

5.7 PERFORMANCE MANAGEMENT SYSTEM

5.7.1 INTRODUCTION

The Lesedi Performance Management System entails a framework that practices the art of Purpose-directed, Leadership and Management (*PDLAM*). A conceptual layout of the major component of PDLAM system framework is contained in (*figure 1*). It is formally documented in a performance charter for the Lesedi Municipality.

LEGISLATIVE AND REGULATORY FRAMEWORK

The Municipal Systems Act (*32 of 2000*) and the Municipal Planning and Performance Regulations, (*796 of 2001*) are the core pieces of legislation that reinforces the institutionalization of a performance management culture in a South African local government. The MSA embeds the need for performance management in local government and requires municipalities to develop a Service Delivery Budget Implementation Plan (*SDBIP*). The SDBIP serves as a contract between the administration, council and the community expressing goals and objectives set by council as quantifiable outcomes to be implemented over the next twelve months. The SDBIP provides the basis for measuring performance in service delivery against end-of year targets and implementing the budget.

OVERVIEW OF THE PERFORMANCE AND RISK MANAGEMENT SYSTEM TO PRACTISE THE ART OF PURPOSE-DIRECTED LEADERSHIP AND MANAGEMENT (*PDLAM*)

THE PDLAM SYSTEM FRAMEWORK

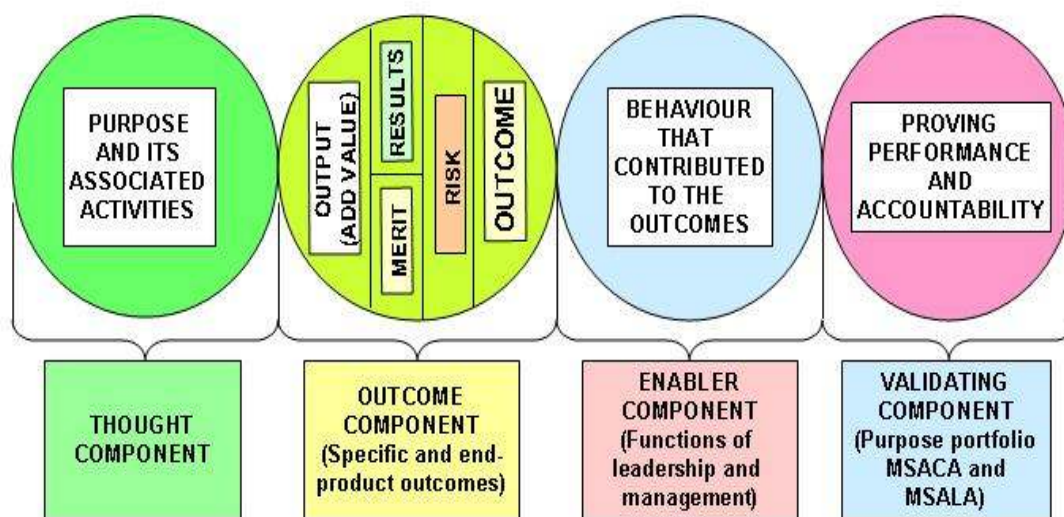


Figure 1. Major components of the PDLAM system framework

5.7.2 PURPOSE STRUCTURE DESIGN

In the PDLAM system framework the relevant concepts are brought into perspective by using the unique and practical technique of purpose structure design. This design which must meet certain design criteria does not only solve the problem of understanding and distinguishing between the concepts “purpose”, “goals” and “objectives” and in particular the application of KPAs and KPIs, but it also meets the requirement of the performance equation of output over input.

A simplified version to explain the application of the performance equation linked to KPA's and KPI's is depicted in (figure 2). The KPAs are the integral parts of the output and input goals in the purpose structure design. This layout will also bring into perspective the other terms associated with the performance equation distinguishing properly between output and input to assess performance.

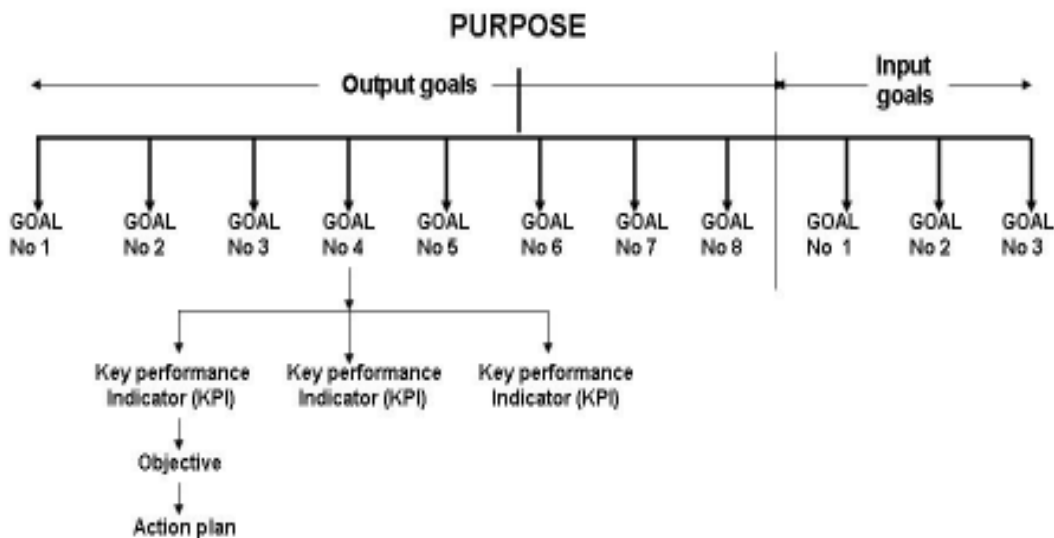


Figure 2. A conceptual layout of the purpose structure design.

The concept of purpose structure design, which must meet the prescribed design criteria, is now already a well-known technique in the Lesedi Local Municipality. A corporate purpose structure has been designed which depicts the primary accountabilities of the management manager. Purpose structure designs for departments are being implemented. Its linking capabilities make the concept of cascading relatively simple. Note that the purpose structure design contains the principal accountabilities of the incumbents in terms of outputs and inputs.

5.7.3 MAJOR TOOLS OF THE PRMS SYSTEM

The PDLAM system framework makes use of the following two (2) major tools

MODEL FOR CYCLICAL COMPARATIVE ANALYSIS (MCCA Document)

(See Figure 3)

The MCCA Document comprises of three major tools as depicted in (figure 3) which makes it possible to assess results and outcomes as well as the behavior that contributes to the results.

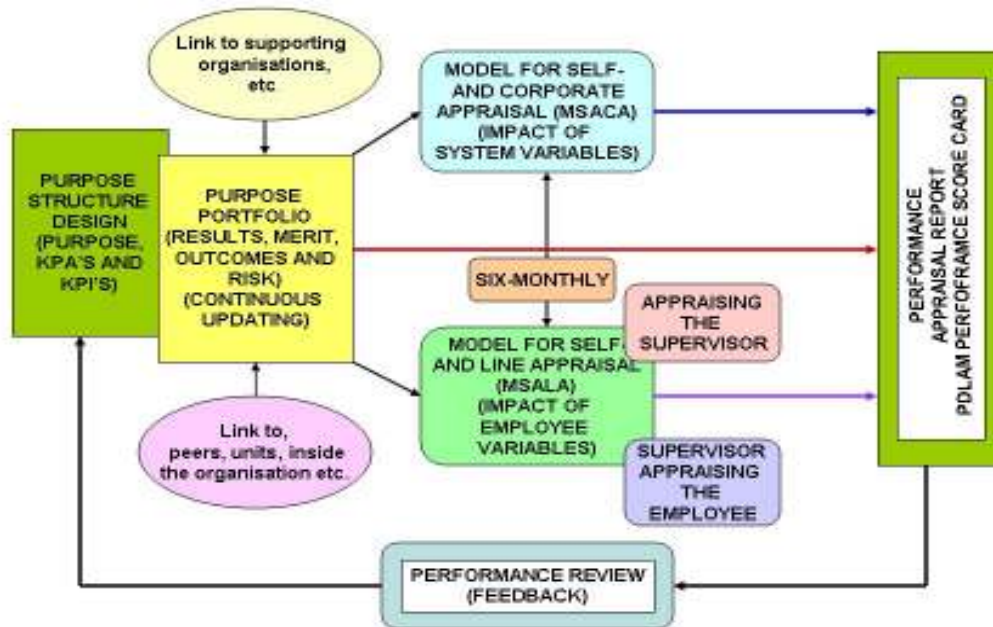


Figure 3. The model for cyclical-comparative analysis for performance and risk assessment.

It is cyclical as appraising is done every six months and comparative against previous cycles. Of particular importance is that a comparison can also be made between governance as practiced by the Political Pillar and management as practiced by the Administrative Pillar.

The **MSACA Part I** of the MCCA Document assesses system variables, i.e. uncontrolled variables and makes provision :-

- * to establish baselines for the body corporate, i.e. the municipality as a whole, for its departments, its business units and individuals. Results are expressed in star ratings from one to five stars together with a detailed analysis of the results. The information obtained also serves as a basis to determine strong points and weak points. Baselines have already been compiled for the municipality during 2006.

- * to measure progress, for instance, every six months to improve on the previous star ratings achieved.
- * to appraise individual performance where results, leadership and general behaviour that contributed to these results / outcomes.

The **MSALA Part II** of the MCCA Document assess employee variables, i.e. controlled variables and also makes provision to assess general behavioral characteristics.

The **Last Page** of the MCCA Document is where the incumbent appraise the leadership of his/her supervisor.

The abovementioned assessment of the MCCA Document is conducted by the individual him- or herself, based on assessment criteria which forms an integral part of the systems framework. Using the prescribed tracking function, the supervisor will simply assess progress against the same standards used by the incumbent, so that the aspect of subjectivity is practically eliminated.

PURPOSE PORTFOLIO

The main component of a Purpose Portfolio is output goal sheets in which responsibilities and strategic objectives linked to the planning documents of the Council (*i.e. Budget, IDP & SDBIP*) are recorded. It is continuously maintained, managed and balanced at the end of a six-month cycle. The output goals makes provision for the assessment of results, merit and risk. It contains records of responsibilities to pursue the purpose which are recorded in the respective goal sheets.

Of particular importance is the fact that the Priority Issues (*Key Performance Indicators*) as set out in the IDP is recorded in the respective purpose portfolios to track and assess performance.

Key Performance Areas (*KPA's*) and Key Performance Indicators (*KPI's*) for each goal are formulated and the risk is determined by making use of the risk matrix table.

OTHER COMPONENTS OF THE PRMS SYSTEM

Performance Reviews (*will be implemented in 2009/2010*)

One-on-one discussions, to ensure a performance feedback.

Provision is also made for a performance review (*see figure 3*). Performance reviews are conducted quarterly with the aid of the purpose portfolio and every six months based on the outcome after the closing of the six-month cycle.

Provision in the purpose portfolio framework is made for the recording of dates of reviews by the respective incumbents, also whether the review was conducted and if not, why not.

Internal Appraisal System

Where different units within the municipality have the opportunity to appraise one another on their helpful attitude to ensure good service delivery to the community.

External Appraisal System (*Not yet implemented*)

Where the community, business and industrial entities have the opportunity to appraise the municipality.

Together these tools provide a circular (*360-degree*) assessment of performance and performance scorecards are generated for each participant.

5.7.4 PERFORMANCE MANAGEMENT STRUCTURES

POLITICAL PILLAR

Mayoral Committee

Consist of the Executive Mayor and the Members of the Mayoral Committee
The Executive Mayor are reviewed by the Chief Whip of the Leading Party
The Members of the Mayoral Committee are reviewed by the Executive Mayor

Speaker Ward & PR Councillor

Consist of the Speaker, Ward & PR Councillors
The Speaker are reviewed by the Chief Whip of the Leading Party
The Ward & PR Councillors are reviewed by the Speaker

ADMINISTRATIVE PILLAR

The Senior Management Team

Consist of the Municipal Manager and all the Heads of Departments
The Municipal Manager are reviewed by the Executive Mayor
The Heads of Departments are reviewed by the Municipal Manager

The Different Department

The Managers are reviewed by the Head of Department
The Supervisors are reviewed by the Manager

In this manner the Review system is cascaded down to lower levels where the Line Managers / Supervisors review individuals of a particular unit.

5.7.5 PERFORMANCE MANAGEMENT IMPLEMENTATION, PLANNING & PROCESS

The Performance Management Process Plan consists of the following phases :-

IMPLEMENTATION

The PRMS - MCCA Abridged Version

The approved PRMS system has been simplified and implemented on the political pillar and on the administrative pillar from top management up to level 7.

The PRMS - MCCA Intermediate Version (*Will be implemented during 2009/2010*)

An intermediate version of the same system will be implemented for levels 8 – 12 depending on whether these employees are office bounded or not.

PLANNING

During the annual planning process of the IDP & Budget that takes place during August and March of the following year, feedback on the performance outcome of the previous year is presented to the community for discussion.

The Budget are prepared and finalized during the same period of time.

Service Delivery Budget Implementation Plans (*SDBIP*) are generated for the implementation of the determined key priority issues as recorded in the IDP Document.

PROCESS

After the Budget, IDP & SDBIP has been approved by the Mayoral Committee & Council, the implementation according to the SDBIP for the following financial year can proceed.

PURPOSE PORTFOLIO FRAMEWORK

With the commencement of a new PRMS cycle (*Cycle 1 - July – December*) and (*Cycle 2 - January – June*), the purpose portfolio framework is used to record responsibilities to ensure that measurable objectives for key priority issues of the IDP, linked to the approved budget is set to be achieved according to the different SDBIP's of the municipality.

REPORTING

With the closing of a PRMS cycle, reports for the following components of the PRMS System are submitted for incorporation into the Performance Cycle Report to ensure compliance to legislation

- **Comparative Responsibility Report**
Indicating the achievement of results including the deviation (*if any*)
- **Risk Analysis**
Progress report on the objectives
- **MSACA & MSALA Reports** according to the MCCA document
- **Summary of Performance Reviews (*will be implemented in 2009/2010*)**
to ensure a performance feedback on the outcome of the previous cycle.
- Reconciliation of the **Internal Appraisals**
- Reconciliation of the **External Appraisals** (*Not yet implemented*)

REVIEWING

1st Review is scheduled after the cycle report has been approved by council to address the outcome thereof and to ensure that possible challenges and/or weaknesses are addressed.

2nd review is arranged to ensure that measurable objectives set for the following six-month-cycle are on target for achievement on the set target dates.

5.7.6 NATIONAL GUIDELINES ON PERFORMANCE MANAGEMENT INDICATORS

Government Gazette No. 2256 of August 2001 prescribes seven general performance management indicators, as follows :-

1. The percentage (%) of households with access to basic level of water, sanitation, electricity and solid waste removal.
2. The percentage (%) of households earning less than R1 100,00 per month with access to free basic services.
3. The percentage (%) of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan (*IDP*).
4. The number of job created through municipality's local economic development initiatives including capital projects.

5. The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan.
6. The percentage (%) of a municipality's budget actually spent on implementing its workplace skills plan.
7. Financial viability as expressed by the ratios in the gazette.

5.7.7 DEVELOPMENT INDICATORS FOR LESEDI AS PER THE NATIONAL GUIDELINES

The National Guidelines as indicated above have been applied to Lesedi Local Municipality indicated as follows :-

KEY PERFORMANCE AREAS (KPA's)

The regulation provide for the development priorities and objectives formulated by the municipality in its IDP. The regulation further provides for the clustering of these objectives into KPA's.

The municipality strive to increase on all the areas of service delivery to the community and therefore implemented a Performance and Risk Management System in both the Political Pillar as well as the Administrative Pillar :-

Political Pillar

- Executive Mayor and MMC's
- Speaker and all Ward & PR Councillors

Administrative Pillar

- Municipal Manager and all Departments

The Executive Mayor and Speaker's, the MMC's and other Councillors are measured on their respective roles, that includes the following :-

- Community & Ward Commitment
- Commitment to as a Councillor as well as Council meetings
- The overall functionality of the Mayoral Committee & the Council as different units
- The functionality of the individual (*councillors*) within the respective units
- Leadership Skills and General Behaviour

The municipality and the different departments are also measured by the same system, that includes the following :-

- Evaluation according to their job description as well as the implementation of the planning documents (*IDP, Budget, Service*

Delivery & Budget Implementation Plan)

- The overall functionality of the Department
- The functionality of the individual within the department
- The Leadership skills and General Behaviour

The Administrative Pillar are responsible for the following services to the community:-

TO PROVIDE DEVELOPMENT & PLANNING SERVICES IN THE MUNICIPALITY:-

- a) Development of economic development
- b) Environmental management strategies
- c) Management of houses
- d) Processing development applications
- e) Evaluating building plans
- f) Compiling of the IDP Document.

TO PROVIDE INFRASTRUCTURE SERVICES IN THE MUNICIPALITY:-

- a) Infrastructure contracts
- b) Council Buildings
- c) Council Fleet
- d) Electrical network
- e) Water and Sewer services
- f) Roads & Storm water
- g) Refuse Removal

TO PROVIDE CORPORATE SERVICES IN THE MUNICIPALITY :-

- a) Human Resource Management Services
- b) Labour Relations
- c) Legal Secretariat and administration services
- d) Councillor Support services
- e) Records and archiving
- f) IT Management
- g) Ward Committees & Support

TO PROVIDE COMMUNITY SERVICES IN THE MUNICIPALITY TO IMPROVE THE QUALITY OF LIFE OF THE COMMUNITY:-

- a) Primary Health Care
- b) HIV & AIDS services
- c) Municipal Health Services
- d) Library and Information Services
- e) Social Development
- f) Sports & Recreation

- g) Cleansing of municipal buildings
- h) Parks & Cemeteries
- i) Traffic Services
- j) Fire & Rescue services
- k) Disaster Management
- l) Security Services

TO PROVIDE FINANCIAL SERVICES IN THE MUNICIPALITY:-

- a) Revenue
- b) Expenditure
- c) Assets
- d) Accounting services
- e) Budget services
- f) Supply Chain Management services

5.7.8 IMPLEMENTATION PROCESS OF THE APPROVED PRMS SYSTEM

JULY	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>
	<p>SUBMISSION OF REPORTS Ensure the submission of the following reports generated by the software system for the generation of the 6-month cycle report by not later than 5 JULY</p> <p>MSACA 1) Corporate Appraisal 2) MSACA Analysis MSALA 1) Comparative Analysis</p>	<p>Political Pillar Offices of the Executive Mayor & Speaker Administrative Pillar PA's & SECRETARIES</p>
	<p>SUBMISSION OF INTERNAL /EXTERNAL RECONCILIATIONS Ensure the submission of reconciliations of Internal / External appraisals by not later than 5 JULY</p>	<p>Political Pillar Offices of the Executive Mayor & Speaker Administrative Pillar PA's & SECRETARIES</p>
	<p>SUBMISSION OF SUMMARY OF KPI'S & OBJECTIVES Ensure the submission of the comparative reports of KPI's and objectives as applicable to the respective UNIT / DEPARTMENT to be submitted by not later than 5 JULY</p>	<p>Political Pillar Offices of the Executive Mayor & Speaker Administrative Pillar PA's & SECRETARIES</p>
	<p>SUBMISSION : OUTCOME OF 1ST PERFORMANCE REVIEW The UNIT / DEPARTMENTAL outcome of the 1st performance review where the outcome of the previous cycle were discussed and reviewed to be submitted by not later than 5 JULY</p>	<p>Political Pillar Offices of the Executive Mayor & Speaker Administrative Pillar PA's & SECRETARIES</p>
	<p>MUNICIPAL RISK ANALYSIS Progress on KPI's recorded in the municipal risk analysis to be addressed.</p>	<p>Political Pillar Offices of the Executive Mayor & Speaker Administrative Pillar PA's & SECRETARIES</p>
	<p>STARTING NEW CYCLE Arrange a working session in each UNIT / DEPARTMENT to open a purpose portfolio for the new cycle before 15 JULY</p> <p>The setting of objectives should be according to the approved SDBIP of the UNIT / DEPARTMENT. Ensure that objectives are linked from top to bottom, by means of Double Entries.</p> <p>Objectives related to the Municipal Risk Analysis should be marked with an <u>indication that it relates to the Municipal Risk Analysis</u> in order to determine the progress on request.</p>	<p>Political Pillar Offices of the Executive Mayor & Speaker Administrative Pillar Head Of Department with all Employees</p>
	<p>JANUARY – JUNE CYCLE REPORT TO COUNCIL Ensure that a Draft comparison cycle report are drafted to the Municipal Manager by not later than 15 JULY</p> <p>Ensure that a comparison cycle report are approved by Council by not later than 25 JULY</p>	<p>PRMS Coordinator MUNICIPAL MANAGER</p>
	<p>JANUARY – JUNE CYCLE REPORT TO PROVINCE Ensure that an approved comparison cycle report are submitted to Province by END JULY as required by legislation.</p>	<p>PRMS Coordinator MUNICIPAL MANAGER</p>

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AUGUST	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>	
	<u>GENERATION OF THE PRMS ANNUAL REPORT</u>		
	Ensure that a Draft comparison report for a particular financial year is drafted to the Municipal Manager by not later than 15 AUGUST		<i>PRMS Coordinator MUNICIPAL MANAGER</i>
	Ensure that the annual report is submitted for approval by Council by not later than 25 AUGUST		
<u>PRMS ANNUAL REPORT TO PROVINCE</u>			
Ensure that the approved annual report is submitted to Province by END AUGUST		<i>PRMS Coordinator MUNICIPAL MANAGER</i>	

SEPTEMBER	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>	
	<u>PURPOSE PORTFOLIOS</u>		
	All Councillors / Employees to ensure that the Purpose Portfolios are updated and maintained regularly.		<i>All Councillors and Employees</i>
<u>1ST PERFORMANCE REVIEWS</u>			
Performance Reviews be arranged between individuals and line managers to discuss the <u>outcome of the previous cycle report</u>		<i>All Councillors and Employees</i>	

OCTOBER	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>	
	<u>2ND PERFORMANCE REVIEW</u>		
	The 2 nd Performance Review is arranged to discuss the progress of objectives set for the particular cycle and measure the progress to determine whether set objectives will be achieved by the end of the closing of the six-month-cycle.		<i>All Councillors and Employees</i>
	<u>PURPOSE PORTFOLIOS</u>		
	All Councillors / Employees to ensure that the Purpose Portfolios are updated and maintained regularly.		<i>All Councillors and Employees</i>
<u>MCCA DOCUMENTS</u>			
Ensure that all Councillors / Employees are provided with a clear MCCA DOCUMENT for completion of the cycle July - December .		<i>All Councillors and Employees Political Pillar Offices of the Executive Mayor & Speaker Administrative Pillar PA's & SECRETARIES</i>	

NOVEMBER	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>
	<p><u>COMPLETION OF INTERNAL / EXTERNAL APPRAISALS</u></p> <p>Ensure that each unit / department have Internal & External Appraisals completed for reconciliation by the PA / Secretary.</p>	<p><u>Political Pillar</u> <i>Offices of the Executive Mayor & Speaker</i> <u>Administrative Pillar</u> PA's & SECRETARIES</p>
	<p><u>COMPARATIVE REPORT ON KPI'S & OBJECTIVES</u></p> <p>Ensure that the comparative report on the KPI's and Objectives as applicable to UNIT / DEPARTMENT are compiled and updated for attachment to the PRMS six-month cycle report</p>	<p><u>Political Pillar</u> <i>Offices of the Executive Mayor & Speaker</i> <u>Administrative Pillar</u> PA's & SECRETARIES</p>
	<p><u>BALANCING OF PURPOSE PORTFOLIOS</u></p> <p>All Councillors & Employees to ensure that their respective Purpose Portfolios are <u>BALANCED</u> and signed.</p>	<p><i>All Councillors and Employees</i></p>
	<p><u>EVALUATION BY THE SUPERIOR / LINE MANAGER</u></p> <p>All Councillors & Employees to ensure that their performance outcome are evaluated and assessed by the respective superior / line manager and recorded in the SUMMARY OF OUTPUT GOALS of the purpose portfolio document..</p>	<p><i>All Councillors and Employees</i></p>
	<p><u>COMPLETION OF THE MCCA DOCUMENT</u></p> <p>All Councillors & Employees to ensure that the performance outcome in the <u>summary of output goals</u> are recorded in <u>TABLE 2 of the MCCA Document</u> where after the rest of the MCCA document are assessed completed objectively by each individual.</p>	<p><i>All Councillors and Employees</i></p>

DECEMBER	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>
	<p><u>CAPTURING OF COMPLETED MCCA DOCUMENTS</u></p> <p>Ensure that all MCCA Documents by the responsible employee to be done before END DECEMBER</p>	<p><u>Political Pillar</u> <i>Offices of the Executive Mayor & Speaker</i> <u>Administrative Pillar</u> PA's & SECRETARIES</p>
	<p><u>SCORE CARDS</u></p> <p>Ensure that all employees have signed their respective score cards</p>	<p><u>Political Pillar</u> <i>Offices of the Executive Mayor & Speaker</i> <u>Administrative Pillar</u> PA's & SECRETARIES</p>
	<p><u>PRMS FILING SYSTEM</u></p> <p>The PRMS file of an employee should contain the <u>Purpose Portfolio</u>, <u>MCCA Document</u>, <u>2x Performance Reviews Minutes</u> and a <u>Performance Scorecard</u> of a particular Cycle.</p>	<p><u>Political Pillar</u> <i>Offices of the Executive Mayor & Speaker</i> <u>Administrative Pillar</u> PA's & SECRETARIES</p>

<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>
<p><u>SUBMISSION OF REPORTS</u></p> <p>Ensure the submission of the following reports generated by the software system for the generation of the 6-month cycle report</p> <p>MSACA 1) Corporate Appraisal 2) MSACA Analysis MSALA 1) Comparative Analysis</p>	<p><u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES</p>
<p><u>SUBMISSION OF INTERNAL /EXTERNAL RECONCILIATIONS</u></p> <p>Ensure the submission of reconciliations of Internal / External appraisals by not later than 10 JANUARY</p>	<p><u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES</p>
<p><u>SUBMISSION OF SUMMARY OF KPI'S & OBJECTIVES</u></p> <p>Ensure the submission of the comparative reports of KPI's and objectives as applicable to the respective UNIT / DEPARTMENT to be submitted by not later than 10 JANUARY</p>	<p><u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES</p>
<p><u>SUBMISSION : OUTCOME OF 1ST PERFORMANCE REVIEW</u></p> <p>The UNIT / DEPARTMENTAL outcome of the 1st performance review where the outcome of the previous cycle were discussed and reviewed to be submitted by not later than 10 JANUARY</p>	<p><u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES</p>
<p><u>MUNICIPAL RISK ANALYSIS</u></p> <p>Progress on KPI's recorded in the municipal risk analysis to be addressed.</p>	<p><u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES</p>
<p><u>STARTING NEW CYCLE</u></p> <p>Arrange a working session in each UNIT / DEPARTMENT to open a purpose portfolio for the new cycle before 15 JULY</p> <p>The setting of objectives should be according to the approved SDBIP of the UNIT / DEPARTMENT. Ensure that objectives are linked from top to bottom, by means of Double Entries.</p> <p>Objectives related to the Municipal Risk Analysis should be marked with an <u>indication that it relates to the Municipal Risk Analysis</u> in order to determine the progress on request.</p>	<p><u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES</p>
<p><u>JULY – DECEMBER - CYCLE REPORT TO COUNCIL</u></p> <p>Ensure that a Draft comparison cycle report are drafted to the Municipal Manager by not later than 15 JANUARY</p> <p>Ensure that a comparison cycle report are approved by Council by not later than 25 JANUARY</p>	<p>PRMS Coordinator MUNICIPAL MANAGER</p>
<p><u>JULY – DECEMBER CYCLE REPORT TO PROVINCE</u></p> <p>Ensure that an approved comparison cycle report are submitted to Province by END JANUARY as required by legislation.</p>	<p>PRMS Coordinator MUNICIPAL MANAGER</p>

JANUARY

FEBRUARY	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>
	<u>PURPOSE PORTFOLIOS</u>	
	All Councillors / Employees to ensure that their respective Purpose Portfolios are updated and maintained regularly.	All Councillors and Employees

MARCH	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>
	<u>1ST PERFORMANCE REVIEWS</u>	
Please note that Performance Reviews should be arranged between Individuals and Line Managers to discuss the <u>outcome of the previous cycle report</u> and to ensure that a performance feedback is available for the following cycle report.	All Councillors and Employees	

APRIL	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>
	<u>2ND PERFORMANCE REVIEW</u>	
	The 2 nd Performance Review is arranged to discuss the progress of objectives set for the particular cycle and to measure the progress and to determine whether the set objectives will be achieved by the end of the closing of the six-month-cycle.	All Councillors and Employees
	<u>PURPOSE PORTFOLIOS</u>	
	All Councillors / Employees who are taking part in the MCCA Abridged Version to ensure that their Purpose Portfolios are updated and maintained regularly.	All Councillors and Employees

MAY	<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>
	<u>MCCA DOCUMENTS</u>	
	Ensure that all Councillors / Employees are provided with a clear MCCA DOCUMENT for completion of the cycle January – June.	All Councillors and Employees <u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES
	<u>COMPLETION OF INTERNAL / EXTERNAL APPRAISALS</u>	
	Ensure that each unit / department have Internal & External Appraisals completed for reconciliation by the PA / Secretary.	<u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES
	<u>COMPARATIVE REPORT ON KPI'S & OBJECTIVES</u>	
Ensure that the comparative report on the KPI's and Objectives as applicable to UNIT / DEPARTMENT are compiled and updated for attachment to the PRMS six-month cycle report	<u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES	
<u>COMPILATION OF 1ST PERFORMANCE REVIEW OUTCOME</u>		
The UNIT / DEPARTMENTAL outcome of the 1 st performance review where the outcome of the previous cycle were discussed and reviewed to be prepared by the HOD of the UNIT / Department	<u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> HOD's + PA's & SECRETARIES	
<u>MUNICIPAL RISK ANALYSIS</u> - <i>(In progress for implementation)</i>		
The ADMINISTRATIVE outcome on the progress of KPI's recorded in the municipal risk analysis.	<u>Political Pillar</u> Offices of the Executive Mayor & Speaker <u>Administrative Pillar</u> PA's & SECRETARIES	

		<i>KPI'S & OBJECTIVES</i>	<i>RESPONSIBLE</i>
JUNE	<u>BALANCING OF PURPOSE PORTFOLIOS</u> All Councillors & Employees to ensure that their respective Purpose Portfolios Is BALANCED and closed down. The performance outcome should be recorded in the <u>SUMMARY OF OUTPUT GOALS</u> of your purpose portfolio document.		<i>All Councillors and Employees</i>
	<u>EVALUATION BY THE SUPERIOR / LINE MANAGER</u> All Councillors & Employees to ensure that their Performance Outcome are evaluated by the respective superior / line manager and recorded in the <u>SUMMARY OF OUTPUT GOALS</u> of your purpose portfolio document..		<i>All Councillors and Employees</i>
	<u>COMPLETION OF THE MCCA DOCUMENT</u> All Councillors & Employees to ensure that the performance outcome in the <u>summary of output goals</u> are recorded in <u>TABLE 2 of the MCCA Document</u> where after the rest of the MCCA document are assessed completed objectively by each individual.		<i>All Councillors and Employees</i>
	<u>CAPTURING OF COMPLETED MCCA DOCUMENTS</u> Ensure that all MCCA Documents are captured by not later than 20 JUNE		<u>Political Pillar</u> <i>Offices of the Executive Mayor & Speaker</i> <u>Administrative Pillar</u> <i>PA's & SECRETARIES</i>
	<u>SCORE CARDS</u> Ensure that all employees have signed their respective score cards		<u>Political Pillar</u> <i>Offices of the Executive Mayor & Speaker</i> <u>Administrative Pillar</u> <i>PA's & SECRETARIES</i>
	<u>PRMS FILING SYSTEM</u> The PRMS file of an employee should contain the <u>Purpose Portfolio</u> , <u>MCCA Document</u> , <u>2x Performance Reviews Minutes</u> and a <u>Performance Scorecard</u> of a particular Cycle.		<u>Political Pillar</u> <i>Offices of the Executive Mayor & Speaker</i> <u>Administrative Pillar</u> <i>PA's & SECRETARIES</i>

LESEDI LOCAL MUNICIPALITY - SWOT ANALYSIS FOR RISK IDENTIFICATION

STRONG POINTS <i>(MINIMUM RISK)</i>	WEAK POINTS <i>(LOW RISK)</i>	OPPORTUNITIES <i>(MEDIUM RISK)</i>	THREATS <i>(HIGH - MAXIMUM RISK)</i>
<p>Key Performance Indicator STABLE WORKING ENVIRONMENT</p> <p>Responsible Department Calculated Risk Involved All Depts.</p> <p>Motivation Numerous Long Services Awards Available, Facilities Resources Strong direction from management</p>	<p>Key Performance Indicator BUDGET CONSTRAINTS</p> <p>Responsible Department Calculated Risk Involved All Depts.</p> <p>Motivation Not able to adhere to National Targets Maintenance of Assets</p>	<p>Key Performance Indicator IMPROVEMENT OF COMMUNICATION</p> <p>Responsible Department Calculated Risk Involved All Depts. (DP)</p> <p>Motivation Newsletters / Website / Newspapers Telephone Etiquette of Staff Members Community Based Program Public Participation (<i>Monthly Accounts</i>)</p>	<p>Key Performance Indicator LOSS OF REVENUE</p> <p>Responsible Department Calculated Risk Involved CFO</p> <p>Motivation Identifying of Indigents Enforcing of Policies Procedures Clearing of Data</p>
<p>Key Performance Indicator SERVICE DELIVERY TO COMMUNITY</p> <p>Responsible Department Calculated Risk Involved All Depts.</p> <p>Motivation Percentage of Park areas (<i>free of charge</i>) Maintenance of Roads in good order Street Lights / Christmas Lights</p>	<p>Key Performance Indicator MAINTENANCE OF DISASTER MANAGEMENT PLAN</p> <p>Responsible Department Calculated Risk Involved CS (All Depts.)</p> <p>Motivation Not reviewed for the past 12 months CS to lead the process</p>	<p>Key Performance Indicator PHASING IN : CAPACITY BUILDING</p> <p>Responsible Department Calculated Risk Involved All Depts.</p> <p>Motivation All Councillors, Employees & Unions 30% Annually</p>	<p>Key Performance Indicator DECREASE OF POLITICAL INTERFERENCE</p> <p>Responsible Department Calculated Risk Involved All Depts.</p> <p>Motivation With Credit Control With Service Delivery With Appointments</p>
<p>Key Performance Indicator SUSTAINABLE FINANCIAL POSITION</p> <p>Responsible Department Calculated Risk Involved All Depts.</p> <p>Motivation We meet obligations with Service Providers Timely Billings - We maintain our budget Payment of creditors Financial Accountability</p>	<p>Key Performance Indicator HIGH TURNOVER OF TRADESMEN</p> <p>Responsible Department Calculated Risk Involved COR SER</p> <p>Motivation Budget Constraints Salary Scale not Market Related Lose Skilled Experienced staff</p>	<p>Key Performance Indicator IMPROVEMENT OF DEMOTIVATED WORKFORCE</p> <p>Responsible Department Calculated Risk Involved All Depts.</p> <p>Motivation Low Productivity / Lack of Incentives High Sick Leave of staff members Lack of Commitment of Staff</p>	<p>Key Performance Indicator MISUSE OF ASSETS</p> <p>Responsible Department Calculated Risk Involved All Depts.</p> <p>Motivation Council Vehicles All Resources</p>
<p>Key Performance Indicator MAINTENANCE OF INFRASTRUCTURE</p> <p>Responsible Department Calculated Risk Involved SD</p>	<p>Key Performance Indicator SHORTAGE OF STAFF DUE TO BUDGET CONSTRAINTS</p> <p>Responsible Department Calculated Risk Involved All Depts.</p>	<p>Key Performance Indicator INCONSISTENCE IN WORKPLACE</p> <p>Responsible Department Calculated Risk Involved COR SER (HODs)</p>	<p>Key Performance Indicator ELIMINATION OF FRAUD, CORRUPTION & THEFT</p> <p>Responsible Department Calculated Risk Involved All Depts.</p>

STRONG POINTS <i>(MINIMUM RISK)</i>	WEAK POINTS <i>(LOW RISK)</i>	OPPORTUNITIES <i>(MEDIUM RISK)</i>	THREATS <i>(HIGH - MAXIMUN RISK)</i>
Motivation VIP Toilets per Stand Water Taps in a Radius of 200m <i>(No backlogs)</i>	Motivation Boundaries Area much bigger Budget Constraints	Motivation Planning & Communication needed Perceived inconsistency application of standard policy procedures	Motivation Bypassing & Stealing of Electricity Stealing of Cables Resources Appointment of Relatives
Key Performance Indicator MAINTAIN COMMUNITY EMPOWERMENT Responsible Department Calculated Risk Involved All Depts. Motivation Short Term Job Experience Empowerment of Community Members Internship & Experiential Training	Key Performance Indicator REDUCE HIGH RATE OF ABSENTEEISM Responsible Department Calculated Risk Involved All Depts. (HR) Motivation Lack of proper management of staff Lack of wellness planning & feedback Effective Communication	Key Performance Indicator EXTENDING OF VENDING MACHINES IN PAY POINTS Responsible Department Calculated Risk Involved CFO Motivation Alternative arrangements was put But more needs to be done.	Key Performance Indicator ADDRESS STORMWATER DRAINAGE CHALLENGES Responsible Department Calculated Risk Involved SD Motivation Lack of Funds
Key Performance Indicator MAINTAIN INSTITUTIONAL TRANSFORMATON Responsible Department Calculated Risk Involved COR SER Motivation Adherence to Employment Equity Plan Adherence to Gender Equity Adherence to WSP & Legislation	Key Performance Indicator IMPROVEMENT OF ACCESS CONTROL Responsible Department Calculated Risk Involved COR SER (IT) Motivation Level of security not efficiently enough	Key Performance Indicator IMPROVE IT SUPPORT Responsible Department Calculated Risk Involved COR SER Motivation Workflow of Electronic Correspondence Desk Top Support to be improved GIS Implementation to be improved	Key Performance Indicator ENSURE AWARENESS CAMPAIGNS FOR HIV & AIDS Responsible Department Calculated Risk Involved All Depts. Motivation High Prevalence To be driven by Community Services
Key Performance Indicator USE CULTURAL DIVERSITY FOR DEVELOPMENT OF WORKFORCE Responsible Department Calculated Risk Involved All Depts. Motivation Comply to Employment Equity We learn from each other	Key Performance Indicator ESTABLISHMENT OF ONE-STOP-SERVICE INFORMATION CENTRE Responsible Department Calculated Risk Involved MM OFFICE Motivation The Community is in need of this facility	Key Performance Indicator CAPACITY BUILDING OF CUSTOMER CARE Responsible Department Calculated Risk Involved All Depts. Motivation Telephone Etiquette Batho Pele Services Delivery to the community	Key Performance Indicator PREVENTION OF LAND INVASION Responsible Department Calculated Risk Involved DP Motivation Control over building activities Enhancement of Revenue Influx due to Development
Key Performance Indicator	Key Performance Indicator	Key Performance Indicator IMPROVEMENT OF ENVIRONMENT MANAGEMENT	Key Performance Indicator ENSURE ECONOMIC DEVELOPMENT

STRONG POINTS <i>(MINIMUM RISK)</i>		WEAK POINTS <i>(LOW RISK)</i>		OPPORTUNITIES <i>(MEDIUM RISK)</i>		THREATS <i>(HIGH - MAXIMUN RISK)</i>	
Responsible Department	Calculated Risk Involved	Responsible Department	Calculated Risk Involved	Responsible Department DP	Calculated Risk Involved	Responsible Department DP	Calculated Risk Involved
Motivation		Motivation		Motivation Need guidelines for development plans Proper implementation of plans		Motivation Need more land for industrial zoning	
Key Performance Indicator		Key Performance Indicator		Key Performance Indicator EXPEDITE TOWNSHIP DEVELOPMENT		Key Performance Indicator REDUCE UNEMPLOYMENT & POVERTY	
Responsible Department	Responsible Department	Responsible Department DP	Calculated Risk Involved	Responsible Department DP	Calculated Risk Involved	Responsible Department All Depts.	Calculated Risk Involved
Motivation		Motivation		Motivation Plans to do cosmopolitan houses Accommodate the middle income group		Motivation Identification of Indigents Identify unemployed community Economic Development Indigent Consumers	
Key Performance Indicator		Key Performance Indicator		Key Performance Indicator EXPEDITE LAND ACQUISITION		Key Performance Indicator RECONSIDER DEMARCATION	
Responsible Department	Responsible Department	Responsible Department	Responsible Department	Responsible Department DP	Calculated Risk Involved	Responsible Department All Depts.	Calculated Risk Involved
Motivation		Motivation		Motivation To address housing back logs		Motivation Lack of Income/Funding to upgrade Rural Areas	
Key Performance Indicator		Key Performance Indicator		Key Performance Indicator REDUCE DISTRIBUTION LOSSES		Key Performance Indicator REDUCE VANDALISM	
Responsible Department	Responsible Department	Responsible Department	Responsible Department	Responsible Department SD + CFO	Calculated Risk Involved	Responsible Department All Depts.	Calculated Risk Involved

STRONG POINTS <i>(MINIMUM RISK)</i>	WEAK POINTS <i>(LOW RISK)</i>	OPPORTUNITIES <i>(MEDIUM RISK)</i>	THREATS <i>(HIGH - MAXIMUN RISK)</i>
Motivation	Motivation	Motivation Electricity & Water	Motivation Sport Fields / Street Signs Name Plates / Council Buildings
Key Performance Indicator Responsible Department Responsible Department Motivation	Key Performance Indicator Responsible Department Responsible Department Motivation	Key Performance Indicator ADDRESS ROAD SAFETY AWARENESS Responsible Department Calculated Risk Involved CS Motivation Identify high accident zones	Key Performance Indicator REDUCE INCORRECT METER READINGS Responsible Department Calculated Risk Involved CFO Motivation Revenue Enhancements Community will lose trust
Key Performance Indicator Responsible Department Responsible Department Motivation	Key Performance Indicator Responsible Department Responsible Department Motivation	Key Performance Indicator SUPPLY CHAIN MANAGEMENT FOR ADDRESSING LOCAL CIRCUMSTANCES Responsible Department Responsible Department All Depts. Motivation SCP does not promote local businesses Social Contribution to be addressed	Key Performance Indicator PREVENTION OF ILLEGAL DUMPING Responsible Department Responsible Department DP Motivation Control over building activities
Key Performance Indicator Responsible Department Responsible Department Motivation	Key Performance Indicator Responsible Department Responsible Department Motivation	Key Performance Indicator Responsible Department Responsible Department Motivation	Key Performance Indicator Responsible Department Responsible Department Motivation

NOTE

- 1) A **SWOT Analysis** should reflect in all Purpose Portfolios
- 2) **Each HOD to select** the Key Performance Indicators from this complete SWOT ANALYSIS **applicable to his/her department.**
- 3) **Objectives** for each KPI needs to be generated to ensure that Strong Points remain strong points and that Weak Points, Opportunities and Threats are attended to.
- 4) Feedback on the progress should be reported to the Municipal Manager six-monthly.