURE B**

## **EXISTING PMDS POLICY**



**INDIVIDUAL PERFORMANCE MANAGEMENT  
AND DEVELOPMENT POLICY  
(2025)**



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## **1. DEFINITION OF PERFORMANCE MANAGEMENT**

Performance management is the process through which a manager or supervisor meets or discusses with a staff member or a team of staff members to support Municipal and personal development goals. Performance management involves quarterly review processes with regular communication to check in on progress toward strategic goals and performance improvement, and an annual appraisal process to assess performance against strategic goals.

## **2. IMPORTANCE OF PERFORMANCE MANAGEMENT**

2.1 Performance management affects financial performance, productivity, employee retention and municipal culture.

2.2 Greater efficiency, accountability and staff member satisfaction.

2.3 Performance management process links strategic objectives with individual and team goals.

2.4. It motivates staff members to feel connected to municipal goals and their continuous improvement.

## **3. INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM**

3.1 Performance management system is a standardised performance management tool and process put in place for goal-setting and measuring individual and team performance.

3.2 Performance management system aligns municipal culture and strategy.

3.3 It helps with talent management.

3.4 It serve as a performance appraisal tool for managers, staff members and teams.

3.5 Performance Management is a tool used to identify skill gaps, reflect on good management techniques, and provide data for development or succession planning.

## **4. UTILISATION OF PERFORMANCE MANAGEMENT SYSTEM IN POLOKWANE MUNICIPALITY**

4.1 Polokwane Municipality will utilise Individual Performance Management System Policy for management decision-making, whereby the appraisal information is used as a basis for awarding performance incentives which may be Financial and/non-financial.

4.2 Employee development, whereby the appraisal information is used to guide training needs, and employee mentoring.



## 5. POLOKWANE MUNICIPALITY PERFORMANCE MANAGEMENT PROCESS

### 5.1 Performance Planning

5.1.1 The Polokwane Municipality's performance management cycle is aligned to the financial year, namely 1st July to 30th June each year.

5.1.2 Directorates and SBU Managers will have sessions with staff members, as individuals and / or as teams where the performance plans are going to be discussed.

5.1.3 Expected performance results will be explained for performance cycle.

5.1.4 If necessary a performance plan will be reviewed and communicated to the employees on expected behavior to achieve during the upcoming rating.

5.1.5 Communicate Polokwane Municipality's Strategic Objectives and Goals

5.1.6 Identify employee's developmental needs to improve service delivery and customer satisfaction.

5.1.7 Alignment of IDP Strategic Goals , SDBIP and Individual Performance

5.1.8 IDP strategic goals shall be translated and cascaded into more refined goals and expectations at the SBU and individual levels.

5.1.9 The cascading shall be as follows:

5.1.9.1 Senior managers first develop departmental goals that align with the Municipality's IDP and SDBIP goals.

5.1.9.2 SBU managers develop SBU goals that align with the departmental goals.

5.1.9.3 Supervisors develop teams' and individuals' goals.

5.1.10 IDP Strategic Goals, Departmental Goals and SBU Goals should

5.1.10.1 Clearly define the end results to be accomplished;

5.1.10.2 link to Municipal success factors or goals;

5.1.10.3 Goals to be achievable in order to motivate performance; and

5.1.10.4 Goals to be set in no more than three areas

5.1.11 A Performance Plan will be used to capture the performance expectations (i.e., results and behaviours) of each individual, or team of staff members.

5.1.12 Performance Plan is an instrument containing a **mutual agreement** between a staff member, or team, and their direct superior or supervisor to achieve results according to standards or measures which are aligned with the Municipality's Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plan



(SDBIP).

## **5.2 Regular Performance Feedback to Employees**

5.2.1 Directors, SBU Managers, Supervisors should discuss performance feedback and performance behaviours on an ongoing basis.

5.2.2 Performance feedback should happen throughout the performance rating cycle of the employees.

5.2.3 Feedback is to be provided whenever exceptional or ineffective performance is observed.

5.2.4 Performance feedback should be timely, specific, positive and constructive.

## **5.3 Employees Performance Inputs**

5.3.1 Employees must prepare performance statements of their key results and accomplishments at the end of the performance / rating period.

5.3.2 Employees performance statements assists in predicting whether employees will be successful in performing higher job levels.

5.3.3 Employee performance statements assists communicating to Directors and SBU Managers and Supervisors about the performance results achieved by the employees.

5.3.4 Employee performance statements should include specific actions that employees took to achieve their targets. Further, the impact of the achievement of the goals of the municipality.

## **5.4 Performance Review**

5.4.1 Employee Performance will be reviewed quarterly.

5.4.2 Employee performance assessment will be done using a performance assessment template containing rating scales, standards or measures, and weights assigned to the key performance areas and outputs according to the time spent and / or priority to deliver that specific output.

5.4.3 In reviewing behaviours, Polokwane Municipality will use the competency model as the basis (Part B of the Performance Plan). Competency include technical, leadership and interpersonal.

5.4.4 Competency expectations change at different job levels, such as entry-level staff member, experienced staff member, and SBU manager.

5.4.5 Competency communicate performance factors

5.4.6 Competency show distinctions in effectiveness levels that help supervisors explain why a staff member was evaluated in a particular way.



### **5.5. Employee Performance/Assessment Results**

5.5.1 Employee performance results to be achieved will vary depending on the nature of the employee's job.

5.5.2 have production/output results

5.5.3. support service employees will have level of customer satisfaction results.

### **5.6 Employee Results Measurements**

5.6.1 Directors, SBU Managers and Supervisors must measure employee results using performance objective indicators through 360-degree feedback process.

### **5.7 Performance Review in Special Situations**

5.7.1 In special cases where Polokwane Municipality may need to vary from the standard performance management model, e.g. employees are working in remote locations when applicable

### **5.8 Performance Appraisal**

5.8.1 Performance appraisal follows the feedback of individual assessments.

5.8.2 Supervisors must have performance appraisal meeting with their supervisees to discuss and agree on individual performance results and ratings.

5.8.3 Supervisors must use performance appraisal meetings with their supervisees to plan developmental interventions for employee's base on their ratings.

5.8.4 Performance appraisal will be awarded in line with the performance results achieved.

### **5.9 Performance Incentive System**

5.9.1 Employees with the highest performance ratings/score will receive the highest performance incentives (performance bonus).

5.9.2 Polokwane Municipality will use the top-down approach to awarding performance incentives, where staff members or teams with the highest scores receive highest incentives, and a cash bonus related to a percentage of the staff member's total annual remuneration package, or other non-cash incentives as considered by the Municipal Council for the year under review, or performance cycle.

5.9.3 Performance ratings for KPAs and competencies are calculated using the 5- point rating scale —

- (a) KPA ratings are calculated where individual ratings have been assigned to each KPI using the five-point rating scale;
- (b) No rounding of calculations is allowed and 2 decimal points must be used;

(c) The table below reiterates the 5-point rating scale applied to score overall performance –

Level	Terminology	Description
5	<b>Outstanding performance</b>	Performance far exceeds the standard expected of a staff member at this level. The appraisal indicates that the staff member has achieved above fully effective results against all performance criteria and indicators as specified in the Performance Agreement and Performance Plan and maintained this in all areas of responsibility throughout the year.
4	<b>Performance significantly above expectations</b>	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the staff member has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
3	<b>Fully effective performance</b>	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the staff member has fully achieved effective results against all significant performance criteria and indicators as specified in the Performance Agreement and Performance Plan.
2	<b>Performance not fully effective</b>	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the staff member has achieved below fully effective results against more than half the key performance criteria and indicators as



Level	Terminology	Description
		specified in the Performance Agreement and Performance Plan.
1	<b>Unacceptable performance</b>	Performance does not meet the standard expected for the job. The review/ assessment indicates that the staff member has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the Performance Agreement and Performance Plan. The staff member has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

#### Employee Performance Assessment Calculator

Rating	1	2	3	4	5
Percentage	0 – 66%	67% - 99%	100% 132%	133% 166%	167%

#### Employee Performance Bonus Calculator

Percentage Over Performance	Percentage Bonus
133 – 133.8%	5%
133.9 – 137.6%	6%
137.7 – 141.4%	7%
141.5 – 145.2%	8%
145.2 – 149%	9%
150 – 153.4%	10%
153.5 – 156.8%	11%
156.8 – 160.3%	12%
160.3 – 163.6%	13%
163.6 – 167%	14%



- 5.9.3. Employees performance incentives will be awarded to employees who qualifies in line with the above performance bonus calculator.
- 5.9.4. Employees performance incentives (performance bonus) will be related to a percentage of the employees total annual remuneration packages.
- 5.9.5. The municipality shall limit its spend on staff member performance rewards to 1.5% of the annual salary and wage bill

**5.10. Performance Appeals Procedure**

5.10.1. Polokwane Municipality will use the performance appeals procedure, as a guideline for managing all disagreements on the achievement of specific outputs and on assessment / rating scores.

**5.11. Performance Moderating procedure**

5.11.1 Polokwane Municipality will utilise the performance moderating procedure, as a guideline to manage and ensure performance planning, staff member and team inputs, quarterly performance reviews, and annual performance appraisal compliance and objective implementation.

**6. TEAM-BASED PERFORMANCE MANAGEMENT**

**6.1 Team-Based Performance Management in context**

6.1.1 Team-based performance management is an approach to holding teams responsible for plans and results, where action plans and performance metrics are structured around teams rather than individuals.

6.1.2 Polokwane Municipality may adopt a team-based performance management approach for a group of employees depending on the nature of the municipal operations.

**6.2 Applying team-based performance management**

6.2.1 Team-based performance management process will be same as individual performance including applying the performance management tools and instruments.

6.2.2 The distinction between team-based and individual performance is that the SBU Manager or Supervisor facilitates team-based discussions to set goals and key performance indicators.



6.2.3 The SBU Manager or supervisor of the team shall facilitate mid-year team-based performance discussions and annual performance reporting.

6.2.4 Teams shall initially self-assess their own performance, while the SBU Manager or supervisor moderates, ensuring independent validation of scores, and facilitate discussion based on evidence of progress.

6.2.5 Individual employees in the team will do self-evaluation, self-monitor, and self-regulate to identify areas where they can improve their contributions to the team.

6.2.6 Team members shall carry out peer evaluations to assess each other's' strengths and weakness, and collectively discuss how team performance can be improved.

6.2.7 SBU Managers and Supervisors must identify learning areas that will be associated with team goals.

6.2.8 SBU Managers and Supervisors when they assess team works must focus on team goals, quality of work and successful work standards.

## **7 PERFORMANCE MANAGEMENT OF STAFF MEMBERS WHO ARE IN ACTING POSTS**

7.1 If a staff member is required to act in a post for a period that exceeds three (3) months, the supervisor to whom the acting staff member is reporting must review the KPAs and KPIs in consultation with the acting staff member and include the KPA's and KPI's in the staff member's amended performance agreement.

## **8 IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEM**

### **8.1 Alignment with Competency Framework**

8.1.1 Competencies that must be used for this Policy are same as those for used recruitment, staffing and skills development as contained in the Municipal Staff Regulations.

### **8.2 Executive Management and All Employees**

8.2.1 Executive Management, SBU Managers, Supervisors and all employees must be part of the implementation of this Individual Performance Management Policy in Polokwane Municipality.



8.2.2 Communication and consultations must be done with all the municipal stakeholders including organised labour on the implementation of this Policy.

### 8.3 Change management

8.3.1 Executive Management of Polokwane Municipality must facilitate a change management strategy to facilitate the successful implementation of this Policy.

### 8.4. Training and Skills Development SBU Managers, Supervisors and All Employees

8.4.1 Polokwane Municipality will continuously use training to ensure that the Individual Performance Management Policy reaches all the employees in the municipality.

### 8.5. Continuous Evaluation and Improvement

- 8.5.1. Polokwane Municipality shall continually evaluate and improve the performance management systems by tracking completion of training to verify that all users of the performance management system have been trained prior to implementation.
- 8.5.2. Tracking completion of performance management activities by auditing the trail of copies of completed performance management forms submitted to the HRD Unit.
- 8.5.3. Management reviews to ensure that narrative descriptions match ratings, that ratings are not positively or negatively biased, that especially high or low ratings have been properly justified, that evaluation criteria are being applied systematically across supervisors and staff members, and that proper distinctions are made between staff members or teams.
- 8.5.4. Tracking alignment with other HR decisions, such as monitoring the internal consistency of the evaluations and performance incentives / rewards.
- 8.5.5. Gathering feedback from users by collecting information through survey or focus groups periodically to assess user reactions to the performance management process, and to modify the system in ways that will be more acceptable to users.

## 9. LEGAL CONSIDERATIONS

9.1 Polokwane Municipal employees will be evaluated on factors that are relevant to their jobs.

9.2 Employees must be informed about what is expected of them and the standards against which they will be evaluated at the beginning of the performance / rating cycle.

9.3 A standard, well-documented policy and procedure for how the performance management process will be conducted, with defined roles and responsibilities for staff members and



managers.

9.4 All municipal employees to be trained on the performance management process and relevant skills required to implement the process effectively.

9.4.1 SBU Managers to keep records to document examples of effective and, especially, ineffective staff member performance to substantiate their evaluations.

9.4.2 Managers to be held accountable for discussing performance issues with employees or teams and providing them with feedback in a timely manner during the performance rating cycle.

9.4.3 Performance evaluations of employees to be reviewed by a moderating committee.

9.4.4 Appeal procedure to be provided whereby staff members can formally comment on and appeal their performance evaluations.

9.4.5 Performance evaluation decisions to be consistent with decision-making, such as ensuring that individuals who receive higher performance incentives have higher performance ratings than those who receive lower performance incentives.

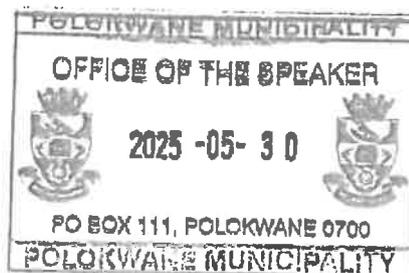
9.4.6 Performance management system and software to be as user-friendly, straightforward and easy to use as possible.

## **10 POLICY IMPLEMENTATION AND REVIEW**

10.1 Polokwane Municipality's Individual Performance Management System will be aligned with the Municipality's IDP and SDBIP.

10.2 SBU Managers, Assistant Managers, Supervisors and All Employees will use the system in a manner that add value to performance planning, development, feedback and achievement of organisational goals.

10.3 This policy will be implemented once approved by Council and shall be reviewed every three years from date of approval to ensure its alignment with the Municipality's strategic objectives and with applicable legislation.



**ANNEXURE A: SETTING / DETERMINATION OF PERFORMANCE OBJECTIVES AND TARGETS**

<b>SETTING / DETERMINATION OF PERFORMANCE OBJECTIVES AND TARGETS</b>				
<b>NO.</b>	<b>PROCEDURE STEPS</b>	<b>ACTORS</b>	<b>AVERAGE TIME TAKEN PER TRANSACTION</b>	<b>AVERAGE TRANSACTIONS PER MONTH (OR YEAR)</b>
1.	Define KPAs, KPIs and performance standard of each KPI, target dates weight of KPI			
2.	Set realistic performance targets			
3.	Agree to the outputs, activities and inputs			
4.	Specify what the staff member / team need to do to achieve the desired outcomes and impacts			
5.	Complete prescribed performance agreement template, and sign it			
6.	Send signed copy to HRM unit			
7.	Keep one copy of signed copy for the staff member / team, and one for the supervisor			

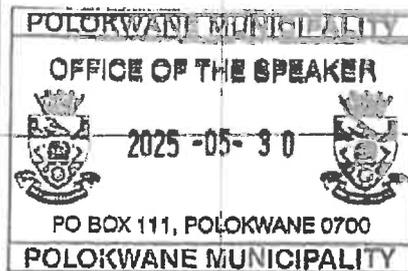


SETTING / DETERMINATION OF PERFORMANCE OBJECTIVES AND TARGETS

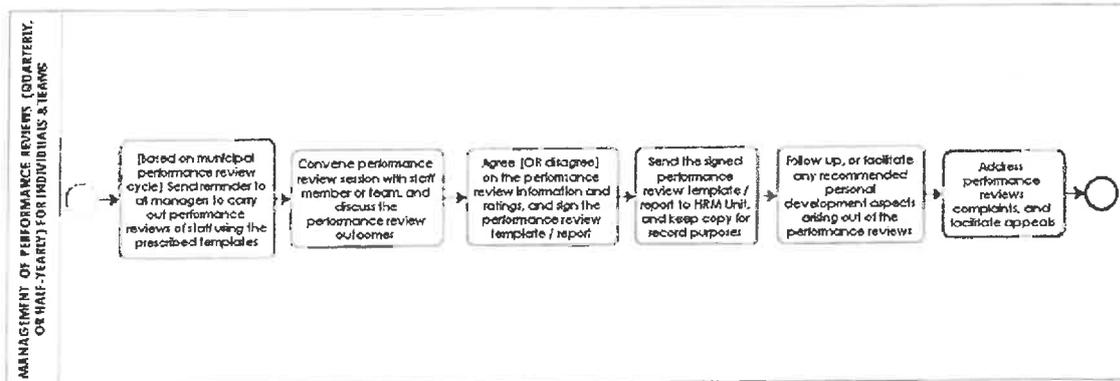


**ANNEXURE B: MANAGEMENT OF PERFORMANCE REVIEWS (QUARTERLY, OR HALF-YEARLY) FOR INDIVIDUALS & TEAMS**

<b>SETTING / DETERMINATION OF PERFORMANCE OBJECTIVES AND TARGETS</b>				
<b>NO.</b>	<b>PROCEDURE STEPS</b>	<b>ACTORS</b>	<b>AVERAGE TIME TAKEN PER TRANSACTION</b>	<b>AVERAGE TRANSACTIONS PER MONTH (OR YEAR)</b>
1.	Based on municipal performance review cycle] Send reminder to all managers to carry out performance reviews of staff using the prescribed templates			
2.	Convene performance review session with staff member or team, and discuss the performance review outcomes			
3.	Agree [OR disagree] on the performance review information and ratings, and sign the performance review template / report			
4.	Send the signed performance review template / report to HRM Unit, and keep copy for record purposes			
5.	Follow up, or facilitate any recommended personal development aspects arising out of the performance reviews			

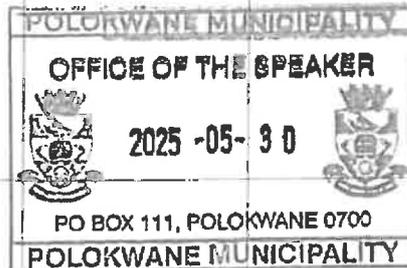


	6. Address performance reviews complaints, and facilitate appeals			
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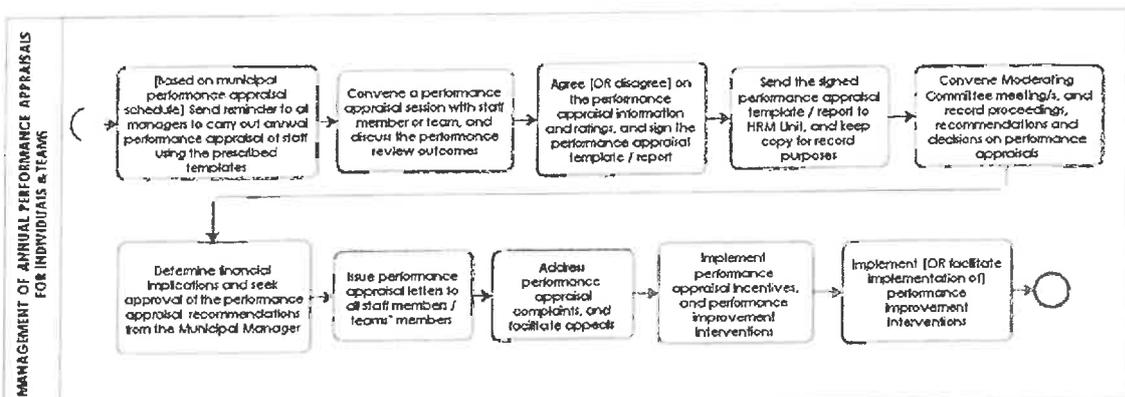


**ANNEXURE C: MANAGEMENT OF ANNUAL PERFORMANCE APPRAISALS FOR INDIVIDUALS & TEAMS**

<b>SETTING / DETERMINATION OF PERFORMANCE OBJECTIVES AND TARGETS</b>				
<b>NO.</b>	<b>PROCEDURE STEPS</b>	<b>ACTORS</b>	<b>AVERAGE TIME TAKEN PER TRANSACTION</b>	<b>AVERAGE TRANSACTIONS PER MONTH (OR YEAR)</b>
1.	managers to carry out annual performance appraisal of staff using the prescribed templates			
2.	Convene a performance appraisal session with staff member or team, and discuss the performance review outcomes			
3.	Agree [OR disagree] on the performance appraisal information and ratings, and sign the performance appraisal template / report			
4.	Send the signed performance appraisal template / report to HRM Unit, and keep copy for record purposes			
5.	Convene Moderating Committee meeting/s, and record proceedings, recommendations and decisions on performance appraisals			
6.	Determine financial implications and seek approval of the performance appraisal recommendations from the Municipal Manager			



7.	Issue performance appraisal letters to all staff members / teams' members			
8.	Address performance appraisal complaints, and facilitate appeals			
9.	Implement performance appraisal incentives, and performance improvement interventions			
10.	Implement [OR facilitate implementation of] performance improvement interventions			

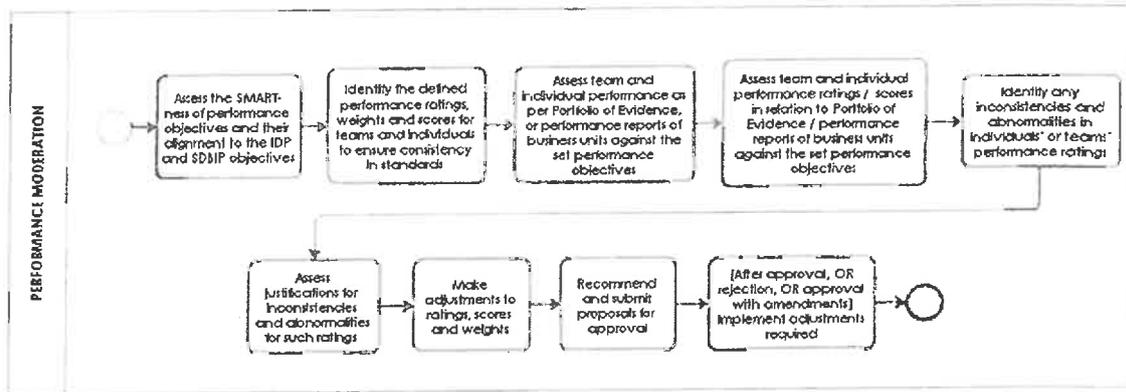


**ANNEXURE D: PERFORMANCE MODERATION**

<b>SETTING / DETERMINATION OF PERFORMANCE OBJECTIVES AND TARGETS</b>				
<b>NO.</b>	<b>PROCEDURE STEPS</b>	<b>ACTORS</b>	<b>AVERAGE TIME TAKEN PER TRANSACTION</b>	<b>AVERAGE TRANSACTIONS PER MONTH (OR YEAR)</b>
1.	Assess the SMART-ness of performance objectives and their alignment to the IDP and SDBIP objectives			
2.	Identify the defined performance ratings, weights and scores for teams and individuals to ensure consistency in standards			
3.	Assess team and individual performance as per Portfolio of Evidence, or performance reports of business units against the set performance objectives			
4.	Assess team and individual performance ratings /scores in relation to Portfolio of Evidence / performance reports of business units against the set performance objectives			
5.	Identify any inconsistencies and abnormalities in individuals' or teams' performance ratings			
6.	Assess justifications for inconsistencies and abnormalities for such ratings			
7.	Make adjustments to ratings, scores and weights			

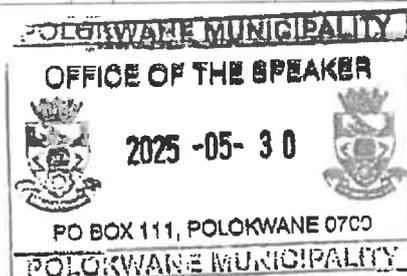


8.	Recommend and submit proposals for approval			
9.	[After approval, OR rejection, OR approval with amendments] Implement adjustments required			



**ANNEXURE E: PERFORMANCE ASSESMENT RATING CALCULATOR**

<b>Staff member</b>								
<b>Municipality:</b>								
<b>Mid-year / Annual Performance Assessment</b>								
<b>Assessment Rating Calculator</b>								
<b>Name</b>								
<b>Cycle:</b>								
<b>KPA</b>	<b>Weight</b>	<b>Rating</b>	<b>Score</b>		<b>JSC</b>	<b>Weight</b>	<b>Rating</b>	<b>Score</b>
1								
2								
3								
4								
5								
6								
7								
	100%		100			100%		100
<b>KPA weight</b>			80%		<b>JSC weight</b>			20%
<b>KPA SCORE</b>			80%		<b>JSC SCORE</b>			20%
<b>FINAL SCORE</b>								100%



## ANNEXURE F: PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM PHASES

### Performance management and development system phases

Performance management and development is the systematic process of—

- a) planning work and setting expectations of the municipality from staff members or teams;
- b) continually monitoring performance of staff members or teams;
- c) developing the capacity of staff members or teams to perform optimally;
- d) periodically rating performance of staff members and teams; and
- e) rewarding outstanding performance.

The performance management and development system of a municipality must consist of different phases relating to performance planning, coaching, review and reward as provided in these guidelines.

The performance management and development system must consist of the following phases:

Phase	Timeframe	Activities
Planning	Occurs annually at the start of the financial year or the starting date in a specific post	<ul style="list-style-type: none"> <li>• Supervisor schedules a meeting with a staff member or team to discuss and agree on the performance objectives for the year;</li> <li>• Supervisor and a staff member or team are required to prepare for this meeting; and</li> <li>• Performance agreement must be signed or processed electronically where applicable by the supervisor and a staff member or team within sixty days after the commencement of the performance cycle.</li> </ul>
Monitoring, coaching and feedback	<ul style="list-style-type: none"> <li>• Mid-year review must occur at the end of the second quarter. The details of the engagement must be</li> </ul>	<ul style="list-style-type: none"> <li>• The supervisor must set up a formal mid-year evaluation with a staff member or team within one (1) month after the end of quarter two (2), inclusive of formal documented engagement to provide</li> </ul>

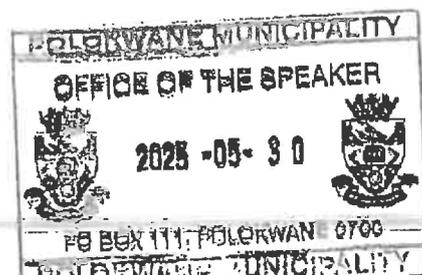


Phase	Timeframe	Activities
	<p>in writing; and</p> <ul style="list-style-type: none"> <li>• Annual performance evaluation must occur at the end of the fourth quarter (after the end of performance cycle); and</li> <li>• Annual performance must occur within 60 days after the end of performance cycle. The details of the performance evaluation must be in writing clearly outlining the staff member's career development needs.</li> </ul>	<p>feedback on targets achieved to date of a staff member or team;</p> <ul style="list-style-type: none"> <li>• At mid-year review, interventions and corrective actions must be identified in relation to achievement /under- achievement of performance outputs/ outcomes;</li> <li>• During annual performance evaluation, each staff member must be afforded an opportunity to complete self-rating and provide evidence to support ratings;</li> <li>• The supervisor must set up the formal final performance evaluation with a staff member or team after the end of the fourth quarter;</li> <li>• The final performance evaluation scores must be recorded as a formal engagement between the staff member and supervisor; and</li> <li>• The supervisor must formally provide verbal and written performance feedback to the staff member or team.</li> </ul>
<p>Reward and recognition</p>	<ul style="list-style-type: none"> <li>• After the formal annual performance assessment; and</li> <li>• After moderation by the Municipal Moderation Committee and approval by municipal manager.</li> </ul>	<p>Rewards shall be dealt with as stipulated in chapter 4 of the Regulations.</p> <div data-bbox="863 1675 1283 1951" style="text-align: center;">  <p><b>POLOKWANE MUNICIPALITY</b>  <b>OFFICE OF THE SPEAKER</b>  <b>2025 -05- 3 0</b>  <b>PO BOX 111, POLOKWANE 0700</b>  <b>POLOKWANE MUNICIPALITY</b></p>  </div>

## Planning

During the planning phase-

- (a) the supervisor and staff member must jointly identify organisational, departmental as well as the performance expectations of a staff member or team and secure the staff member or team's commitment to achieve the performance expectations;
- (b) the supervisor must explain to the staff member how the performance agreement and PMDS operates;
- (c) all staff members, including management, must be capacitated through training on—
  - (i) what the process entails;
  - (ii) why the municipality uses the PMDS process;
  - (iii) how the PMDS works, including the phases, purpose of linkage with the competency framework and how performance of competencies is measured;
  - (iv) the expectation from a staff member in a specific role; and
  - (v) when performance will be evaluated and reviewed;
- (d) the municipality must ensure that every supervisor has undergone training to acquire the relevant coaching skills needed for ongoing implementation of the PMDS;
- (e) the supervisor and staff member must develop a performance agreement wherein the performance standards will be defined in terms of quality, quantity, time and process. The following documents can assist—
  - (i) the staff member's job description;
  - (ii) the IDP and departmental SDBIP;
  - (iii) the supervisor's performance agreement, where applicable;
  - (iv) the staff member's previous year performance assessment, where applicable; and
  - (v) any other document considered relevant to the process;
- f) planned KPAs, KPIs and targets as contained in the performance agreement must meet the SMART criteria as outlined in the table below.



<b>S</b>	Specific, clear and understandable.
<b>M</b>	Measurable in terms of quantity, and, if possible, quality, money, and time. It must be possible to determine whether the activity took place and to decide how well it was done.
<b>A</b>	Attainable in that the activities to be performed have been agreed upon and must be within the capabilities and under control of the staff member.
<b>R</b>	Relevant in that each task should be related directly to the functional areas or specific projects assigned to the staff member.
<b>T</b>	Time-based in that the supervisor and staff member should be able to track progress against specified target dates and timeframes and assessment can take place within the annual reporting cycle of the performance agreement.

- (f) Job specific competencies can be selected from the relevant occupational streams as prescribed in the Local Government: Competency Framework attached to the Regulations as Annexure A, including any other specific functional competency requirements as may be identified;

The following documents will assist in the performance planning process—

- (a) performance agreement; and  
(b) monitoring, coaching, feedback and review.

**Monitoring, coaching and feedback**

Effective performance monitoring, coaching and feedback must be monitored continuously throughout the performance cycle.

Performance monitoring, coaching and feedback involve ongoing collaborative engagements between the supervisor and staff member or team aimed at improving a staff member's skills and competencies to meet or exceed the set standards of performance through—

- (a) observation, motivating and encouraging the staff member;



- (b) frequent and infrequent exchanges of feedback about the staff member's performance;
- (c) regular evaluation of whether the staff member performs according to the set objectives as outlined in the performance agreement;
- (d) formal coaching and informal performance evaluation sessions;
- (e) reinforcing the discussions that took place during the planning phase culminating in the performance agreement;
- (f) affording the supervisor, the opportunity to encourage the development of the staff member or team;
- (g) proactive identification of challenges and solutions to enable achievement;
- (h) identification of accomplishments or challenges by the staff member or team that have been resolved, which otherwise may not have come to the supervisor's attention;
- (i) coaching that reinforces effective performance or brings the performance of the staff member closer to the expected standards; and
- (j) a staff member or team who participated in several coaching sessions being aware of what is required of him or her to meet performance outcomes.

A municipality must ensure that every supervisor has received adequate training in performance coaching processes and is capable of effectively assessing progress and evaluating the performance of staff or team.

Development needs of staff identified during performance monitoring and coaching processes must be evaluated and addressed to encourage good performance, improves job-related skills and competencies that support staff to respond to changes in the workplace.

#### **Mid-year performance review**

The mid-year performance review-

- (a) is a formal bi-annual performance appraisal where a team is given feedback on his or her performance;
- (b) must be recorded;
- (c) offers an opportunity—
  - (i) between the supervisor and staff member to assess the staff member or



team's performance against set performance objectives;

- (ii) for the supervisor to monitor, coach and provide feedback to ensure effective performance;
- (iii) for the supervisor and staff member to—
  - (aa) jointly identify performance challenges and agree on solutions to overcome identified challenges;
  - (bb) agree on developmental needs of the staff member and address such needs;
  - (cc) review the performance targets resulting from workplace changes beyond the staff member or team's control;
- (iv) to reinforce good performance.

If the review of the performance agreement is warranted—

- (a) the Regulations and item 2 of these Guidelines apply;
- (b) the mid-year performance review will be based on the performance agreement;
- (c) the amended performance agreement or addendum must be co-signed by the supervisor and staff member; and
- (d) a record of the amendments must be kept for purposes of annual performance assessment.

#### **Annual performance evaluation**

The objectives of the performance evaluation are to —

- (a) formally discuss the performance outcome achieved by the staff member against agreed performance indicators and targets based on the work performed during performance cycle of 12 months;
- (b) rate the performance of a staff member or team against each measurable KPI using the five-point rating scale;
- (c) recognise positive achievements and provide feedback on unsatisfactory performance; and
- (d) identify areas of improvement and develop action plans to be included in personal development plans to address identified areas for improvement.

Every staff member or team must be subjected to annual performance assessment at the end of the performance cycle of a municipality.



The annual performance evaluation must be preceded by the staff member's self-rating against predetermined objectives, and where necessary supported by portfolio of evidence.

Rating entail evaluating the staff member or team's performance against performance standards in a staff member's performance plan and assigning a numeric rating for each KPI.

The supervisor and staff member must—

- (d) formally and objectively confirm the staff member's performance outcomes against agreed KPAs, KPIs and job specific competencies;
- (e) rate the performance of each staff member or team against each measurable KPI and job specific competencies using the 5-point rating scale;
- (f) recognise positive achievements;
- (g) identify deficient performance;
- (h) identify the staff member's developmental needs, which will inform the Personal Development Plan of the staff member; and
- (i) sign the final annual performance assessment.

At the end of the performance cycle a rating scale is used which has a bearing on rewarding and recognising performance above fully effective.

The supervisor must submit the final annual performance assessment, performance scores and any related evidence supporting performance to Human Resources.

Performance ratings for KPAs and competencies are calculated using the 5-point rating scale —

- (j) KPA ratings are calculated where individual ratings have been assigned to each KPI using the five-point rating scale;
- (k) No rounding of calculations is allowed and 2 decimal points must be used;
- (l) The table below reiterates the 5-point rating scale applied to score overall performance —



Level	Terminology	Description
5	<b>Outstanding performance</b>	Performance far exceeds the standard expected of a staff member at this level. The appraisal indicates that the staff member has achieved above fully effective results against all performance criteria and indicators as specified in the Performance Agreement and Performance Plan and maintained this in all areas of responsibility throughout the year.
4	<b>Performance significantly above expectations</b>	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the staff member has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
3	<b>Fully effective performance</b>	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the staff member has fully achieved effective results against all significant performance criteria and indicators as specified in the Performance Agreement and Performance Plan.
2	<b>Performance not fully effective</b>	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the staff member has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the Performance Agreement and Performance Plan.



Level	Terminology	Description
1	<b>Unacceptable performance</b>	Performance does not meet the standard expected for the job. The review/ assessment indicates that the staff member has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the Performance Agreement and Performance Plan. The staff member has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.



## **ANNEXURE G: TEAM BASED PERFORMANCE**

A supervisor working in collaboration with individual team members must—

- (a) rate the performance of a staff member working within a team-based performance arrangement; and
- (b) identify challenges relating to individual staff member(s) working within a team and identify appropriate interventions aimed at improving the staff member's performance.

The following templates will assist in the PMDS process —

- (a) team registration Annexure N; and
- (b) team performance agreement Annexure O.



## **ANNEXURE H: PERFORMANCE EVIDENCE**

The submission of evidence is subject to the following—

- (a) during the planning phase, agreement must be reached on what evidence is to be used with the aim of minimising time and effort; and
- (b) evidence must be gathered during the course of the performance cycle as this will inform and substantiate the scores according to the rating scale.

The staff member or team must gather, collate and present evidence against the measurable KPIs and, where applicable, job specific competencies as contained in the performance agreement—

- (a) it is particularly important to ensure that evidence is gathered during the performance cycle in preparation for the mid-year performance review and annual performance evaluation, as it will be used to substantiate scores related to achievement of KPIs and job specific competencies; and
- (b) the ultimate accountability for the submission of the portfolio of evidence rests with the staff member or team being evaluated.

The nature of work must determine the type of evidence that should be provided. This may, inter alia, include—

- (a) official records;
- (b) confirmation by a supervisor;
- (c) confirmation by other stakeholders such as letter from a government department; and
- (d) inspection or viewing of evidence by supervisor such as filing system, memorandums, reports, etc.

A supervisor may, at the latest by mid-year review,

- (a) accept other evidence that substantiate achievement of KPIs or competencies and assist the staff member or team to obtain such evidence.



## **ANNEXURE I: PERFORMANCE MODERATION COMMITTEE**

### **The Municipal Performance Moderation Committee—**

- (a) must be duly constituted by the municipal council;
- (b) may, to the extent possible, be constituted as follows—
  - (i) municipal manager or his or her delegate who will act as the chairperson;
  - (ii) all heads of departments of a municipality;
  - (iii) manager responsible for PMDS;
  - (iv) manager responsible for organisational development;
  - (v) manager responsible for organisational performance;
  - (vi) a representative from finance, where applicable;
  - (vii) a representative from governance, where applicable; and
  - (viii) a representative from audit, where applicable.
  - (ix) Two Members of organized labour (IMATU and SAMWU) as observers

### **Departmental representatives—**

- (a) will be invited to attend the performance moderation committee to present on the results of their respective departments;
- (b) must be on senior management level; and
- (c) may request a specialist on the departmental performance management to provide technical advice where needed.

### **Members should collectively possess the necessary expertise and must demonstrate knowledge and competencies—**

- (a) local government;
- (b) municipal human resource environment;
- (c) corporate governance practices;
- (d) corporate strategy;
- (e) performance management and development system;
- (f) human capital management;
- (g) organisational development;
- (h) financial management;



- (i) business management;
- (j) operations management; and
- (k) leadership.

The main objectives of the committee are to—

- (a) ensure fair and consistent application of the PMDS;
- (b) ensure that the integrity of the PMDS is protected;
- (c) ensure that performance is evaluated consistently;
- (d) ensure that individual ratings reflect the overall performance of the department;
- (e) advise on financial affordability for the municipality; and
- (f) recommend performance rewards to the municipal manager for approval.

The committee may—

- (a) develop and approve the terms of reference;
- (b) review the performance management and development system across the municipality and make recommendations regarding implementation; monitor the performance evaluation process by obtaining an overall sense of whether norms and standards are being applied realistically and consistently both horizontally and vertically across the municipality;
- (c) determine the overall performance of departments and align that with summary results based on individual performance;
- (d) moderate scores of a department(s) or a unit;
- (e) recommend reward levels for performance;
- (f) make recommendations regarding actions to be considered where supervisors do not implement the system properly;
- (g) provide oversight in terms of the application of the PMDS;
- (h) prepare a comprehensive report, based on its observations, reflecting performance of staff members or teams and the applicable reward levels; and ensure that the minutes and supporting information on matters dealt with by the panel, shall be available for examination upon authorisation by the municipal manager.



## **ANNEXURE J: MANAGING SUBSTANDARD PERFORMANCE**

### **Purpose**

These procedures are intended to—

- (a) create an enabling environment to facilitate effective performance by the staff members;
- (b) provide the staff members with access to skills development and capacity building opportunities in order to promote efficient and effective performance;
- (c) provide remedial and developmental support to assist the staff members to deal with substandard performance; and
- (d) ensure that the municipal council and staff members work collaboratively to generate solutions to problems and improve the performance of staff members.

### **Policy and principles**

These procedures must be read in conjunction with the Regulations. The Code of Good Practice provided for in Schedule 8 of the Labour Relations Act, 1995, constitutes part of these procedures, in respect of poor work performance.

The municipality must evaluate the staff member's performance by

considering—

- (a) the extent to which the substandard performance impacts on the work of the municipality and the achievement of municipal goals;
- (b) the extent to which the staff member fails to meet the required performance standards set by the municipality;
- (c) the extent to which the staff member lacks the necessary skills, competencies and expertise to meet the performance objectives and targets for his or her post as contained in the performance agreement; and
- (d) the nature of the staff member's work and responsibilities.

**Procedures for dealing with substandard performance**



If the municipality has reason to believe that a staff member is not performing in accordance with the minimum performance standards of his or her post, the supervisor must—

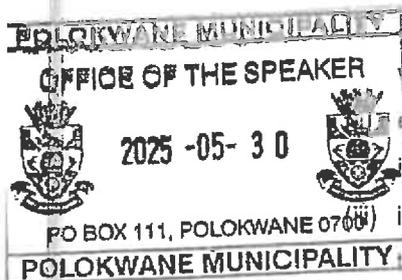
- (a) convene a meeting to give feedback to the staff member on his or her performance;
- (b) furnish the staff member with reasons why it is necessary to initiate this procedure.

During the meeting contemplated in paragraph (a), the supervisor must—

- (a) explain the requirements, level, skills and nature of the post;
- (b) evaluate the staff member's performance in relation to the performance agreement; explain the reasons why the performance is considered substandard; and
- (c) afford the staff member or his or her representative an opportunity to respond to the performance outcomes referred to in paragraph (c); and

After considering the staff member's reasons, the supervisor may, if necessary—

- (a) initiate a formal programme of counselling and training to enable the staff member to meet the required standard of performance, which must include—



assessing the time that it will take for the staff member to deal with substandard performance;

establishing realistic timeframes within which the staff member is expected to meet the required performance standards; and

identifying and providing appropriate training for the staff member to reach the required standard of performance.

- (b) establish ways to address any factors that may affect the staff member's performance that lie beyond the staff member's control.

If the staff member fails to meet the required performance standard for the post after being subjected to a formal programme of counselling and training as contemplated in paragraph (3), the supervisor, may—

- (a) regularly evaluate the staff member's performance; or
- (b) provide further remedial or developmental support to assist the staff member to eliminate substandard performance.

If the staff member's performance does not improve after he or she received appropriate performance counselling and the necessary support and reasonable time

to improve his or her performance as contemplated in paragraph (4), or he or she refuses to follow a formal programme of counselling and training contemplated therein—

- (a) the supervisor, must bring the allegations of substandard performance against the staff member to the attention of the municipal manager in the form of a report.
- (b) the supervisor, must table the report contemplated in subparagraph (a) before the municipal manager.

If the municipal manager is satisfied that sufficient evidence exists to institute disciplinary proceedings against the staff member on the basis of the alleged substandard performance the municipal manager, must furnish the staff member with written reasons why it is necessary to initiate this procedure in accordance with applicable procedures.



ANNEXURE K: PERFORMANCE PLANS FOR INDIVIDUALS

**POLOKWANE MUNICIPALITY**



**NATURALLY PROGRESSIVE**

**PERFORMANCE AGREEMENT**

**Name and Surname:**

**Pay Number :**

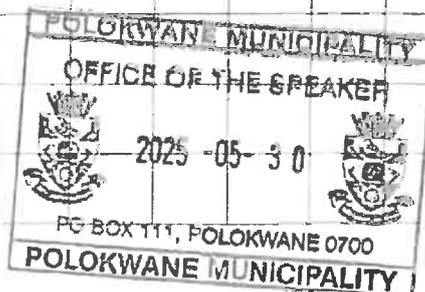
**SBU Name :**



**Performance Agreement**

<b>Performance cycle</b>		01 July 2024 to 30 June 2025	
<b>Department:</b>			
<b>Strategic Business Unit (SBU):</b>			
<b>Staff member name and surname:</b>			
<b>Staff member designation, payroll number and level</b>	<b>Designation</b>	<b>Payroll number</b>	<b>Level</b>
<b>Functions</b>	•		
<b>Staff member signature</b>			<b>Date</b>
<b>Supervisor Name and Surname:</b>			
<b>Supervisor's Signature:</b>			<b>Date</b>

Programme	KPIs	Weighting	Baseline (where applicable)	Annual Target	Portfolio of Evidence	Quarter 1 Target	Portfolio of Evidence	Quarter 2 Target	Portfolio of Evidence	Quarter 3 Target	Portfolio of Evidence	Quarter 4 Target	Portfolio of Evidence
<b>Total</b>		<b>100</b>											

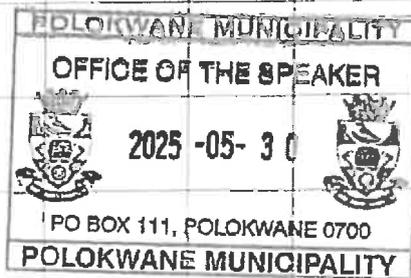


<b>Job Specific Competencies (JSC)</b>		
<b>Competency</b>	<b>Definitions</b>	<b>Weighting</b>
<b>Total</b>		<b>100</b>
<b>Supervisor Signature:</b>		<b>Staff member Signature:</b>
<b>Date:</b>		<b>Date</b>



**ANNEXURE L: COACHING AND REVIEW**

		Staff member / Team input on progress		Supervisor's input on progress		Comments	Year-end Review score	Signatures	
		Mid-year review	Final review	Interventions	Staff member / Team rating			Staff member's Signature	Managers Signature
KP A 1	KP 1								
	1.1								
	1.2								
	1.3								
KP A 2	2.1								
	2.2								
	2.3								
KP A 3	3.1								
	3.2								
	3.3								
JS C	1								



JS	2								
C									
JS	3								
C									
<b>Staff member / Team Supervisor</b>							<b>Date</b>		
<b>Signature:</b>									
<b>Supervisor Signature:</b>							<b>Date</b>		



**ANNEXURE M: TEAM REGISTRATION**

<b>Team Registration</b>					
<b>Performance Cycle</b>					
<b>Department:</b>					
<b>Section / Unit:</b>					
<b>Supervisor Name and Surname:</b>					
<b>Team Members</b>					
<b>Names</b>	<b>Payroll Number</b>	<b>Designation:</b>	<b>Level</b>	<b>Staff Signature</b>	<b>Date</b>
<b>Supervisor's Signature:</b>			<b>Date:</b>		



**ANNEXURE N: PERFORMANCE PLANS FOR TEAMS**

<b>Performance Plans for Teams</b>					
<b>KPA</b>	<b>/JSCs</b>	<b>KPIs/JSCs</b>	<b>Baseline</b>	<b>Targets</b>	<b>Evidence</b>
<b>Weighting</b>					
<b>[Insert KPA here]</b>					
<b>30%</b>		<b>1. [Insert KPI here]</b>	<b>[Existing or new where applicable]</b>	<b>[insert SMART Targets here]</b>	
		<b>2.</b>			
		<b>3.</b>			
<b>80%</b>		<b>Total</b>			
<b>Job Specific Competencies (JSCs)</b>					
		<b>1. [Insert JSC here]</b>			
		<b>2.</b>			
		<b>3.</b>			
<b>20%</b>		<b>Total</b>			
<b>Overall Total</b>					
<b>Team Members Names:</b>			<b>1.</b>		
			<b>2.</b>		
			<b>3.</b>		
<b>Supervisor</b>			<b>Team</b>		
<b>Signature:</b>			<b>Supervisor:</b>		
<b>Date:</b>			<b>Date:</b>		



**ANNEXURE O: PERFORMANCE ASSESSMENT**

**POLOKWANE MUNICIPALITY**



**PERFORMANCE ASSESSMENT FOR INDIVIDUALS**

**GENERAL INFORMATION**

The annual performance evaluation must be preceded by the staff member's self-rating against predetermined objectives, and where necessary supported by portfolio of evidence. Employees on probation or employed less than 6 months may not conduct assessment

**WHO SHOULD COMPLETE THIS FORM**

Part A: Employee and/or supervisor.

Part B: Employee and/or supervisor are obliged to complete this part.

Part C: Employee and/or supervisor are obliged to complete this part.

Part D: Employee, Supervisor, and/or PMS Admin Support (when applicable).

**Name and Surname** :

**Pay Number** :

**SBU Name** :

**Assessment Quarter** :



**PART A**

**Performance Assessment**

Performance Cycle

Performance Assessment per Quarter

Directorate

Strategic Business Unit (SBU):

Staff Member Name	Payroll Number	Designation	Level	Staff Signature	Date
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Percentage Over Performance	Percentage Bonus	Level	Terminology	score	Description
133 – 133.8%	5%	5	Outstanding performance	167%	Performance far exceeds the standard expected of a staff member at this level
133.9 – 137.6%	6%	4	Performance significantly above expectations	133% - 166%	Performance is significantly higher than the standard expected in the job
137.7 – 141.4%	7%				
141.5 – 145.2%	8%				
145.2 – 149%	9%				
150 – 153.4%	10%				
153.5 – 156.8%	11%				
156.8 – 160.3%	12%	3	Fully effective performance	100% - 132%	Performance fully meets the standards expected in all areas of the job.
160.3 – 163.6%	13%	2	Performance not fully effective	67% - 99%	Performance is below the standard required for key areas.

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2025 -05- 30

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POLOKWANE MUNICIPALITY

163.6 – 167%	14%	1	Unacceptable performance	0 – 66%	Performance does not meet the standard expected for the job
<b>Staff member signature</b>					<b>Date</b>
<b>Supervisor Name and Surname:</b>					
<b>Supervisor's Signature:</b>					<b>Date</b>



**PART B**

**PLEASE NOTE:**

1. Part B: Employee should capture a short description (key words) of activities as performance agreement as well as a summary/short description of actual achievements.
2. Proof of evidence (POE) should be submitted on request. The format of the POE will be determined within a unit and will depend on the nature of functions of the relevant directorate/SBU.

PROGRAMME	PERFORMANCE MEASURES		PROGRAMME WEIGHT			
	TARGET	ACTUAL ACHIEVEMENT	Own Rating Score	Supervis or Rating	Agreed Rating	Reason to justify the rating allocated

**PART C**

JOB SPECIFIC COMPETENCIES (JSC) AS SPECIFIED IN THE PERFORMANCE AGREEMENT		RATINGS	
Core Management Competencies (CMCs)	Process Competencies (PCs)	Own Rating Score	Supervisors Rating Score



**PART D**

**1. EMPLOYEE'S COMMENTS**

My rating and performance have been discussed with me.

YES

NO

If not, give reasons. Comments regarding the review process and outcome may also be indicated below

EMPLOYEE'S SIGNATURE

DATE

CONTACT DETAILS

**2. SUPERVISOR'S COMMENTS**

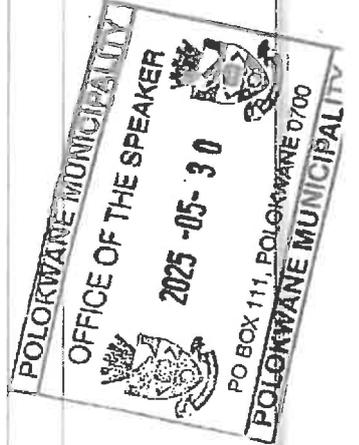
- Take note of the employee's comments (if any). Negative comments must be addressed as soon as possible as well as any matter of concern, if any.
- The rating and assessment are based on my personal knowledge and observation of the employee's performance.

SUPERVISOR'S SIGNATURE

DATE

CONTACT DETAILS

Comment by the PMS Admin Support (if any)





**ANNEXURE P: PERFORMANCE MID-YEAR/ANNUAL PERFORMANCE CYCLE**

**Performance Annual Performance Cycle**

<b>Directorate:</b>					
<b>Strategic Business Unit (SBU):</b>					
<b>Staff member name and surname:</b>		<b>Designation</b>	<b>Payroll number</b>	<b>Level</b>	
<b>Staff member designation, payroll number and level</b>					
<b>Staff member signature</b>				<b>Date</b>	
<b>Supervisor Name and Surname:</b>					
<b>Supervisor's Signature:</b>				<b>Date</b>	



Programme	KPIs	Weighting	Baseline	Annual Target	Actual Achievement	Own Rating Score	Supervisor Rating	Agreed Rating	Portfolio of Evidence

