



# Employee Performance Management System

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PO Box 2350 Abu Dhabi, United Arab Emirates

T +971 2 4036000 F +971 2 6266767

PO Box 5002 Dubai, United Arab Emirates

T +971 4 2319000 F +971 4 2959888



[www.fahr.gov.ae](http://www.fahr.gov.ae)

[info@fahr.gov.ae](mailto:info@fahr.gov.ae)

[@FAHR\\_UAE](https://www.instagram.com/FAHR_UAE)

Call Center 600525524

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## Introduction

The Federal Authority for Government Human Resources (FAHR) undertook the responsibility of preparing this Employee Performance Management System (EPMS) based on the modern managerial concepts in accordance with the UAE Federal Decree(11, 2008) of the UAE Federal Government Human Resources law rules and its Executive List which underlined the importance of putting in place a Performance Management System for the human resources of the UAE federal government and its beneficial aspects for both the government and the employees.

The Performance Management is the resulting outcome that the government seeks to achieve through driving its employees to comply with the objectives and methods in place. However, the performance itself is not the main objective but rather the mean through which a goal can be reached, which is the desired “result” or outcome. From this point of view, the performance is considered as the practical application of all the planning phases set by the federal entity. In light of this fact, and in accordance with the previously mentioned federal law, this UAE Federal Government EPMS is designed to accomplish the following:

- Set the performance standards and evaluation criteria for the federal employee’s annual evaluation process.
- Determine the performance level that entitles the UAE federal employees for the annual increments.
- Define the required performance level that entitles the UAE federal employees for promotions.
- Set the grievance and appeal process and procedures for unsatisfactory annual performance results.

The Federal Authority for Government Human Resources undertook this responsibility in accordance with the federal law which requires that FAHR studies and proposes policies and legislations related to the UAE government Human Resources with the main objective of crafting an employee performance management system that would form a basic reference for all ministries and federal entities enabling them to efficiently manage the performance of their employees.

# I- General Framework

## 1- Principles

The UAE Federal Government EPMS is based on the following principles:

- **Strategic alignment:** Fostering a performance-oriented culture where individual employee’s work is cascaded and aligned with the strategic direction of the UAE Federal Government in general and their Federal Government entity in particular.
- **Management by Objectives:** Engaging the employee in planning and setting the objectives which increases his job satisfaction, productivity and commitment, and promotes his feeling that his work is recognized and valued.
- **Continuous feedback:** Encouraging fair, accurate and proactive feedback from line managers in order to develop and enhance the performance of their employees.
- **Integration:** Establishing a clear connection between on-the-job performance and incentives such as annual increase, promotions and training and development opportunities, as the UAE federal entities’ Performance effectiveness measurement is based on achieving its objectives.
- **Fairness and credibility:** Provide a consistent, fair and credible employee performance management system, through setting clear standards, policies and procedures that are in line with UAE Federal Government laws and legislation.

## 2- Scope

This policy applies to all ministries and entities of the UAE Federal Government across all grades and types of employment contracts (including full time and part time employees), with the exception of members of the judiciary sector and servicing job categories, given that their specific Performance Management systems are aligned with the general principles and framework of this EPMS.

The implementation of this system would be according to the following timeframe in Table 1:

Priorities	Year 1	Year 2
Setting Key Performance Objectives / KPIs	Cascade Objectives to all grades in accordance with this EPMS	Cascade Objectives to all grades in accordance with this EPMS
Setting competencies based on Federal competencies framework	Applicable	Applicable
Weighting objectives	Optional	Applicable
Performance related bonus / increments	TBD	TBD

### 3- Objectives

Through this Employee performance management System, the UAE Federal Government seeks to:

- Establish a scientific approach to link performance with reward achievements and outstanding results.
- Improve and increase UAE Federal Government employees' productivity through an annual performance appraisal aligned with the UAE Federal Government objectives
- Reconcile and cascade UAE Federal Government entities' strategic objectives to individual levels.
- Encourage and enhance individual achievements and teamwork spirit.
- Develop and encourage a culture of continuous learning and professional development opportunities.
- Allow UAE Federal Government entities to identify and recognize high performers and potentials that can lead to the governmental excellence.
- Set clear foundation for measurement of real contribution to the achievement of UAE Federal Government entity strategic objectives.

### 4- EPMS Foundation

The purpose of the EPMS structure is to ensure focus on the achievement of the UAE Federal Government corporate objectives. The UAE Federal Government EPMS structure consists of two main parts:

- 1) **Objectives:** represent **WHAT** is expected from the employee to achieve during the year. They will help the employees ensure that they are effectively focusing on the crucial areas of their work. All of the employees' objectives will be linked to their entities' corporate objectives or the Divisions and Departments operational requirements.
- 2) **Competencies:** look at the manner or the tools in **HOW** an employee achieves his/her objectives. The Behavioral Competency Framework structure consists of two distinct competency clusters (3 Leadership and 6 Core competencies) that are developed according to the UAE Federal Government strategic priorities, values and code of ethics and professional conduct, as shown in the table below:

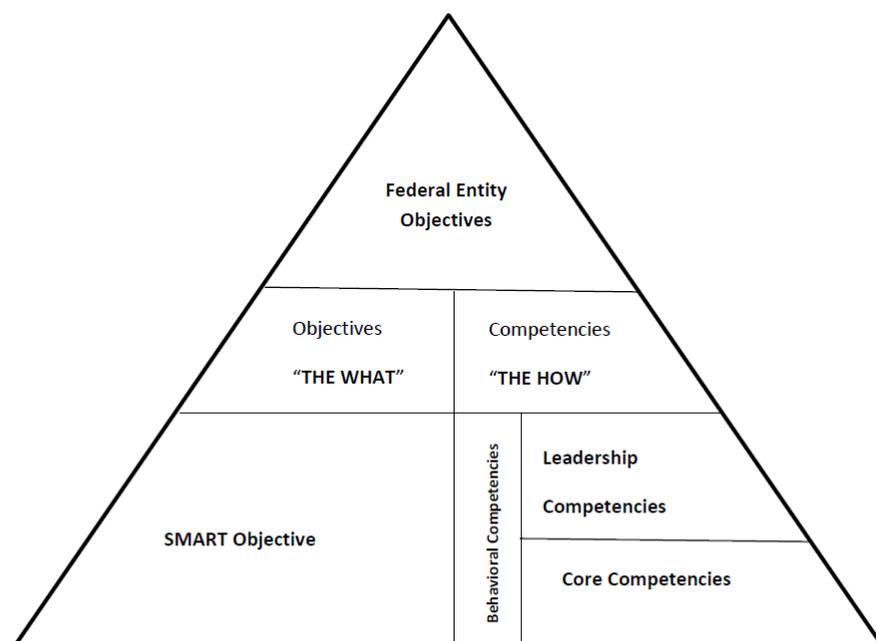
**Table 2: Leadership and Core Competencies**

<b>Leadership Competencies</b>	<b>Strategic Thinking</b>	The ability to create and articulate a clear vision for the future and link strategic objectives to work priorities. This includes taking a long-term view of the federal entity’s priorities, building and communicating a shared vision with others, generating an excitement towards this vision and inspiring others to achieve the federal entity’s strategic goals.
	<b>Empowerment &amp; Talent management (People Management)</b>	The ability to engage and empower individuals and teams and endow them with the necessary authority to accomplish their duties. This includes coaching, supporting, and developing people and providing a work environment that encourages them to reach the highest individual performance levels, and preparing future leaders to ensure the federal entity’s sustainable growth
	<b>Driving Change</b>	The ability to motivate individuals and groups toward the need for change. This includes constructively challenging the way things are done and leading change initiatives in a manner that is consistent with the vision and the strategic objectives of the federal entity.
<b>Core Competencies</b>	<b>Communication/ Interpersonal skills</b>	The ability to listen, explain, persuade and influence others by expressing thoughts and views concisely, effectively and appropriately in a range of different settings. It includes the ability to express and convey ideas and information, both orally and in writing, in a way that brings a common understanding among the target audience.
	<b>Teamwork</b>	The ability to work cooperatively and effectively with others to achieve common goals. This includes building and maintaining positive relationships both within and outside the work unit, regardless of the cultural background, while respecting the differences in points of view.
	<b>Results Orientation</b>	The ability to set and accomplish challenging strategic goals, maintain focus, effectiveness and excellence in achieving results that are consistent with the entity’s objectives. This includes the ability to deal with work challenges and obstacles and recover from setbacks, utilising the level of support available.
	<b>Efficient Resource Management</b>	The ability to leverage the federal entity’s resources effectively and work towards standards of excellence in achieving organisational goals and strategies. This

		includes encouraging collaboration and motivating employees to perform according to the required excellence standards.
	<b>Accountability</b>	The ability to actively accept the responsibility for their job obligations, own decisions, and actions and effectively solve the problems. It also includes encouraging the direct reports to achieve the goals with integrity and be answerable for the resulting consequences.
	<b>Customer Focus</b>	The ability to display concern for meeting internal and external customers' needs in a professional and courteous manner. This includes the willingness to give priority to customers and deliver high quality services that meet their needs within the available resources.

FAHR issued the detailed Behavioural Competency Framework is the reference that helps identifying the behavioural competencies and proficiency levels determined for each competency and grade.

**Graph 1: EPMS Foundation**



## 5- Definitions

In the implementation of the EPMS, unless the context requires a different interpretation, the terms used have the following definitions:

- **UAE State**: United Arab Emirates State
- **The Government**: UAE Government
- **The Cabinet**: UAE Cabinet
- **Ministry**: Any UAE Ministry established under the stipulations of the Federal Law (1, 1972), which sets the scope of the ministries and the ministers' jurisdictions, and the related laws.
- **Federal Entity**: Any federal authority or federal public organization.
- **FAHR**: The Federal Authority for Government Human Resources
- **The Law**: The Federal Decree of the UAE Federal Government Human Resources law (11, 2008).
- **Implementing bylaw**: The Executive list of the Federal Decree of the UAE Federal Government Human Resources law (11, 2008) and the UAE Cabinet decision nb. (13, 2010).
- **The Employee**: Individual employed in budgeted positions by any UAE Federal entity and who is subject to EPMS.
- **Annual performance review**: This is a process which evaluates an individual's performance against objectives/ KPI's set jointly with his/her line manager for the period being assessed. These objectives will be set at the beginning of the review period, and updated during the performance period if major changes in responsibilities or roles occur.
- **Behavioural competency framework**: An inventory of anticipated skills, knowledge and behaviours expected to be demonstrated across all Federal Government employees. It describes competencies in behavioural terms, using indicators to help recognise the competencies when individually demonstrated.
- **Complaints and grievances**: **Grievance and appeal form**: A form an employee can use to appeal the result of the Annual Performance Review. ( Only if the result falls under the category: "Improvement needed")
- **Individual Development Plan**: is an individually-tailored action plan to develop specific competencies (knowledge, skills and behavioural core or leadership competencies), needed to improve employees' performance in present position or to prepare them for new responsibilities.
- **Key Performance Indicators**: are quantifiable measurements that are agreed upon between the line manager and employee at the beginning of the year. At the end of the performance management cycle, the KPI's will help in measuring employee progress toward individual objectives.
- **Line Manager**: The individual who plans and reviews the performance of an employee.

- **Interim Review:** A required meeting between the line manager and employee for the purpose of going over the responsibilities and behaviors so that the employee knows where they stand before the end of the evaluation period which helps him improve his performance. This meeting should be documented and signed by both the employee and his line manager.
- **Ongoing coaching and feedback:** A preventive control through continuous review between the line manager and the employee to enhance underperformance or to support him in achieving the previously set goals according to the duties and responsibilities identified in the annual performance planning form.
- **Annual performance planning form:** It is an approved form that identifies a work plan that sets the objectives and the indicators as well as the weighing of each objective and the tools to measure the accomplishments, the responsibilities for each objective.
- **Weighting of objectives:** present the relative importance of one objective against another objective over the next twelve months.
- **Performance improvement plan:** is a 6 months improvement plan, which is developed for those employees who have received a rating of “Improvement Needed”.
- **The moderation committee:** a committee established in each federal entity with the main purpose of reviewing performance rating across departments and ensuring fair assessment and equity of the Annual Performance Review (refer to Chapter IV of the EPMS).
- **Servicing jobs:** present jobs that are relevant to public facility in the federal entity including office boys

## II- Key Roles and Responsibilities

Given the comprehensive characteristics of the EPMS in terms of its application, which requires setting the responsibilities for a proper and effective implementation by all the federal government's entities, it is deemed necessary to distribute the tasks and responsibilities among stakeholders as follows:

### 1- Federal Authority for Government Human Resources (FAHR)

Key responsibilities include:

- Developing federal employee performance management mechanisms, processes, policies, and procedures and provide best practices' supporting tools;
- Developing the Federal Government Behavioural Competency Framework applicable across the UAE Federal Government's entities;
- Ensuring federal entities compliance with the EPMS guiding principles
- Providing support and consultation to the UAE Federal Government entities during implementation phase;
- Collecting annual reports on employee performance management system effectiveness.
- Developing a plan for the implementation of the EPMS, and its future revisions.

### 2- UAE Federal Government Ministers

Key responsibilities include:

- Acting as a sponsor and accountable for EPMS implementation;
- Providing the resources necessary for the EPMS overall implementation in their receptive UAE federal entity/entities.
- Supervising the EPMS overall implementation in the relevant UAE federal entity.
- Directly guiding the concerned parties within the ministry to reinforce their interest in prompting the EPMS implementation in accordance with its relevant rules and regulations.
- Requesting that the annual statistical reports of the Employees Performance Review should be duly handed to FAHR.

### 3- UAE Federal Government Undersecretaries and Director Generals

Key responsibilities include:

- Enforcing EPMS policy, processes and procedures and ensuring effective communication to directors and employees inside the ministry or federal entity;

- Supporting the effective implementation of the moderation process in their departments sectors employee performance management processes by providing the effective resources and channels for implementing them;
- Holding accountability for communicating EPMS implementation reports to FAHR.

#### **4- UAE Federal Government Human Resource (HR) Departments**

Key responsibilities include:

- Managing and owning the employee performance management system, related policies & procedures manual, forms and the behavioural competencies framework.
- Taking a leading role and proactively getting involved during all EPMS implementation phases to ensure accurate and effective execution;
- Providing advice and guidance to line managers during the implementation of the EPMS;
- Facilitating and/or conducting training and awareness workshops and sessions about the EPMS to line managers and employees;
- Liaising with FAHR and clarifying any implementation obstacles that may hinder the effective EPMS implementation or any related issues;
- Providing annual aggregate performance reports to FAHR.
- Ensuring that all federal entities' departments and sectors are fully committed to the timeframe set for EPMS Cycle.

#### **5- Line managers**

Key responsibilities include:

The line managers of each federal entity are responsible for the effective and timely implementation of EPMS within their respective department through:

- Maintaining a clear and comprehensive understanding of the EPMS amongst their direct reports;
- Discussing and agreeing on objectives, behavioural competency profiles and individual development plans (IDP's) with his/her direct reports;
- Overseeing and managing the performance development of the direct reports through the continuous and interim reviews.
- Discussing and agreeing on the performance planning and annual performance form;
- Providing individuals and teams with ongoing feedback on their performance and measuring individual performance of employees;
- Preparing ahead for the interim reviews and keeping it documented.

- Taking all the necessary measures and procedures for the final annual performance review.
- Assessing direct reports objectively and recognizing his/her achieved goals.
- Complying with the timeframe set for the EPMS cycle.

## **6- Employees**

Employees play an active role in the EPMS implementation through:

- Proposing and agreeing on the objectives and competencies, as well as their weighting with the line manager;
- Requesting feedback from line manager, initiating dialogue, and agreeing and implementing action plans;
- Proactively working on completion of the IDP;
- Implementing the performance plans agreed upon in accordance with the Annual Performance Form fully, accurately and honestly;
- Asking constantly for the Line manager's ongoing coaching and feedback.

## III- Employee Performance Management System Cycle

This chapter analyses the content of the EPMS and its phases, how to align the federal entity's strategic goals with the employee's individual objectives, and how to develop an Annual Performance Form and conduct the interim and the annual performance reviews, as well as the role of the moderation committee and its functions. This section also features the complaints and grievance process, and the correlation between the results of the annual performance review and promotions, performance related pay and annual increments.

The Procedures Appendix (A), which is an integral part of the EPMS, reveals every step that should be followed by the different stakeholders in implementing this System.

### 1- EPMS framework

The UAE Federal Government EPMS framework is a 3-phase cycle:

#### 1.1 Performance Planning

The Performance planning phase of the UAE Federal Government EPMS framework is determined based on two main inputs:

- Each federal entity's strategic and operational plans;
- The UAE Federal Government Behavioural Competency framework.

The performance planning phase starts during the month of January – February of each year, in which the line manager and his employee agree on a set of objectives/KPIs, determine the desired level of behavioural competency that the employee should achieve by the end of the year, and document it in the **annual performance form** in accordance with the employee's grade which should be signed by both the employee and his/her line manager at this stage.

#### 1.2 Interim Review

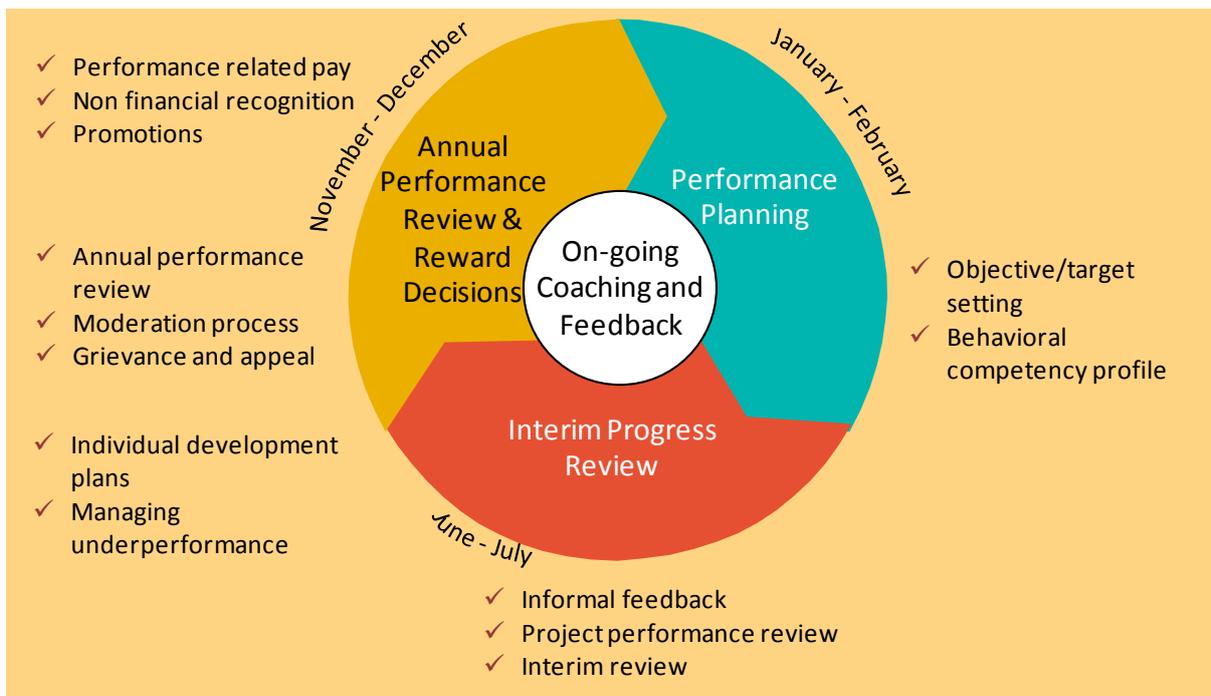
The interim review phase is conducted during the month of June-July between the line manager and his/her employee in order to review the progress towards meeting the objectives set in the annual performance form, support and enhance the performance strengths and identify its weaknesses, provide corrective measures when needed, and give the work process the proper directions towards accomplishing the desired objectives and results that are expected to be achieved by the event of the annual performance review, in accordance with the employee's grade.

### 1.3 Annual Performance Review

This annual performance review is the last phase of the EPMS Cycle. It starts during the last two months of the year November – December, in which the employee’s performance undergoes the final review and appraisal in accordance with the standards clearly established in this EPMS and the employee’s grade.

It is worth a mention that, these three phases above mentioned are interspersed by the Ongoing Coaching and Feedback which is necessary for guiding, directing and controlling the completion of the goals in accordance with the Annual Performance Form. The constant feedback aims at correcting any weak aspect in performance, reinforcing the performance strengths and motivating the employee towards achieving the expected objectives.

**This graph shows the correlation between these phases and the EPMS Cycle constituents:**



## 1- Phase 1: Performance Planning

Prior to setting the objectives in the Annual Performance Form in accordance with the above mentioned **Form 1a** and **Form1b**, the federal entities are requested to undertake an objective cascading and setting process as shown below:

### A- Objective Cascading

The objective cascading meeting aims at establishing a clear alignment between the strategic goals on one hand and the Performance management on the other, as this process starts from the top of the managerial pyramid and continues down the management chain, through all the levels, where all managers adapt and repeat the process with their respective reports as follows:

**First:** The Undersecretary meets with the Assistant Undersecretaries (reporting to him) and reviews the organizational objectives of the strategic plan already implemented by every federal entity in order to align these goals with the following roles and responsibilities of their respective employees which will be issued by the Employees Performance Management, and their strategic plan.

**Second:** The Assistant undersecretary in each federal entity meets with the Directors Departments Heads reporting to him according to the organizational structure and notifies them of the strategic plan and the determined KPIs and agrees with them on their individual annual plan that should be aligned with the strategic plan.

**Third:** The Departments Heads repeat this same process by meeting with their direct reports Unit heads managers(heads of the organizational units and departments, team leaders, or supervisors), notify them of the strategic plan and the determined KPIs, and agree with them on their individual annual plan.

**Fourth:** Consecutively, each line manager meets with his direct reports and agrees with them on their individual plans in alignment with their key roles and responsibilities.

### B- Preparing the Annual Performance Form

The annual performance plan is prepared by following these steps:

**1- Objective setting:** in order to prepare the Annual Performance Form, the line manager and employee should meet at the beginning of the year and agree on the objectives and competencies that the employee is expected to achieve by the end of the year, given that these objectives are aligned with the **S.M.A.R.T.** objectives, which means they should be:

- **Specific** – the objectives do not bear any ambiguity, they clearly determine what is supposed to be achieved.
- **Measurable** - there should be clear and transparent measures of the objectives.
- **Attainable** - the target should be feasible, actionable, and reflect the government’s ambitions for improved standards of the federal services. It must be achievable.
- **Relevant**: the target should reflect what the UAE Federal Government entity is trying to achieve.
- **Timely**: It should be clear when the target should be delivered by.

During the objective setting meeting, each Federal Government employee will discuss and agree on a number of key objectives conform with his grade in accordance with the number of objectives set in Table 3 below figuring. These objectives should be recorded in the Annual Performance Form which should be signed by both the line manager and the employee:

**Table (3): The number of Objectives for each job grade:**

Job Grades	Number of Objectives
Undersecretary grade till the job grade 6	<b>4 as a minimum</b>
Job grade 7 and below (excluding servicing jobs)	<b>The key job responsibilities</b>

## **2- Objectives Weighting**

During the objective setting meeting, each line manager must assign a weight for every objective. The purpose of the weightings is to:

- Present the relative importance of one objective against the other objectives over the next twelve months.
- Show to employees what the key focus areas are in their work.

If an objective has a higher weighting than any of the other objectives, then the employee will know that this is a key objective which will ensure his success in his/her work.

Line managers should ensure that there is a balance between the objectives in a way that the total of the weightings on the annual performance review form must add up to 100%.

These weights can be modified only before or during the interim review phase, after that they become final.

### 3- Behavioral competency profile

After completing the objective setting and weighting phases, each line manager should determine the behavioural competencies for his direct reports and the level required for each competency based on the Behavioural Competency Framework issued by FAHR. The line manager and his direct reports should comply with the level set for each competency in accordance with the job grade shown in the competencies' map table figuring below. For further information related to the competency levels, please refer to the detailed Behavioural Competency Framework prepared by FAHR.

**Table (4): Competencies Map.**

Job Category	Grade	Proficiency Level (PL)	Core competencies				Leadership competencies				
			Human Capital Group		Results group		Strategic group				
			Teamwork / networking	Communication interpersonal skills	Customer Focus	Results orientation	Resource Mgmt	Accountability	Driving Change	People Management/ empowerment	Strategic view
Leadership roles	Undersecretary /assistant undersecretary	PL7	PL7								
Senior Management Roles	Special A	PL6	PL6								
	Special B	PL6	PL6								
	1	PL5	PL5								
Supervisory Roles	2	PL5	PL5								
	3	PL4	PL4				N/A				
	4	PL4	PL4								
	5	PL3	PL3								
6	PL3	PL3									
Support Roles	7	PL2	PL2				N/A				
	8	PL2	PL2								
	9	PL1	PL1								
	10	PL1	PL1								

## 2- Phase 2: Interim Review

**Interim Review:** All the UAE Federal Government employees are requested to undergo an interim review in accordance with the previously mentioned annual performance review form, through a meeting with their line managers within the framework of the EPMS Cycle. The line managers should consider the interim review as an opportunity to communicate, motivate and provide corrective measures if needed, in order to ensure that the result of the final

Annual Performance review would not constitute a surprise for the employee by the end of the year.

The interim review phase is conducted during the months of June-July between the line manager and his/her employee in order to:

- Review the progress towards meeting the objectives set in the annual performance form, support and enhance the performance strengths and identify its weaknesses and provide corrective measures when needed.
- Revise and elucidate the set of desired behavioural competencies.
- Modify any objective that seems irrational or irrelevant, given that this would not be used to cover any underperformance.
- Identify with employee any obstacles or barriers and agree on immediate actions to resolve them.
- Plan and modify objectives for the remaining 6 months if necessary.
- Review the Objective weighting as a last chance before they're considered final.
- Provide the HR with a copy of the completed Interim Review Form.

### 3- Phase 3: Annual performance review

#### **A- Review Processes:**

The annual performance review is constituted of 2 processes:

#### **1- The Annual Performance Review of Objectives**

The Annual performance review is conducted for each Federal Government employee by the same line manager who was responsible for carrying out the performance planning phase and using the annual performance form agreed upon and signed at the beginning of the EPMS cycle and the interim review.

During the annual performance review meeting, the line manager and the employee discuss the progress on the individual's performance and behaviours, and the achieved objectives. The annual performance review will ensure an overall reviewing of the performance even if the focus would be on the areas that need improvement.

Therefore, the line manager and the employee should jointly agree on the performance rating taking into account the interim review.

Given the importance of this phase, the overall performance rating should be supported by comments and justification, strengths and areas for developments required to bridge the technical and behavioural gaps and overcome any obstacle. This should be recorded in the form 3a or form 3b, in accordance with the job grade.

At the end of the EPMS cycle, the employee’s individual objectives or tasks will be assessed on a 4-point scale as illustrated below:

**Table (5): Objectives and tasks rating scale**

Points	Rating	Objective Level
4	<b>Substantially Exceeds Expectations</b>	<ul style="list-style-type: none"> <li>• Proficiently and effectively achieved the objectives throughout the whole year more than % 100.</li> <li>• Exceeded substantially the standards and ratio for his/her objectives.</li> <li>• Achieved more than the objectives agreed upon in the annual performance form</li> <li>• The achieved objectives had a significant impact on the business in this entity</li> <li>• He/she initiated suggestions that were taken into consideration and implemented in his entity</li> </ul>
3	<b>Exceeds Expectations</b>	<ul style="list-style-type: none"> <li>• Proficiently and effectively achieved his/ her objectives (% 100-80)</li> <li>• Achieved the standards and ratio for his/ her objectives.</li> <li>• The achieved objectives had a positive clear impact on the business in his/her department.</li> <li>• He/she initiated with positive suggestions</li> </ul>
2	<b>Meets Expectations</b>	Employee performance <b>consistently met</b> most of the objectives. The most critical annual objectives were met (% 80-60).
1	<b>Needs Improvement</b>	Employee performance consistently <b>below average</b> performance where standards were not met in most essential areas of responsibility less than %60, and his/her performance needs improvement in order to reach to the required level

## 2- The annual Performance review of behavioral competencies

Like the case for Annual performance review of objectives, the review of competencies is conducted for each Federal Government employee by the same line manager who was responsible for carrying out the performance planning phase using the annual performance form agreed upon and signed. During the annual performance review meeting, the line manager and the employee discuss the progress on the employee's achievement of his goals and roles, based on the Behavioural Competency Framework which is issued by FAHR and considered as an indicator that reflects the extent to which the employee has achieved the indicators determined for each competency and proficiency level. The line manager should refer to the Behavioural Competency Framework in order to clearly understand the content of the competencies as well as their levels, before undertaking the review process. The employee will be also assessed against a 4-point scale for assessment of competencies as illustrated below:

**Table (6): Objectives and tasks rating scale**

Points	Rating	Objective Level
4	<b>Substantially Exceeds Expectations</b>	The employee exhibits all behavioural indicators which meet the required proficiency level for his/her job. (S) he also exhibits all competency which <b>by far exceed the specified level</b> for his/her job and required at the next proficiency level. <ul style="list-style-type: none"> <li>• He/she was not subject to any corrective measures.</li> </ul>
3	<b>Exceeds Expectations</b>	The employee exhibits <b>all behavioural indicators</b> which meet the agreed required proficiency level for his/her job and exhibit some behaviours which <b>exceed the specified level</b> for his/her job in several competency of the next level. <ul style="list-style-type: none"> <li>• He/she was not subject to any corrective measures.</li> </ul>
2	<b>Meets Expectations</b>	The employee generally exhibits <b>most of the behaviours indicators</b> required for his/her current job level. No additional behaviours are demonstrated.
1	<b>Needs Improvement</b>	The employee <b>lacks the majority of the behavioural indicators</b> required for success in his/her job. This may result in significant inefficiencies or issues that negatively impact the work or the team. Improvement is required in most critical behaviours.

With the given importance of the employee's behavioral competencies review, the line manager should constantly monitor the employee's performance and document his observations throughout the whole evaluation year as he deems appropriate. These observations should be in writing and should show the nature and date of the remarks, which enables the line manager to discuss them with the employee in a later phase during the evaluation process as they would consist a tangible evidence of the employee's adherence or non-adherence to the desired behavioral competencies as opposed to the previously agreed upon in the Annual Performance Form.

By the end of the review process, both the line manager and the employee should utilize the review's results as the basis of the **IDP** in accordance with the learning and development policy.

**FAHR** will be issuing a guide that highlights the basic foundations of the competencies measurement and the adequate solutions to remedy the weaknesses revealed by the competency review.

## **B- Performance Rating**

After completing the employee's review- in accordance with the 2 above mentioned processes- the review rating should be signed by the employee. This signature does not show his acceptance of the result, but rather that he has been informed of such. The ratings are calculated as follows:

- **Overall objective score:** is calculated by multiplying the performance rating point by its relevant weight independently. The outcome is added up and the sum of all products is taken.
- **Overall competency score:** is an average of the competency score calculated by adding up each competency score divided by the number of competencies stated at the Annual performance Form.
- **Overall performance rating:** The overall objective and competency scores are multiplied by their relevant weighting as shown in table 7 and the sum of both is the overall performance rating,

**Table (7): the weighting guidelines of the objectives and competencies:**

<b>Job Grades</b>	<b>Objective Weight</b>	<b>Competency Weight</b>
<b>Leadership Roles</b> Undersecretary / DG Assistant Undersecretary / CEO	60%	40%
<b>Special A to Grade 2</b>	50%	50%
<b>Grade 3 and below (excluding the servicing jobs like office boys, drivers, etc...)</b>	40%	60%

It is worth a mention that, after completing the rating calculations, the line manager should submit these ratings to the Department Head for approval as well as to the senior director above the latter in the next level of hierarchy if the ratings fall in the category “Exceeds Expectations” and above, or in the category “Needs Improvement”, for approval prior to their submission to the Moderation Committee.

## IV- Moderation, Complaints and Grievances

### 1- Moderation process

All employees' performance ratings should be moderated within the UAE Federal Government entity to produce fair assessments across departments. The moderation process occurs after the annual performance review meetings are conducted and before communicating the final performance rating to employees.

The purpose of this process is to align the ratings of all employees' performance within the same Federal Government entity.

Each line manager will present the overall performance ratings of his/her direct reports, supported by evidence, and questions will be raised to ensure that the same performance rating guidelines are being applied to all employees.

The moderation process will be conducted by a "moderation committee", which will be established in each federal entity and presided by the Undersecretary or the Director General, having the HR Director and the assistant undersecretaries as members. The main purpose of the moderation committee is to review performance ratings across departments and ensure fair assessment and equity. The outcome of the moderation meetings will be considered the final performance rating of each employee.

The moderation process is facilitated and managed by the HR Director. The line manager takes responsibility for communicating the final performance rating to his/her employees.

The federal entities should distribute the employees' performance rating ensuring they do not exceed the percentages stated according to the guidelines below:

**Table (8): The Distribution of Performance Ratings**

Performance rating	% of employees
Substantially Exceeds Expectations	0 – 5 %
Exceeds Expectations	0 – 10 %
Meets Expectations	80 – 100 %
Needs Improvement	0 – 5 %

The performance distribution percentage varies between the federal entities based on the organizational KPIs and the government rating for the federal entity performance results. The performance distribution guideline is necessary to ensure realistic distribution of performance ratings and to reflect the overall entity's performance.

## 2- Complaints and Grievances

The UAE Federal Decree (11, 2008) of the UAE Federal Government Human Resources law ensures the employee's right for grievance and appeal. Based on this law, an employee who has received a performance rating of "Needs Improvement" can disagree with this overall performance rating, and has the opportunity to appeal this rating by following these guidelines:

- The employee may submit the grievance request to his/her line manager within 5 working of receiving the appraisal results. (Please refer to G&A form 4).
- The Line manager should discuss and try to solve the grievance matter with the employee. If the employee is convinced with the result, the G&A form should be signed by both parties and kept in the records. If they agree on modifying the appraisal rating, the G&A is signed by the employee and the line manager in addition to the Department Head, with the mention of the modification justifications, and is submitted to the HR Director for the necessary further action.
- If a satisfactory settlement is not reached, the employee can submit the G&A form to the next hierarchal level's director within 5 working days. This director has to convey his reply in writing within 10 working days (after discussing this issue with the HR Director).
- Finally, the employee may appeal the senior Director's reply within 5 working days by sending it to the minster, or his representative, who shall respond within a month from receiving the G&A Form. The decision of the minister is considered final.

## V- Performance related rewards and Training & Development Policies

### 1- Annual Increments and Promotions

Based on the outcome of the moderation meeting, the HR Director distributes final employees' performance rating to line managers. Line managers shall communicate the final performance results to their employees.

The UAE Federal Government entity recognizes and commits to reward high/exceptional performers in accordance with the EPMS and as figuring in the table (9). The reward is in form of pays or promotion subject to each Federal Government entities' annual budget and regulations of the UAE Federal Government Law 11, 2008 and its Implementing bylaw.

**Table (9): Performance Related Rewards:**

<b>Overall Performance Rating</b>	<b>Annual Increments</b> <i>(becomes part of the basic salary and paid monthly)</i>	<b>Promotion *</b>
Substantially Exceeds Expectations	as per Implementing bylaw	Eligible for exceptional job promotion or financial Increment
Exceeds Expectations	as per Implementing bylaw	Eligible for normal job promotion or financial Increment
Meets Expectations	as per Implementing bylaw	Eligible for Financial Increment
Improvement Needed	Not eligible	Not eligible

\* Promotions are subject to each Federal Government entity's annual budget and regulations of the UAE Federal Government HR law and its Implementing bylaw.

In accordance with the above mentioned UAE Federal Government Decree 11, 2008, and its Implementing bylaw, the exceptional job promotion of an employee to 2 grades higher should be governed by the following principles:

- a- The job for which the employee is being promoted to should be vacant.
- b- The Job title, objectives and responsibilities are different and higher than those he assumed previously.

c- The employee's performance received the rating "Substantially Exceeds Expectations" for 2 subsequent years.

d- The employee was not subject to any corrective measures, or these latter have been negated in accordance with the article 94 of the UAE Federal Government law 11, 2008,

As for the job promotions, they are governed by the stipulations of the UAE Federal Government Human Resources law and its Implementing bylaw, in addition to the same above mentioned criteria and conditions, with the exception of article (c) as the employee's performance rating should be "Exceeds Expectations" for 1 previous year.

According to the above mentioned table, the increments are directly linked to the Performance appraisal results/ ratings, therefore they differ from one year to another, i.e if the employee's performance "Meets Expectations", he /she may be eligible to an increment based on the following:

- Employees may be eligible for an increment in accordance with the article 31 of the Implementing bylaw of the UAE Federal Law if they receive the following ratings:
  - "Substantially Exceeds Expectations"
  - "Exceeds Expectation"
  - "Meets Expectations"

Employees with a performance that "Substantially Exceeds Expectations" may receive exceptional or job or financial Increment, while employees with performance that "Exceeds Expectations" may be eligible for job or financial Increment, and employee with a performance that "Meets Expectations" for a financial Increment.

- Employees with an "Needs Improvement" rating do not receive any increment or financial rewards, and are requested to communicate with their line managers in order to develop their IDP.
- Employees are eligible for the increment at the beginning of January or the following July, after at least one year from their employment date.

- Employees who resign before or during the Annual Performance Review, or during the reward decision phase are not eligible for any performance related increments, promotions.

## **2- Non-financial Incentives**

Based on the UAE Federal Government Human Resources law, non-financial incentives may be awarded throughout the year to employees who contributed in exceptional achievements.

Federal Government entities may adopt the following schemes for rewarding their employees:

- A certificate of recognition from the Minister during an event of the federal entity.
- Nominating the employee for “Emirates Government Excellence Award”.
- Public appreciation of the employee’s effort in public events
- Declaring him/ her the “employee of the month or year”.
- Offering gifts
- Any other appreciation ways that the entity deems appropriate

## **3- Annual Rewards:**

In coordination with the Ministry of Finance, FAHR suggests an annual reward system which is directly linked to the EPMS, and is issued by a UAE Cabinet decision.

## **4- Individual development plans**

During the annual performance review process, the line manager and the employee identify behavioural and skills-related gaps, which are identified as areas for development.

The areas for development identified in the Annual Performance Form are the basis for developing the IDPs and will be linked to the learning and development policy issued by FAHR.

## VI- Managing Underperformance and General

### 1- Managing Underperformance

Employees who are rated in the category of “Needs Improvement” are considered as low performers and low potentials. The line manager should meet with the employee to discuss reasons for underperformance:

1. A clear performance improvement (PIP) plan should be developed with the employee for a duration of 6 months (refer to Forms), which:
  - reflects an understanding of performance expectations and what is to be achieved over the specified time period (performance improvement milestones).
  - clarifies roles and responsibilities of the employee
  - includes strategies for training and career development
  - includes timeframes for performance improvement
  - reinforces the value and worth of the role being performed.
2. The line manager should monitor the employee’s performance and continue to provide ongoing feedback and coaching.
3. By the end of the coaching and monitoring phase of 6 months, a performance review meeting should be scheduled to review and discuss the employee’s performance. This enables both parties to acknowledge that the issue has been resolved or reinforce existing issues. In case performance has not been improved, a formal written warning will be issued and an additional 6 months of coaching and monitoring is granted. If the employee’s performance is not improved after these 6 months, the line manager might consider more serious actions including:
  - re-assignment to another position that better suits his capabilities.
  - ultimately if the issue cannot be resolved, termination of employment might be considered due to the employee’s performance inadequacy and incompetency, in accordance with the stipulations of Article 101 of the decree law 11, 2008.

## 2- General Instructions:

1. In addition to the above mentioned exception in the EPMS Scope, all jobs that fall under the servicing job categories (Coffee servicing, drivers, etc... ) do not follow this EPMS, thus their respective federal entities should evaluate these categories in the best methods that relate to their type of work.
2. Employees with temporary contracts are given specific responsibilities and objectives that they should follow from the beginning of the contract, along with continuous and interim reviews in accordance with the stipulations of this EPMS, in order to evaluate their performance to determine whether a permanent job contract could be signed with them upon the end of their temporary contract, given that no time elapses between the two contracts. In case the employee will not be appointed permanently, the review and evaluation procedures shall be stopped.
3. Part time employees are also subject to the EPMS, and their performance related pays/increments are calculated in percentages against the number of working hours and their grades.
4. Employees working on specific projects have their annual performance review completed by both their line managers and their project managers.
5. In case the line manager, and for any given reason, is unable to complete the employee's performance management cycle, the individual who takes on the line manager's responsibilities is requested to duly accomplish this task.
6. In case the employee's status changes during the year through a transfer, delegation or secondment, he is required to review his objectives. Furthermore, if the changes are directly related to the core of his responsibilities (for business reasons), he is required to reformulate his objectives accordingly.
7. If the grades or responsibilities of the employees are changed before the elapse of 3 months from the beginning of the evaluation year, their evaluation will be according to their new responsibilities or grade, whereas if these changes occur after the elapse of 3 months from the beginning of the evaluation year, their evaluation will be based on both their previous and their new responsibilities, and their previous line managers should collaborate with their new line managers in preparing their Annual Performance Review, while using the proper forms for the new responsibilities accordingly.
8. Sector specific roles are evaluated and reviewed according to their specific evaluation tools.  
FAHR issues a specific list for the evaluation of the on shift-basis employees, in accordance with this EPMS. **Subject to change**

9. The Appendix A: Competencies Framework is considered an integral part of the EPMS and they are both interpreted together, to which FAHR shall incorporate the changes whenever needed.
10. FAHR may modify or develop new forms whenever needed.

## **The EPMS Appendix**

- **Appendix A: Competencies Framework** for UAE federal government employees
- **Appendix B: Forms**
  - Annual Performance Form
  - Complaints and Grievance Form
  - Individual Development Plan – IDP

## The overall Performance Rating Calculations

Example:

Based on employees' performance results, the following ratings were achieved for each objective and each competency:

Objective	Weighting	Rating	Points	Weighted Calculation
Objective / Responsibilities 1	40%	Substantially Exceeds Expectations	4	4 X 0.40% = 1.6
Objective / Responsibilities 2	20%	Substantially Exceeds Expectations	4	4 X 0.20% = 0.8
Objective / Responsibilities 3	20%	Exceeds Expectations	3	3 X 0.20% = 0.6
Objective / Responsibilities 4	10%	Meet Expectations	2	2 X 0.10% = 0.2
Objective / Responsibilities 5	10%	Meet Expectations	2	2 X 0.10% = 0.2
<b>Overall Objectives Score</b>				<b>3.4</b>
<b>Rating</b>				<b>Exceeds Expectations</b>

Competency	Rating	Points
Competency 1	Exceeds Expectations	3
Competency 2	Exceeds Expectations	3
Competency 3	Meets Expectations	2
Competency 4	Meets Expectations	2
Competency 5	Improvement Needed	1
Competency 6	Improvement Needed	1
Total Points		12
<b>Overall Competency Score</b>		<b>2.2</b>
<b>Rating</b>		<b>Meets Expectations</b>

Based on the above, the objectives score for an employee (grade 5) is a rating of 3, which corresponds to “Exceeds Expectations” and competency score is 2, which corresponds to “Meets Expectations”:

Overall rating of objectives: 3.4X (the objective weight for grade 5 as per table 7) 40% = 1.4

Overall rating of competencies: 2 X (the competency weight for grade 4 as per table 7) 60% = 1.2

Overall Performance Rating: 2.6, which is rounded to 3.

If the overall score has a decimal number as per the above example, then the figure shall be rounded as follows:

Range between 0.1 – 0.49      rounded down (e.g. 2.2 will be 2)

Range between 0.5 – 0.99      rounded up (e.g. 2.8 will be 3)

Based on the decimal ranges identified above, the overall performance rating will rounded to 3, which corresponds to “Exceeds Expectations”.