



REPUBLIC OF KENYA
EXECUTIVE OFFICE OF THE PRESIDENT
STATE CORPORATIONS ADVISORY COMMITTEE

**PERFORMANCE MANAGEMENT
IN STATE CORPORATIONS**

PERFORMANCE MANAGEMENT IN STATE CORPORATIONS



“An empowered organization is one in which individuals have the knowledge, skills, desire and opportunity to personally succeed in a way that leads to organizational success”

Stephen Covey

This is Performance Management

which is the systematic process by which an agency involves its employees, as individuals and members of a group, in improving organizational effectiveness in the accomplishment of agency mission and goals. (Michael Armstrong)



OBJECTIVE

The ultimate objective is the long term sustainability of the organization.

This can be achieved by:

- Adoption of a holistic economic, social and environmental approach in the management of the organization
- Efficient service delivery to the citizenry
- Aligning resources, systems, structures and employees to strategic objectives of the organization

What is the Role of the Board of Directors in Performance Management



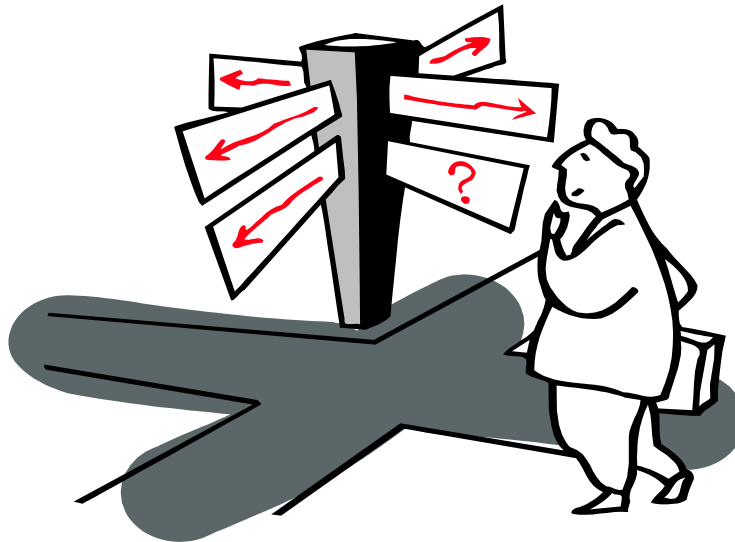
I. To give Strategic Direction

- Need for a clear strategic direction to achieve objectives.
- Development of a strategic plan with a clear vision, mission, strategic objectives and Key Result Areas
- Developing/implementing Performance management tools



...cont.

“If you do not know where you are going, any road will take you there”.





...cont.

2. Carrier of the vision of the organization

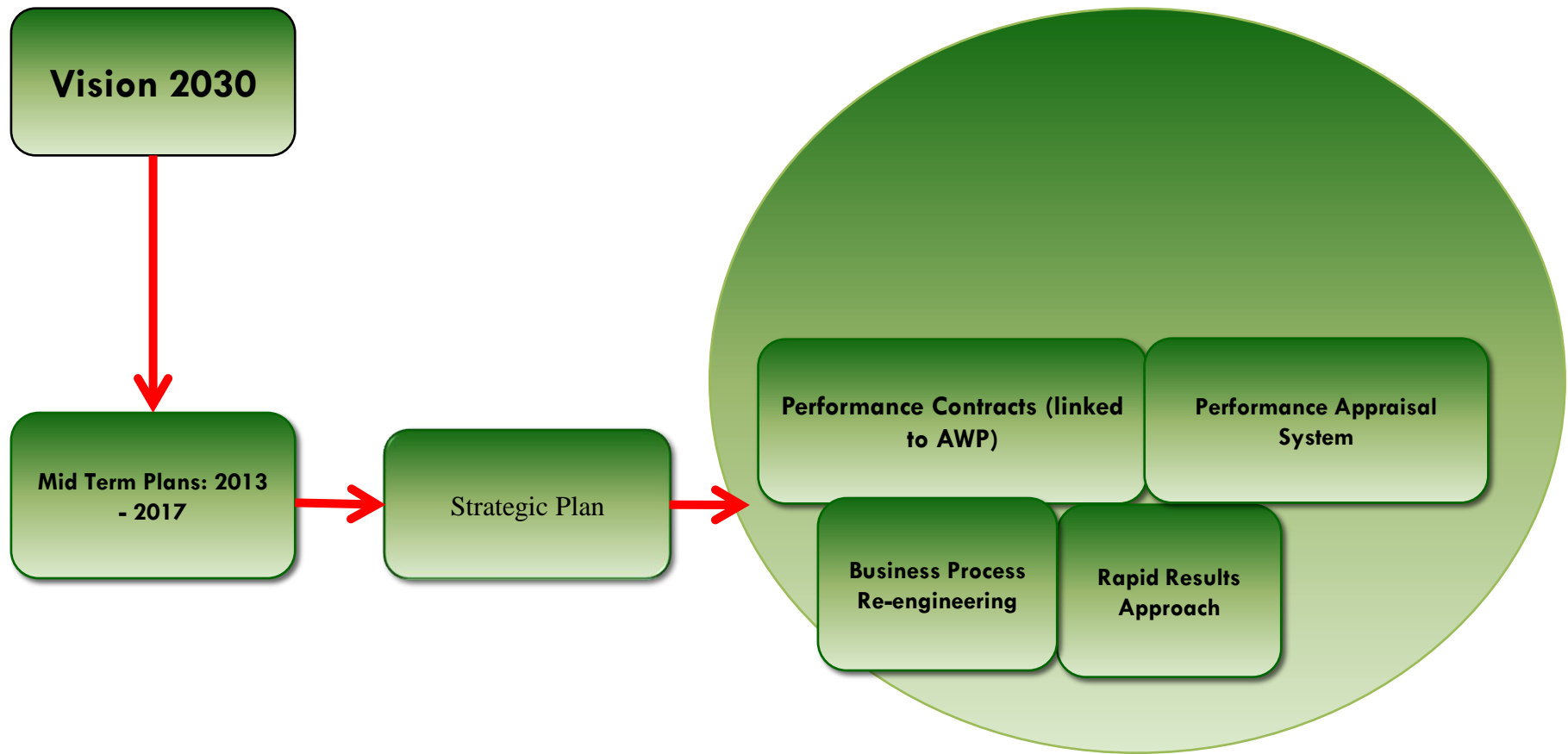
The Vision help to describe the organization's desired future

- Determine the values, employees behavior and inspiration
- It must be linked to the National Vision

As the carrier of the vision the Board must hold Management accountable for results



Performance Management Tools





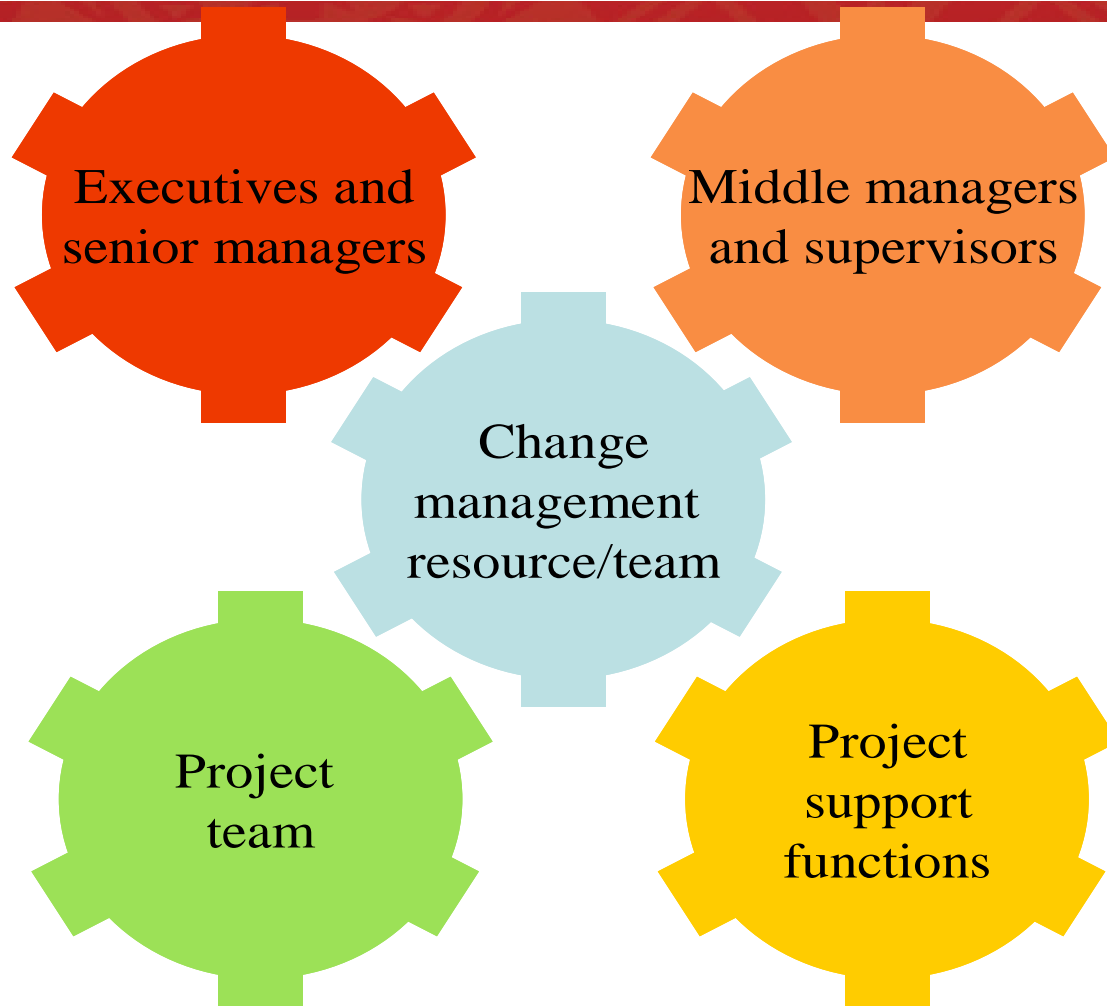
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3.Manage change

- Transitioning of individuals, teams and organizations to a desired future state. (*Wikipedia*)
- Develop a **structured /planned** approach for **smoothly and successfully implementing change** to achieve effectiveness and lasting benefits.



Key Actors in Change Management Process



What are the roles of different actors?

Where is the teamwork?

Where is the synergy?



...Cont.

4. Effective participation and involvement in the management of the Performance Contracting process

This entails:

- Negotiation of the targets with the relevant organs and signing of the PC
- Vetting of the PCs targets
- Deliberating and Submitting the quarterly performance results to the relevant organs

...Cont



Participation in the annual evaluation of PC results (self evaluation and with the external evaluators)

Note:

- The targets must be SMART- Specific, Measureable, Attainable, Realistic, Time-bound.
- Drawn from the Strategic plan, SPS (Sector Performance Standards) and other national priorities



- Cover all the seven criteria:
 - i. Finance and Stewardship for financial sustainability
 - ii. Non-Financial for other National Priorities that do not fall under operations.
 - iii. Service Delivery for efficient service delivery and, Promotion of innovations.
 - iv. Operations for Core Mandate
 - v. Dynamic/ Qualitative for staff development, Knowledge Management, Work environment and staff wellness.
 - vi. Corruption Eradication and Governance.
 - vii. National Cohesion and National Values for promotion the realization of national values and Cohesion



...Cont.

5. Ensuring cascading of the performance Contract Every employee must understand how their daily work contribute to the organization's objectives.

All employees must sign a Performance Contract and /or a Performance Appraisal System.

6. Monitoring and Review

Ensure:

- Regular monitoring & reviews to establish progress or lack of it thereof and mitigate.
- Creation of monitoring teams



...Cont.

- Development and operationalization of monitoring systems
- Establishment of reporting mechanisms

7. Performance Evaluation

- Establish the Extent to which the State Corporation and management have achieved the negotiated performance targets
- Make appropriate decisions based on the evaluation report to create competitive advantage for the State Corporation
- **(Rewards and Sanctions).**



“The greatest leader is not necessarily the one who does the greatest things. He is the one that gets the people to do the greatest things.”

Ronald Reagan



END



THANK YOU