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**Making a Difference: Designing Human Resource Input for Rural Development – Designing and Implementing a Unique Staff Performance Appraisal and Rewards System**

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**Abstract**

Rural development requires complex and multiple strategies to reverse the exploitation and marginalization of the rural poor. This is so because of the many issues in the rural context, that also makes it difficult for the employees of developmental projects to work on a daily basis. And even in this difficult work condition, sometimes rural development programmes fail because of political patronage, despite all the hard work that the staff may put in. Human resource is a critical resource in any organization which becomes even more important for rural development projects. The idea that Investment in human resources lead to better productivity that translates into better project results including governance, downward accountability, inclusive development and economic development makes it worth the while for leaders everywhere to sit up and take note of their existing HR strategies. Often enough, governments and other development actors don’t place enough emphasis on human resources while planning rural development. Finding the right people, nurturing them and creating an environment to maintain their motivation and retain them is sorely missing in large number of projects. For answers, one may look at a few such organizations that adopted new HR strategies, invested in human resources and got much better results.

While designing human resource strategies of Gemidiriya project were a central plank in order to ensure better results on the ground. All staff beneficiaries from Gemidiriya family. All are bounded by agreed ethics and staff advocate ethical framework to communities. Staffs are obliged by behavior to follow. Performance is assessed by objectively verified agreed targets. Management by objectives and ethics made both mutually reinforcing. Key performance indicators were based on project goals and were developed in consultation with staff members. In order to break hierarchical feedback was taken from peers as well as juniors. This made the decisions of the management less judgmental and took care of the staff’s development. The key performance indicators were identified according to the role they would play or had played in the past. Importantly, to encourage team work, the idea was floated that their own performance grade would be determined on the basis of their juniors’ grades. And colleagues in the team would also give their assessment and that would be incorporated into the grading system. These are unheard of and aren’t practiced in governments, NGOs and many other development agencies. This system of downward accountability and mutual sensitivity and respect has yielded tremendous results in terms of arresting attrition to the minimum. The impact of adopting these innovative HR practices has been evident in huge improvements in the performance of the project.

**Introduction**

The legal status of the Gemidiriya Foundation (GDF) being a ‘not for profit’ company incorporated under the Companies’ Act No. 7 of 2007, had ensured operational flexibility while insulating the project from external influences of political nature. The CEO (Project Director) and the top management of GDF have under the guidance of the BOD been able to exercise operational freedom required for implementing the Community Driven Development (CDD) strategy through which development funds have been channeled directly to Village Organizations (VO) [Peoples’ Companies] established in Gemidiriya villages.

The organization structure of GDF was lean as it had adopted a three tiered structure consisting of the head office with demarcated functional divisions, district offices headed by District Team Leaders responsible for project monitoring and capacity building, and hub (Field Operation Unit) offices comprising of village level capacity building teams led by Chief Facilitators. Each hub office had a team of facilitators specialized in specific subject areas and the teams were involved in capacity building and mentoring of village level leaders who participated voluntarily in managing the affairs of VOs and implementing Village Development Plans (VDPs). At the end of phase 1 of the project, GDF was operating in seven districts covering 1036 villages that were being served by 33 hub offices functioning under the seven district offices.

From the inception the project has adopted a set of guiding principles which had helped in ensuring good governance. These included a unique set of ten “Golden Rules” and five non-negotiable principles that have been specified clearly and applied in the management of Village Organizations in order to ensure accountability and transparency.

Where human resources are concerned the GDF had a youthful professional workforce which is competent and committed. There was also a high degree of female employment at the field level. The fact that GDF has been able to offer comparatively better salaries to professional staff under the provisions of the Management Services Circular No. 33 was found to be an advantage. Though the staff is not entitled to additional benefits such as incentive payments, encashment of un-utilized leave etc, there was evidence of high level of intrinsic motivation and commitment among the staff.

The leadership styles and practices prevailing within GDF were found to be in harmony with the community empowerment-oriented CDD strategy. The majority of the employees have perceived the prevailing leadership styles in GDF to be ‘empowering and consultative’ and ‘teamwork oriented and supportive’. Thus, leadership and organization culture within GDF seem to be favorable towards the future up-scaling operation of the project.

In year 2006 with the scaling up of the project GDF introduced innovative HR systems and practices within the framework of the CDD. Gemidiriya, Performance Improvement and Personal Development Appraisal (PIPDA) was introduced (tested in year 2006 and formally introduced in year 2007) as an objective measure with 360 degrees appraisal system and full conformity to the government rules. This system is comprehensive and spells out all aspects of human resource development which gives feedback to staff members to improve subsequent performance.

The PIPDA is used by the project management to assess staff performance under key results areas in each job category linked with overall objectives, plans and agreed milestones of the project during the period under review and get 360 degree feedback on development of core competence. The PIPDA supports and encourages the project staff to improve individual performance and grow their potentials which is vital to both personal fulfillment and project success.

# **Project Background**

The Government of Sri Lanka received a grant of US$ 51 million from the International Development Association (IDA) of the World Bank to implement the first phase of the Community Development and Livelihood Improvement project. Upon its successful implementation, the Ministry of Nation Building and Estate Infrastructure Development intends to implement the second phase of the project involving an investment of US$ 95 million under “Gamaneguma” flagship rural development program of the government. The project was intended to build prosperous villages with power to communities as intended by the “Mahinda Chinthana” development strategy for rural development in Sri Lanka.

The main objective of this project is to enhance the income and quality of life of the rural communities through improved infrastructure and livelihoods through intra village and inter village connectivity development. The project will adopt community driven development approach to ensure practicing principles of good governance. The project covers the Uva, Southern, Sabaragamuwa and part of North Central and Central provinces.

It was in 1999 that the Community Driven Development (CDD) strategy, which is the modus operandi of the Gemidiriya project, had been tested in the Polonnaruwa district successfully as a pilot project under the Village Self Help Learning Initiatives (VSHLI) and was scaled up as the “Gemidiriya” Community Development and Livelihood Improvement project since 2004. The Gemidiriya Foundation (GDF), which comes under the Ministry of Nation Building and Estate Infrastructure Development, is the institutional mechanism established by the Government for implementing the project.

**Project Structure and the Management**

Gemidiriya project could be aptly defined as a social movement led by the people who are not only beneficiaries but also owners of the development intervention. Thus, it would be appropriate to note that there is no single leader within Gemidiriya as one finds the presence of multiple leaders who operate at different levels and perform different leadership roles that are situational. The leadership role performed by the Project Director (CEO) is one that integrates the multiple leadership roles of those who are involved with the movement at different levels. In performing his leadership role, the CEO envisions, develops and communicates strategies, shares information, and motivates behaviour and acts as a mentor. The institutional infrastructure created under the Gemidiriya Foundation has brought together a highly committed group of people who work towards building the capacity of the community in several areas including project design and management, sub-project implementation and monitoring, resource mobilization and allocation, micro credit management and livelihood development, learning and knowledge sharing

GDF has endeavoured to structure itself on the lines of a functional organization which has also incorporated some elements of a matrix structure at the operational levels. This structure has facilitated implementation of CDD strategy at the village level and enabled achievement of project objectives. The organization structure has been in line with the work ethic and the values GDF wishes to inculcate among the staff. The project implementation structure at GDF is three layered; the National Team, District Team and the Hub Team with professional staff as team members. The National Team is headed by the CEO of the GDF. He is supported by two Additional Project Directors, one Finance Controller and two Managers, nine Senior Program Officers (SPOs), thirteen Project Officers and the two Project Appraisal Teams consisting of around five professionals each. In each of the seven districts, there is a multi-disciplinary team comprising seven Facilitators (in charge of special subject areas) with a Team Leader handling also monitoring and learning. At the Hub level (thirty three Hubs exist) there are seven Facilitators (in charge of special subject areas).

All activities pertaining to human resource management and development, funding of district and hub teams and overall supervision and monitoring of the project came under the purview of the head office. The SPOs who were specialized in subjects related to capacity building of rural communities, operated from the head office and were engaged in providing back stopping support to district and hub offices as well as performance monitoring with regard to their respective subject areas.

There was a total of 346 staff in 2006, across the three layers in GDF which included core management team, Management support staff, Appraisal and Monitoring Team, District Operation Teams, Field (Hub) Operation Team and field support staff.

The **Table 1** shows the growth in scope and associated staff over the first three years –

**Table 1: Composition of GDF Staff during First Three Years (From Year 2004 – 2006)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Staff Category** | **2004** | **2005** | **2006** |
| **Village Organizations**  | **59** | **182** | **535** |
| Core Management Team | 09 | 11 | 16 |
| Management Support Staff | 02 | 18 | 35 |
| Appraisal and Monitoring Team  | 04 | 08 | 08 |
| District Operation Team | 07 | 28 | 37 |
| Field(Hub) Operation Team | 25 | 86 | 206 |
| Field Support Staff | 05 | 15 | 44 |
| **Staffing Strength - Total** | **52** | **166** | **346** |
| *Professional Staff* | *45* | *133* | *267* |
| *Support Staff* | *07* | *33* | *79* |

***Source: Survey Data***

# **Problem Analysis**

In 2006, the project had expanded its reach and from only 59 villages in 2004 and had reached 535 villages in 2006 recording an almost ten-fold increase within the short span. In line with the expansion the staff (professional as well as support staff) recorded a phenomenal growth from 52 personnel in 2004 to 346 on 2006.

As is normal in a high growth scenario, the HR processes and procedures were relaxed and there was no formal way of measuring performance. Thus the reward and appreciation system operated without any objective assessment. Also, no attention was being given to assessing the weaknesses of staff and evolving an environment of helping them overcome their deficiencies through a structured development plan.

In absence of a systematic plan to handle HR issues, the senior staff had to spend a lot of their time on handling staff matter on individual basis rather than by a systematic and structured escalation, evaluation and developmental approach. Any HR issues were taken up only if someone raised an issue, complained, or expressed dissatisfaction. In short, actions were taken only after they reached a triggering point and there was no systematic and pro-active way to handle HR related matters.

Also, fast growth of the project within a short span from 59 villages and 52 personnel in 2004 to 535 villages and 346 personnel by 2006 also complicated matters.

Few fall-outs of the above were –

* Though attrition figures were in control, the staff were beginning to feel dissatisfied as numbers were increasing and there was less time for senior to attend to their complaints
* The fact that there were no salary increases during the period 2004-06, also contributed to dissatisfaction among staff members
* Development for staff had suffered as objective performance review systems were not in place
* The staff members did not have sense of expected outputs/outcomes and key responsibilities, and hence were not aligned with the overall project objectives

The management realized that with rapid growth in size and absence of appraisal and developmental HR systems could result in staff dissatisfaction and in turn lead to attrition of trained and dedicated resources. This timely realization, led to the birth of PIPDA (Performance Improvement and Personal development Appraisal), so as to arrive at a system of appraising performance objectively with a focus to arrive at and implement a developmental plan for the staff

**PIPDA – Key Features and Objectives**

## Salient features

Given the anticipated issues at GDF, it was agreed that the following guidelines should be an integral part of PIPDA’s overall design –

1. HRD should be made as integral part of the performance appraisal
2. The release of individual talents is vital to both personal fulfillments and organization success (HRD should be based on self enlightenment)
3. Line managers should have the final responsibility to train and develop staff under their purview
4. HRD should be carried out to achieve the development objectives of both the individual and the team
5. All staff members must have clearly defined objectives and performance standards
6. The opportunity for training and development should be given to everybody
7. Staff compensation has to be compatible with their contribution
8. Create right environment so that people can perform at the highest level
9. Need to improve and develop each individual's ability should be emphasized
10. Development of young staff members with potential for managerial development is essential

PIPDA, kicked off in the year 2007, was an initiative primarily to design and implement a performance appraisal system that would lead to identification of the training and developmental needs of the staff and serve a basis of arriving at training & development plans for the staff. With a view to align the staff to overall GDF objectives, PIPDA was linked to the HR strategy and policy of GDF. The overall Human Resource Development strategy was defined and the implementation mechanism for rolling out the HR strategy was laid out in the strategic implementation model.

Though Individual performance was primary yardstick for measures, adequate weightage was given to Team performance. This led to change in the thought process of staff in understanding the value of Team work.

The nine core competencies identified for GDF personnel form the backbone of assessment. The performance assessment was done on predefined Key Performance Indicators (KPI), which were in turn linked to overall objectives by defining milestones. For increasing objectivity, a 3600 appraisal was introduced. In addition, goal congruence of individual and organisation’s goals was also incorporated.

The assessment also took into account that assessment on an annual basis would mean the progress of individual is being tracked for a period of one full year depriving both the individual and his superior to evaluate and share feedback during the year. Thus, PIPDA’s design incorporates a midyear review process wherein feedback regarding individual performance is shared and progress on developmental needs also tracked.

## Objectives of the PIPDA

Based on the anticipated problems in view of rapid growth of the project, misaligned priorities, growing dissatisfaction among staff, and urge to manage the project in a professional manner, the objectives of PIPDA were outlined.

The primary objectives were outlined as below –

1. Contribution to Organization
* Align people with project objectives
* Create performance oriented organization culture
* Link individual’s performance to contribution to organization’s objectives
1. Employee satisfaction
* Enable impartial decisions on staff members to reduce grievances
* Devise a system for objective performance appraisal and link it with a reward policy
* Propagate a transparent culture to enable staff discuss job related problems openly
1. Motivation and Development
* Motivate individual through grading and ranking and suitable reward policy
* Identify training and development needs of individuals and harness their full potential

## PIPDA Design and Process

### *HR Strategic Model*

The entire planning for PIPDA is based on the overall HR mission which is guided by the Ten Forced Golden Rules of Gemidiriya. The HR mission, which formed the basic platform on which PIPDA design was built, states –

***HR Strategy:***

**“Gain superior performance by exerting extra efforts through**

**rewards and retaining right caliber of people who are willing to run extra miles to serve**

**rural communities within the atmosphere of integrity, creativity, teamwork, and self-discipline”.**

***HR Policy:***

**“Ensure sustainability of the GEMIDIRIYA by maintaining the highest ethical standards and a community responsibility across a unique culture**

So, every human action is guided by the Ten Force Golden Rules of Gemidiriya”

1. Unity 6. Thrift

2. Self-esteem 7. Transparency

3. Accountability 8. Consensus

4. Trust 9. Equality

5. Realism 10. Sincerely

Following diagram **(Figure 1)** displays the Strategic implementation model followed during implementation.

**Figure 1: HR Strategy Implementation Model**

 Vision & Mission

 (Project Level)

Critical Success Factors –

(Key Performance

Indicators/ KPIs)

Project Implementation Strategy

– Project Cycle

HR Mission

(HR Strategy/Policy)

Individual Performance Plan (Individual/Team Targets

& Core Competence)

Performance Assessment

Used by PIPDA -Gap Analysis

 Performance Improvement Personal Development

 Development Intervention

 Performance Improvement

### *PIPDA Design*

The overall process design is summarized in the diagram **(Figure 2)** below –



### *PIPDA Process*

1. ***Setting Targets Performance targets/Norms:***

After finalizing the KPIs for each role in the organization, targets were set for each position in the organization. Thus, broadly targets were set for each position in the following teams –

1. Core Management /National Team
2. Appraisal and Monitoring Team
3. Management Support Team
4. District Operational Team
5. Field (Hub) Operating Team

The targets included both individual targets for each role as well as team targets for each team.

**b*) Performance assessment:***

This consists of two parts –

* 1. Performance analysis based on actual achieved against set targets
	2. Core competence analysis lists the appraisers of each role – Self, Senior colleague, Junior colleague and Peer appraisers)

***c) Performance analysis:***

The performance analysis takes care of both **Individual** and **Team** target achievement with relative weightage as 40: 60 respectively, highlighting the importance of Team performance in GDF.

- The individual performance consists of

* performance against set individual targets (30 marks)
* value added activities apart from the set targets (10 marks)

- The team performance consists of

* achievement of preset team targets (40 marks).
* web uploading (10 marks)
* internal efficiency (10 marks)

The shortfall of achievement vis-à-vis the targets results in the overall performance gap that takes into account individual and team performance.

***d) Core Competence measurement & analysis:***

The competency analysis involved rating the appraisee of basic core competencies identified for GDF. These core competencies measure the individual on personal and technical traits. The nine areas of competencies are –

1. Honesty and Integrity
2. Teamwork
3. Communication skills
4. Decision making & Judgmental
5. Leadership
6. Initiative & Drive
7. Community orientation
8. Quality of work
9. Job knowledge & skill

Individuals are rated on a 5 point scale (Excellent, Very Satisfactory, Satisfactory, Need improvement, Weak). These ratings are translated into points. The points are then totaled for all appraisers and a final rating of appraisee is arrived at. The appraisers for each appraisee are –

1. Self
2. Senior colleague
3. Junior colleague
4. Peers
5. Reporting Manager/ Final appraiser

The gap analysis (performance and competency) is a major input for the next step – chalking out *Performance improvement plan*and *Personal Development Plan*. The overall rank/grade is determined by taking into account achievements against set targets, achievements beyond set targets, team performance on web-loading and internal efficiency criteria were used for arriving at the overall assessment rank.

***e) Linkage to rewards system:***

The overall rank (A/B/C/D/E) formed the basis of rewards system and increments and salary increases. This brought about a cultural change in the organization and led to increase in overall efficiency, hard work. The performance evaluation helped tremendously in various decision making situations like renewal of contracts, transfers, training & development planning etc.

Under the on the core competencies, evaluation is done on individual’s suitability for present job, his training and development needs. The implementation of personal development plan brought about a congruence of organization’s and individual’s objectives and led to higher levels of motivation and commitment.

### Launch & Steps followed – PIPDA Rollout

PIPDA was first tested in a Hub from Jun 2006 to Dec 2006. The formats with indicators and guidelines were designed for PIPDA. After World Bank concurrence was obtained for implementation in Jan 2007, the awareness programme was started for head office and field teams. During the awareness programme, the KPIs and targets were finalized. Evaluation was carried out after 6 months and new salaries applied based on this evaluation.

Next step was to design the PIPDA operating formats. After validating the operating formats, they were introduced. These formats consisted of 8 parts. Figure 3 highlights the major components of these formats.

**Figure 3: PIPDA Operating Format**

A detailed design of new formats and guidelines, for capturing village level information, was introduced. These new formats linked each role (field position) to agreed KPIs and targets. An internal efficiency measurement checklist was also drawn for district and field level evaluation. After introducing the new formats, a workshop was conducted at Head office after 2 months to discuss and review the KPIs and address issues of objectivity, measurement and evaluation. Based on findings and outputs of the workshop, a modified version of the system was introduced to evaluate efficiency and productivity in field work. Certain score adjustment powers were also given to functional heads to make adjustments of 5 marks from final scores.

The year 2007 assessment was completed in Mar 2008 and actions recommended based on 2007 annual evaluation were implemented. Next step was to finalize individual and team targets for the coming period. And after 3 months a mod-year evaluation was conducted. Based on inputs from this evaluation, the marking structure was revised.

In Jan 2009, the evaluation for the year 2008 was started and a hub grading system was implemented. PIPDA design and implementation was reviewed by the World Bank Team and was recognized as a Best practice in GDF. The World Bank has chosen the PIPDA to be showcased in the "HR Compendium" and uploading on the World Bank Web Site.

## PIPDA Impacting to Project Outcomes

PIPDA rollout started after the year 2006 and expectation was that as a logical consequence, the fruits of benefits should start flowing in after the first cycle. The major tangible benefits were –

1. Better overall staff performance from 60% in 2007 to 70% in 2008
* In 2007 there were only 29(9%) “A” and “B” graders, but this number reached 185(64%) in 2008 and 324 (80%) in 2009.
* In 2007 there were only 2 Field Operation units that were in “A” & “B” category, but this number went up to 22 in the year 2008 and maintained the same status in the year 2009 too.
1. Continuous performance improvement through increased productivity and efficiency - performance on following parameters in 2008
* Funds received by VOs in 2008 – achievement Rs 1426M (85%) Vs Target of Rs 1685M
* FOU cost (Rs 243M) Vs funds received (Rs 1427M) by VOs – a strong IER of 5.9 (15%)
* Productivity of staff recorded at 80% based on Funds disbursement to VOs
* Average fund disbursement per VO was Rs 1.38 M per VO as against a norm of Rs 1.5 M per VO
* Overall average marks on all perspectives (Targeted Vs Achieved, Installment wise, Input Vs Output, Staff productivity, Average per VO) was 80%
1. Recognition of potential
* Created fast tracks for higher fliers ; 41% promoted once and 8% got more than one promotion in phase I
* 49% staff was promoted in last 4 years
1. Higher level of commitment and motivation – reflected in
* staff working long hours
* hardly taking any leave
* self initiatives

The PIPDA was an impact on project outcomes and benefits of the year which led to increase overall staff performance from 60% (year 2007) to 80% (year 2008). Level of overall staff performance in 2009 was recorded as same as 2008 (80%). The project was able to achieve finance targets by 100% in 2008; 98.1% in 2009 and 98.9 in 2010 respectively. **Table 2** shows the progress of component wise fund disbursement of the project as against targets from year 2006 – 2009.

**Table 2: PIPDA impacting project outcomes with the scaling up of its operations**

|  |  |  |  |
| --- | --- | --- | --- |
| **Indicator** | **Year 2007** | **Year 2008** | **Year 2009** |
| Overall Performance | 60% | 80% | 80% |
| A and B graded Performers | 29(9%) | 185(64%) | 384(80%) |
| A and B graded Hubs | 02 | 22 | 22 |
| Fund Disbursement to Village Organizations – Targeted Vs. Achieved  | 60.3% | 100.0% | 98.1% |
| **Expanding of Staff with Scaling up of its Operations**  |
|  | **Year 2007** | **Year 2008** | **Year 2009** |
| Village Organizations  | 865 | 1036 | 1036 |
|  Staffing Strength – Total  | 439 | 490 | 494 |
|  Professional Staff | 335 | 381 | 395 |
|  Support Staff | 104 | 109 | 99 |

At the end of the project (that is Dec 2010) all the targets and triggers set had been achieved and exceeded. Some project highlights and professional recognitions during phase I implementation append below.

***Some project highlights and professional recognitions***

1. ***Recognition as a viable and sustainable Development Intervention***

Won national and international awards for best practices and performance successfully implementing the first phase.

* “People First” Award from the World Bank (2011)
* National HR Excellence Awards 2010 in recognition of exceptional contribution for performance management from IPM Sri Lanka
* Best practice on Supervision and Implementation Support (2010) World Bank
* UNDP included Gemidiriya to the 20 Best Practices on poverty reduction in the Asia Pacific Region (2009)
* 80 development practitioners from 35 countries rated Gemidiriya micro finance system as a role model after a study tour and a international seminar held in Colombo organized by the World Bank (2009)
* Kurupanawela Gemidiriya Village Organization won environment International Environment Day award for best practice from the Ministry of Environment (2009)
* Won Manthon 2008 award for best e-content for development in e-enterprise, New Delhi
1. ***Fund utilization and achievement of targets as per PAD***
* 100% utilization of funds during the first phase
* All the targets set had been achieved and exceeded
1. ***Documentation and Communication***
* A borrowers report and a Implementation Completion report are available
* Two websites are available disclosing information by villages [www.gemidiriya.org](http://www.gemidiriya.org) [www.itshed.org](http://www.itshed.org)
* Commercial web portal is in operation and a community radio is also in operation

1. ***Community Institutions***
* Registered under the Companies Act as empowered economic organizations to deal with private sector for economic development
* Decision was to economically empower communities with decision making saving and investment.
* More than 20,000 women leaders managing more than Rs. 2300 million as the community institution’s savings and investment fund
* More than thousand Village organizations have been federated to realize “Gama Neguma-Village upliftment goals” of the “Mahinda Chinthana” government strategy to raise the status of the federated organizations through capacity building so that urban rural relations are made better to the benefit of the village upliftment
* A cadre of community professionals are engaged to build capacity of the village organizations who are not a burden on government pay-role but remunerated on the performance output based on the satisfaction of the services delivered to the community assessed by the community. The pay 5% of their remuneration to their own mother village organization. Follow seven golden rules and five non negotiable principles which should be exemplary to government cadres. They have been recognized by projects in India and Bangladesh for the services rendered.
1. ***Sustainability and scalability***
* All institutions have been registered under the Companies Act
* Funds Regenerative capacity index is over 50% of 72% of organizations(beginning of 2011) indicating the community organizations are on the right track having regenerated more than 50% of the initial funds received with sustainable savings and investments, educating other communities and having links with second generation institutions and private sector.
* Each district has leading Village Organizations with the status of CDD teaching centers which are visited by other village organizations to learn CDD for practicing.
* Second generation organizations as federations are functional supporting member village organizations and representing them at higher levels to sustain the CDD approach with good governance.
* The principle of subsidiary is well demonstrated where the most efficient lowest level institutions closest to communities are made to undertake tasks and be responsible for implementation

**Lesson Learned**

Though the PIPDA implementation was a major success in propagating GDF’s vision and policies through the objective & transparent assessment of performance and developmental needs of staff, after implementation one realizes that certain improvements can still be made in the process to get even better results.

1. The marking criteria applied made it very difficult to achieve the “A” grade; thus resulted in a lopsided distribution wherein “A” was hard to find. A better innovative method would be to use percentile ranking as grade decider (eg. Top 10% would be considered excellent performers (“A” graders) - revisions have already made to give marks on competence profile since beginning of year 2010.
2. Irrespective of grade obtained, same increments given; this does not go well in laying down a performance based culture in the organisation – since mid-year 2010 this has been rectified.
3. Was difficult to set specific and measureable targets/norms for senior staff at head office; this needs a deeper thinking - key responsibility and accountability matrix with measurable targets were given with the appointment of second phase
4. The training and development plan were based on a short term job assignment in project; this could be incongruent with long term career planning – appointments were based on 2-3 years contract in second phase
5. It was found that senior staff is sometimes not comfortable discussing the negatives/ shortcomings of his subordinates, as it could hamper their relationship in future – this is a still matter
6. The system is not simple and difficult to comprehend by ordinary staff – they are well verse how to improve performance and do not like to stop this system.
7. Openly communication of grades resulted in resistance from poor performers and their non-acceptance of the new system – more resistance came including good performers due to taking actions without communicating their performance results.
8. At times, there was not time for verification of negative feedback. This could be detrimental in the long run – feedback sessions were conducted just after finalizing six monthly performance results.
9. The data involved in calculations, was pretty enormous and its accuracy or correctness had not always been checked due to paucity of time - integrated MIS is not in place to track data
10. It was agreed to incorporate village grading system to the PIPDA since grading results would be more reliable and cannot be manipulated – steps taken to accommodate 30% marks for village grading and another 30% for thematic aspects job holder which covers all thematic areas such as institution, livelihood, and governance/accountability etc.

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