Managing Substandard Performance

A Guide for Agencies

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Disclaimer: While every attempt is made to ensure the accuracy, currency and reliability of the information in this publication, changes in circumstances over time may impact on the veracity of the information.

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Introduction

Context

The performance of WA public sector employees contributes to the effective delivery of services and programs to the community. Performance systems exist for individual employees that involve setting performance goals, measuring progress, and providing feedback. If an employee does not perform to the level expected in their position the manager can look at ways to assist the employee to improve their performance.

Purpose

This guide has been developed to:

* provide assistance to WA public sector agencies in identifying and managing substandard performance
* outlines the context and legislative and policy framework for managing work performance
* explores possible reasons for substandard performance
* outlines principles and processes for dealing with substandard performance including action under s. 79 of the Public Sector Management Act 1994 (PSM Act).

Scope of this guide

This guide provides information which is relevant to the management of substandard performance of employees covered by Part 5 of the PSM Act.

The information may be useful generally for other public sector employees, however agencies must consider common law and industrial provisions relevant to these employees.

The guide has been developed as a resource for human resource practitioners to develop policies and procedures and to assist managers to undertake substandard performance processes.

It is acknowledged that substandard performance and discipline can at times overlap, which may cause confusion for both managers and employees. This guide is for matters related to substandard performance only. If the matter is related to discipline, please consult the Disciplinary investigations under Part 5 of the PSM Act - A guide for agencies for further information.

Probationary officers

In accordance with Commissioner’s Instruction No. 2 – Filling a public sector vacancy, new public sector employees may be subject to a period of probation pursuant to relevant industrial awards, agreements and legislation.

While the performance of probationary officers is governed by separate processes to that of permanently appointed employees, many of the principles outlined in this guide will still be applicable to the performance of probationary officers. Performance issues should be promptly identified and any action taken to resolve these issues must be instituted and finalised within the probationary period.

Records management

Records of all discussions relating to substandard performance should be held confidentially. These include records of performance management discussions, improvement action plans and decisions on the management of substandard performance.

Agencies should develop an appropriate process for the storage and retention of records relating to performance management and include this information and guidance in policies and processes on managing substandard performance.

Agencies should note the [General Disposal Authority for Human Resource Management Records RD 2017001](http://www.sro.wa.gov.au/state-recordkeeping/disposal-state-records/general-disposal-authorities), which covers the more specific or personal matters relating to human resource management, including those relating to the management of substandard performance records (issued by the State Records)

Legislative and policy framework for managing substandard performance

The legislative and policy framework has the following elements:

| Legislation |
| --- |
| *Public Sector Management Act 1994* | * s. 8 - Human resource management principles, Public Sector Standards for Human Resource Management: Performance Management Standard
* s. 21A - General functions of the Public Sector Commissioner
* s. 21(1)(a) - Commissioner's role in issuing Commissioner's instructions, public sector HR standards and monitoring compliance with those standards
* s. 30 - CEO responsibilities in relation to the employees
* s. 79 - Substandard performance
 |
| Public Sector Management (Breach of Public Sector Standard) Regulations 2005 | * Claims against the performance management standard
 |
| *State Records Act 2000* | * Requirements for records management
 |
| *Industrial Relations Act 1979* | * Requirements for the management of industrial relations in WA, including the public service
 |

| Industrial awards and instruments |
| --- |
| Various | * Agencies to consider applicability to their employees
 |
| Public Sector Commission | * Managing workplace behaviour: guide for agencies
* Managing substandard performance: a guide for agencies
 |

| Policies and guidelines |
| --- |
| Agency | * Performance management policy
* Substandard performance management policy
* Records management policy
 |

| Common Law |
| --- |
| Case Law | * Agencies to consider applicability to their employees and organisation
 |

# Legislation

Public sector employing authorities which fall within the jurisdiction of Part 5 of the PSM Act are covered by the following provisions. Employing authorities which do not have employees covered by Part 5 of the PSM Act should consider the legislation and industrial agreement applicable to the management of substandard performance of their employees.

## *Public Sector Management Act 1994*

Part 5 of the PSM Act contains provisions relating to the management of substandard performance and applies to the following categories of employees:

* Public service officers appointed under Part 3 of the PSM Act
* Ministerial officers appointed under Part 4 of the PSM Act
* Members of teaching staff and persons appointed as ‘other officers’ (pursuant to the School Education Act 1999 (see s. 239).
* Any employees prescribed in the Public Sector Management (General) Regulations 1994.

|  |
| --- |
| Section 79(1) of the PSM Act provides that: |
| For the purposes of this section, the performance of an employee is substandard if and only if the employee does not, in the performance of the functions that he or she is required to perform, attain or sustain a standard that a person may reasonably be expected to attain or sustain in the performance of those functions. |

|  |
| --- |
| While there is no prescribed process for managing substandard performance, s.79(2) of the PSM Act sets out the following when making an assessment as to whether an employee’s work is substandard, |
| (2) Without limiting the generality of the matters to which regard may be had for the purpose of determining whether or not the performance of an employee is substandard, regard — (a) shall be had — (i) to any written selection criteria or job specifications applicable to; and(ii) to any duty statement describing; and(iii) to any written work standards or instructions relating to the manner of performance of, the functions the employee is required to perform; and(b) may be had — (i) to any written selection criteria or job specifications applicable to; and(ii) to any duty statement describing; and(iii) to any written work standards or instructions relating to the manner of performance of, functions similar to those functions. |

|  |
| --- |
| While there is no prescribed process for managing substandard performance, s.79(2) of the PSM Act sets out the following when making an assessment as to whether an employee’s work is substandard, An employing authority has the power to take three types of actions under s. 79(3) of the PSM Act if the work performance is determined to be substandard under the above definition – |
| (a) withhold for such period as the employing authority thinks fit an increment for remuneration otherwise payable to that employee; or(b) reduce the level of classification for that employee; or(c) terminate the employment in the public sector of that employee. |

The employing authority may also decide to consider training or other improvement action or to take no action.

Prior to taking action any of the above actions, if the employee does not admit that his or her performance is substandard, an investigation must be undertaken under s. 79 (5).

# Performance Management Standard

The Performance Management Standard applies to the management of performance generally and is therefore applicable to that extent, but does not apply to decisions made in relation to substandard performance. It establishes the minimum standard to be followed by employing authorities in addressing the performance of employees.

# Agency policies and procedures

It may be useful for agencies to incorporate appropriate policies and procedures into their performance management system, appropriate policies and procedures to provide guidance to managers on how to identify and manage substandard work performance.

# Managing substandard performance outside the PSM Act

The legal and policy framework for the management of substandard performance for employees not covered by Part 5 of the PSM Act is generally found in other legislation, common law, industrial awards and instruments relevant to the employee’s employment with the public sector organisation.

Many of the principles and processes outlined in this guide may be relevant and can be applied if not in conflict with the specific legislation and awards applicable to those employees.

Principles for managing substandard performance

The substandard performance process attempts to improve employee performance where significant issues have been identified through an agency’s performance management system.

Agencies should consider whether and how the following principles are embodied in their agency policies and procedures.

# Principle 1: Performance should be assessed using accurate and objective measures

It is important that clear and objective measures are in place that directly relate to the requirements of the position. Written requirements for the position should be up to date to ensure alignment with the actual requirements of the position and the outcomes expected of the position should be agreed with the employee. A formal performance management process should be in place which outlines both the relevant job-related standards and how employee performance will be assessed.

# Principle 2: Substandard performance processes should aim to improve performance

A positive agency culture around performance management, including a commitment to regular performance feedback, is important to ensure that managers approach substandard performance as a normal supervisory function. The goal of substandard performance processes should be to assist the employee to attain and sustain the required performance standard and if achieved, for the employee to revert to the normal performance management cycle. This should be clearly communicated to the employee.

# Principle 3: Substandard performance should be dealt with promptly

Approaching substandard performance in a timely manner demonstrates the employer’s commitment to both a high performance culture and the employee. It helps prevent to issues from becoming more serious over time and them potentially having multiple adverse impacts on other team members and the organisation as a whole. Agencies should however, check their policies and procedures to ensure all relevant and necessary steps have been taken before any move to a substandard performance process occurs.

# Principle 4: Procedural fairness should be observed

The system and processes for managing substandard performance should observe the rules of procedural fairness. This includes ensuring the employee is given adequate information about the job requirements, the nature of the perceived substandard performance and is provided with an opportunity to respond to this.

# Principle 5: Employee welfare and confidentiality should be considered

A substandard performance process can be a stressful time for an employee. To minimise this,​ consideration should be given to available support options for the employee. In addition, consideration should be given to employee welfare and wellbeing issues, especially where these may be closely related to the cause of the substandard performance.

It may be appropriate to ask the employee whether there is anything which may be impacting on their performance and for this to be taken into account as part of the approach to the substandard performance process. In some cases, the process may need to be suspended temporarily, for example to allow a short ‘settling in period’ where an employee has been unwell and has only recently returned to work. The confidentiality of the process should be maintained where possible.

# Principle 6: Managers should be adequately skilled and supported

Managing substandard performance can be a challenging, time consuming and resource intensive task for managers. To assist managers through substandard performance processes, agencies may wish to develop their own internal policies, being careful to ensure that these comply with s. 79 of the PSM Act. These should contain information on the functions, roles and responsibilities of the various parties involved. Agencies should also ensure that managers are appropriately skilled and supported through the process by providing training, ongoing support, mentoring and advice. In some cases legal advice may also be required.

Suggested performance management flowchart

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Normal performance management process |  |  |
|  |  |  |  |  |
|  |  | Substandard performance identified |  |  |
|  |  |  |  |  |
| Performance assessed as satisfactory. Normal performance management process resumes |  | Employee notified and substandard performance monitored and managed |  | Performance remains substandard or is not able to be sustained at the required level |
|  |  |  |  |
|  |  | Performance assessed |  |
|  |
|  |  |  |  |  |
| Performance remains substandard:* Prospect of improvement unlikely
* Performance now considered substandard (s. 79 PSM Act)
* Where applicable Section 79 substandard performance procedures initiated
* Employee notified of performance concerns and asked for a response. The process is outlined to them
 |
|  |  |  |  |  |
| Employee admits to substandard performance, or does not provide a response |  |  |  | Employee does not admit to substandard performance |
|  |  |  |  |  |
| Action taken under s.79(3) of the PSM Act and/undertake training or no action if appropriate |  | Investigation determines performance to be substandard. Employee informed and invited to respond |  | Investigation undertaken in accordance with s.79(5) of the PSM Act |
|  |  |  |  |  |
| Investigation determines performance to be satisfactory. The employee is informed. Normal performance management process resumes |

Evaluating employee performance

To address substandard performance, it is necessary to have a performance management process that is capable of identifying cases of substandard performance. Employees may be unaware that their performance is substandard and may welcome the opportunity for constructive feedback to enable them to perform their job more effectively.

As employees undertake their duties in the workplace, managers assess work performance and form a view about the employee’s skills, knowledge and ability to perform. Sometimes these judgements are made within a short period of time, especially where the work is routine and relatively prescribed. For other jobs, these judgements occur over longer periods of time. In making these judgements, managers take into account the employee’s experience in the same or related fields and consider what is reasonably expected of a person in the job.

Sound performance management systems will include the appropriate mechanisms to address substandard performance. This will enable an agency to manage substandard performance in an integrated manner.

A properly established and functioning performance management process will ensure that an appropriate history of the employee’s substandard performance has been documented and will be integral in demonstrating that any adverse decision against the employee is objective and reasonable in the circumstances. It is important that all information relating to performance management is recorded accurately as this information will form the basis for any decision to commence a substandard performance process.

# Assessing and analysing substandard performance

To identify substandard performance, a systematic and objective approach should be taken to measuring the employee’s performance against the work requirements and identifying objective and specific skills, competencies or behaviours. In making the assessment reference should be made to:

* formal job descriptions
* any other written job instructions.

Note: Legislation and other industrial instruments may set out what needs to be considered in making a determination that an employee’s performance is substandard see s. 79(2) of the PSM Act.

Consideration should also be given to:

* the seriousness of the performance issues
* how long the issue has existed
* whether there are performance issues across a range of tasks and duties or only in specified areas
* how wide the gap is between the employee’s performance and the job requirements whether the employee’s performance has been acceptable in the past
* whether the employee has made a noticeable effort to improve in areas where they are not performing as expected
* whether the employee has the skills required to perform the job or is capable of applying those skills
* whether there are any barriers to performance within the employee’s control (see ‘Causes of substandard performance’)
* whether there are any barriers within the agency’s control that need to be addressed, such as resource issues, communication problems, recruitment, training, job
* description etc. (see ‘Causes of substandard performance’).

# Examples of substandard performance

Substandard performance relates to failure to meet work requirements. In this context, behaviours and actions amounting to a potential breach of discipline should not be treated as substandard performance, nor should multiple substandard performance issues be treated as a misconduct or disciplinary matter.

Examples of a failure to meet required standards of work and the outcomes which may result include:

* failure to complete work to an expected standard or agreed timeframes in a sustained manner
* making continued poor or incorrect decisions
* inability to work unsupervised
* failure to adhere to agency processes and polices
* failure to collaborate or consult with colleagues and other stakeholders where it is a requirement of the role
* inability to take decisions within the scope of job requirements (leading to unnecessary referral of decisions to others).

It is possible for situations to exist where it is difficult to distinguish between substandard performance and other unacceptable workplace behaviours such as misconduct. For example, a failure to follow policies and procedures may constitute a substandard performance issue, or may also be grounds for disciplinary action, depending on whether the inability is due to lack of skills and knowledge, unwillingness or wilful neglect. Refer to the Commission’s publication Managing workplace behaviour – a guide for agencies for further guidance.

# Causes of substandard performance

There are a range of factors that may contribute to, and result in, substandard performance. Some may be attributed to the employee while others may stem from environmental or organisational sources. These may include:

* insufficient or inappropriate skillsets
* apathy or lack of motivation
* personal relationships
* interpersonal conflicts
* medical reasons
* ineffective organisational systems and processes
* poor workplace culture
* lack of role clarity.

Causes of substandard performance should be promptly identified and a judgement made as to whether the matter is likely to be ongoing or temporary in nature. Correct identification of the cause will be the primary factor influencing the type of remedial action required to address the issue. In addition, it may provide an indication of any systemic or organisational issues contributing to the employee’s performance that may require the attention of senior management.

Dealing with substandard performance

Managers should identify and have informal discussions with the employee about substandard performance through normal day to day performance management. Step 1 below is essentially part of this normal performance management process.

Agencies which are not covered by the PSM Act may find the following useful as a guide, but should ensure that their policy and processes are consistent with common law and any applicable industrial requirements and legislation.

# Step 1 Performance appraisals

As part of the performance development process managers have performance appraisals with their staff. If the employee’s performance is evaluated as substandard, the manager should arrange a separate meeting with the employee to discuss this.

An adequate performance management system should provide managers the opportunity to clearly communicate performance issues so that the employee understands the issue, why it is a problem and the impact on the workplace. The manager should also identify the specific skills, competencies or behaviours which the employee needs to improve.

The employee and manager should also agree on strategies to improve the employee’s performance and timeframes to discuss progress in implementing the agreed strategies. Should performance improve to the point where the manager no longer considers the increased monitoring is required, then the employee should be advised of this and that the management of their performance will revert to the usual cycle. If the performance has not improved, it may be necessary to take further formal steps to address the issue as detailed below.

# Step 2 Addressing substandard performance

If the performance of the employee has not improved, or is not reasonably expected to improve to the required standard, the employee should be advised of this formally.

Strategies to improve performance or improvement action should then be discussed, jointly agreed with the employee and a timeframe set for review.

Such strategies might include:

* further training, whether formal or informal
* mentoring by a manager or a colleague skilled in tasks in the employee’s field
* work shadowing and observation
* flexible work practices.

A improvement action plan to address the substandard performance should be discussed and, where possible, agreed with the employee. The improvement action plan should contain performance objectives, as well as specific strategies to address substandard performance. Once agreed upon a copy of the plan should be provided to the employee.

The improvement action plan should note an appropriate period for review of progress. For some jobs, a shorter time period may be appropriate, while for others where the tasks and duties take some time for performance improvements to be demonstrated, a longer time period may be appropriate. A list of items an improvement plan should contain is provided in Appendix A.

# Step 3 Performance reassessment and finding

It is important to reassess the performance of the employee at an agreed future date. The performance reassessment is an important milestone in the management of substandard performance. It involves meeting with the employee to discuss their performance under the improvement action plan. If at this stage the employees performance is still substandard the following options are available.

* Option 1: If the employee’s performance is still considered to be substandard but has improved in some respects, the improvement action plan should remain in place for a further specified period.
* Option 2: The employee’s performance has not improved and there appears to be little prospect that, even with further training and development, the employee will reach the required performance standards. As a result the employing authority, on advice from the manager, concludes that the employee’s performance is still substandard. This process and responsibilities for further action are described in ‘Taking prescribed action’ on page 21 (see also s. 79 PSM Act).

Advice about the decision on the performance reassessment and proposed course of action should be provided to the employee in person and confirmed in writing. Whatever the decision, a formal record of decision on the performance reassessment should be made. It is important that employees are made aware that a failure to attain and sustain performance to a required level may lead to a formal investigation, with could lead to a number of consequences including the termination of employment.

# Delays in process

It is possible that there will be delays and obstacles to working through these steps in a sequential and orderly manner. For example:

* the employee may be absent on leave
* other processes, such as grievances arise and are managed
* the employee refuses or is otherwise unable to cooperate with the process.

Where there are significant delays in implementing the steps, consideration should be given to temporarily suspending the process. If this occurs, once these other matters are addressed or finalised, the process should recommence at the point it was suspended, following a reasonable ‘settling back in’ period as appropriate.

A substandard performance process can be undertaken with any member of staff employed under the PSM Act. Where this person is in a management position it can add further complexities as this can have flow on effects to the staff. This situation needs to be assessed on a case by case basis, to ensure as little interruption to the regular work of all parties as possible.

Taking prescribed action under section 79 of the PSM Act

Situations may arise where an employee’s substandard performance has been managed over a period of time, has not improved and there appears little prospect that required standards of work performance will be achieved. At this stage, the employing authority may wish to initiate formal action under s. 79 of the PSM Act.

The provisions of s. 79 of the PSM Act apply to the following categories of employees:

* Public service officers appointed under Part 3 of the PSM Act
* Ministerial officers appointed under Part 4 of the PSM Act
* Members of teaching staff and persons appointed as ‘other officers’ pursuant to the *School Education Act 1999* (see s. 239)
* Any employees prescribed in the Public Sector Management (General) Regulations 1994).

# Notifying the employee and the employee's response

It is important that where a s. 79 PSM Act substandard performance management process is to be commenced, the employing authority (or delegated authority) provides the employee with written notification that their work performance has been considered substandard as contemplated by s. 79 and that corresponding action may be taken against them. The notification should also seek the employee’s response as to whether they agree that their performance has been substandard.

Depending on the individual case and circumstances involved, the employee may voluntarily admit that their performance has been substandard. Where a voluntary admission is made, an appropriate action under s. 79(3) of the PSM Act may then be progressed to address the situation. However, in situations where the employee does not admit that their performance has been substandard the matter will then proceed to investigation.

Where no response is offered by the employee an appropriate action under s.79(3) of the PSM Act may then be progressed.

# Investigation

Under s. 79(5) of the PSM Act, where an employee does not admit to their performance being substandard, the employing authority is required to conduct an investigation into whether or not the performance of the employee is substandard.

The objective of an investigation is to accurately and fairly assess the performance of the employee against the requirements of the role. To achieve this, the investigation must show that regard has been given to the considerations set out in s. 79(2) of the PSM Act and ensure that the rules of procedural fairness are observed at all times.

## Who should conduct the investigation

Under s. 79(5) of the PSM Act, where an employee does not admit to their performance being substandard, the employing authority is required to conduct an investigation into whether or not the performance of the employee is substandard. The objective of an investigation is to accurately and fairly assess the performance of the employee against the requirements of the role. To achieve this, the investigation must show that regard has been given to the considerations set out in s. 79(2) of the PSM Act and ensure that the rules of procedural fairness are observed at all times.

Investigations may be undertaken by an agency’s internal human resources area, another agency or an external contractor. The Department of Finance maintains a Common Use Arrangement (CUA 14610) for Human Resources Investigation Services for agencies needing assistance with an investigatory process. This CUA is mandatory in the Perth region.

## Process

To assist in ensuring that an objective and fair assessment of the employee’s performance occurs, the investigation process may include:

* a compilation of relevant documentary evidence concerning the employee’s prior performance and outputs together with any criteria used to assess this against the work requirements of their position
* provision of sufficient information to the employee to provide a detailed explanation as to why the employing authority considers the employee’s work performance to be substandard. This may be a via a face-to-face discussion or via emailed or mailed
* correspondence. It should also include a broad outline of the evidence that will be examined an explanation of the investigation process
* the employee must be given every opportunity to provide within a reasonable time frame (minimum of ten working days) a written response to the opinion of that their work performance may be substandard
* after due consideration of all available evidence, the issuing of a formal opinion by the employing authority as to whether the employee’s performance is substandard.

# The investigator's recommendation and the employing authority's opinion

Following any submission made by the employee in response to the substandard performance opinion, the investigating officer will need to provide the employing authority with a recommendation as to whether the employee’s performance is substandard. When making this recommendation, the investigating officer should ensure that the following criteria have been met:

* the criteria used to assess the employee were fair, objective, proper and equitable under the circumstances
* sufficient and appropriate evidence was gathered and assessed
* the employee was provided with a reasonable opportunity and timeframe to respond to the opinion of substandard performance and supporting documentation was provided to them at the interview
* due consideration and regard has been given to the employee’s responses relating to the opinion
* all appropriate measures and improvement actions were taken to encourage the employee to meet the minimum standards required by the position
* the employee was made aware of resulting consequences of continued substandard performance
* the rules of procedural fairness were upheld at all times during the investigation.

The recommendation should be provided to the agency’s employing authority (or officer with appropriately delegated responsibility) to form an opinion on the matter.

Based on the investigating officer’s recommendation, the employing authority may then make a final opinion regarding substandard performance. Written notification of the final opinion should then be provided to the employee.

# Action where substandard performance is substantiated

Where substandard performance is established, either through an employee’s admission or through forming an opinion following a formal investigation process, s. 79(3) of the PSM Act provides for the following actions:

1. withhold for such period as the employing authority thinks fit an increment of remuneration otherwise payable to that employee
2. reduce the level of classification of that employee
3. terminate the employment in the public sector of that employee.

The employing authority is under no obligation to impose any of the above actions and can decide to impose no action or continue with improvement or remedial actions.

Regardless of whether substandard performance has been established through the employee voluntarily admitting to it or through an investigation process, the employing authority should notify the employee in writing regarding the action proposed to be implemented under s. 79 of the PSM Act or otherwise. Consistent with the rules of procedural fairness that apply at all other stages in the process, the employee should be afforded an opportunity to provide a response to the proposed action. The employing authority must reasonably consider any response provided prior to proceeding.

The application of any of the preceding actions to a substantiated opinion of substandard performance will depend on the individual circumstances of each case. The following considerations may be useful in determining what action is appropriate to a given situation:

* the length of time the performance had been considered substandard
* any mitigating or extenuating circumstances
* the impact of the action on the employee.

## Withholding salary increment

Increments are a performance based entitlement and not a time based entitlement. Therefore if an employee’s performance is shown to be substandard the employer may opt to withhold an increment rise.

## Reduction in classification

Reducing an employee’s classification level would be considered appropriate in situations where the employee’s performance is determined to be substandard in that it falls below the position’s existing classification level requirements.

Where a decision has been made by an employing authority to reduce the level of classification of an employee as a result of substandard performance, the employee may appeal the decision to the Public Service Appeal Board (PSAB) of the WAIRC.

After a reduction in classification has occurred, it will also be necessary to consider whether the work requirements of the position are still appropriate for the employee’s new level of classification. As the employee now occupies a lower level than they held prior to the substandard performance action commencing, the level of responsibility placed on them should also be reduced to that comparable with the new level. It may be necessary to amend the position’s JDF and ensure that the employee now receives tasks commensurate with their new level of classification.

## Termination of employment

Termination of employment would be appropriate in situations where a significant gap exists between an employee’s capabilities and performance and the work requirements applicable to their position. As it is the most severe form of action available to be taken against employees in substandard performance cases, its use should be restricted to an action of last resort.

Where termination of employment is determined to be the appropriate action, employing authorities must take into consideration specific requirements applicable to termination in the public sector, which may include:

* Commissioner’s instructions issued under the PSM Act
* unfair dismissal legislation administered by the WAIRC
* any dispute resolution process specified in an applicable award or industrial agreement.

Consideration should also be given to whether the dismissal decision could be deemed to be harsh, oppressive or unfair. Employees who are the subject of termination of employment decisions have unfair dismissal protection and can appeal a decision to terminate their employment to the WAIRC.

A flow chart, outlining the substandard performance under s. 79 of the PSM Act is provided on page 25.

## Managing substandard performance under s. 79 of the PSM Act

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
|  |  | Employing authority outlines performance concerns and the substandard management process and invites the employee to respond |  |  |
|  |  |  |  |  |
|  |  | Employing authority forms view that employee’s performance may be substandard under s. 79. Employee notified |  | Employee admits to substandard performance or does not provide a response. Employee notified of any proposed action under s. 79(3) |
|  |  |  |  |
|  |  | Employee does not admit to substandard performance. Investigation commences as required by s. 79(5) |  |
|  |  |  |  |
|  |  | Employee is made aware of evidence supporting substandard performance view. Employee given opportunity to provide written response, possibly through interview or meeting |  |
|  |  |  |  |  |
| Considering the investigating officer’s recommendation employing authority forms an opinion that employee’s performance is not substandard. Employee notified of outcome. Normal performance management resumes |  | Investigating officer examines evidence together with any employee response submitted and provides recommendation to employing authority as to whether performance is substandard |  |
|  |  |  |
|  | Considering the investigating officer’s recommendation, employing authority forms an opinion that employee’s performance is substandard. Employee is notified and given opportunity to provide a response to the opinion |  |
|  |  |  |
|  | Based on employee response (or employee admission), employing authority forms final opinion that performance is substandard |  |
|  |  |  |  |  |
|  |  | Employee notified of final opinion and that proposed action is to be taken under s. 79(3). Employee given opportunity to respond to proposed action |  |  |
|  |  |  |  |  |
|  |  | Taking into account employee response, action under s. 79(3) is taken |  |  |

Appendix A

# What a improvement plan may contain

The improvement plan should contain:

* the names of the employee, manager and such others involved in the planning
* the effective date of the plan
* specific areas of substandard performance in terms of the required standards and timeframes for resolution
* agreed actions and expected outcomes, including skills and competencies identified as necessary to meet required standards
* the names of those responsible for organising and carrying out the action(s); and the details of appropriate training needs if relevant.

The action plan should be developed jointly and agreed by the manager and employee. Other terms for the ‘action plan’ include ‘performance improvement plan’ and ‘performance management plan’.

# Terms and acronyms

## Terms

**Improvement action plan**

A structured plan containing details of activities, actions, measurements and targets for the employee to achieve performance requirements.

**Employing authority**

Defined in s. 5 of the PSM Act.

**Improvement action**

Defined in s. 3 of the PSM Act and includes action taken by the employing authority to improve the performance of an employee, such as counselling, training and development and issuing a warning that the employee’s performance is not satisfactory.

**Public sector**

Defined in s. 3 of the PSM Act and includes all departments and organisations.

**Public service**

Defined in s. 3 and s. 34 of the PSM Act and means departments and SES organisations and those employees employed under Part 3 of the PSM Act.

**Substandard performance**

Defined in s. 79(1) of the PSM Act:

the performance of an employee is substandard if and only if the employee does not, in the performance of the functions that he or she is required to perform, attain or sustain a standard that a person may reasonably be expected to attain or sustain in the performance of those functions.

Substandard performance in its general meaning (where an employee is performing below the level expected to perform his or her duties) can also be used outside the PSM Act.

**Work requirements**

These are the functions the employee is required to perform by virtue of their employment contract. They are generally set out in written job specifications, duty statements and other work standards such as codes of conduct, the Code of Ethics and customer charters and include work capabilities, competencies or attributes.

## Acronyms

**CEO** - Chief Executive Officer

**CI** - Commissioner’s Instruction

**CUA** - Common use arrangement

**EAP** - Employee assistance program

**GDAAR** - General disposal authority for administrative records

**GDAHRM** - General disposal authority for human resource management records

**HR** - Human resources

**HRM** - Human resource management

**JDF** - Job description form

**PM** - Performance management

**PSAB** - Public Service Appeal Board

**PSC** - Public Sector Commission

**PSM Act** - *Public Sector Management Act 1994*

**SRO** - State Records Office

**WAIRC** - Western Australian Industrial Relations Commission