



## SPREP

Secretariat of the  
Pacific Regional  
Environment Programme

PO Box 240, Apia, Samoa  
E: [sprep@sprep.org](mailto:sprep@sprep.org)  
T: +685 21929  
F: +685 20231  
W: [www.sprep.org](http://www.sprep.org)

# Request for Proposal Review of Performance Management System (PMS)

## 1. Background

At the SPREP Meeting in November 2009, the outcomes of the 2009 Triennial Remuneration Review were noted. At its February 2010 meeting, the CROP Executives noted that the CROP Harmonisation Working Group is making substantial progress to giving effect to the recommendations of the 2009 Triennial Remuneration Review recommendations regarding performance management. The CROP Executives also affirmed their commitment to the *CROP Harmonisation and Remuneration - Guiding Principles and Strategies* agreed to in 2004 (attached).

The Secretariat continues to support the work of the CROP Harmonisation Working Group and is fully committed to observing and implementing the attached Guiding Principles and Strategies. Immediate priorities relate to performance management and remuneration (Strategies 'c' and 'd' of the attached) as part of its institutional reform and strengthening processes.

With respect to performance management, the 2009 Triennial Remuneration Review recommended:

- *Reviewing and strengthening the performance management systems across each agency to ensure they link to individual's results within the agencies' overall strategies;*
- *Developing a common performance management platform;*
- *Communicating and filtering business plan objectives through all levels of the organisations: divisions to teams to individuals, and that they are linked to ensure they will enhance the organisation's performance;*
- *Strengthening Job Descriptions and Performance Agreements by including mentoring or staff management Key Performance Indicators;*
- *Considering the adoption of behavioural aspects of performance for inclusion in performance agreements.*

The Secretariat has been using a traditional appraisal system approach over the years where a simple ranking of the employee was done from 'poor' to 'excellent' and the focus placed on past performance and rewards or discipline. This has resulted in subjective assessments over the years based on the evaluator's personal judgement and has generated a high level of concern from staff. There was very little or no link at all to organisational objectives and staff development.

An internal HR Working Group was established to review the Secretariat's performance and remuneration systems and a draft PMS has been submitted to Management. This is an opportunity for an independent consultant to review the Secretariat's current systems and the HR Working Group's recommendations and therefore work with the Secretariat in establishing a PMS that fosters best practice and supports the CROP Harmonisation Guiding



Principles and Strategies. The Secretariat expects the successful Consultant to start on this project as soon as possible and no later than mid-May 2010.

More information about the Secretariat of the Pacific Regional Environment Programme can be found at [www.sprep.org](http://www.sprep.org).

## 2. Purpose

The purpose of this project is to consider international best practice with respect to Performance Management Systems (PMS) and related Remuneration policies and how this might be implemented within the Secretariat. Training for all staff and their managers with respect to performance management and the link to remuneration is to be included in the implementation plan.

## 3. Terms of Reference

The terms of reference for this review are to:

- a. Review the Secretariat's current practice with respect to performance management and related remuneration policies and procedures;
- b. Review the draft PMS recommended by the Secretariat's HR Working Group;
- c. Recommend and develop a PMS and remuneration policy and procedures that meet international best practice and satisfies the CROP Harmonisation and Remuneration Guiding Principles and Strategies;
- d. Design and agree an implementation process for the new system and policy;
- e. Provide training, mentoring and other support necessary for successful implementation of the PMS and related remuneration policy.

## 4. Project Methodology

The Consultant will take the following broad approach in completing the Terms of Reference:

- a. Consult widely with management and staff of the Secretariat;
- b. Study relevant reports including but not necessarily limited to: the existing Performance Appraisal System; the draft PMS documents by the HR Working Group; Related documents by the CROP Harmonisation Working Group and the other participating CROP agencies;
- c. Discuss options with the Secretariat's Management team, HR team, Staff Association and other relevant stakeholders;
- d. Present a draft policy and procedure document (in an agreed format) and prepare a power-point presentation of the key elements of the policy and procedure for management and staff;
- e. Provide assistance and training on the new systems.

### **Timetable**

March 2010	Request for proposal issued
April 2010	Acceptance of proposal notified
May 2010	Start project
July 2010	Project Finished
August-December 2010	Implementation support may be required

## 5. Evaluation Criteria

SPREP will select a preferred Consultant on the basis of SPREP's evaluation of the extent to which the proposal received demonstrate that the Consultant offers the best value for money and has demonstrated excellent knowledge and experience on international best practices on performance management and remuneration issues that support the CROP Harmonisation Principles and Strategies.

## 6. Proposals

This Request for Proposals is asking for:

- a. An outline of the Consultant's approach to the project, proposed PMS methodology and project timeframes;
- b. A summary of the Consultant's competence and experience – must highlight at least 3 projects of a similar nature where the proposed approach and methodology was implemented highlighting key outcomes; must also demonstrate ability to deliver to the timetable (above);
- c. Details of the costs to deliver and implement the proposal.

## 7. Further Information

Requests for further information should be directed via telephone or e-mail to:

Kosi Latu  
Deputy Director  
SPREP

[kosil@sprep.org](mailto:kosil@sprep.org)

Telephone: (685) 66312

or

Simeamativa L. Vaai  
HR & Administration Manager  
SPREP

[simeamativav@sprep.org](mailto:simeamativav@sprep.org)

Telephone: (685) 66236

## 8. Submission of Proposals

Proposals are to be submitted by e-mail with the subject line: “**Proposal: Performance Management System**” to [simeamativav@sprep.org](mailto:simeamativav@sprep.org) by close of business on **Friday 9<sup>th</sup> April, 2010**. It is the responsibility of the consultant to confirm with Simeamativa Vaai by telephone that their proposal has been received, if they do not receive any acknowledgement by email. The successful consultant will be advised within 2 weeks after the closing date.

## **CROP Harmonisation and Remuneration**

### **Guiding Principles and Strategies**

#### **Shared Commitment to and Understanding of Harmonisation Principles**

The Governing Bodies of the CROP agencies reaffirm the usefulness of harmonisation as a means of simplifying their oversight of agencies, providing more robust, joint corporate policy development processes and allowing cost sharing across the agencies. The Governing Bodies recognise that harmonisation can lead to opportunities for on-going integration, increased equity and reduced scope for competition between agencies. Harmonisation in the human resources and remuneration context is defined as alignment of key principles and philosophies and specifically includes salary structure, benefits, review processes and performance management.

2. Harmonisation, to be most effective in practice, should be seen as a flexible guideline for participating agencies rather than a set of rules of implementation that must be rigidly applied. Harmonised positions should be the starting point for all CROP agencies, and wherever possible they should be adhered to. But where harmonisation cannot meet the business needs of agencies, other options may be explored. Each CROP agency will choose its own mode of implementation of the CROP agreed harmonised principles based on its needs resulting from its own particular situation and location. CEOs will report to their Governing Bodies on deviations from CROP common practice.

#### **Remuneration Principles**

3. The Governing Bodies are committed to a remuneration policy that provides for pay for performance related to the reference markets and which is affordable. They agree that the CROP remuneration system adopted by the agencies will be robust, fair, and competitive and allow for the recruitment and retention of talented, skilled and motivated people focused and committed to the vision of the Members and delivery of agency goals. They further agree that the system must be equitable to both the Members and to staff.

4. Each CROP agency's reward and recognition system will have the active support and commitment of staff, management and Members, will be open and transparent, and easy to understand and administer. Furthermore, the systems will be consistently applied, flexible, affordable and related to the market with pay being directly linked to performance.

#### **Implementation Strategies**

5. The guiding strategies the CROP agencies will use to implement the above principles are:
- a. All positions will be sized using a CROP wide job evaluation methodology to determine into which of the broad-banded salary ranges the positions will be placed. Regular independent validation of job descriptions will be undertaken.
  - b. To ensure the salary ranges remain affordable for Members and CROP agencies and equitable to staff, external relativity and competitiveness will be maintained through an

objective and systematic benchmarking process which will annually assess reference markets and recruitment and retention statistics together with consideration of the Members and CROP agencies ability to pay. This assessment will consider the tax exempt status of some of the agencies' staff.

- c. The mid-point of each range will represent the fair level of remuneration for competent performance in any position sized into that range. Therefore:
  - (i) Remuneration on appointment will normally be in the lower half of the salary range. In exceptional circumstances, the CEO has discretion to apply a market allowance as inducement, over and above base salary in order to secure staff with either scarce or highly sought-after skills.
  - (ii) The link between remuneration and performance will be open and transparent; the remuneration of staff who have demonstrated competent performance will be progressed towards the mid-point; only staff who have demonstrated exceptional performance will be progressed beyond the mid-point; and staff whose performance is less than satisfactory will not be progressed.
- d. Bonuses, if used, will be provided in recognition of one-off outstanding achievements. Improvement in competency and performance will otherwise be rewarded through base pay.
- e. As a responsible and good employer, the CROP agencies will provide appropriate terms and conditions including benefits and allowances in addition to take-home pay.