

## MAINTAINING THE PERFORMANCE MANAGEMENT SYSTEM

### CONSULTATION

A commitment culture has strong implications for ownership of the performance management system. A culture based on two-way communication and mutual agreement requires all parties to be consulted and to feel that they are 'owners' of the system.

The principles of consultation in the continuing development of the system are:

- earlier attempts to introduce performance management-related systems should be fully explored;
- the system objectives should be stated in full;
- the rewards and sanctions frameworks should be set out clearly;
- the method for evaluating the system should be explained;
- system changes and developments should be communicated regularly.

### LEADING DEVELOPMENTS

It is important that there is one focal point of responsibility for the overall system, ideally a central agency that can oversee the system, monitor and review implementation and lead further developments.

Detailed responsibilities vary according to the degree of delegation.<sup>4</sup> In public services where there is *limited* delegation, the following approach is generally adopted:

- comprehensive system procedures, guidance notes and forms are developed and maintained by a central agency with responsibility for the reform process or the human management resource process, in consultation with departments and employees' representatives;

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<sup>4</sup> The varying degrees of delegation in personnel management, and the rough categories of limited, moderate and significant, are explored in detail in *Redrawing the Lines – Service Commissions and the Delegation of Personnel Management*, Commonwealth Secretariat 1996, ISBN 0 85092 461 8, Price: £9.00/US\$14.00

- on-going training, evaluation, monitoring and changes to the system are carried out by the central agency.

In public services where there is *moderate* delegation, the following procedure is often followed:

The Provincial Government of Gauteng in South Africa developed the following plan for the maintenance phase of its planned new performance appraisal system.

ACTIVITY	RESPONSIBLE
Maintenance Owner	Corporate Services
On-going policy change	Corporate Services (Personnel Utilisation Division)
Master document maintenance	Corporate Services (Personnel Utilisation Division)
Maintain enquiry line	Corporate Services (Personnel Utilisation Division) and 11 Departments HR Divisions
Monitor system outcomes in terms of merits, promotion and nationally required statistics to ensure equitable outcomes	Corporate Services (Personnel Utilisation Division) and 11 Departments HR Divisions
Review potential problems indicated by monitoring, e.g. biased use of rater scale	Corporate Services (Training Division)
On-going overview of training and of the training content	Corporate Services (Training Division)

- system procedures, guidelines and forms are developed, and monitoring of departmental outcomes is carried out by the central agency;
- departments are given the opportunity for system ownership and better departmental *fit* by being permitted to make adjustments and additions to the central model, within well-defined parameters: they will generally be required to conform to a common rating scale to allow comparison of outcomes across agencies, especially if performance-based pay or promotion is linked to the performance appraisal system;

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- departments will arrange their own system training, maintenance and support.

In public services where there is *significant* delegation, the central agency may make a performance management approach and use of a performance management-type appraisal system a legislative or administrative requirement. In addition, it will probably define a number of components which must be included in the departmental systems.

The Commonwealth Public Service in Australia requires the following of its agencies in relation to performance appraisal:

- Performance appraisal programmes are the responsibility of individual agencies in consultation as appropriate with employees and staff associations, and in accordance with guidelines issued by the Public Service Commission. Under the Australian Public Service Workplace Bargaining Agreement, these programmes need to be endorsed by the PSC.

Individual agency performance appraisal programmes should include:

- a rating scale by which an individual's performance can be assessed;
- provision for appraiser and appraisee training, including giving and receiving feedback;
- development needs analysis based on a separate assessment against the competencies appropriate to the officers' level;
- a process to monitor continually and review performance outcomes to take account of changing circumstances;
- a moderation process to ensure equity and consistency in ratings;
- arrangements for review of individual ratings;
- arrangements for quality control, monitoring and evaluation; and
- effective privacy arrangements.

*A framework for Human Resource Management in the Australian Public Service.*

- Departments then develop their own systems, forms and guidance notes in line with the centrally defined system components and in consultation with their line departments and employee associations.
- Departments will arrange their own systems training, maintenance and monitoring.

- The central agency will generally require system audits to ensure that the defined components are maintained and that performance pay implications are monitored across departments.

## **RESOURCING**

Implementation requires provision of forms, procedures and training programmes. It may also involve assistance with connected initiatives such as strategy review and work re-design. At least initially, there is usually provision of dedicated staff, often in a temporary project team, to lead introduction of the system. However, consideration of on-going resourcing can be overlooked or deliberately excluded. This deliberate decision not to provide resources for maintaining the system springs from a desire to incorporate the system immediately into on-going management practices. It is also often part of a best practice philosophy that the system should not require additional resources.

On-going resourcing needs to be addressed realistically and its elements may vary widely according to the local context. However, the following should provide guidance:

- training programmes – on performance management operations and associated skills such as communication;
- management committees and monitoring/evaluation working groups;
- advisers/experts – for further assistance;
- reporting/communicating vehicles such as newsletters (including use of general newsletters);
- information management tools and systems (such as computer packages, registry systems);
- data collection/analysis and evaluation of results.