

The Performance Agreement

- Set Your Objectives PART 1

Process: Step 2



Lesson duration

About 20 minutes

What you will **learn**:

- How to work with the [Key Performance Areas section](#) in a Performance Agreement.
- How to [add perspectives](#) to the Key Performance section.
- How to [add key performance areas](#) to the Key Performance section.

- How to [add key performance indicators](#) to the Key Performance section.
 - How to [upload supporting documents](#) to objectives.
 - How to [link actions](#) to KPIs, and/or to the agreement in general.
 - [Good suggestions](#) when working with objectives.
-

Setting your Objectives

What is your goal?

Take a minute to read through the following pointers before you start your agreement. Understanding the purpose of a Performance Agreement will impact on how you approach it, and what you get from it.

In creating your Performance Agreement, you will take the following steps:

1. Identify what you have to achieve and want to achieve in your job in the year ahead.
2. Make sure your manager agrees with your goals, and how you are going to work towards achieving them.
3. Make sure the way you formulate your goals (via its defining measures and targets) causes them to be tangible, easily measurable, trackable, etc.
4. Determine the relative importance of each goal. Work objectives are not all equal in importance.
5. Send everything to your manager for approval.

All of this may take up to 2 months to finalise unless you can start from a previous, and well-structured agreement.

An example

See below a fully populated KPA section. Your Stretch Targets will have a similar layout; the other sections will be simpler.

KEY PERFORMANCE AREAS

70%

+ PERSPECTIVE

1. Internal Process

70%

+ KEY PERFORMANCE AREA

1.1. Succession Management

100%

KEY PERFORMANCE INDICATOR	PERSON COMMENT	MANAGER COMMENT
<div><div>Implement online tool</div><div><div>Measures & Ratings</div><div>50%</div></div><div>System aligned to configuration document as per company requirements and outputs.</div></div>		
<div><div>Career paths populated online in line with HR input.</div><div><div>Measures & Ratings</div><div>50%</div></div><div>Functional Career Path model online</div></div>		

2. Learning and Growth

30%

+ KEY PERFORMANCE AREA

2.1. Learning and Development platform

100%

KEY PERFORMANCE INDICATOR	PERSON COMMENT	MANAGER COMMENT
<div><div>Data validation for systems.</div><div><div>Measures & Ratings</div><div>100%</div></div><div>90% of all data in system validated against HR and payroll systems.</div></div>		

The Key Performance Areas Section

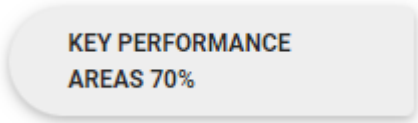
We are going to plan your agreement using the above example as a roadmap.

Perspectives Level

(Optional, depending on company settings)

Refer to the section [The Performance Agreement - Overview](#) for background on the use of perspectives.

On the side menu, click the **Key Performance Areas** section.



Notice that the relative importance of the Key Performance Areas section is 70% - in our example.

We are going to focus on the perspectives level first. Perspectives are used to group key performance areas, and key performance areas are in turn used to group key performance indicators.

Let's remove all the KPAs and KPIs from our example and see the perspectives in isolation. In the example, there are two perspectives: Internal Process (worth 70%) and Learning and Growth (worth 30%). All our KPAs will be loaded under one of these two perspectives.

Notice how the total of their relative weights adds up to 100%.

KEY PERFORMANCE AREAS70%

+ PERSPECTIVE

1. Internal Process

+ KEY PERFORMANCE AREA

2. Learning and Growth

+ KEY PERFORMANCE AREA

70%

30%

- Click **+Perspective** to open the list of available perspectives. It is a fixed list, and no custom values are permitted.
- Choose the appropriate perspective and provide a suitable weight. Click **SAVE**.

If you are working on a new, blank agreement, we suggest loading all your perspectives together and assigning their weights. This way it is easier to get an overview of them before adding KPAs and KPIs, and visually easier to get their weights to total 100%.

- To delete a perspective, hover over the perspective, then locate and click its Delete icon.



- To edit a perspective and its weight, click on the perspective.
- When finished loading all the perspectives, ensure their total weight equals 100%.









Key Performance Areas Level

Refer to the section [The Performance Agreement - Overview](#) for background on Key Performance Areas.

Now we are going to focus on the KPA level. Key Performance areas (KPAs) are used to group Key Performance Indicators.

Let's remove all the KPIs from our example and look at a KPA in isolation, under its parent perspective called Internal Process.

Notice how the total of all the KPA weights (under one parent perspective) adds up to 100%.

1. Internal Process 			70%
<div>+ KEY PERFORMANCE AREA</div>			
1.1. Succession Management 			20%
KEY PERFORMANCE INDICATOR 	PERSON COMMENT	MANAGER COMMENT	
1.2. Career Planning 			20%
KEY PERFORMANCE INDICATOR 	PERSON COMMENT	MANAGER COMMENT	
1.3. Project participation 			40%
KEY PERFORMANCE INDICATOR 	PERSON COMMENT	MANAGER COMMENT	
1.4. ISO Procedures 			20%

- Click **+Key Performance Area** to open an input screen on which two options are available.
 - **LIBRARY**: If you want to choose a suitable KPA from the library, click LIBRARY. Then choose the pointing finger icon to search the list of available key performance areas.



Select Key Performance Area from the List

Q

KEY PERFORMANCE AREA

Succession Management

Career Planning

Learning and Development platform

Project participation

ISO Procedures

Policies

CANCEL

- **TYPE OWN:** Or click Type Own to provide your own custom KPA.
- Choose or type the appropriate key performance area and provide a suitable weight. Click SAVE.

Add Key Performance Area

☒ Library ☐ Type Own

Key Performance Area

Succession Management

Weight

20

CANCEL SAVE

If you are working on a new, blank agreement, we suggest - for a specific perspective - loading all its key performance areas and their weights at once. This way it is easier to get an overview of all the KPAs under a perspective before adding KPIs, and it's easier to get their weights to total 100%.

- To delete a KPA, hover over the KPA, then locate and click its Delete icon.

1.1. Succession Management

Delete

Make sure you load each KPA under its correct parent perspective – you cannot move them later; you will have to delete the KPA record and recreate it if needed.

- To edit a key performance area and its weight, click on the Key Performance Area.
- When finished loading all the key performance areas under a perspective, ensure their total weight equals 100%.

Key Performance Indicator Level

Refer to the section [The Performance Agreement - Overview](#) for background on Key Performance Indicators.


Now we are going to focus on the KPI level. There can be more than one KPI under a parent key performance area (KPA), as in the example below.

Notice how the total of all the KPI weights (under one parent KPA) adds up to 100%.


KEY PERFORMANCE AREAS

70%

+ PERSPECTIVE


1. Internal Process 

+ KEY PERFORMANCE AREA

1.1. Succession Management 

Perspectives Grouping Level

KPA Grouping Level

KEY PERFORMANCE INDICATOR 

PERSON COMMENT

MANAGER COMMENT

Implement online tool

Measures & Ratings

System aligned to configuration document as per company requirements and outputs.

Career paths populated online in line with HR input.

Measures & Ratings

Functional Career Path model online

KPI Level

50%

50%


Make sure you load each KPI under its correct parent KPA (and perspective) – you cannot move them later, you will have to delete the KPI record and recreate it if needed.



- Look for the little + sign next to the **KEY PERFORMANCE INDICATOR** heading. Click it to open the KPI input screen below, on which two options are available.
 - **LIBRARY:** If you want to choose a suitable KPI from the library, click LIBRARY. Then choose the pointing finger icon to search the list of available key performance indicators.



Select Key Performance Indicator from the List



KEY PERFORMANCE INDICATOR

Implement online tool

Career paths populated online in line with HR input.

Compliance to audit requirements in HR.

Data validation for systems.

Compliance to business and environment changes

CANCEL

- **TYPE OWN:** Or click Type Own to provide your own custom KPI.
- Choose or type the appropriate key performance indicator, along with appropriate **Measures** and **Ratings**. Remember to provide a suitable weight. Click SAVE.

Add a Key Performance Indicator

Perspective
Internal Process

Key Performance Area
Succession Management

☒ Library ☐ Type Own

Key Performance Indicator

Implement online tool



Measures

System aligned to configuration document as per company requirements and outputs.

Ratings

Ready by Aug 2022.

Weight

50

CANCEL

SAVE

If you are working on a new, blank agreement, we suggest - for a specific KPA - loading all its Key Performance Indicators and their weights at once. This way it is easier to get an overview of all the KPIs under a KPA.

- To edit a key performance indicator and its fields, click on the Key Performance Indicator record.
- To delete a KPI, hover over the KPI record, then locate and click its Delete icon.

KEY PERFORMANCE INDICATOR +

PERSON COMMENT

MANAGER COMMENT



Implement online tool

Measures & Ratings

System aligned to configuration document as per company requirements and outputs.

50%



Delete

Now do it!

Before we move on to the other sections, practice the steps above.



- Add your perspectives one after the other.
 - Balance their %
- For each perspective, add applicable KPAs.
 - Balance their %
- For each KPA, add applicable KPIs
 - Balance their %

What else is there?

We only discussed adding the primary levels to the KPA section of the Performance Agreement. But there are a few additional functionalities to consider.

Person and manager comments on a KPI

After adding a KPI the record is displayed on the screen.

Implement online tool		
 	Measures & Ratings	50%
	System aligned to configuration document as per company requirements and outputs.	

- But, click the record to reveal not only the information entered previously but also fields where the employee and/or their manager can provide clarifying comments. Measuring a KPI is not always straightforward - use these fields to shed light on the intention and purpose of a KPI.

Key Performance Indicator

Perspective

Internal Process

Key Performance Area

Succession Management

Key Performance Indicator

Implement online tool

Weight

50

Measures

System aligned to configuration document as per company requirements and outputs.

Ratings

Target: Aug 2022

Person Comment

Manager Comment

CANCEL

SAVE

General Comments

GENERAL
COMMENTS

On the menu to the left of the screen, locate and click General Comments. This is a separate section, meant to be used in conjunction with all the other sections.

Enter any notes, remarks, concerns, and other clarifying comments on the content contained in a Performance Agreement.

My Comment

My Comment

I am not comfortable using the company HR and payroll systems for data validation as these are also outdated.

CANCEL

SAVE

- Click **SAVE**.

GENERAL COMMENTS

+ GENERAL COMMENT

PERSON COMMENT

I am not comfortable using the company HR and payroll systems for data validation as these are also outdated.

MANAGER COMMENT

No Records Found

Documents

Documents in support of your chosen objectives, or for omitting objectives, can be loaded on Perspective, KPA, and KPI levels. See below for the location of the Documents icons at each level.

1. Internal Process



1.1. Succession Management



Implement online tool

- Click the Documents icon to open the **Document View** and **Upload** screen.

← Performance Management

Search here...

?

⚙

✉

MM

Signify
Software

⚙

🔒

👤

👤

NAME	UPLOAD DATE	UPLOAD BY	DOCUMENT PATH
No data available in table			

📁 UPLOAD



- Click the **UPLOAD** button to open a document upload screen.

Upload File

File To Upload

📁

Select a file from your device, or drag a file here to upload it.

Title

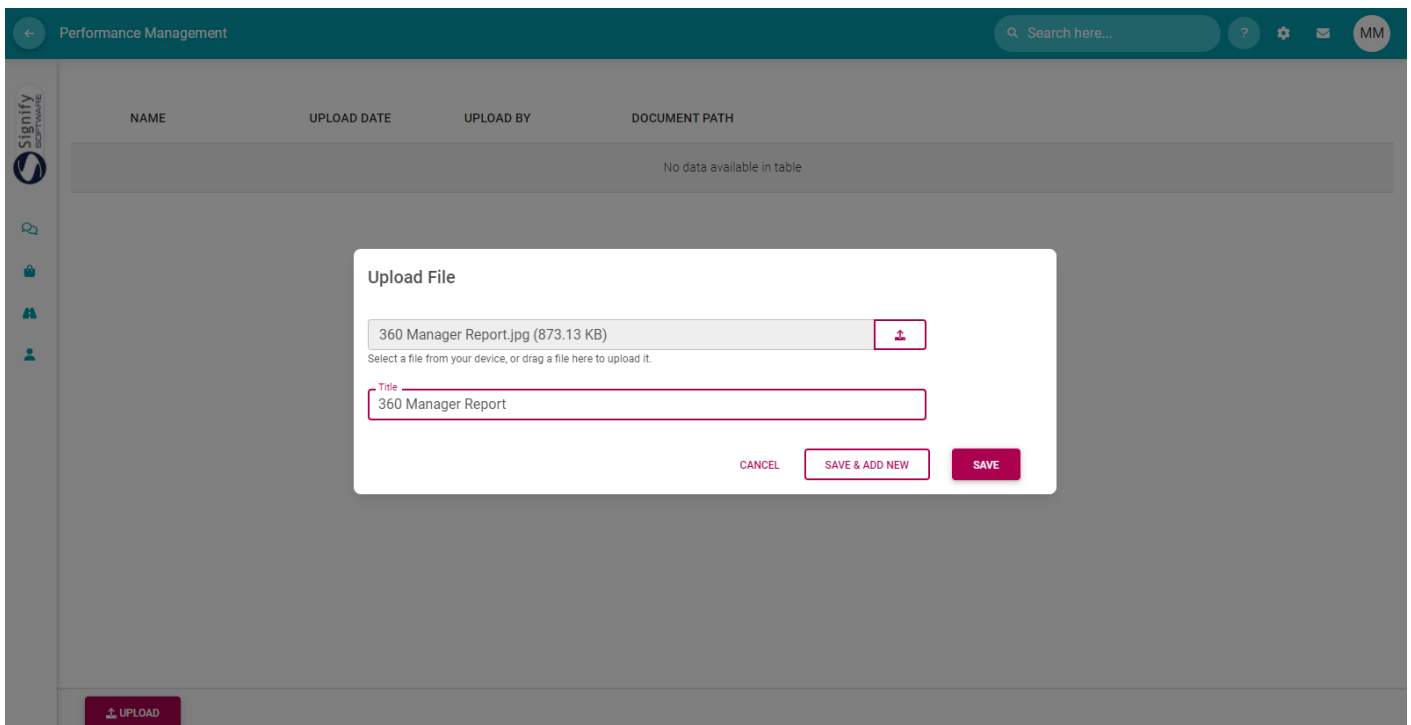
CANCEL

SAVE & ADD NEW

SAVE



- Click the **Upload** icon or drag and drop a file directly onto the Upload File screen.



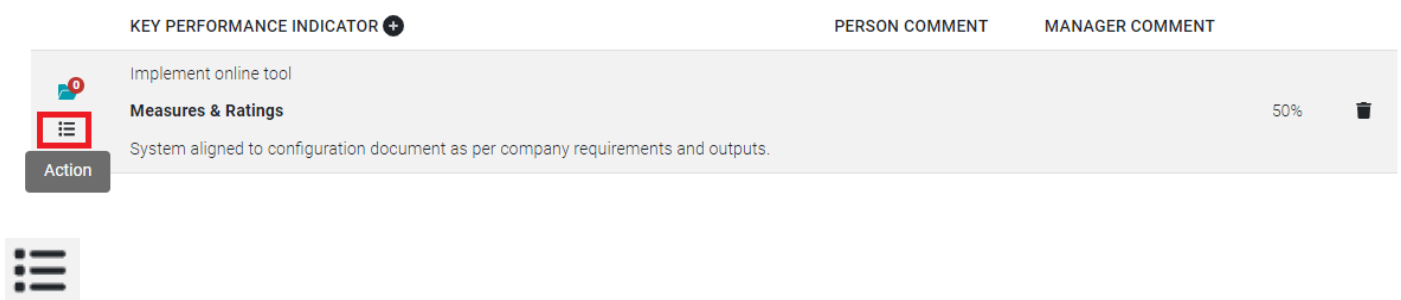
- Click **SAVE**.

Actions on a Key Performance Indicator

Listing a KPI under a KPA usually implies some form of action e.g., "Implement the online tool by...".

To support achieving a KPI, additional activities might be needed e.g., "Procure funds".

These actions can be loaded and linked directly to a KPI record.



- Locate and click the **More (Action Plan)** menu in a KPI's record to open an action plan screen for the KPI.

Performance Management | 2022

Search here...

ML MARLIZE FOURIE (SZ003)

Current Phase: ...
Next Action: ...
Agreement cre...

Ebenhaezer Meyburgh (AD0578)

KEY PERFORMANCE AREAS 70%

STRETCH TARGETS 10%

VALUES & BEHAVIOURS 5%

LEADERSHIP BEHAVIOURS 5%

KEY COMPETENCIES 10%

ACTION PLAN

GENERAL COMMENTS

PERSON COMMENT

BACK TO DASHBOARD SUBMIT OBJECTIVES EDIT SECTION WEIGHTS

Action Plan

What? Implement online tool

What Action is Required
How? Procure funds for change management and training.

How Will this Be Actioned
☒ Is Training Required

What Training is Required? Training for all supervisors, before go live date.

Responsible Person Training Manager

Due Date 29/Jul/2022 08:51 AM

Progress Not yet started

Person Comment

CANCEL SAVE

Note the following about the Action Plan:

The action plan can be created in support of a specific KPI.

In addition, an action plan can be an ad hoc activity in support of or flowing from the Employee's Performance agreement.

The screen contains optional training-related fields if the action plan is training focused.

☒ Is Training Required

What Training is Required? Training for all supervisors, before go live date.


Responsible Person Training Manager

- Click **SAVE** when finished with the action plan.
- On the menu to the left of the screen, click Action Plan to see where the action is listed.

ACTION PLAN

ACTION PLAN

+ ACTION

WHAT?	HOW?	TRAINING REQUIRED	DUE DATE	PROGRESS	PERSON COMMENT	MANAGER COMMENT
 Implement online tool	Procure funds for change management and training.	Training for all supervisors, before go live date.	29 Jul 2022	Not yet started.		

An employee and/or manager can at any time click the action plan and provide comments and a progress update. Use the fields **Progress** and **Person Comment** (or **Manager Comment**).

Suggestions for building a robust Performance Agreement

- Have an up-front discussion with your manager to talk about your goals, how to measure them etc.
- Focus only on the key areas of your job, don't try to cover everything. Five to eight key areas should suffice for most jobs.
- Have relevant documentation at hand e.g., reports to referring to, portfolios of evidence as needed, etc.
- Assume everything you list in your agreement will have to be measured in some way. Make it as practical as possible.
- Use the Comments section to explain your motivations for choosing or omitting certain objectives. In a month or two you may have forgotten what your reasoning was.
- If an objective is only going to become relevant in the next review period (e.g., after 6 months), list it now and get it on your agreement. You can always exclude it when doing the ratings during the review.
- When building a Performance Agreement, also consider the bigger picture of an agreement that could very well be applicable for a number of years to come.
- When doing the KPA and Stretch Target sections, plan your Perspective-KPA-KPIs before loading them into the system. It's easier to move things around in Excel or Word.
- Don't be in a hurry to submit your contract for approval. Sleep on your objectives and review them a couple of times before submitting them.

Recommended further reading:

- [Glossary](#) of terminology and definitions
- [How to Use Performance Management with Success](#)
- [The Employee's Performance Management Dashboard](#)
- [Open an Existing Contract](#)
- [Create a New Contract](#)
- [Functionalities and Layout of the Performance Management Dashboard](#)
- [The Manager's Performance Management Dashboard](#)
- [Overview of The Performance Agreement Screen](#)
- [Set your objectives - Part 1 \(Working with KPAs and KPIs\)](#)
- [Set your objectives - Part 2 \(Working with the other sections\)](#)
- [Perform a Check-in on your Objectives](#)
- [Rate your objectives](#)



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