



Heads of Department Performance Management Guideline



planning, monitoring
& evaluation

Department:
Planning, Monitoring and Evaluation
REPUBLIC OF SOUTH AFRICA



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Acronyms and Abbreviations

AGSA	Auditor-General South Africa
CMCs	Core Management Competencies
DG	Director-General
DPME	Department of Planning Monitoring and Evaluation
DPSA	Department of Public Service and Administration
EA	Executive Authority
FOSAD	Forum For South African Directors General
HoD	Head of Department
HoD PMDS	Performance Management Development System for HoDs
KRAs	Key Result Areas
MPAT	Management Performance Assessment Tool
MPSA	Minister for the Public Service and Administration
MTEF	Medium Term Expenditure Framework
NT	National Treasury
OTP's	Office of the Premiers
OPSC	Office of the Public Service Commission
PA	Performance Agreement
PMDS	Performance Management and Development System
PSC	Public Service Commission

1. Introduction

The Directive on the Performance Management and Development System (PMDS) for Heads of Department (HoDs) issued by Ministry of Public Service and Administration necessitated the development of the new *Guideline for HoD Performance Management*. As the Secretariat supporting the Presidency for HoD evaluations, the DPME in consultation with DPSA, PSC and Offices of the Premiers developed the new Guideline for HoD Performance Management in support of the PMDS for HoDs. The guideline will only apply to HoDs as indicated in the schedules 1, 2 and 3 of the Public Service Act.

Please note that the guideline must be read in conjunction with the Directive on PMDS for HoDs issued by the MPSA.

The Guideline is available on the DPME website at: <http://www.dpme.gov.za>. Any enquiries regarding the guideline should be directed to DPME to the following e-mail address: HoDPMDS@dpme.gov.za.

Enquiries from provincial departments should be directed to the relevant Offices of the Premiers.

2. Purpose of the Guideline

To ensure the implementation of the MPSA Directive on PMDS for HoDs, EAs and the Evaluation Panels.

3. MPSA Directive Reference

Please refer to the Directive on the Performance Management and Development System for Heads of Department issued by the Ministry of Public Service and Administration with regard to:

Item	Policy Section
Scope	Section 3
Date of commencement	Section 4
HoD PMDS Framework	Section 8
Timelines	Section 9
HoD Performance contracting and assessments	Section 10
Performance Assessments	Section 12
The HoD Performance Evaluation Process	Section 15
Disputes on Matters Relating to the PMDS	Section 19

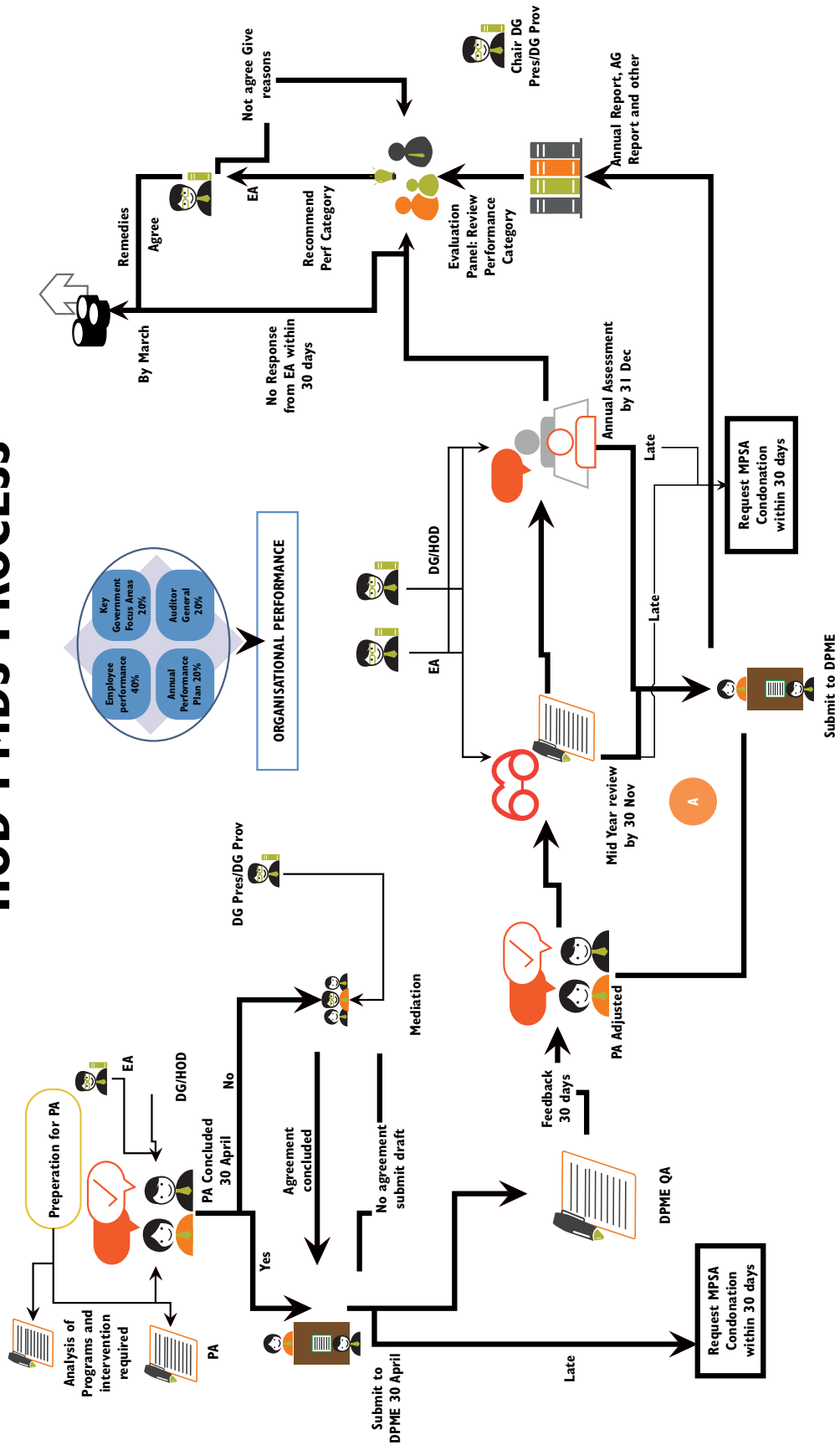
4. Implementation of the HoD PMDS

The DPME will be responsible for the implementation of the HoD PMDS for National Directors-General and the Directors-General from the Office of the Premier in each Province. The Provincial DGs with the support of the respective OTP will be responsible for the implementation of the HoD PMDS in their specific Province. The following section provides guidance on the completion of the different steps of the HoD PMDS.

5. Process Map of HoD PMDS

The following map illustrates the entire process of the HoD PMDS.

HOD PMDS PROCESS



All DGs/HoDs performance agreements will be signed by the Minister/MEC as the supervisor and the President/Premier as the Executive Authority until such time that delegations have been issued

6. Entering into a Performance Agreement and Compliance (refer to section 10 of HoD PDMS Directive)

All DGs/HoDs are encouraged to compile their own performance agreements. The HoD PMDS process requires interaction between the EA and the HoD. The discussion should focus on the identification of the priority areas and expectations of the HoD's leadership role. The DG in the Presidency/Province can be consulted if no agreement can be reached between the EA and the HoD. The HoD performance agreement template attached as Annexure C to the Directive on PMDS for HoDs must be completed.

6.1 Submission of Performance Agreements

All performance agreements must be submitted to the DPME on or before 30 April each year. Each OTP must submit all received performance agreements to the DPME within seven days of receipt.

6.2 Developing a Performance Agreement: Employee Performance Dimension

Employee performance dimension explain the areas in which the DG/HoD would be responsible for creating an environment to enable and ensure that these objectives are achieved.

- The EA and the DG/HoD must select key result areas (KRA) which should not be less than 4 and not exceed 10. The KRAs should indicate the DG's/HoD's role in achieving the mandate and strategic objectives of the department.
- The next step will be for the EA and the DG/HoD to identify the leadership interventions required for the delivery of the selected key result areas.
- In assessing the leadership interventions, consider which of the 5 Core Competencies listed in Table I: Core Management Competencies can be applied to deliver the selected key departmental strategic objectives.
- Determine the relevant Batho Pele Principle(s) applicable to the identified customers, clients and or service delivery beneficiaries per strategic objective.
 - ✓ *Who is the customer, client and beneficiary of each strategic objective?*
 - ✓ *What are the relevant Batho Pele Principle(s) applicable to the strategic objectives?*
 - ✓ *Which Batho Pele Principle(s) need(s) to be strengthened?*
- There must be meaningful and relevant integration of the core competencies and the Batho Pele Principles into the Key Result Areas (KRAs).
- Outcome, impact indicators and targets should, as far as possible be included to assess progress of the KRA and to determine whether the leadership interventions are implemented.

6.3 Core Management Competencies

In the application of the CMC the HoD must be able to exhibit the required competency of setting the strategic focus of the department and at this level provide the requisite leadership to senior managers in setting and achieving departmental goals.

Table I provides an explanation on the Core Management Competencies. For more detail please refer to Annexure B of the Directive on PMDS for HoDs.

Table 1: Core Management Competencies

Core Management Competencies	Strategic capability and leadership	Programme and Project Management		Change Manage	People Management and Empowerment
	DG: Organisational visioning and direction setting	DG: Plans and organises strategically at an organisational level	Financial Management	DG: Champions Change	DG: Lead Organisation
	<ul style="list-style-type: none"> Leads and take forward the development of the vision for the organisation. Aligns and cohesively articulate the vision and strategy in the context of the wider government priorities Understand and amalgamates environment trends on a macro level and priorities trend towards organisation Manage the acceptance of accountability with the organisation Shape the organisation culture to reflect required values, give effect to the vision and delivers results 	<ul style="list-style-type: none"> Consider the social contract of the Public Service and has the pursuit thereof in mind Translate the vision into smaller building blocks which in turn leads to the development of strategic and organisation plans which considers Long/medium/ short terms Strategic plans for the proper allocation of resources which contributes to the organisation goals 	<ul style="list-style-type: none"> Provide the guidelines within which the finances of the organisation as a whole should be managed Strategically develops long term monitoring and evaluation tools in terms of financial management at an organisational level Sets budget guidelines for the department/ organisation based on the strategic direction and objectives Identifies and approves partnerships and explores other avenues to achieve financial savings and improved service delivery 	<ul style="list-style-type: none"> Create an environment that encourages change innovation and improvement Identifies broad change strategies to achieve desired results. Sponsors “change agents” (responsible for the change) and creates a network of leaders who support and own the change Personally communicates a clear vision of the broad impact of changes. Adopts current infrastructure to change initiatives 	<ul style="list-style-type: none"> Alerts organisation to broad future learning needs that may affect organisational capacity Creates an environment where employees consistently push for improved performance and productivity Sets clear expectations about investments in developing employees Ensure that policies systems and processes are in place to support continuous learning and that they achieve the intended results

Source: DPSA SMS Competency Framework

Table 2 illustrates an example of a possible KRA with an associated work plan.

Table 2: Example of a KRA

Key Result Area/s	Batho Pele Principles	Weighting
To provide strategic leadership to implement the mandate of the department through change management interventions	Access to information, Value for money, Openness and transparency	25%

*The number of KRAs must not be less than 4 and not exceed 10 and must have a weight of between 10% to 30% (refer to 8.2.3 of the Directive on PMDS for HoDs). The total weight for the Key Result Areas must add up to 100%.

6.4 Work Plan

In crafting the work plan, the following points should be considered:

Key Result Areas:

- The identified KRAs must determine how the leadership interventions will be implemented. Consider the process competencies in the implementation of the leadership interventions. Key result areas must be on a strategic level.
- The strategic areas must be identified and the leadership intervention must come through in the KRA.
- It is important that each of the KRAs, activities and indicators are crafted to ensure that it has a strategic intent and direction (DG/HoD's role is to oversee, guide, facilitate and provide support etc.)
- The KRAs, activities and indicators should not be operational e.g. the DG/HoD will not develop reports/plans/policies but will provide strategic direction in ensuring that the operational work is undertaken.
- The KRAs must be specifically linked to the activities/outputs, indicators, resource requirements and enabling conditions.
- The KRAs in the employee performance dimension must be worded and weighted exactly the same as the work plan.

Key Activities

- Determine the key activities that would result in the achievement of the KRA.
- The key activities must be clearly stated and not be broadly crafted.
- The key activities must clearly indicate the DG/HoD's role in achieving the strategic objectives of the department.
- All the identified key activities must be weighted.
- The weighting of all the key activities for each KRA must add up to 100%. The 10% and 30% rule for KRAs do not apply to key activities (refer to 8.2.3 of the Directive on PMDS for HoDs).

Indicators

- The indicators in the DG/HoD's work plan must not include the APP targets as this is viewed as duplication between APP and the individual performance dimensions. The DG/HoD's individual contribution towards the achievement of the departmental strategic goals/objectives must be reflected in the work plan.
- The indicators must be measurable and follow the SMART (specific, measurable, attainable, realistic and time-bound) principles.

Target Dates

- The work plan and the Key Government Focus Areas [KGFA (except the 2 pre-populated KGFA's which are Supply Chain Management (SCM) System and Diversity Management and Transformation)] must have specific target dates in order for it to be time-bound.
- The target dates for the work plan and the Key Government Focus Areas must be linked to the indicators and should not all be aligned to the end of the financial year as this does not assist in half-yearly reporting.

Resource Requirements

- It is important that this area is populated in the work plan and the KGFA's (e.g. Human capital and financial resources, equipment, etc.).
- The resource requirements must be linked to each KRA and/or key activities.

Enabling Conditions

- These are the internal and external factors that will allow the DG/HoD to perform his/her duties (e.g. support provided by the EA, cooperation from the officials and stakeholders, etc.).
- Each identified factor must be linked to each KRA and/or key activities.

Table 3: Work Plan

Key Result Area	Key Activities	Weight(%) ¹	Performance Measure		Resources Required	Enabling Conditions
			Target Date	Indicator/Target		
To provide strategic leadership to implement the mandate of the department through change management interventions	Ensure effective and efficient implementation of the NDP vision 2030 and the MTSF 2014-19 indicators for the department	50%	31 March 20....	Ensure that 80% achievement of MTSF 2014-19 indicators	Human capital Financial resources	Buy-in and support from the EA and stakeholders
	Champion the change management process in the department to ensure the achievement of the MTSF indicators	30%	31 May 20....	Ensure that 100% Performance Agreements of SMS and relevant employees are aligned to the department's MTSF indicators	Human capital	PMDS Policy
Weight for KRA I (25%)			30 June 20....	Approved change management plan	Human capital	Cooperation of relevant officials in the department
	Lead the stakeholder engagements to promote the department's mandate and consult on strategic priorities	20%	31 March 20....	Approved stakeholder engagement plan consulted with 80% of recipients	Human capital Financial resources	Buy-in and participation from stakeholders
		Total = 100%				

¹ Weight: the weight for all the key activities in each KRA's must add up to 100%

6.5 Personal Development Plan (Annexure C2 of the Directive on PMDS for HoDs)

The core and process competencies as well as other developmental areas required must be identified on *Annexure C* (page 33 Directive on PMDS for HoDs) and the details of the interventions must be captured on *Annexure C2*.

6.6 Key Government Focus Areas (KGFA)

Supply Chain Management System [(Annexure C3.1 of the Directive on PMDS for HoDs) (refer to Table 4)]

- This KGFA is pre-populated, the activities/outputs and indicators/targets are fixed and must not be changed. The department must **capture** their own baseline data (e.g. all transactions below R500K and the value of these transactions), resource requirements and enabling conditions.

Diversity Management and Transformation [(Annexure C3.2 of the Directive on PMDS for HoDs) (refer to Table 5)]

- This KGFA is also pre-determined and should not be altered. The department's baseline data must be **captured** (e.g. % of persons with disabilities, women in SMS positions and the youth in the department). It must be noted that targets are set dependent on the department's baseline data.

Integrated Governance [(Annexure C3.3 of the Directive on PMDS for HoDs) (refer to Table 6)]

- This KGFA must be populated based on the departmental objectives, table 6 can be used to guide departments. This area requires involvement and support of the DG/HoD in integrated work e.g. FOSAD, Clusters, Programme of Action, Provincial Growth and Development Strategies, Inter-Ministerial Committees (IMC) etc. The target dates for this KGFA must be aligned to the indicators and should not only be reported at the end of the financial year. This must be avoided for all the KGFA's that need to be populated by the department. The indicators must be specific and measurable across the KGFA's.

International and Regional Integration [(Annexure C3.4 of the Directive on PMDS for HoDs) (refer to Table 7)]

- This KGFA requires the DG/HoDs to populate the template. In the case of provincial departments which do not integrate internationally or regionally (NEPAD, AU, SADC or any other international bilateral agreements) the DG/HoD can omit this KGFA from their Performance Agreement. The weighting for the remaining KGFA's will therefore be 25% each.

Minimum Information Security Standards [(Annexure C3.5 of the Directive on PMDS for HoDs) (refer to Table 8)]

- In this KGFA, the relevant key focus area activities/outputs, target dates, indicators/targets and baseline data must be populated. Table 8 provides some examples on how to complete this KGFA.

Table 4: Key Government Focus Area: Supply Chain Management

Annexure C3.1 of the Directive on PMDS for HoDs must be used as it is, the HoD only need to populate the department's own baseline data, resource required and enabling conditions.

Key Government Focus Areas	Key Focus Area Activities / Outputs	Performance Measures		Baseline Data	Resource Required	Enabling Condition
		Target Date	Indicator / Target			
Develop and implement an effective and efficient supply chain management system	Ensure that the number of procurement transactions are managed	Annual	10% reduction in the total number of procurement transactions below R500K by the end of the financial year (31 March)	Total number of procurement transactions below R500K	Human and financial resources	<ul style="list-style-type: none"> Financial management skills Understanding of the PFMA and relevant regulations
	Ensure that the nature of procurement spend is managed	Annual	10% reduction in the value of procurement spend under R500K	Total value of procurement transactions below R500K		
	Ensure that there is savings on procurement spend	Annual	5% saving on annual procurement spend		Current cost of specific goods and/or services	
	Ensure that procurement planning is managed	Annual	The finalisation of tender awards within an average of 60 days from the date bids close		Average number of days to award tenders	
	Ensure that SCM risk management is performed	Annual	Risk response plans for the top 5 SCM risks developed		Risk response (mitigation) plans	
	Ensure that the department pays all compliant supplier invoices within 30 days of receipt of invoice	Annual	100% of compliant supplier invoices paid within 30 days of receipt of invoice		Average supplier payment days	

Table 5: Key Government Focus Area: Diversity Management and Transformation

Annexure C3.2 of the Directive on PMDS for HoDs must be used as it is, the HoD only need to populate the department's own baseline data, resource required and enabling conditions.

Key Government Focus Areas	Key Focus Area Activities / Outputs	Performance Measures		Baseline Data	Resource Required	Enabling Condition
		Target Date	Indicator / Target			
Develop and implement an efficient and effective diversity management and transformation system	Ensure that equity targets are met	Annual	At least a 1% increase in the representation of persons with disabilities for departments with representation below 1%	Current percentage of representation of youth, persons with disabilities and for women at SMS	Human and financial resources	<ul style="list-style-type: none"> Knowledge of relevant Human Resource Management prescripts and legislation Support from EA
	50% representation of women at SMS		At least 20% increase in the representation of women at SMS for departments below 30%; 5% for departments between 30% and 40% and 3% for departments between 41% and 49%			
	2% representation of persons with disabilities across all levels		At least 30% of the staff in the department is comprised of youth			
	Attraction of youth into the Public Service					
	Ensure that reasonable accommodation is provided to employees with disabilities and employees with small children	Annual	Report on the number of work related assistive devices provided in the department Report on reasonable accommodation measures provided in the department.	Current status of provision of assistive devices Current status of reasonable accommodation measures provided in the department		
	Ensure that reports have disaggregated data to show beneficiaries in terms of age, race, disability and gender	Annual	Reports with disaggregated data	Current status of reports in the department		

Table 6: Key Government Focus Areas: Integrated Governance

Annexure C3.3 of the Directive on PMDS for HoDs must be used to capture the International and Regional Integration activities/outputs. The table below provides examples.

Key Government Focus Areas	Key Focus Area Activities / Outputs	Performance Measures		Baseline Data	Resource Required	Enabling Condition
		Target Date	Indicator / Target			
Integrated governance	Participate in Governance and Administration Cluster to ensure that its priorities are achieved	31 March 20	Attend at least 75% of the Cluster meetings annually	50% of Cluster meetings attended annually	Skilled human resources	Cooperation and support from stakeholders
	Participate in FOSAD meetings	June and November 20...	Attend both FOSAD meetings annually	1 FOSAD meeting attended		
	Ensure implementation of cluster Programme of Action (PoA)	31 March 20	90 per cent of cluster work implemented	70% cluster work completed		
	Support the Minister to participate in Inter-Ministerial Committee (IMC)	31 December 20	5 quality briefing notes developed on time	3 quality briefing notes developed on time		
		28 February 20	Participate in 75% of Technical Task Teams	Actively participated in 45% of Technical Task Teams		

Table 7: Key Government Focus Areas: International and Regional Integration

Annexure C3.4 of the Directive on PMDS for HoDs must be used to capture the International and Regional Integration activities/outputs. The table below provides examples.

Key Government Focus Areas	Key Focus Area Activities / Outputs	Performance Measures		Baseline Data	Resource Required	Enabling Condition
		Target Date	Indicator / Target			
International and Regional integration	Facilitate the establishment of international and regional agreements	30 April 20	3 signed agreements	I signed agreement	Financial and human resources	Cooperation and support from regional and international stakeholders
	Conclude and implement bilateral agreements to support the AU in the 2063 agenda	30 September 20	Actively participate in 3 AU Fora to adopt common approaches	Participated in 2 AU Fora		
	Coordinate the development of the New Partnership for Africa Development (NEPAD) framework	15 January 20				
	Facilitate the establishment and functioning of the Joint Commission between the Republic of South Africa and the Republic of Zimbabwe	31 July 20	A draft NEPAD framework concluded by relevant departments and countries	None		
		30 June 20	One MoU signed	None		
		30 November 20	Participate in 4 technical Committee Fora between two countries	None		

Table 8: Key Government Focus Area: Minimum Information Security Standards (i.e. MISS)

Annexure C3.5 of the Directive on PMDS for HoDs must be used to capture the MISS activities/outputs. The table below provides examples.

Key Government Focus Areas	Key Focus Area Activities / Outputs	Performance Measures		Baseline Data	Resource Required	Enabling Condition
		Target Date	Indicator / Target			
MISS	Provide guidance to manage information and security of the department at all times to strengthen security systems in the department	31 August 20 ...	Ensure that there is a fully operational biometric security system ready for use	Manual security system in place	Human and financial resources	Conducive environment
	Ensure that a security threat and risk assessment is conducted for the department	30 September 20 ...	Oversee that 3 security threats and risk assessments are conducted	2 security threats and risk conducted		
	Ensure the approval and implementation of an internal security policy	30 June 20 ...	Internal security policy approved and implemented	Draft policy		
	Oversee that staff members working with confidential information are vetted	End of 4 th quarter	Oversee that 100% of staff working with confidential information are vetted and newly appointed officials are vetted within 6 months	41% of officials in the department working with confidential information are vetted		

7. Quality Assurance Process for Performance Agreements

In the compliance and quality assurance phase the following will be assessed:

- Annexure C (cover page and PA) must be completed together with the work plan (C1) the Personal Development Plan (C2) and the KGFA's (C3.1 – 3.5).
- The performance agreement must be signed, dated and all pages (including the work plan) must be initialled by both the Executive Authority (EA) and the Head of Department (HoD).
- Signatories must adhere to the signing and submission compliance requirements.
- After a copy of the HoD's performance agreement is submitted to the DPME and the OTP, a quality assurance process will be undertaken by the DPME and relevant OTPs.
- The performance agreements of the DGs/HoDs in Provinces must be submitted to the DPME and the relevant OTPs on or before 30 April of each year. The DPME and OTPs will conduct quality assurance of the DGs/HoDs' performance agreements and provide feedback by 31 May each year.
- If amendments are required, the performance agreement must be revised, initialled, signed and re-submitted to DPME and the OTPs within 30 days of receipt.
- If amendments were not considered by the DG/HoD reasons for non-consideration must be provided using the quality assurance template (see Annexure 1) and must be submitted to the DPME within 30 days from receipt of the feedback.

8. Reporting timeframes for the OTPs

All OTPs are required to submit the following reports to the DPME:

- OTPs must submit the completed checklist for each performance agreement received and a report on the status of compliance as well as the quality assurance findings to DPME by 7 June of each year.
- Half-yearly reviews received from HoDs in the Province as well as a status report due on or before 7 December annually. (Refer to Annexure 2)
- Annual assessments received from HoDs in the Province as well as a status report due on or before 15 January annually. (Refer to Annexure 2)
- Report on the final outcome of evaluations conducted, due on or before 30 April annually.

9. Half-Yearly Review

According to the Directive on PMDS for HoDs issued by MPSA, the half-yearly review must be finalised between 1 September and 30 November each year and the result must be captured on *Annexure F of the Directive on PMDS for HoDs*. Once completed, the half-yearly review must be filed with the DPME on or before the 30 November each year. A specific date for the half-yearly review must be indicated on the cover page of the DG/HoD's performance agreement. The DG/HoD will be assessed by the EA on the employee performance dimension and the KGFA's at the half-yearly review. Highly effective performance requires evidence which must be provided together with the half-yearly review.

10. Annual Performance Assessment

The Directive on PMDS for HoDs issued by MPSA indicates that the annual performance assessment must be conducted and the performance outcomes be captured on *Annexure G (Directive on PMDS for HoDs)* and submitted to DPME/OTP on or before the 31 December each year. The specific date for the DG/HoD's annual performance assessment must be captured on the cover page of the Performance Agreement. The EA will conduct the annual performance assessment with the DG/HoD and assess the employee performance dimension as well as the KGFA's for the period under review. Discussion between the EA and the DG/HoD on the Auditor-General dimension and the organisational performance (APP) must be provided together with a motivation to the DPME/OTP.

11. Annual Evaluation

It is the responsibility of the department to provide the DPME/OTP with the required documents (as indicated below) in preparation for the annual evaluation sessions. All the documents below must be submitted to the DPME and the relevant OTPs by 31 October of each year if it was not previously provided. These documents will assist the evaluation panel to engage and contextualise in preparation for the HoD's performance evaluation. The principles of consistency, openness and fairness must be adhered to in the utilisation of additional information. If the DG/HoD has less than 12 months in the post he/she would still be assessed and the evaluation panel would take into account, the period of service when evaluating their performance category. The Secretariat will analyse and summarise these documents in preparation for the evaluation sessions. If the relevant documentation is not received within the stipulated timeframe the DG/HoD cannot be evaluated.

- Performance Agreement.
- Half-yearly Performance Review with the completed HoD PMDS calculator.
- Annual Performance Assessment with the completed HoD PMDS calculator.
- Annual Performance Plan.
- Annual Report including the Auditor-General's opinion.
- Data on the actual performance must be provided for all the KGFA's.
- Any other pertinent or relevant documentation/evidence.

12. Evaluation Panels

12.1 Composition of HoD Evaluation Panels, Approach and Rationale

For national Heads of Department, the *Cluster Grouping* approach has been adopted in order for the HoD Evaluation process to be conducted by relevant members within a Cluster. For example, the evaluation of DGs falling within the Infrastructure Development Cluster will be grouped together and consist of the relevant panel members. In order to expedite performance evaluations, block meetings per cluster will be arranged.

Table 9: Composition of National Evaluation Panel

National DGs Evaluation Panel (Excluding the DG in the Presidency) and CEOs of Schedule 3 departments		
The Chairperson (DG in the Presidency/Minister in the Presidency)		
Option 1 (Peers)	Option 2 (Hybrid)	Option 3 (Executive)
<ul style="list-style-type: none"> • 3 DGs from other national departments including the Cluster Chairperson 	<ul style="list-style-type: none"> • DGs and EAs 	<ul style="list-style-type: none"> • 3 EAs
Provincial HoD Evaluation Panel		
The Chairperson (DG in the Province/Premier)		
Option 1 (Peers)	Option 2 (Hybrid)	Option 3 (Executive)
<ul style="list-style-type: none"> • 3 other HoDs from the same Province 	<ul style="list-style-type: none"> • HoDs and EAs from the same Province 	<ul style="list-style-type: none"> • EAs from the same Province
Evaluation panel for the DG in the Presidency and Provincial DGs		
the Chairperson (PSC)		
Option 1 (PSC)	Option 2 (Hybrid)	Option 3 (Executive)
<ul style="list-style-type: none"> • PSC Chairperson and/or Commissioners • DGs from other Provinces 	<ul style="list-style-type: none"> • Peer DGs from other Provinces • EAs 	<ul style="list-style-type: none"> • 3 EAs (National or Provincial)
<ul style="list-style-type: none"> • The DG who will be evaluated is given the opportunity to address the panel on his/her performance. • The EA, if he/she so desires may also address the panel. • Additional members may be invited and could comprise of experts in the different fields e.g. Infrastructure, Social Development and Economic Sectors. • Additional members can be: National and other Provincial HoDs, Provincial Commissioners (Planning Commission, PSC and other Commissions), leaders from Business, Civil Society or NGOs, Portfolio Committee members, etc. • Number of panellists should not exceed five. • The panellists should be familiar with the work of the department. • When members of the evaluation panel are to be evaluated, they will be replaced by another HoD/DG. • All HoDs in the Province will be evaluated on the same day whilst the cluster approach will be used for national DGs. The evaluation for national DGs will take place over a number of sessions. • The panellists should avoid canceling the evaluation sessions as this would lead to delays in finalising the evaluation process. 		

12.2 Role of Evaluation Panel Members

12.2.1 The Role of the Chairperson

- Appoint the evaluation panel members who will evaluate the relevant HoD's performance (with support from the relevant secretariat).
- Preside over and Chair all the HoD evaluation panel meetings.
- Address principles of rigor, objectivity, confidentiality and conflict of interest.
- Direct the discussions and maintain formal meeting protocol during the meetings.
- Present the recommendations of the evaluation panel to the relevant EAs once the deliberations have been finalised.
- Ensure consistency in the application of performance evaluation panel procedures.
- Strengthen oversight and monitor, together with the rest of the panel, whether HoDs are performing effectively and are adhering to relevant norms and standards.
- Facilitate better co-ordination, identify service delivery challenges and find solutions to these.
- Intervene where there are blockages or challenges during the performance evaluation process.

12.2.2 The Role of Evaluation Panellists

- They must be familiar with the content of the evaluation panel documents prior to the evaluation sessions.
- Acquaint themselves with the content of individual and organisational evaluation for the applicable department.
- Must be objective and strive to formulate advice based on evidence and facts.
- Strive to reach consensus at the meeting on the level of performance of the HoD regarding each performance aspect and where necessary, recommend improvement.
- The members of the evaluation panel must consider all aspects including the individual employee performance dimension, among others, when making recommendations on the outcome of the HoD's performance.
- Advise the Chairperson of the evaluation panel on the outcome of the performance of the HoDs.
- All evaluation panel members must, once the performance outcome recommendation has been produced and approved by all panel members, sign the relevant evaluation documentation before the meeting is adjourned.

12.2.3 The Role of the EA

- To facilitate performance discussion with the DG/HoD in their department and sign the relevant documentation.
- Once panel feedback is provided, the EA has 30 days to respond to the Chairperson of the evaluation panel regarding the final decision on the DG/HoD's performance.
- To ensure that feedback is provided to the DG/HoD seven days after the final decision has been made and submitted to the chairperson of the evaluation panel.

12.2.4 The Role of the DG/HoD

- To facilitate the submission of all evaluation documentation to the DPME timeously.
- To ensure that all relevant documentation submitted to the DPME are completed and signed by both parties.
- If there are pre-identified questions relating to his/her performance the DG/HoD must respond prior to the evaluation session.
- To avail himself/herself on the day of the evaluation session.

12.2.5 The Role of the Secretariat – DPME and OTPs

Refer to section 20.4 and 20.5 of the Directive on PMDS for HoDs issued by the MPSA.

- Analyse and summarise the performance assessment documents for ease of reference for the panellists.
- All documentation relevant for the evaluation session must reach the panellists five days prior to the evaluation session.
- Act as secretariat during the evaluation sessions.
- Ensure that the documentation from the panel sessions reach the relevant EA for final decision.

12.3 Final Recommendation on Outcomes of Evaluation

The panel will consider whether the finalised annual assessment between the EA and the DG/HoD accurately reflect the performance of the DG/HoD using the supporting documents. Mitigating factors will be considered, for example, DG's who improved the audit outcomes from a low baseline, where the employee performance rating is high and the departmental performance is low due to historical reasons. In consideration of the mitigation factors, the panel can recommend a different performance category for the HoD.

13. National HoD Evaluations Cluster Grouping

No	Cluster	Group
1	Infrastructure Development	Communications, Public Enterprises, Environmental Affairs, Energy, Human Settlements, Public Works, Transport, Telecommunications and Postal Services, Government Printing Works
2	Economic Sector & Employment	Agriculture, Forestry & Fisheries, Economic Development, Mineral Resources, Rural Development & Land Reform, Tourism, National Treasury, Labour, Science & Technology, Trade & Industry, International Relations & Cooperation, Small Business Development, Public Enterprises, Government Pensions Administration Agency, Government Technical Advisory Centre
3	Governance & Administration	Justice & Constitutional Development, Public Service & Administration, The Presidency, Planning Monitoring and Evaluation, Public Service Commission, The National School of Government, Statistics South Africa, Centre for Public Service Innovation, Office of the Chief Justice.
4	Human Development	Arts & Culture, Health, Sport & Recreation, Basic Education, Higher Education & Training
5	Social Protection Community Development	Cooperative Governance, Traditional Affairs, Social Development, Women, Water & Sanitation, Municipal Infrastructure Support Agency
6	Justice, Crime & Security	Correctional Services, Defence, Military Veterans, Home Affairs, Police, State Security, Independent Police Investigative Directorate, Civilian Secretariat for Police, South African Police Services

14. Dealing with Performance Disputes

Please refer to Section 19 of the Directive on PMDS for HoDs issued by the MPSA.

15. Structuring of Evaluation Sessions

15.1 Preparation Phase

Each Secretariat has an important role in ensuring that the relevant evidence has been collated timeously, checked/verified, analysed and summarised for each DG/HoD. It is imperative that departments submit all relevant documents by end of October each year. The Secretariat must provide the requisite support to the Chairperson of the relevant evaluation panel who plays a significant role during the evaluation of the HoDs. It is, therefore, essential that the Chairperson be well-prepared for evaluation panel meetings and ensure the same for their fellow panel members. The evaluation of a HoD will be based on performance documents received and desktop analysis by the Secretariat. The relevant HoD being evaluated could be requested to present information to clarify his/her performance.

15.2 Planning Phase

The relevant Chairperson formally communicates with the evaluation panel members and forwards the necessary documentation via the Secretariat to the panellists.

Chairpersons should request panel members to go through the documentation and prepare questions for clarification to be directed to the relevant EA and HoD. Where possible, these questions should be forwarded to the Secretariat at least two weeks before the panel meeting. Questions may also be raised during the evaluation panel meeting and should be directed to the DG/HoD being assessed.

In the event that consensus cannot be reached on the recommendation of performance outcomes, a majority rule applies, however minority position must be indicated. The Chairperson should, at all times endeavor to achieve consensus.

The Chairperson is responsible for summarising the findings of the evaluation panel to ensure that all relevant facts are included in the minutes taken by the Secretariat.

15.3 Evaluation Phase

The Chairperson will be responsible for structuring the evaluation sessions. Evaluation panel members should set aside a maximum of two hours for the evaluation of each HoD. The EA is welcome to address the panel. If the HoD being evaluated cannot attend any evaluation session, the HoD will be given at most two opportunities to be evaluated, failing which the assessment will be finalised in their absence.

The agenda for an evaluation meeting could be structured as follows:

1. Welcome and introductions.
2. Discussion of process/purpose.
3. Written or recorded overview by the EA outlining key achievements by their Department and the relevant DG/HoD. This must include employee performance dimension, APP achievements, all the KGFA's and the AG results.
4. Overview by the DG/HoD and response to pre-identified questions (At this point the DG/HoD being evaluated will be released).
5. Evaluation deliberations commence until a final decision on the performance ratings are agreed upon by the panel members as well as feedback on the areas for improvement for the DG/HoD.
6. Closure.

15.4 Post-Evaluation Phase

1. The recommendation of the panel will be conveyed in writing by the Chairperson to the EA. Should the EA have any queries regarding the recommendation of the panel this must be directed to the Chairperson.
2. The relevant EA will be required to respond to the panel within 30 days. If no response is received, it will be regarded that the relevant EA concurs with the recommendation of the panel. This will then become the final result and must be communicated by the EA to the DG/HoD within seven days.

16. Review of the Guideline on Evaluation of HoDs

This Guideline will be reviewed on a periodic basis and changes will be effected where necessary.

Annexure 1: Quality Assurance template

QUALITY ASSURANCE FEEDBACK ON DG/HoD PERFORMANCE AGREEMENT

Name of DG/HoD	
Name of Department	
National/Province	
Performance cycle	

Entering into a Performance Agreement

Compliance area	Yes/ No	If no - please provide reasons and action plan	Date of communication of reasons thereof with DPME/OTP	Feedback by DPME/OTP to departments	Response by departments on set time-frames	
					Agree with recommendations	Disagree with recommendations – Provide Reasons
a) The EA and the HoD entered into a Performance Agreement (PA) on or before 30 April annually						
b) The PA was filed with the DPME/ relevant Office of the Premier by the 30 April annually						
c) PA templates (CI – C3.5) were populated for entering into a performance contract						
d) PA was signed, dated and all pages were initialed by both parties						
e) Half-year and annual assessment dates were provided						

Compliance area	Yes/ No	If no - please provide reasons and action plan	Date of communication of reasons thereof with DPME/OTP	Feedback by DPME/OTP to departments	Response by departments on set time-frames	
					Agree with recommendations	Disagree with recommendations – Provide Reasons
Employee dimension						
f) There are between 4 and 10 KRAs						
g) Each KRA was allocated a weighting of not less than 10% and not more than 30%						
h) The weighting of the KRAs adds up to 100%						
i) The KRAs reflect strategic direction/role to be provided by the DG/HoD						
j) The KRAs were linked to the relevant Batho Pele Principles						

Compliance area	Yes/ No	If no - please provide reasons and action plan	Date of communication of reasons thereof with DPME/OTP	Feedback by DPME/OTP to departments	Response by departments on set time-frames	
					Agree with recommendations	Disagree with recommendations – Provide Reasons
(KGFA's:						
Supply Chain Management System (C3.1) - 20%						
k) Pre-populated information from HoD Directive must be used for the KGFA. Have the baseline data, resource requirements and enabling conditions been populated for the department						
Diversity Management and Transformation (C3.2) - 20%						
l) Pre-populated information from HoD Directive must be used for the KGFA. Have the baseline data, resource requirements and enabling conditions been populated for the department						
Integrated governance (C3.3) – 20%						
m) Has the KGFA shown how the HoD will contribute and integrate the work of the department with that of the relevant clusters						
International and regional integration (C3.4) - 20%						
n) Has the KGFA shown how the HoD will contribute and integrate the work of the department with relevant international and regional institutions? If the department is not involved in International and regional work, this KGFA can be omitted and the weightings will change to 25% for each KGFA						

Compliance area	Yes/ No	If no - please provide reasons and action plan	Date of communication of reasons thereof with DPME/OTP	Feedback by DPME/OTP to departments	Response by departments on set time-frames	
					Agree with recommendations	Disagree with recommendations – Provide Reasons
Minimum Information Security Standards (MISS) (C3.5) – 20%						
o) Has the KGFA shown how the HoD will manage information and security of the department as defined in the MISS functions in the department?						
Workplan						
p) The wording and sequencing of the KRAs are copied exactly the same as the employee performance dimension						
q) Each KRA is clearly linked to key activities, performance measurement, resource required and enabling conditions						
r) Each key activity for a KRA must be weighted						
s) The total weighting of the key activities for each KRA must add up to 100%. The 10% to 30% do not apply with the weighting of the key activities						
t) Each key activity is measurable, specific, action oriented, realistic and time-bound						

Compliance area	Yes/ No	If no - please provide reasons and action plan	Date of communication of reasons thereof with DPME/OTP	Feedback by DPME/OTP to departments	Response by departments on set time-frames	
					Agree with recommendations	Disagree with recommendations – Provide Reasons
Personal Development Plan						
u) The core, process competencies and other developmental areas have been identified and captured in the PA						

Comments

Signature of DG/HoD

Signature of Executive Authority

Annexure 2: Status Report

REPORT ON THE SUBMISSION OF HALF-YEARLY REVIEWS AND ANNUAL ASSESSMENTS

NAME OF HOD	DEPARTMENT	RATINGS			% OBTAINED	DATE RECEIVED	REASONS FOR NON COMPLIANCE WITH HALF-YEARLY REVIEWS
		HOD	EA	AGREED RATING			

Heads of Department Performance Management Guideline developed in 2018