



Performance management in the public sector

A review of how agencies conduct
performance management

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Commissioner's foreword



Good performance management is a critical element in workforce capacity building and integral to an efficient and effective public sector. A well-developed performance management system aligned to organisational objectives can lead to improved individual, agency and public sector performance, and positively impact on the community's perception of the sector as a whole.

Performance management in the public sector applies to everyone. In administering chief executive officers' (CEOs) performance agreements under the *Public Sector Management Act 1994* (PSM Act), I am involved in facilitating strong leadership and performance management at the senior level.

I strongly encourage CEOs to continue this momentum by engaging in effective performance management processes to evaluate their employees in accordance with their obligations under s29 of the PSM Act. Effective performance management should be an important element of every CEO's workforce attraction and retention strategy.

In the *State of the Sector 2012* report the Public Sector Commission committed to undertaking a strategic review into how performance management is undertaken within the public sector. I wish to thank those agencies which participated in the review process. I am pleased that the review has shown that they have developed and implemented their respective systems in ways that took into account many of the elements that are important to ensuring effective performance management outcomes.

Nonetheless, this review has highlighted a long-standing challenge in respect to conducting performance management in the sector. Despite the existence of policies and systems to support effective performance management outcomes, participation rates generally remain consistently low across the sector.

What is required to develop a skilled workforce that will support the public sector now and in the future is a sustained effort on behalf of all agencies to ensure that employees are regularly and positively engaged in the performance management process.

To assist agencies, the Commission has developed a full-day module on managing performance as part of the 'Foundations of Government Human Resources Program (Certificate IV in Government). The module addresses the theory and core principles of performance management and explores good practice in public sector agencies. Additionally the Commission's advisory line provides practical and policy advice about performance management to HR practitioners and managers.

I encourage all CEOs to reflect on the findings in this report and consider what they could be doing to enhance the overall performance of, and public confidence in, the public sector.

A handwritten signature in purple ink, appearing to read 'M C Wauchope', is positioned above the printed name.

M C Wauchope

PUBLIC SECTOR COMMISSIONER

30 August 2013

Summary

How agencies conduct employee performance management is a critical issue for the WA public sector because of the workforce challenges that the sector is facing. It is an essential element in developing a skilled workforce.

An effective performance management system engages and supports all employees to maximise their potential and achieve their career goals. It is a valuable process which provides employees with greater role clarity by aligning individual performance with key organisational goals and strategic objectives to facilitate ongoing employee, agency and public sector improvement.

Section 29(1) of the PSM Act requires CEOs to evaluate the performance of, and to establish and implement training, education and development programs, for their employees. The [Performance Management Standard](#)¹ (the Standard) assists CEOs by providing a principle based framework which can be used as a basis to develop agency specific performance management programs.

This review was conducted under section 24B of the PSM Act which provides for the Public Sector Commissioner (the Commissioner) to initiate a review in relation to some or all of the functions, management and operations of one or more 'public sector' bodies.²

This report outlines how public sector agencies generally, and five selected agencies are developing, managing and evaluating their employee performance management systems. Each reviewed agency was assessed against a performance management framework that was developed following a literature review. (Appendix A).

¹ The Performance Management Standard and Explanatory Notes can be found on the Commission's website <http://www.publicsector.wa.gov.au/publications-resources/instructions-standards-and-circulars/public-sector-standards-human-resource-management>.

² Under the PSM Act, the definition of 'public sector' excludes entities listed in Schedule 1 of the Act (e.g. local government authorities, universities and government trading enterprises).

Key findings

- There is commitment across the sector to implementing a robust framework within which employee performance can be assessed. Good work has been done to develop policies, process, systems and support mechanisms that should be conducive to effective performance management and high participation rates.
- Effective performance management assists CEOs to fulfil their legislative obligations to assess employee performance and implement relevant professional development programs. Establishing a performance management policy is an important first step. The majority of all public sector agencies, and all of the reviewed agencies, have a policy that applies to all employees and articulates how performance management will be undertaken. There is a high level of employee awareness of their agency's policy.
- A commitment by an agency's CEO and leadership group and the support of all line managers³ are essential to shaping an organisation's performance management system. Organisational leaders are role models and their actions and decisions influence how employees perceive the performance management process.
- Regular reporting to an agency's corporate executive is an important monitoring mechanism that demonstrates to employees that the leadership group is committed to performance management. More than three quarters of all public sector agencies, and all but one of the reviewed agencies, monitor whether performance management meetings take place, but none of the reviewed agencies reports this information to their corporate executive team.
- Employee involvement in the development and implementation of performance management systems is important to overcome any cynicism or scepticism of the process (Australian National Audit Office, 2004/05). All of the reviewed agencies have thoughtfully designed systems focussed on alignment of individual performance with the strategic and operational intent of the agency and, in most cases, involved employees in the development phase to engender a sense of ownership.
- Consistent application of an agency's performance management policy assists in developing trust in the process and will likely result in higher participation rates. While policies are prevalent throughout the sector, and in the reviewed agencies are generally well supported by guidelines, tools and training, not all agencies are consistently applying the process to all employees. Participation rates have remained consistently low across the sector for the past five years.
- Effective performance management involves a 'no surprises' approach with informal day-to-day feedback complementing the formal meetings (Government Reform Commission (South Australia), n.d.). Informal spoken feedback is the most powerful

³ Management Advisory Committee, 2001. *Performance Management in the Australian Public Service*, Canberra: Commonwealth of Australia.

form of employee recognition (Government Reform Commission (South Australia), n.d.). Focus group participants regarded this as important in developing open and honest relationships and engendering trust in the process. All of the reviewed agencies have a strong focus in their policies on regular informal meetings and performance feedback in addition to the formal process but this policy stance does not always carry through in practice.

- Awareness of the Performance Management Standard is high across the sector, but it remains important for performance management documentation to inform employees of their right to lodge a breach of standard claim should they feel the minimum standards have not been met. None of the reviewed agencies provided information on how employees could lodge a claim.
- Follow through on agreed development outcomes engenders a greater degree of trust in the process. Each of the reviewed agencies' systems include a plan to develop the skills necessary to meet both individual and agency goals, however more work may need to be done to ensure that identified needs are met.
- Effective performance management enables early identification of poor performance, enabling it to be resolved with appropriate corrective measures or dealt with through a substandard performance process should they remain⁴. Ineffective management of poor performance can create resentment among employees (Management Advisory Committee, 2001). The importance of managing substandard performance was highlighted by focus groups. Only one agency clearly articulates how important this is in its performance management policy and provides a link to the substandard performance management policy.

Conclusion

Despite a commitment to developing systems that should support effective performance management for all staff, the sector faces challenges in implementing and engaging employees in the process. The majority of all agencies have a policy that addresses how and when performance management is to be conducted and to whom it applies. All of the reviewed agencies have performance management systems that address many of the elements deemed necessary for effective performance management and systems are supported by procedures and guidelines that are generally fit for purpose. This should result in high levels of engagement, yet participation rates remain consistently low.

It is not sufficient only to produce policies and procedures. A sustained effort is required to ensure that policies are applied consistently, that managers have the skills necessary to effectively engage in the process and that participation is tracked, monitored and reported to corporate executive teams.

⁴ SSA, 2011 reference.

What needs to be done

The framework developed by the Commission identifies three dimensions that represent the key stages that CEOs should consider to ensure performance management is conducted effectively.

All CEOs are encouraged to use the framework (Appendix A) to assess how well their agency is tracking in relation to performance management and to determine what may need to be done to improve performance.

To address the key findings above agencies should consider the following:

- Managers should be equipped with skills to give and receive performance feedback, which may include training, information sessions, coaching or mentoring.
- A system should be implemented to notify managers of the need to meet with their employees, record whether meetings have occurred and regularly report the extent of compliance with agency policy to the corporate executive.
- All employees should participate in at least one formal performance management meeting each year, with corporate executive and senior management teams leading by example.
- Regular informal meetings to discuss performance, recognise achievements and identify areas for improvement should be encouraged, thereby ensuring a 'no surprises' approach at the formal performance management meeting.
- Training and development plans should be realistic as to what can be achieved, taking into account agency and individual needs and available resources, and plans should be followed through and implemented.
- Information about the right to lodge a breach of standard claim and the process for doing so should be included in performance management documentation.
- Performance management documentation should clearly articulate the importance of managing poor performance, and the process for dealing with substandard performance should corrective measures fail.

Agency responses

The Commissioner for Children and Young People places a strong emphasis on the performance management of its staff and the corporate executive team continue to promote and support the importance of staff development with employees. The agency has a range of formal and informal policies and practices aimed at supporting this employee development tool. The performance management policy was updated in September 2012 to include reference to breach of standard claim rights, and as intended a review and evaluation of the performance management system was undertaken in February 2013. As at 1 August 2013, the agency advises that 93 per cent of staff had participated in a Performance Appraisal and Development meeting.

The Department of Local Government and Communities (previously the Department of Communities at the time the review was undertaken) advises that the report identifies that all agencies are attempting to address the need for training and awareness raising for managers and supervisors.

The Small Business Development Corporation is supportive of the report and its findings. Since the review was undertaken, the agency has furthered its efforts to improve engagement and participation rates and continues to track and monitor the overall process to maintain momentum and commitment. Briefing and coaching sessions, which will commence in September 2013, will better equip managers with the skills necessary to undertake the performance discussion.

The South West Institute of Technology advises that the report contains no factual or contextual errors.

The Department of Transport thanks the Commission for the report and looks forward to taking advantage of the Commission's full-day module on managing performance, to supplement the in-house workshops that include induction for managers, the performance management process and how to manage poor performance. In December 2012, the agency commenced six monthly reporting to the corporate executive team on performance management participation rates.

Background

Rationale for the review

The Commission aims to bring leadership and expertise to the public sector and enhance integrity, effectiveness and efficiency. This review aligns with two of the Commission's strategic priorities, namely, to lead and assist the public sector to build a skilled, ethical, diverse and knowledgeable workforce, and to broaden and enhance the evaluation and reporting of public sector management and administration.

Conducting a review on how agencies develop, implement and monitor their performance management systems is consistent with those functions and strategic priorities.

The findings and recommendations provide information for public sector agencies to consider in achieving better practice in performance management.

Defining 'performance management'

Performance management is a formal and regular process for assessing and managing individual performance for all employees (Australian National Audit Office, 2004/05). It is a management process to support the agency and its employees achieve organisational goals (State Services Authority (Victoria), 2011). Specifically, it is a mechanism through which agencies can systematically improve organisational performance by aligning individual, team and agency objectives (Australian National Audit Office, 2004/05). When undertaken effectively, the performance management process should assist employees to understand what they do well and clearly identify how they can improve their performance.

Performance management is also about agreeing on the behaviours and values to be demonstrated when undertaking work and identifying employees' development activities to ensure they work to their full potential (State Services Authority (Victoria), 2011).

When employees are committed and performing to their full capabilities, the agency will be able to function most effectively. The performance management process has a direct influence on how much effort employees devote to their work, as well as on their attitudes and commitment to their agencies (Government Reform Commission (South Australia), n.d.).

The importance of leadership

The advocacy of performance management by a CEO is a key shaper of an agency's performance management system (Management Advisory Committee, 2001). However, a commitment to performance management is not solely the responsibility of CEOs. It needs to extend consistently throughout an agency's leadership group and be supported by all line managers (Management Advisory Committee, 2001).

Notably, a previous review into the undertaking of performance management within the WA public sector concluded that despite a general commitment by agencies to the process, the sector faces challenges in establishing trust and acceptance of performance management among employees (OPSSC, 2004).

The Performance Management Standard and substandard performance

Given the importance of performance management in the public sector, the the Standard⁵ has been developed to assist agencies to ensure merit, equity and probity are maintained when undertaking a performance management process. The *Public Sector Management (Breaches of Public Sector Standards) Regulations 2005* apply to ensure all employees are informed of their right to access the breach of standard process, should they feel the minimum standards have not been met. The Standard requires that:

- employees are informed about how performance will be managed and are advised of the results of an assessment
- the performance assessment takes into account the work-related requirements of the job and the employee's interests
- the process, decisions and actions taken are impartial, transparent and reviewable.

A robust performance management system assists in the early identification of issues relating to poor performance and allows corrective measures to be implemented to resolve them. An agency should have clearly documented processes to manage substandard performance⁶ where there has not been sufficient improvement in an employee's poor performance.

⁵ The Performance Management Standard and Explanatory Notes can be found on the Commission's website <http://www.publicsector.wa.gov.au/publications-resources/instructions-standards-and-circulars/public-sector-standards-human-resource-management>.

⁶ SSA, 2011.

What we did

We analysed historical annual agency survey (AAS) data to determine how the public sector as a whole was conducting performance management. We examined whether agencies had performance management policies, if they monitored whether meetings took place and whether employees were participating in the process.

We also selected five agencies to examine in greater detail.⁷ They were:

- Department for Communities (Communities)
- Commissioner for Children and Young People (CCYP)
- Small Business Development Corporation (SBDC)
- South West Institute of Technology (SWIT)
- Department of Transport (Transport).

These agencies were assessed using a framework representing the key stages that CEOs should consider to ensure performance management is conducted effectively.⁸ They are:

- development and implementation of the system
- management and monitoring processes
- review and evaluation.

We also conducted agency focus groups and analysed employee perceptions survey (EPS) data. The EPS is conducted on a five year cycle with a selection of agencies - agencies are not reviewed annually.

⁷ A snapshot of each of the reviewed agencies is at Appendix B.

⁸ Details of the framework and the elements within it can be found at Appendix A.

What we found

Development and implementation

Each agency was assessed to determine whether:

- the aims and objectives of the process are clearly defined
- the process aligns individual performance with the agency's strategic goals
- employees were involved in the development of the system
- the process was designed to comply with the Standard
- supporting documentation contains information to assist managers and their employees to fully understand the process.

Systems are generally well planned and supported by comprehensive documentation

In 2011/12 the majority of all public sector agencies (87 per cent)⁹, and all of the reviewed agencies, had a performance management policy in place. At the time of the review all of the reviewed agencies had established, or were in the process of piloting, a performance management system that applied to all employees.

Four of the reviewed agencies sought to build a sense of ownership and commitment through employee engagement strategies. SBDC and Transport responded promptly to unfavourable 2010/11 EPS results that showed low participation rates and actively involved employees in the development and implementation of new systems that were implemented in the first half of 2012. Focus group participants at Transport identified employee involvement as important to assist in overcoming negative perceptions of the previous system.

Both CCYP and Communities sought feedback on their template from employees when their systems were being developed. The system at SWIT was developed some years ago, and the level of employees involvement was not able to be confirmed.

⁹ AAS data for 2012

All of the reviewed agencies policies were supported by documentation for both managers and employees. At a minimum, this included guidelines that explain the process for both managers and employees and templates to record the agreed performance outcomes and development plan, and in most cases extended to toolkits, 'cheat sheets' and checklists. These were generally seen by focus groups as easy to read and available to all employees, although focus group attendees at Transport and SWIT agreed that their documentation could be simplified.

There is a high level of awareness of agency policies and processes

2011/12 EPS data shows that across the sector there is generally a high level of awareness of agency performance management policies (75 per cent)¹⁰ suggesting that agency communication strategies are effective in promoting performance management.

SBDC and Transport both conducted employee information sessions when developing their new systems. CCYP, SBDC and SWIT discuss the performance management process during induction, and all have information available on their intranet or electronic record keeping system. All agencies provided awareness raising training for managers and employees in the early stages of implementation of the system.

All focus groups agreed that their agency's policy clearly defined the objectives of the performance management system. They also agreed that a sense of engagement with, and commitment to, the broader work of the organisation was engendered by the consideration of the individual's career and development needs and the alignment of individual performance with either business unit or agency strategic goals and priorities. Each of the focus groups also identified the following as common strengths of their respective systems:

- The process promotes discussion about the agency's, as well as the individual's, values and goals.
- The process encourages two-way feedback and an opportunity for self-reflection.
- Training, development and career progression opportunities are identified.
- Meetings are conducted in a structured yet relaxed and positive way.

Employee breach claim rights are not clearly articulated

Although 2011/12 EPS data shows that 91 per cent of employees¹¹ are aware that a Public Sector Standard for performance management exists, it is important that performance management documentation informs employees of their right to access the

¹⁰ EPS 2011/12 Aggregate Sample Size of 7536 for public sector from March to September 2012.

¹¹ EPS 2011/12 Aggregate Sample Size of 7536 for public sector from March to September 2012.

breach of standard process should they feel the minimum standards have not been met.¹²

Three of the five reviewed agencies (Communities, SWIT and SBDC) include a specific reference to the Standard in their policies, and one (Transport) makes reference to the principles without mentioning the Standard specifically. None of the reviewed agencies included information on lodging a breach of standard claim, although SWIT and CCYP referred employees to a grievance policy. SBDC has the information available on its intranet. The remaining agencies - with the exception of Communities which intends to develop a separate policy - planned to include information about the Standard and breach claim process in performance management documentation when next reviewed¹³.

There should be clear documentation to provide guidance on managing substandard performance

While the Performance Management Standard does not apply to action that may be required to deal with consistent and serious substandard performance, an agency's policies should provide guidance on how such matters are to be handled (State Services Authority (Victoria), 2011).

SWIT specifically acknowledges the importance of managing substandard performance in its performance management documentation and has a policy and procedure addressing substandard performance. CCYP has a policy although it is not referenced in the performance management documentation. Transport refers to a substandard performance management procedure in a 'cheat sheet' for improving performance. Communities and SBDC do not have policies or procedures for managing sub-standard performance, but both planned to update their performance management documentation.

¹² The lodging of a claim does not necessarily mean that a breach of standard has actually occurred. Between 2007/08 and 2011/12 five breach claims were lodged against the Performance Management Standard and none was upheld.

¹³ CCYP updated their policy in September 2012 to include this information.

Management and monitoring

We assessed how well the reviewed agencies manage and monitor their respective performance management systems by assessing whether:

- supervisors are made aware of their responsibilities in the process
- procedures are in place to monitor all stages in the process
- the process allows for flexible approaches to be adopted and for professional development and training needs to be identified
- employee performance is assessed against work requirements and takes into account the agency's values
- the process is intended to apply consistently across the whole agency
- the process allows for the recognition of or reward for good performance.

Monitoring mechanisms are common but reporting to corporate executive is not

In the 2011/12 AAS , 88 per cent of all public sector agencies reported that they had systems in place to monitor whether performance management meetings actually took place. Four of the five reviewed agencies had a mechanism in place to record whether meetings occurred and some were proactive in following up with managers.

At SWIT meetings are centrally recorded, but the onus is on supervisors to send paperwork to the human resources branch for recording. At Transport, line managers are given timelines for completing the process with each employee and senior managers provide six-monthly reports to the People and Organisational Development division. CCYP and SBDC both have proactive mechanisms in place to alert managers of the need to meet with employees and to track and follow up on meeting occurrences. In the 2011/12 AAS, Communities reported that its systems did not allow the agency to monitor employee participation in performance management.¹⁴ It was however exploring methods to monitor compliance (i.e. of performance management meeting completion rates) in a more accurate and timely fashion.

Regular reporting to an agency's corporate executive is an important monitoring mechanism that demonstrates to all employees that an agency's leadership group is committed to the process. Despite a steady increase since 2008/09 still less than half of all agencies reported performance management statistics to their leadership group during 2011/12¹⁵. Of the reviewed agencies, CCYP monitors employee performance management through regular meetings between the Commissioner and the corporate

¹⁴ In the 2011/12 AAS Communities did not provide data on employee performance management meetings, however, the agency separately advised 45 per cent of employees did so in 2011/12.

¹⁵ AAS data shows 25 per cent in 2008/09 compared to 39 per cent in 2011/12.

executive. None of the other agencies had a formal reporting mechanism in place at the time of the review.

Participation in performance management processes remains low for the sector

Despite the prevalence across the sector of policies articulating agency wide performance management processes, a focus on regular informal meetings and the large proportion of agencies monitoring whether meetings take place, it is evident that performance management policies are not consistently applied to all employees.

AAS data for 2011/12 shows that less than one third of all public sector agencies¹⁶ had more than 80 per cent of employees participate in an annual performance management process. For the reviewed agencies, participation rates varied. CCYP reported a participation rate of between 80 and 100 per cent, SWIT and SBDC reported between 40 and 59 per cent. Transport did not respond to this particular question.

In 2011/12 EPS, 65 per cent of respondents agreed, while 21 per cent disagreed, that performance development was fairly and consistently applied in their workplace¹⁷. In addition, 14 per cent of employees never met with their supervisor either formally or informally to discuss performance or development, while 17 per cent had only one meeting per year.

The reasons for this may lie in the challenges that focus groups saw for their agencies in undertaking performance. They were:

- negative preconceptions about the performance management process
- managers having the appropriate skills to have discuss performance with their employees
- finding time to undertake the process due to high workloads, particularly with a workforce that is part-time or geographically dispersed.

All of the reviewed agencies have a strong focus in their policies on regular informal meetings and performance feedback in addition to the formal process. Focus group participants saw this as key to developing open and honest relationships and engendering trust in the process.

¹⁶ AAS data shows 32% of agencies conducted a single process with 80 – 100 per cent of employees (excluding tier 2 and three managers) in 2011/12.

¹⁷ 17 per cent mildly agreed, 28 per cent moderately agreed and 20 per cent strongly agreed. Nine per cent mildly disagreed, six per cent moderately disagreed and seven per cent strongly disagreed. 11 per cent neither agreed nor disagreed and three per cent did not know.

There is a need to ensure managers at all levels are actively involved in, and appropriately supported to undertake, the performance management process

All of the reviewed agencies have guidelines that outline the process to be undertaken and articulate managers' responsibilities for ensuring that performance appraisals are occurring and employee development plans are in place.

Focus group participants saw a need for managers to be trained in how to provide positive feedback, expressed a need for their corporate executives and senior managers to be more visibly involved in promoting the process and for their managers to have an open door policy. Agency approaches to supporting managers to undertake performance management are varied.

As part of the implementation of its new system, SBDC had planned to introduce management coaching and was in the process of developing a training proposal. At CCYP, managers' job description forms make direct reference to responsibility for either developing, coaching or mentoring employees and mentoring is acknowledged as a means of developing employees, however a formal program is yet to be established. The agency is keen to roll out such a program but its efforts to do so in-house have been hampered in terms of take up, funding and available mentors due to the small size of the agency. Managers are encouraged to develop their suite of management skills as and when required. Communities acknowledges the importance of coaching and mentoring and provided training for all employees when the system was implemented in 2009. There has been no follow up training for managers, although the reintroduction of workshops was under consideration at the time of review. Transport provided training for all managers to ensure they understood how to effectively undertake performance management when the system was implemented. SWIT's policy mentions training sessions to support employees and managers but these are not currently offered.

Agencies should ensure that identified training needs are met

Each of the reviewed agencies performance management systems has a strong focus on the identification of professional training and development needs, and most have a strategy to address them. All systems consider alternative ways to develop the skills and experience to meet current job demands and assist employees to further their careers. These include mentoring or secondments, project work or acting opportunities and partnering with other agencies to offer training.

Focus group participants suggested that more could be done to ensure that those needs are actually met and identified key challenges as limited training budgets, time to attend agreed activities due to workload pressures and managers not following through on agreed actions arising from the performance meeting. Ensuring part time and regional employees had access to development opportunities was also a concern for one focus group.

Review and evaluation

We assessed whether:

- performance management policies and guidelines are reviewed regularly
- the effectiveness of the performance management process is evaluated regularly
- any appropriate changes had been implemented by the agency following an evaluation (if an evaluation had been undertaken).

Review and evaluation processes are generally sound

Once a performance management system has been implemented, it should continually evolve to ensure it always meets the needs of employees and the agency. A regular review and evaluation process should be part of an agency's overall management framework and it is important that the performance management system is included as part of that framework (Government Reform Commission (South Australia), n.d.). Four of the reviewed agencies were found to have mechanisms in place to review their performance management policies and systems.

CCYP's system was last evaluated in February 2011 and changes were implemented as a result, the most significant of which was to incorporate compliance requirements (e.g. Reconciliation Action Plans, occupational health and safety, information technology and records management training) into individual performance development plans. A review was scheduled for February 2013.

Communities was in the process of undertaking a review of its human resource policies and procedures, which included the 'Supporting Staff' process.

SBDC was in the process of reviewing and evaluating its Performance Development Plan by examining external performance management policies across the government and private sector.

Transport ensured that their system includes a review and evaluation mechanism for future use and planned to administer an employee engagement survey in late 2012 to evaluate the impact of the system.

SWIT had not reviewed or evaluated its system, however it had plans to do so during 2013 as part of a broader organisational improvement project.

Appendix A: Assessment framework

Development and implementation	Management and monitoring	Review and evaluation
Primary aims and objectives are clearly defined	Supervisors are made aware of responsibilities (e.g. training)	Policies and guidelines are reviewed on an ongoing basis
The process is clearly aligned with the agency's goals	The importance of coaching employees is emphasised	Effectiveness of the process is evaluated on an ongoing basis
Employees were involved in the development of the process	Procedures are in place to monitor all steps in the process	Post evaluation changes are implemented if necessary
There is clear communication regarding the process to all employees	Individual plans provide for employee and manager to sign-off	
The process complies with the Performance Management Standard	The process identifies professional development and training requirements	
The process addresses secondments and transfers	The process encourages flexible approaches and techniques	
The process addresses lodging a breach of standard claim and the process for doing so	Performance is assessed against work requirements defined in individual performance plans	
The process acknowledges the importance of informal and formal interim performance feedback	Performance assessment takes into account agency values and appropriate behaviours at work	
Formal meetings facilitate two way feedback	The process is intended to apply consistently for all employees	
The substandard performance process is articulated	The process includes recognition and/or reward for good performance	

Appendix B: Agency snapshot

Department for Communities

Established in 2007, delivering programs and services to support and strengthen WA communities. Medium agency, approximately 300 employees.

- ‘*Supporting Staff*’ (developed in 2009 comprises three stages:
 - planning meeting: tasks and outputs aligned with strategic/operational plans.
 - feedback meetings: regular performance feedback and coaching.
 - annual review meeting: a review of tasks and development needs identified in the planning and feedback meetings.
- First meeting within three months of commencement or as soon as possible after operational plans are finalised.
- Schedule of feedback meetings to be agreed by manager and employee (e.g. monthly).

Commissioner for Children and Young People

An independent agency that reports directly to Parliament and advocates on behalf of all children and young people 18 years of age and under. Small agency, approximately 20 employees.

- *Performance Appraisal and Development System (PADS)* has four components:
 - planning: setting performance expectations
 - developing: evaluating and addressing development needs via training or deployment.
 - monitoring: measurement of performance and feedback on progress towards goals.
 - Recognising—recognise, reward and acknowledge contribution.
- Initial review within six weeks of commencement for permanent employees, contract employees dependent on employment duration, mid cycle review in six months, final review to wrap up preceding year and be initial review for forthcoming year.
- Compliance requirements (e.g. Reconciliation Action Plan, occupation health and safety) are incorporated in individual PADS plans.
- Strong focus on informal meetings, two way feedback and agency values.

Small Business Development Corporation

Provides advice and guidance to small business operators throughout WA. Small agency, approximately 50 employees.

- *Performance Development Plan* implemented in 2012 comprises four components:
 - Reflection–review and reflect on achievements for past year
 - Planning–plan for next year - projects, goals, timeframes
 - Training and Development Priorities– identifies training and development needs to assist in meeting the objectives detailed in planning phase.
 - Review–links achievements of planned objectives to Corporation’s strategic goals
- Actively involves employees in the development of the system.
- Encourages participation by allowing for meetings to take place in informal setting
- Encourages regular and informal feedback.
- Supported by guidelines and training including ethics, interpersonal skills, workplace relationships and coaching for senior managers.

South West Institute of Technology

Provides industry-relevant vocational education and training. Medium agency, approximately 500 employees.

- *Performance Enhancement and Career Development (PECD)* comprises:
 - common vision and expectations–agree on responsibilities, outcomes, timeframes
 - accountability–employees to be accountable for performance
 - feedback– access to quality and timely feedback
 - position review–discuss role changes and provide appropriate training
 - staff development–to enhance performance in current and aspirational roles.
- Process starts with senior employees and moves down through the structure.
- At least one PECD meeting is required per annum but more are encouraged.
- Strong linkages with the induction process, with new employees reviewed at the end of the first, third and sixth month after commencement and assigned a mentor.
- A comprehensive and flexible training and development plan/process is in place.

Department of Transport

Established in 2009, responsible for operational transport functions and strategic transport planning and policy across public and commercial transport systems in WA. Large agency, approximately 1000 employees.

'Performance Partnership Program' implemented mid 2012:

- Phase 1 (performance plan, training and development and six monthly reviews) of a three year program. Later phases to address managing performance that is not meeting expectations, career coaching, self-evaluation on values/behaviours (2013/14) and 360 degree and customer feedback mechanisms (2014/15).
- Simple process that focuses on communication between manager and employee.
- Integrated with other human resources processes and strategies.
- Allows for targeted training needs to be recognised.

Appendix C: Bibliography

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