Managing for Performance

GUIDE FOR EMPLOYEES

Performance Development Framework
NSW Public Sector
Using this guide

We all work best when we have clear goals and understand what is expected of us; receive fair and regular feedback about how we are performing and what we can do to improve; and are recognised for a job well done.

You and your manager share a responsibility for optimising your performance. This guide aims to describe how you might take part in this important process.

Part 1 introduces you to the NSW Public Sector Performance Development Framework, its six components and essential elements, which the Public Service Commission (PSC) established as mandated practices for everyone in the sector.

Part 2 describes the Framework’s six components and the types of discussions you might have when talking to your manager about your performance.

Each component represents a suite of good performance management practices and processes focused on aligning individual and team effort with business outcomes. While these practices and processes are currently not mandatory, the intent is that they will become so for the sector in the future.

Part 3 provides answers for some commonly asked questions about managing for performance.

This guide is not intended to cover everything about your workplace and your performance, or substitute agency policies or advice from your manager or the HR team.
Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreword</td>
<td>2</td>
</tr>
<tr>
<td>Introduction</td>
<td>3</td>
</tr>
<tr>
<td>Part 1: NSW Public Sector Performance Development Framework</td>
<td>4</td>
</tr>
<tr>
<td> Managing for performance</td>
<td>5</td>
</tr>
<tr>
<td>Part 2: Components of the Framework</td>
<td>6</td>
</tr>
<tr>
<td> Components and essential elements of the NSW Public Sector</td>
<td>7</td>
</tr>
<tr>
<td> Performance Development Framework</td>
<td></td>
</tr>
<tr>
<td>Set and clarify expectations</td>
<td>8</td>
</tr>
<tr>
<td> What’s involved</td>
<td>8</td>
</tr>
<tr>
<td> When this happens</td>
<td>8</td>
</tr>
<tr>
<td>Monitor</td>
<td>9</td>
</tr>
<tr>
<td> What’s involved</td>
<td>10</td>
</tr>
<tr>
<td> Tips on getting the most out of your discussions with your manager</td>
<td>10</td>
</tr>
<tr>
<td> When this happens</td>
<td>10</td>
</tr>
<tr>
<td>Plan and review</td>
<td>11</td>
</tr>
<tr>
<td> What’s involved</td>
<td>11</td>
</tr>
<tr>
<td> Reviewing objectives</td>
<td>12</td>
</tr>
<tr>
<td> When this happens</td>
<td>12</td>
</tr>
<tr>
<td>Develop</td>
<td>13</td>
</tr>
<tr>
<td> What’s involved</td>
<td>13</td>
</tr>
<tr>
<td> When this happens</td>
<td>14</td>
</tr>
<tr>
<td>Recognise</td>
<td>15</td>
</tr>
<tr>
<td> What’s involved</td>
<td>15</td>
</tr>
<tr>
<td> When this happens</td>
<td>15</td>
</tr>
<tr>
<td>Resolve unsatisfactory performance</td>
<td>16</td>
</tr>
<tr>
<td> What’s involved</td>
<td>16</td>
</tr>
<tr>
<td> When this happens</td>
<td>17</td>
</tr>
<tr>
<td> How unsatisfactory performance is resolved</td>
<td>17</td>
</tr>
<tr>
<td>Part 3: Common questions about managing for performance</td>
<td>18</td>
</tr>
<tr>
<td>Appendix A: Mandatory performance objectives of executives managing budgets</td>
<td>21</td>
</tr>
<tr>
<td>Appendix B: Mandatory performance objectives for everyone managing people</td>
<td>23</td>
</tr>
</tbody>
</table>
Performance development is not about once-yearly reviews, following a rigid process, or focusing only on unsatisfactory performance; the large majority of public servants want to and do perform well.

We know that we all work best when we:

- have clear goals and understand what is expected of us
- receive fair and regular feedback about how we are performing
- have the capabilities to do our job
- are recognised for a job well done
- receive feedback about how we can improve.

You have a critical role in making sure this happens.

Regardless of level or role, every employee is responsible for managing their own performance and career development, and performing to the best of their ability.

As we know from the recent People Matter Survey, agencies are strong in providing information to help you perform, but struggle with other aspects of performance management. As a sector, we have not been consistent in recognising good performance, discussing and resolving unsatisfactory performance, or collaborating on ways to lift performance and help you pursue your career goals.

The NSW Public Sector Performance Development Framework provides a holistic approach for managing for performance.

In practical terms this framework gives you the opportunity to talk with your manager about what is expected of you; get feedback about your performance; be recognised for your contribution and achievements; and receive feedback on how you can approve your performance.

This guide is a practical reference to help you in your performance discussion with your manager to enable you to realise your best performance.

Graeme Head
Commissioner
The NSW Government is committed to creating a high-performance public sector. To achieve this, it is crucial to improve the performance of the sector’s workforce. As an employee, you should work with your manager to:

- set and clarify expectations, ensuring that you have a clear understanding of your role and what is expected of you in performing the role
- monitor your performance, and take part in ongoing two-way discussions to continuously develop your performance
- plan and review your work objectives, and understand how your achievements are linked to agency and sector objectives
- develop the capabilities needed to effectively fulfil your role and perform at a high level
- be recognised for good performance
- promptly and effectively correct your performance if it is deemed unsatisfactory.
According to legislation\(^1\), all public sector agencies must have a performance management system that meets essential elements and guidelines set by the Public Service Commissioner.

The NSW Public Sector Performance Development Framework contains these guidelines and sets the approach for managing all aspects of employee performance in the NSW public sector.

As depicted in Figure 1, the Framework consists of six components. Each component has essential elements that define the mandatory benchmarks for agency performance management systems. These are set out on page 7 of this guide.

The Framework’s components are not designed to be applied sequentially. It is important to understand the purpose of each component and when they are to be appropriately applied, whether individually or in combination.

The PSC will review the Framework regularly to support ongoing improvements in performance management across the sector and to ensure it is aligned with further workforce management reforms.

Regardless of your grade or role, you are responsible for:

- managing your own performance to meet expectations and achieve your objectives
- having open and honest conversations with your manager and colleagues about performance
- providing feedback to your manager and openly receiving feedback
- proactively driving your own development with your manager’s support.

\(^1\) Section 67 of the Government Sector Employment Act 2013.
Managing for performance

‘Managing for performance’ describes management practices and activities to improve performance and align individual and team efforts with the organisation’s objectives. Figure 2 illustrates how every employee plays an important role in achieving divisional, departmental and state-wide objectives. ‘Performance’ in the context of this Framework comprises not only what you do in your role, but also how you go about doing it – your behaviour.

Research shows that people work best when they have clear goals and understand what is expected of them and their work, receive fair and regular feedback about how they are performing, are recognised for a job well done, and get constructive feedback about areas of their performance which are unsatisfactory, and how they could improve.

Performance management is an ongoing process involving regular discussions between you and your manager about continuously improving performance. These discussions are an opportunity for you to clarify expectations, discuss achievements, highlight any difficulties you are experiencing and detail any development needs you have.

Good performance development is consistent, equitable and transparent.

According to research by the Corporate Leadership Council, an employee’s understanding of expectations and standards – and how this relates to their work and the organisation – is the biggest driver of individual and organisational performance. When employees understand this, their performance can improve by as much as 36%.

A large majority of employees want to, and do, perform well. Unsatisfactory performance is only an issue for less than 5 or 10% of employees.

The next part of this guide sets out the objectives of each Framework component and the types of discussions you might have with your manager about your performance.

---

2 Corporate Leadership Council (2005) Managing for high performance and retention, Corporate Executive Board, Washington DC.
4 US Office of Personnel Management (1999) Report of a special study – Poor performers in Government: A quest for the true story. The Office of Merit Systems, Oversight and Effectiveness found that, contrary to the popular perception that poor performance was a problem in the federal public service, poor performers represented only approximately 37% of the workforce.
Components of the Framework
## Components and essential elements of the NSW Public Sector Performance Development Framework

<table>
<thead>
<tr>
<th>Component</th>
<th>Essential elements</th>
</tr>
</thead>
</table>
| **Set and clarify expectations** | • Each employee has an up-to-date description of their role, including required capabilities and responsibilities, linked to the organisation’s strategy.  
• All employees understand the public sector values, the capabilities required of them in their roles, and the deliverables for which they are accountable.  
• All employees are aware of the codes of conduct, policies, procedures and standards they are expected to observe.  
• All new employees (in the sector or the team) undergo a review process that includes informal and formal reviews. |
| **Monitor**                      | • All employees have regular opportunities to discuss their work with their manager and receive informal feedback on their performance (either individually or as a team).  
• All employees have the opportunity to provide informal and formal feedback (through a structured assessment method) to their manager. |
| **Plan and review**              | • All employees have an annual formal performance agreement with their manager that sets out individual performance objectives linked to corporate objectives as well as the capabilities they are required to demonstrate in their role.  
• Performance agreements for all executives who have financial accountability include mandatory performance objectives set out in Appendix A.  
• Performance agreements for all employees who have responsibility for managing people include mandatory performance objectives set out in Appendix B.  
• All employees have a formal performance review at least once a year.  
• Formal performance reviews are to inform all assessments for incremental salary progression; payment of increases determined by the Statutory and Other Officers Remuneration Tribunal (SOORT); and any contract renewal. |
| **Develop**                      | • Development plans are based on the capabilities required in the role, the employees’ existing capabilities, and his/her performance objectives and/or career goals.  
• Progress against development plans is formally reviewed at least once a year. |
| **Recognise**                    | • Agencies have guidelines in place to help managers appropriately recognise employees at the local level.                                                                                                           |
| **Resolve unsatisfactory performance** | • Managers promptly work with the employee to understand and resolve instances or patterns of unsatisfactory performance.                                                                                       |
Set and clarify expectations

Good performance starts with having a clear understanding of your goals and expectations. This first component of the Framework establishes what is expected of you in performing your role.

What’s involved

You need to know:

- what your role and responsibilities are within your team and the organisation
- what you are accountable for and expected to deliver to your team and the organisation's mission and goals
- the organisation’s expectations around ethics, values and behaviour
- how your performance will be measured and assessed.

You and your manager should discuss these expectations clearly and openly, making sure that you have a shared understanding of each other’s responsibilities and accountabilities.

Performance expectations should be based on the capabilities you need to carry out your role effectively. They should also be derived from the public sector core values and directly relate to your agency’s mission and goals. They must describe acceptable behaviours and actions expected and define work outputs required.

You should develop these expectations collaboratively with your manager (except for legislated or mandatory corporate requirements or objectives) to ensure you both understand what is required.

When this happens

You and your manager should set and clarify expectations on an ongoing basis, but particularly when you start work as part of the ‘onboarding’ process, when you need clarification about your responsibilities or to help realign your performance, or when something about your work changes.

Failing to set clear standards of performance and behaviour can cause confusion or misunderstanding about what is expected. This can make it difficult for you to effectively fulfil your role, so it’s important to have a good understanding of what is expected of you.
Performance monitoring enables you and your manager to assess how you are getting on in your role.

Your manager should give and receive regular feedback and ensure that you are aware of how you are progressing in your role against set expectations. This regular discussion gives both of you an opportunity to discuss factors affecting your work goals, targets and performance and development activities. It also allows you to solve problems together if there are factors affecting your ability to do your job well.

### Influence of feedback on performance

Respondents to the 2012 People Matter Employee Survey who received formal and informal feedback had more positive perceptions of performance management than those who didn’t receive any feedback. Respondents who received informal feedback in the previous 12 months were also more highly engaged than those who only received formal performance appraisals or no feedback at all.

Employees who received a formal appraisal and informal feedback on their performance also reported that they had more learning and development opportunities.

#### Figure 3: Employee perceptions of the ways performance management is approached

<table>
<thead>
<tr>
<th>Perception</th>
<th>Both formal and/or informal feedback</th>
<th>Neither formal nor informal feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td>My organisation is committed to developing its employees</td>
<td>73</td>
<td>38</td>
</tr>
<tr>
<td>My manager ensures fair access to developmental opportunities for people in my workgroup</td>
<td>83</td>
<td>46</td>
</tr>
<tr>
<td>My manager considers my needs and career aspirations when approving development plans</td>
<td>80</td>
<td>32</td>
</tr>
<tr>
<td>My manager deals appropriately with employees who perform poorly</td>
<td>64</td>
<td>27</td>
</tr>
</tbody>
</table>

What’s involved

When discussing your performance, your manager should:

- listen to you and ask questions about how you are doing
- detail your work progress and the future of your work
- acknowledge your successes and achievements
- reset expectations and provide coaching to improve your work performance, where necessary.

Informal but regular meetings and discussions allow you to engage with your manager on an ongoing basis. These get-togethers can be an effective addition to informal monitoring, particularly where the work environment does not allow for regular contact.

You or your manager may initiate these meetings.

When this happens

Performance monitoring shouldn’t be left until the six-monthly formal performance reviews. By proactively monitoring performance on an ongoing basis, you and your manager can identify and effectively address performance concerns when they happen – and before they worsen.

Effective managers should continually monitor your performance and regularly provide feedback on progress to you and your team. Where operational circumstances allow, managers can provide feedback to you throughout the workday so you can both deal with problems as they arise. This is an opportunity to receive coaching and guidance that will enable you to perform your tasks more effectively.

Tips on getting the most out of your discussions with your manager

- Be prepared to discuss your work and performance openly and honestly.
- Take responsibility for your own performance and development.
- Provide and be receptive to feedback.
- Seek clarification if you are unclear about what has been discussed, or need more information.
- Raise issues that prevent you from achieving your goals.
- Work collaboratively with your manager and maintain respect and confidentiality.

There are occasions when there is a greater need for your manager to monitor your work performance, such as when:

- you start a new role and need more guidance
- there is something affecting your work performance
- your responsibilities change.
To help you understand your role within the organisation, it's important to have a coherent performance agreement with specific work objectives linked to corporate strategy. Planning and reviewing performance objectives with your manager is an essential part of your responsibility.

**What’s involved**

When planning your performance objectives:

- identify the objectives and required capabilities, ensuring they are clearly linked to business plans and corporate strategies
- discuss and confirm how your performance will be assessed and measured, and how progress towards your targets will be monitored
- document the key elements discussed and agreed to between you and your manager in a performance agreement.

A simple way to align your objectives to the corporate strategy is to set your performance objectives in a cascading manner. Your manager will give you a copy of their own objectives, allowing you to draft your objectives based on what they need you to achieve. You can also add other objectives that may be critical to your role, but are not included in your manager’s performance agreement. Then you and your manager can discuss and agree on the objectives to be included in your performance agreement.

Some objectives or targets are non-negotiable, including mandatory government or corporate objectives. You should discuss these with your manager so that you clearly understand what targets are not negotiable and why.

There are two mandatory objectives currently in place across the sector.

Performance agreements for all executives who have financial accountability must include mandatory performance objectives set out in Appendix A. These objectives are part of a range of measures approved by Government to significantly improve financial management in the NSW public sector.

Performance agreements for all employees who have responsibility for managing people must include mandatory performance objectives set out in Appendix B. These objectives, focused on people and capability management, are one of a number of public sector reform initiatives aimed at improving workforce management across the sector.

Once you have set your performance objectives, you and your manager can discuss strategies for meeting them. This discussion should cover the capabilities you need to be successful, any capability gaps that will need to be addressed, possible approaches you might take and anything that might affect your ability to meet your objectives.
Reviewing objectives

Annual or other periodic performance reviews are the best time to formally review your progress towards meeting your objectives. Executives should review their objectives informally at least every quarter, with one formal annual review. All other employees should have one informal and one formal annual review. This process is supported by ongoing monitoring and regular two-way feedback between reviews.

All employee performance, including executive performance, must be formally reviewed as part of the assessment for incremental progression, Statutory and Other Officers Remuneration Tribunal (SOORT) determination or contract renewal.

During the discussion, you and your manager should:

- review your progress against performance objectives and targets in your performance agreement
- recognise your achievements
- review your objectives and reset targets to help realign your performance, if needed
- review any development activities you have undertaken and how you have applied this learning
- adjust your expectations, responsibilities, goals or development activities, as required.

When this happens

Performance objectives are generally set annually and should flow on from the corporate or business planning process to ensure individual objectives are aligned with state-wide strategies. Your agency’s corporate planning calendar will drive the timeframe for your reviews.
Workforce development involves strategically developing your capabilities to help you achieve your objectives and the organisation’s vision and goals. Development improves your performance, that of the organisation and, ultimately, the sector.

Your manager’s role is to help you address any gaps in meeting the capability needs of your role, and to support you to continuously develop your capability. Your role is to drive and manage your own development.

What’s involved

The first step is to be clear on what capabilities are needed for the role.

Capabilities are the knowledge, skills, and abilities that must be demonstrated by public sector employees to perform their roles effectively.

The NSW Public Sector Capability Framework describes ‘core’ capabilities expected of all public sector employees, as well as other common capabilities that only apply to some roles. For example, people leadership capabilities for roles that include supervisory responsibilities.

The Capability Framework can help you and your manager to reach a clear understanding of job expectations and provide a starting point for assessing capability and planning development.

Refer to the Capability Framework’s behavioural indicators and, together with your manager, work out how they may be applied to achieve the key outcomes agreed to during the performance agreement development process.

Once you’re both clear about the capabilities needed for the role, your discussion should focus on identifying your current level of capability, strengths and development needs. This may be achieved through formal assessment, professionally administered 360-degree feedback, psychometric assessments or self-assessment.

In the absence of any formal tools, you and your manager can identify your development needs through observation, work examples and discussion.

Next, you and your manager will identify the activities that will help you develop the capabilities to meet the requirements of your current role and/or their next role. Professional development should use a 70:20:10 blend – 70% from on-the-job experiences, tasks and problem solving; 20% from peer-based learning or examples; and 10% from formal courses and reading.

Development activities include rotating or swapping jobs, undertaking project work, acting in different roles, shadowing colleagues or managers, attending conferences, joining professional bodies, completing benchmarking exercises, or taking on a professional coach or on-the-job coaching by a manager.

Discussions around career progression should not be limited to an upward move. To gain exposure to many different environments – both in and outside of your area of expertise – you may wish to consider a lateral move into a different work area, agency, function, or even outside of the sector for a time.

Once you and your manager have completed this assessment, document the learning and development activities you need in your development plan.
When this happens

Due to the rapidly changing nature of the workplace, identifying development needs and building capability should be undertaken throughout the year, either formally or informally.

The formal process may be based on the outcomes of assessments used during recruitment, management or leadership programs, or the PSC’s Executive Development Program, Human Resource Leadership Program or other initiatives. These may identify an individual’s capability, strengths and the areas they could further develop. Formal discussions to plan and set your objectives should identify specific learning and development needs and the desired outcomes.

Regular discussions with your manager are an opportunity to assess your progress against development plans, and to identify and take up informal learning, such as workplace coaching or mentoring.

It is important to highlight your strengths and capabilities, and consider opportunities for sharing your knowledge and skills with others. This may include mentoring or coaching other employees or participating in a project where you can add significant value. It is also useful to think about how you can stretch yourself by seeking greater responsibility or more complex work, such as taking on tasks that your manager may delegate to you to develop your capabilities.
It is nice to be acknowledged for your contribution at work, a job well done or accomplishing a significant task. Use your regular discussions with your manager to highlight your achievements so they don’t go unnoticed.

What’s involved

To ensure you’re recognised in a way that is meaningful to you, talk to your manager about how you would like to be recognised for your efforts and achievements. There are many ways that your manager or the agency can recognise achievement that will encourage you to develop your performance.

These include thanking you in person or by email, publicly acknowledging your achievements, nominating you for a team, organisation or sector award, or giving you an opportunity to work on a challenging project.

When this happens

Recognising performance is not just a nice thing to do. It should be clearly linked to actions and behaviours that the agency wants to reinforce and to achieving important outcomes. For example, your manager should recognise exceptional discretionary effort, consistently high levels of performance and instances of outstanding performance.

Ensure that you understand exactly what you have done to earn the recognition or praise, so that you can replicate the action or behaviour if another opportunity arises.
Unsatisfactory performance, poor performance and underperformance are often used interchangeably and involve an employee failing to perform their duties to a standard that the organisation expects. Unsatisfactory performance can have negative effects on other employees and can impact on an agency.

Unsatisfactory performance can include:

- unsatisfactory work, in terms of quantity, quality or timeliness
- breaches of work practices, procedures and guidelines, or not following a manager’s reasonable direction
- breaches of policies, expectations and codes of conduct that do not warrant a misconduct investigation, such as absenteeism and lateness
- inappropriate behaviour such as poor interactions and communication problems with work colleagues, customers or stakeholders
- a series of minor issues that, when taken together, make for a difficult working environment.

Unsatisfactory performance can occur as a result of:

- recruitment mistakes or poor job fit, or when you don’t have the capabilities for the job or perhaps don’t like the job you are doing
- unclear expectations, when you don’t have a clear understanding of what is expected of you and you may not have clarified – or been confident to ask about – things you are unsure of
- missed performance appraisals
- poor supervision, if you have not been told that something you are doing is wrong
- inappropriate behaviour, such as denying responsibility, resisting advice and change, or reacting with emotion or defensiveness, which can escalate minor issues into larger matters
- poor training and development
- lack of communication
- personal issues, including family stress, physical or mental health issues, or problems with drugs or alcohol.

Unsatisfactory performance differs from misconduct, which involves unacceptable or improper conduct that is outside of the law, policy or directions.

What’s involved

The first step involves your manager monitoring your work performance, then identifying the cause of unsatisfactory performance, providing regular feedback and giving clear advice if you are not meeting expectations. Regular feedback resolves the majority of instances of unsatisfactory performance.
When this happens

Unsatisfactory performance should be resolved the minute it is identified. Your manager will usually pick it up by regularly monitoring your work. If identified and handled immediately, issues can often be resolved quickly.

Ignoring unsatisfactory performance has significant effects on the workplace and it can become more serious if left unmanaged.

How unsatisfactory performance is resolved

Section 68 of the Government Sector Employment Act 2013 outlines specific actions which may be taken by the head of a government sector agency where an employee’s performance is determined to be unsatisfactory according to the agency’s performance management system. Clause 36 of the Government Sector Employment Rules 2014 sets out the requirements for dealing with unsatisfactory performance before action can be taken under section 68 of the Act.

Action under section 68 of the Act will not normally be instigated unless it is clear that your manager has set expectations, properly monitored your performance, identified unsatisfactory performance and provided feedback. You should be informed that your performance is not meeting expectations, told what you are expected to do and by when, and given the opportunity to improve.

Misconduct by an employee is dealt with separately from management of unsatisfactory performance in section 69 of the legislation and clauses 37 to 41 of the Government Sector Employment Rules 2014.
Common questions about managing for performance
| What happens if I don’t want to take part? | All employees are required to participate in performance management. Active participation enables you to:  
- be clear about your role  
- stay on track with your work goals  
- have input into your work and work processes  
- form a good working relationship with your manager and colleagues  
- improve your capabilities and career prospects. |
| --- | --- |
| Isn’t performance management about managing employees with unsatisfactory performance? | Performance management is wrongly perceived as a negative or punitive process rather than good management practice that helps align individual and team efforts with the organisation’s objectives.  
Performance management is a holistic process involving regular two-way discussions between you and your manager, focused on building and continuously improving your performance. These discussions are an opportunity to set and manage expectations, acknowledge good performance through positive feedback, provide constructive feedback to realign expectations and performance, develop key capabilities and, where necessary, address unsatisfactory performance. |
| I know my job. Do I still need to meet regularly with my manager? | Regular discussions with your manager are an opportunity to clarify expectations and provide and receive feedback about your progress against performance expectations.  
The discussions will also help you understand any changes that may affect your work, so you don’t waste time and effort on unnecessary work. |
| I find it hard to talk to my manager. What can I do? | Like every skill, the more you do it, the better you get at it.  
Set an agenda for your performance discussions to give you a focus.  
It helps to recognise that you and your manager may have different styles of communication, and that you will both need to adapt your individual styles and acknowledge your differences. You can still have a good working relationship even if your communication styles differ. |
<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>How can we plan a year ahead while we are restructuring?</td>
<td>Your agency’s work still goes on during a restructure, and your manager’s support can be especially valuable when things are changing. Where appropriate, you can agree on short-term plans, then review and adjust them as necessary.</td>
</tr>
<tr>
<td>What is there to discuss?</td>
<td>Some performance objectives and targets may not be negotiable, but all targets and strategies to achieve them should be discussed and understood. You can still discuss qualitative aspects of your role – that is, how things are done – in addition to what is done.</td>
</tr>
<tr>
<td>We don’t have enough money to undertake developmental activities.</td>
<td>Think beyond traditional training courses. Many development activities can be done on the job, such as coaching by a peer or a more senior employee, acting in a higher role, taking on new tasks or additional responsibilities, or buddying with or shadowing another employee.</td>
</tr>
</tbody>
</table>
# Appendix A:

**Mandatory performance objectives of executives managing budgets**

## Financial management

<table>
<thead>
<tr>
<th>Budget compliance – operating</th>
<th>Director-General</th>
<th>Chief Executive Officer</th>
<th>Chief Financial Officer</th>
<th>Executive-level budget holding operational managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Cluster has operated within its approved net cost of services limit, without any negative impact across the forward estimates.</td>
<td>The Agency has operated within its approved net cost of services limit, without any negative impact across the forward estimates.</td>
<td>The Cluster/Agency CFO has provided appropriate information and advice to their DG/CEO to ensure that the Cluster/Agency operated within its approved net cost of services limit, without any negative impact across the forward estimates.</td>
<td>The Executive manager has operated within his/her operating budget (budgeted expenses and, where relevant, revenues).</td>
<td></td>
</tr>
</tbody>
</table>

| Budget compliance – capital | The Cluster capital program has been delivered within approved capital expenditure authorisation limits. | The Agency capital program has been delivered within approved capital expenditure authorisation limits. | The Cluster/Agency CFO has provided appropriate information and advice to their DG/CEO to ensure that the Cluster/Agency capital program has been delivered within approved capital expenditure authorisation limits. | The Executive manager has operated within his/her capital budget. |

<p>| Budget compliance – employee expenses | The Cluster has operated within its approved Labour Expense Cap. | The Agency has operated within its approved Labour Expense Cap. | The Cluster/Agency CFO has provided appropriate information and advice to their DG/CEO to ensure that the Cluster/Agency has operated within its approved Labour Expense Cap. | The Executive manager has operated within his/her labour expense budget. |</p>
<table>
<thead>
<tr>
<th></th>
<th>Director-General</th>
<th>Chief Executive Officer</th>
<th>Chief Financial Officer</th>
<th>Executive-level budget holding operational managers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Delivery of savings</strong></td>
<td>The Cluster savings measures incorporated into the Budget are supported by rigorous implementation plans.</td>
<td>The Agency savings measures incorporated into the Budget are supported by rigorous implementation plans.</td>
<td>The Cluster/Agency CFO has provided appropriate information &amp; advice to the DG/CEO to ensure that savings measures incorporated into the Budget are supported by rigorous implementation plans.</td>
<td>The Executive manager has incorporated rigorous implementation plans into the Budget to achieve savings measures.</td>
</tr>
<tr>
<td><strong>Management reporting</strong></td>
<td>The Agency has consistently provided accurate financial returns to Treasury in accordance with specified deadlines.</td>
<td>The Agency has consistently provided accurate financial returns to Treasury in accordance with specified deadlines.</td>
<td>The Agency has consistently provided accurate financial returns to Treasury in accordance with specified deadlines.</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Statutory reporting</strong></td>
<td>The Agency has provided annual financial accounts to audit in accordance with specified deadlines and accounts are signed off by the Auditor-General without qualification.</td>
<td>The Agency has provided annual financial accounts to audit in accordance with specified deadlines and accounts are signed off by the Auditor-General without qualification.</td>
<td>The Agency has provided annual financial accounts to audit in accordance with specified deadlines and accounts are signed off by the Auditor-General without qualification.</td>
<td>N/A</td>
</tr>
</tbody>
</table>
## Appendix B:

**Mandatory performance objectives for everyone managing people**

### People and capability management

<table>
<thead>
<tr>
<th>People and capability objectives</th>
<th>Director-General</th>
<th>Chief Executive Officer</th>
<th>Executive</th>
<th>Operational manager</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Managing for performance</strong></td>
<td>The Agency has a performance management framework in place that is linked to the corporate planning system.</td>
<td>The Agency has a performance management framework in place that is linked to the corporate planning system.</td>
<td>All employees in the division have a current performance agreement that is clearly linked to organisational objectives and is reviewed annually.</td>
<td>All employees in the business unit have a current performance agreement that is clearly linked to organisational objectives and is reviewed annually.</td>
</tr>
<tr>
<td><strong>Workforce planning and development</strong></td>
<td>The Agency has a strategic, systematic approach to align its workforce capability and capacity with the organisation's current and future priorities and objectives.</td>
<td>The Agency has a strategic, systematic approach to align its workforce capability and capacity with the organisation's current and future priorities and objectives.</td>
<td>The division implements strategies to align its workforce capability and capacity with the organisation's current and future priorities and objectives.</td>
<td>The business unit implements strategies to align its workforce capability and capacity with the organisation's current and future priorities and objectives.</td>
</tr>
</tbody>
</table>