

D. PERFORMANCE MANAGEMENT

PHILOSOPHY

The JSE believes that performance management shapes the culture of an organisation and ensures that strategy is translated into business plans and objectives.

1. INTRODUCTION

Performance Management uses objectives, measurements, feedback and recognition as a means of motivating people to realise their full potential and can potentially make the most significant contribution to organisational performance. It provides an enabling framework to integrate the following performance improvement activities:

3.1 Strategic and operational objective setting.

3.2 Performance assessment.

3.3 Identification of potential.

3.4 Training and career development.

3.5 Succession planning.

3.6 Reward systems.

2. OBJECTIVES

The objective of the JSE's Performance Management System is to assess performance by measuring agreed objectives and competencies and facilitating action plans to address performance gaps. It includes a performance agreement which spells out future objectives, which must be accomplished within a period of time and to agreed specifications.

3. PRINCIPLES

The Performance Management System must:

3.1 Be linked to the JSE's business strategy through the FOCUS Card.

3.2 Reflect or be used to shape the JSE's culture.

3.3 Be managed proactively and be understood that it is a continuous cycle and not just an annual event.

3.4 Be owned by executive management, line management and employees so that there is a sense of partnership.

3.5 Be linked to other HR policies and processes, e.g. reward, succession planning, etc.

3.6 Embrace JSE values.

3.7 Be fair, consistent, objective and transparent.

- 3.8 Be based on an appropriate balance between competencies and outputs.
- 3.9 Include formal reviews that will be conducted annually and which are documented for record and reference purposes.
- 3.10 Include informal discussions that will take place more frequently and will be based on objectives.
- 3.11 Include the required individual, divisional and organisational goals.
- 3.12 Will strive towards a 360 degree feedback mechanism i.e. input will be obtained from colleagues, subordinates and clients as well as the employee's Manager .
- 3.13 Will be weighted accordingly.
- 3.14 Have measurements that will be based on the FOCUS Card and will be weighted according to level of importance.

4. THE PERFORMANCE MANAGEMENT CONTINUUM

It is imperative to understand that performance management is a continuous process and the figure below explains this process:

