

Planning Memorandum

Performance Management in the Tasmanian State Service – a focus on quality conversations



Tasmanian
Audit Office

Background

Under Section 23(g) of the *Audit Act 2008*, the Auditor-General may at any time examine 'the performance and exercise of the Employer's functions and powers under the *State Service Act 2000*'. The Tasmanian Audit Office is the only jurisdiction in Australia that undertakes these types of Employer reviews. In other States and Territories, this power vests with the relevant public service commission.

Tasmanian State Service agencies operate within a legislative framework including compliance with the *State Service Act 2000*, *Industrial Relations Act 1984*, the *Anti-Discrimination Act 1998 (Tas)* and other relevant legislation. Employees in professional occupations, such as Allied Health Professionals, Nurses and Teachers, must also meet continuing professional development requirements.

Agencies must also comply with Employment Direction 26 *Managing Performance in the State Service* and *Managing Performance Guidelines for the Tasmanian State Service*.

Review objective

The objective of the review is to evaluate the effectiveness of the performance management framework in the Tasmanian State Service with a specific focus on the effectiveness of performance and development conversations between managers (including supervisors) and employees that form the basis for providing and receiving feedback.

Review criteria

The body of the report will include a section detailing evidence-based key findings identified through the data collection phase of the review.

The findings will be presented in a number of sub-sections against each of the below five criteria, including:

- an overview of the performance management framework and activities in place for each of the agencies in scope
- an analysis of each agency's current performance management against the audit criteria, considering the areas that add value to the employee experience, opportunities to enhance this experience and barriers that exist
- qualitative findings and themes identified, outside of the audit criteria.

The key findings will be proceeded by recommendations for consideration by the Auditor-General and each agency.

The audit criteria against which each agency will be considered are outlined below:

Criteria	Considerations
<p>1. Is there a shared understanding between managers and employees on the purpose of performance and development conversations?</p>	<ul style="list-style-type: none"> • Do managers and employees understand the purpose and underpinning principles of performance management? • Do managers and employees understand what success looks like for themselves, the team and the agency? • What is the balance between assessing values and behaviours as opposed to capabilities when providing and giving feedback? • Do managers and employees share an understanding of what differentiates performance that meets expectations and outstanding performance?
<p>2. Are managers and employees equipped to engage in performance and development conversations?</p>	<ul style="list-style-type: none"> • What learning and development programs and resources are available to support managers and employees in performance and development conversations?
<p>3. Is there shared ownership and accountability for the performance management process?</p>	<ul style="list-style-type: none"> • Is feedback considered and applied by employees to support their development? • Are performance and development conversations tailored to the personal development needs and workplace of the employee? • To what extent are behaviours and achievements recognised and/or rewarded? • Do performance and development conversations result in agreed action that are delivered upon?
<p>4. Do employees and managers engage in quality performance and development conversations?</p>	<ul style="list-style-type: none"> • Do both employees and managers perceive performance and development conversations to be a fair and meaningful process? • Is there an environment of open, two-way communication and ongoing constructive two-way feedback? • Are there mechanisms/processes in place to have conversations about team performance?
<p>5. Are the principles and foundational elements of the broader performance management framework effective?</p>	<ul style="list-style-type: none"> • Does the broader performance management framework drive the desired outcomes? • When and how frequently do performance and development conversations occur? • To what degree is the performance management system flexible to specific and changing needs?

Criteria	Considerations
	<ul style="list-style-type: none"> • How does performance management inform learning and development opportunities? • How are barriers to effective performance management identified, mitigated and monitored?

Review scope

The review scope includes:

- The performance management framework established and activities undertaken to manage performance of teams and individual employees in the selected Government departments and agencies
- Selected Tasmanian State Service agencies in scope:
 - Department of Education
 - Department of Health (previously Department of Health and Human Services prior to 1 July 2018)
 - Department of Communities Tasmania (previously Department of Health and Human Services and Department of Premier and Cabinet [for Communities Sport and Recreation and Silverdome] prior to 1 July 2018)
 - Department of Premier and Cabinet
 - Department of Justice

The review scope excludes:

- The framework established and activities undertaken relating to the ongoing management of underperformance

Review approach

The review will involve three phases:

- Data collection phase, which will involve:
 - conducting a desktop review of performance management and other relevant strategies, policies, processes, tools and templates
 - conducting whole-of-agency surveys to understand current performance management frameworks, with a focus on the quality of performance and development conversations, within each agency on a large scale
 - discussing the current performance management framework, processes and practices, with a focus on the quality of performance and development conversations, with relevant staff through interviews and focus groups
- Understand and review phase, where different analytical techniques will be used to identify themes and insights from the data collected
- Reporting phase, where the themes and insights will be used to draft the final review report and socialised with key stakeholders