# THE IMPACT OF A PERFORMANCE MANAGEMENT SYSTEM ON SERVICE DELIVERY IN THE CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

**by**

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## DECLARATION

I declare that “The impact of a performance management system on service delivery in the City of Johannesburg Metropolitan Municipality” is my work and that all the resources that I have used or quoted have been identified and acknowledged by means of complete reference.

_____

**Patrick Qena Radebe (student number: 20468083)**

## DEDICATION

I dedicate this thesis to the memory of my late father Isaac Kantoro Radebe, who, even if not learned, would have provided encouragement in the completion of the study. The work is also dedicated to Busisiwe Precious Rosemary Radebe, my daughter, who was born when the study was still being conducted and unknowingly saw, as a newly born, when I wrote the thesis.

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# ABSTRACT

Performance management is a process through which employees' performance is evaluated in order to reward such performance that meets the required standards, and to develop employees who fail to attain the required expectations. The overall organisational performance hinges on the effectiveness with which a performance management system is developed and implemented.

The current study focuses on the extent to which performance management is effectively developed and implemented at the City of Johannesburg Metropolitan Municipality and the correlation that this has with service delivery. To achieve this objective a number of research questions and objectives were posed and formulated in chapter one.

The hypotheses for the study are: a well-designed performance management system with well thought out practices and procedures can improve the delivery of services in the City of Johannesburg; and a well-designed performance management system with well thought out practices and procedures cannot improve the delivery of services in the City of Johannesburg. In order to validate the hypotheses, the structured questionnaires on the performance management system and service delivery were compiled. A questionnaire for employees consisted of close-ended questionnaire statements and open-ended questions. Another questionnaire with only close-ended questionnaire statements was issued to residents to elicit responses on service delivery by the City of Johannesburg.

Frequency analysis, which lends itself to correlation analysis, of employees' responses and residents' feedback was conducted. The correlation analysis between employees' responses to performance management system and residents' responses to service delivery was conducted using the Pearson Correlation.

The findings of the study are:

- Growth and Development Strategy and the Integrated Development Plan (IDP) are not adhered to in the daily operations in the municipality.
- Managers and subordinates set objectives jointly but are, however, not participants in the evaluation of the municipality's performance.
- The employees of the municipality are aware of the existence of the performance management system but it is applied only to more senior officials.
- Employees and managers are not involved in the evaluation of the municipality's performance.
- Training does not capacitate employees to work effectively with the Balanced Scorecard.
- The information technology architecture is not supportive of the implementation of the performance management system.
- Key performance areas were found to lack uniformity in the municipality and therefore created 'silos' in the municipality.
- The key performance indicators are developed without the involvement of the communities, including employees, especially at the lower level of management.
- The critical success factors are understood by employees and are linked to major tasks and job responsibilities.

- Tax and rates accounts are issued in time.
- Tax and rates accounts are inaccurate.
- The municipality does not maintain street lights regularly.
- The municipality does not maintain sewage systems regularly.
- There is no relationship between the performance management system and service delivery.

The recommendations for improving the performance management system were made and the researcher developed an appropriate model of performance that is oriented to effective service delivery.

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# CHAPTER ONE

# ORIENTATION AND PROBLEM STATEMENT

**KEY WORDS:** performance management, performance measurement, performance appraisal, performance management analysis, compensation system, training strategies, human capital development, reward system, Balanced Scorecard, Metropolitan Municipality.

## 1.1 ORIENTATION AND BACKGROUND

In order to comply with the Ordinance of Municipality Systems Act 32 of 2000, the City of Johannesburg Metropolitan Municipality was established as a Category A municipality in the Gauteng Province in 2000. The City of Johannesburg Metropolitan Municipality, hereafter referred to as the City of Johannesburg, consists of seven regions, namely, Diepsloot/Midrand, Northcliff/Randburg, Roodepoort, Greater Soweto, Sandton/Alexandra, Innercity and Ennerdale/Orange Farm, making it geographically a widely scattered metropolitan municipality in South Africa.

According to the current Human Resources Manager of the City of Johannesburg, Elsabeth du Toit (telephone interview, October, 2008), the City of Johannesburg has 15 000 personnel in its employ of which 741 are managers. At the strategic level of management there are 21 managers, 320 middle managers and 400 junior managers. The rest of the personnel are responsible for different, but relevant portfolios in various departments.

The ineffectiveness of service delivery by municipalities has resulted in the application of performance management system to municipalities. The main purpose of introducing the performance management system is to improve service delivery (Mol & Beeres, 2005:533). Municipalities are using performance management systems and the Balanced Scorecard to improve efficiency and effectiveness of service delivery as well as to reinforce accountability. The latter is important since municipalities are held accountable for the utilisation of a municipality's resources and the quality of service delivery they ultimately render (Hegewisch & Larsen, 1996:6; Boland & Fowler, 2000:417; Radnor & McGuire, 2004:245-256; Lawrie, Cobbold & Marshall, 2004:353; Halachmi, 2005:502).

Performance management involves "the processes of planning, reviewing, rewarding and developing performance" (Schneier, Beatty & Baird, 1987:231). In other words, these processes are part of the bigger performance management process, and are expected to be embedded in the human resource management function (Armstrong, 1996:176). Additionally, "performance management is a process that ascertains that employees are aware of the organisation's vision and mission statements which make them comprehend their roles in the organisation, thereby improving the organisation's overall performance" (Edmonstone, 1996:9).

Flowing from the above definition, performance management consists of four key processes, namely, planning, reviewing (also called measurement in other performance management literature), rewarding and developing performance (Amaratunga & Baldry, 2002:217; Brumback, 2003:168). The "planning process involves developing a mission statement and objectives, determining key performance areas, formulating key performance indicators and identifying critical

success factors" (Amaratunga, Baldry & Sarshar, 2001:179-180). Brumback (2003:167) contends that performance measurement, which is another process of a performance management system, enables an organisation to make a proper evaluation of its progress in the attainment of its preset goals. The performance measurement process also ensures the identification of internal strengths and weaknesses that the organisation may have.

In order to implement the performance measurement effectively, organisations may have to utilise the Balanced Scorecard. The Balanced Scorecard is an evaluation technique that is used in measuring performance during the performance appraisal process (Sureshchandar & Leisten, 2005:12; Greiling, 2006: 449). The Balanced Scorecard was developed to evaluate the performance of an organisation as a whole with regard to all essential performance measures and not result in an overemphasis of only one performance measure (Holzer & Kloby, 2005:517).

The Balanced Scorecard perspectives are customer perspective, financial perspective, innovation and learning perspective, and internal perspective:

- Customer perspective: its primary focus is to measure customer satisfaction.
- Financial perspective: its main concern is profitability, solvency and liquidity of entities.
- Innovation and learning perspective: this revolves around the training and development of employees, and the creation of new products and work processes.
- Internal perspective: this measures internal business processes such as conflict management, communication, and decision making that add value to

> the quality of the product or service an organisation produces or renders (Sharif, 2002: 63).

The Balanced Scorecard "corrects the imbalance which has historically characterised the relationship between financial and non-financial performance indicators." It very clearly indicates to management that overemphasis on any one perspective has consequences for one or more of the others. The 'balance', therefore, comes from considering a range of performance indicators as well as incorporating a greater time span (Ingram & McDonnel, 1996: 41).

The balance scorecard is a measurement metric that enables an organisation to increase shareholders' wealth and satisfy customers' needs. To achieve these fundamental aims each employee's performance should be integrated in the overall organisation's strategy. Successful integration of employees' performances to overall organisation's strategy is dependent on setting clear and achievable goals, effective communication, training and development, and linking rewards to performance (Kaplan & Norton, 2006: 7).

After performance measurement has been conducted it is imperative to link performance measures with rewards. Appropriate allocation of rewards based on performance is a pre-condition for the effective implementation of a performance management system. In other words, as earlier mooted, allocation of rewards is an inextricable component of a performance management system (Andersen, Henrksen & Aarseth, 2006:62).

Where performance measures indicate possible weaknesses in employee performance, the focus should be on human capital development. The inclusion of

processes such as reward systems and employee development represent a transition from performance measurement to performance management (Macaulay & Cook, 1994:3; Wilson, 2004: 262; De Waal, 2007: 4).

De Waal and Gerritsen-Medema (2006:26) as well as Ingram and McDonnell (1996:38) argue that "in order to make a performance management system successful, both the structure of the performance management system and the performance-driven behaviour of the organisation need to be of high quality." A method which can be used to assess whether this is the case is the performance management analysis. The performance management analysis looks at both the structural and the behavioural side of performance management. The structural side deals with structure which needs to be implemented in order to use performance management. It usually includes critical success factors and key performance indicators of the Balanced Scorecard (Flapper, Fortuin & Stoop, 1996:27; Greiling, 2005:551).

On the other hand, the behavioural dimension looks at how employees use a performance management system in an organisation. To have an effective performance management system or a performance-driven organisation, the principle is that both dimensions - the structural and behavioural - of the performance management system should be accorded equal worth in the development and implementation of a performance management system (Natale, Libertella & Rothschild, 1995:6; Arora, 2002:240).

In South Africa the government has promulgated the Municipal Systems Act 32 of 2000 to give effect to performance management systems throughout municipalities. According to this Act, municipalities are expected to establish

performance management systems relevant to their unique circumstances (Municipal Systems Act 32 of 2000).

The City of Johannesburg has, accordingly, introduced its own performance system that was implemented in 2003 with the objective of putting the Balanced Scorecard into practice in order to enhance the performance of the City of Johannesburg (City of Johannesburg, 2007:34).

## 1.2 PROBLEM STATEMENT

The main problem researched in this study is that the performance management system has been designed improperly at the City of Johannesburg. Additionally, the existing performance management system is implemented ineffectively (Integrated Development Plan, 2004/2005:314). Both the improper design and ineffective implementation of the performance management system lead to poor service delivery at the City of Johannesburg (Integrated Development Plan, 2004/2005:314).

In addition, the Auditor-General's report (Integrated Development Plan, 2004/2005:314), highlighted a number of problems pertaining to the planning and implementation of the performance management system at the City of Johannesburg in the 2004 and 2005 financial years. The key problems identified by the Auditor-General include:

- A lack of community inputs into the planning process of the performance management system.

- No consultation with communities during the development of the performance management framework.
- The performance targets not built into the performance management system;
- The key performance indicators not clearly specified and in some instances nonexistent.
- A lack of an information technology infrastructure to implement the performance management system.
- The performance management system was applied only to top management.
- Poor reporting mechanisms on performance measures (Integrated Development Plan, 2004/2005:314).

The City of Johannesburg had initiated the Balanced Scorecard during the 2003/ 2004 financial year in order to improve its organisational processes and improve on service delivery (Integrated Development Plan, 2004/2005:314). The Balanced Scorecard is, unfortunately, currently utilized by the City of Johannesburg without due consideration of the critical processes, such as planning, rewarding and human capital development, that should constitute an effective performance management system (Integrated Development Plan, 2004/2005:314).

According to De Waal (2007:73-74) "there are implementation failures which remain unrecorded in organisations where performance management systems are implemented." Put differently, "there is a gap in the literature regarding the implementation of performance management systems and Balanced Scorecards in municipalities" (Manville, 2007:62). An important reason for the low rate of implementation success is the fact that behavioural factors of performance are too

often ignored (Manville, 2007:62), thus having a negative impact on efficient execution of the performance management system.

The performance management system is imperative to review the performance of a municipality and has a positive impact on the delivery of services offered. The City of Johannesburg has, for example, "been reported, *inter alia*, to have made a 65 % reduction (below the target of 75 %) on the reparation of the reported potholes in city streets as a result of the effective implementation of the performance management system and sole use of a Balanced Scorecard" (City of Johannesburg, 2008:3).

This research was conducted to investigate the level of implementation of a performance management system in the City of Johannesburg in order to explore its impact on service delivery.

## 1.3 HYPOTHESES

Aaker, Kumar and Days (2004:52) assert that a hypothesis is a possible answer to a research question. The hypotheses used in this study are as follows:

- The null hypothesis (Ho): A well-designed performance management system with well thought-out practices and procedures ***can*** improve the delivery of services in the City of Johannesburg.

- The alternative hypothesis (Ha): A well-designed performance management system with well thought-out practices and procedures ***cannot*** improve the delivery of services in the City of Johannesburg.

## 1.4 RESEARCH QUESTIONS

In this study the researcher intended to find answers to the following questions:

- What are the principles of performance orientation?
- What is a performance management system?
- What is a Balanced Scorecard and how is it related to a performance management system?
- How are the key performance areas identified at the City of Johannesburg?
- How are the performance indicators and critical success factors identified and performance measured at the City of Johannesburg?
- What steps are taken to correct or reinforce required employee performance or behaviours?
- What recommendations can be suggested to the City of Johannesburg to improve on the implementation of the performance system?
- What will be a better designed performance management system?

## 1.5 RESEARCH OBJECTIVES

The following were the research objectives of the study:

- To identify what performance orientation entails and whether it does exist at the City of Johannesburg.
- Theoretical elaboration of the precepts and practice of a performance management system.

- To illustrate how the Balanced Scorecard, as a performance measurement tool, operates and also to demonstrate how it is related to a performance management system.
- To investigate which key performance areas are identified at the City of Johannesburg.
- To explore which performance indicators and critical success factors are identified.
- To examine the steps that are taken by the City of Johannesburg to correct or reinforce employee performance or behaviours.
- To make recommendations on how to effectively implement the performance management system at the City of Johannesburg.

- To come up with a better designed performance management system for the City of Johannesburg and ways of implementing performance management system effectively in this municipality.

The key contribution of the study to the body of knowledge of public management is, through the attainment of the above research objectives, to generate new knowledge about the design and implementation of a performance management system appropriate to municipalities, an area which has been an exclusive domain of the private sector. In chapter six, the framework for a service-oriented framework will be proposed as a contribution to the body of knowledge of public management.

## 1.6 RESEARCH METHODS

This section of the research proposal focuses on the literature study that was conducted and the empirical research that was used to collect data.

### 1.6.1 Literature study

A literature study on performance management systems was conducted. The reason for conducting a literature study is to "describe theoretical perspectives and previous research findings related to the researcher's problem" (Leedy & Ormrod, 2010:70), which, in this study, is that the performance management system is improperly designed and ineffectively implemented at the City of Johannesburg.

The literature study includes a review of books, journals, government publications and the internet to establish a theoretical background for the study. The sources consulted served as foundation from which the researcher elaborated the key principles and the *modus operandi* of a performance system. The sources have been selected because their authors are established researchers in the field of performance management. The bibliographical details of the sources are found in the Bibliography.

The following internet databases were surfed to glean information on performance management systems, compensation systems and training strategies: Emerald, Sabinet, Nexus, and EBSCO.

### 1.6.2 The empirical research and design

The empirical investigation was conducted at the City of Johannesburg using a questionnaire. The advantage of using a questionnaire in this research is that the survey participants can respond to questions knowing that their responses will be kept anonymous. Keeping responses that are anonymous ensures their truthfulness, which could have been otherwise with personal interviews (Welman & Kruger, 1999:151-152; Leedy & Ormrod, 2010:197).

The "use of structured interviews will allow the researcher to clarify ambiguous answers during the interview process and seek follow-up information. It can also help to fill gaps in feedback obtained through the questionnaire" (Leedy & Ormrod, 2010:196-197). Structured interviews were not used in the study as questionnaire feedback was deemed sufficient and unambiguous.

The quantitative research method was utilized to obtain comprehensive information on the issue of Balanced Scorecard and its implementation at the City of Johannesburg. In a quantitative method, the questionnaire(s) are utilized to receive responses from the target respondents. The responses received through quantitative sources are interpreted and analysed for in-depth understanding related to the area of study.

#### *1.6.2.1 Questionnaire*

A questionnaire is defined as "research in which the researcher poses a series of questions to willing participants; summarises their responses with percentages, frequency counts, or more sophisticated statistical indexes; and then draws

inferences about a particular population from the responses of the sample" (Leedy & Ormrod, 2010:197). Since the opinions of personnel and residents of the City of Johannesburg were obtained in this study, a survey design was followed.

The questionnaire was developed based on information gleaned from the literature review. The design of the questionnaire shall only be formulated after a statistician has been consulted to prescribe the statistical procedure to be followed. To this end, the statistician will also be consulted on a statistical technique for the analysis of data (De Waal & Gerritsen-Medema, 2006: 27).

The questionnaires were utilized to measure the performance orientation of managers in the municipality to assess the existence of a drive for continuous improvement at the City of Johannesburg.

The City of Johannesburg Metropolitan Municipality consists of seven regions. Using probability sampling, 60 respondents were randomly selected from each of the seven regions. This means that a simple random sampling was utilized to draw sample respondents. In this way all of the regions were represented and the total number of respondents (420) was considered as a sufficient sample in order to better alleviate doubts of representation.

Probability sampling requires that the sample should be representative of the population from which it was drawn (Lutabingwa & Auriacombe, 2006: 69). The target population of this research were the residents who are recipients of basic services at City of Johannesburg. The respondents were given a questionnaire containing questions which cover the objectives of the study.

## 1.7 MOTIVATION FOR THE RESEARCH

The motivation for this study lies within the need to:

- evaluate the implementation of a performance management system in the City of Johannesburg Metropolitan Municipality;
- analyze the extent and level of service delivery in the City of Johannesburg Metropolitan Municipality;
- mobilize the community in the City of Johannesburg Metropolitan Municipality and to get them involved and engaged in the improved service delivery;
- investigate and analyze the impact of a performance management system on service delivery in the City of Johannesburg Metropolitan Municipality; and
- contribute through the development of a strategic framework regarding effective performance management for enhanced service delivery in the City of Johannesburg Metropolitan Municipality.

## 1.8 CHAPTER LAYOUT

The following chapters are including in this research:

### Chapter 1: Orientation and problem statement

Included in this chapter is the introduction and background to the study. The problem statement, research questions and research objectives are outlined in this chapter. The research methodology used in the study is also be elaborated on.

**Chapter 2: Theoretical exposition of the concept of performance management**

In this chapter the researcher explores the concept and practice of performance management systems.

**Chapter 3: The use of Balanced Scorecards, compensation systems and training strategies for effective performance management and enhanced service delivery at the City of Johannesburg**

The Balanced Scorecard with its four perspectives, as a measurement tool in the whole performance management process, is explained in this chapter. Furthermore, the behavioural aspects of a performance appraisal, requisite for the implementation of the Balanced Scorecard, are probed. The compensation system and training strategies appropriate for an effective implementation of a performance management system are explored since it is the researcher's view that they can either break or make the effective implementation of a performance management system.

**Chapter 4: Research design and methodology**

Information is provided on the methods to be used to collect data and how the collected data will be analysed to reach conclusions. The sampling method used to obtain units of analysis is also discussed. Specific questionnaire statements are formulated.

**Chapter 5: Analysis and interpretation of data**

Responses from questionnaires are presented in this chapter. This is accompanied by an interpretation of the data presented.

**Chapter 6: Conclusions and recommendations.**

The findings made after the analysis of questionnaires are summarised in this chapter. Conclusions reached from the analysis of the questionnaires are also presented. Recommendations regarding the effective application of the Balanced Scorecard and performance management system in general are outlined. The chapter aimed to conclude with suggestions for further research and indicate possible limitations of the research.

In this chapter the researcher aims to develop the framework of a performance management system for the City of Johannesburg. The researcher explains how a performance management system has to be designed for the municipality, which is different from one used in a private sector organisation. Equally important, the researcher argues that performance management variables at the municipality require the implementation of a performance management system appropriate to the municipality and should not be an imposition, without modification, of private sector principles upon the municipality.

The next chapter comprehensively explores the theoretical understanding of the concept of performance management.

# CHAPTER TWO

# THEORETICAL EXPOSITION OF THE CONCEPT OF PERFORMANCE MANAGEMENT

## 2.1 INTRODUCTION

Performance management is a continuous process aimed at improving the performance of employees and organisation(s) as a whole. The process entails systematic means to implement performance standards as benchmark of improved productivity and efficiency. It is linked with perceived, desired and projected goals and outcomes that can be established to measure performance through a standardized performance management system.

In this context, this chapter seeks to explain the fundamental activities underpinning the performance management process. The performance management framework, as illustrated in Appendix A, is used as the basis to explore the fundamental activities of the performance management process. "By its very nature the performance management framework is current in approach as it explains the latest trends in performance management" (Sole, 2009:13).

In this chapter, the definitions of performance management and performance measurement are offered with the express purpose of showing conceptual differences and not to separate the two processes. An overview of the performance management process is explained in order to highlight key or major components of this process. Subsequently, the fundamental activities of the performance

management process, commencing with the identification of the vision and ending with reporting performance, are critically analysed. The concepts performance management orientation and performance management are elaborated on comprehensively. The model of stakeholder involvement is also explained to illustrate the importance of making all stakeholders inextricably participants in the process. Towards the end of the chapter a synthesis on the importance of performance management is offered.

## 2.2 THE MEANING OF THE CONCEPT: PERFORMANCE MANAGEMENT

In this section, the definitions of both performance management and performance measurement are provided with the objective of indicating the difference between the two inextricable concepts, which are often used interchangeably. In this section, in addition, the definitions of the two concepts are analysed to illustrate their interwoven nature.

### 2.2.1 The definition and analysis of the concept: performance management

Brudan (2010:109) defines performance management as "a discipline that assists in establishing, monitoring and achieving individual and organisational goals." Performance management can also be defined as "the process of defining goals, selecting strategies to achieve those goals, allocating decision rights, and measuring and rewarding performance" (Verbeeten, 2008:430). According to Shane (2010:6) performance management is a systematic effort to improve performance through an ongoing process of establishing desired outcomes, setting

performance standards, then collecting, analysing and reporting on streams of data to improve individual and collective performance.

Amaratunga *et al*. (2001:181) define performance management as the "use of performance management information to effect positive change in organisational culture, systems and processes, by helping to set agreed performance goals, allocating resources, informing managers to either confirm or change current policy or directions to meet those goals and sharing results of performance in pursuing goals." Performance measurement is a "measurement practice that aims at monitoring and maintaining organisational control … ensuring that an organisation pursues strategies that lead to achievement of overall goals and objectives" (Amaratunga & Baldry, 2002:217).

Brudan's definition (2010:109) of performance management purports that performance management is aimed at individuals and organisations. However true this may be, the definition omits teams or groups which are the key components of organisations, without which it would be impossible for these organisations to achieve their goals. In view of the aforementioned statement, Brudan (2010:110) presupposes that the term performance should be used at various levels, namely, individual, team and organisational levels. In other words, individual performance, team performance and organisational performance should all be managed.

Amaratunga *et al.* (2001:182) and Verbeeten (2008:430) concur that "in the process of performance management, performance goals are established and performance, in pursuit of the attainment of the goals, is monitored or measured." Verbeeten (2008:430) adds that "performance management without rewarding satisfactory performance would not be a complete process." However,

Verbeteen's definition falls short of providing direction in respect of unsatisfactory performance. In this light, Amaratunga *et al.* (2001:183) and Bahri, St-Pierre and Sakka (2011:604) contend that "the objective of performance management should be the improvement of individual, team and organisational performance." Even when performance is satisfactory, the contention runs, performance management "should aim to improve the very satisfactory performance." Goedegebuure, Deradts and De Waal, (2011:6) further assert that "performance management should be an ongoing process."

In the final analysis, performance management comprises various activities that include the establishment of organisational goals and relevant objectives, assessing observing evaluation of employee performance, and rewarding employees who attain the preset performance goals and objectives (Tsang, 2007:272).

Monitoring and evaluating performance is the essence of the performance measurement process. By implication, the process of performance measurement is an inextricable sub-process of the performance management. Hence the argument that "performance measurement and performance management should not be used interchangeably" (Hellqvist, 2011:929-930).

## 2.3 AN OVERVIEW OF THE PERFORMANCE MANAGEMENT PROCESS

In order to improve productivity of the organisations, it is imperative to establish vision, mission, objectives and goals. Strategies need to be implemented to achieve these goals, considered as part of the performance management process.

The performance management process encapsulates the process of monitoring actions, known in academic literature as performance measurement. Through the process of performance management, organisations are able to improve their efficiency and effectiveness (Bourne, Franco & Wilkens, 2003:15; Taticchi, Tonelli & Cagnazzo, 2009: 47).

Black and Marshall-Lee (2011:277) add that training is another sub-process of performance management that aims at enhancing the performance of individuals and teams who may be considered to perform below set performance standards. In fact, Amaratunga and Baldry (2002: 218) as well as Meekings, Povey and Neely (2009:13), argue that "performance measurement indicates 'what happened', but performance management probes 'why it happened' and 'what to do about it'." Bourne *et al*. (2003:15) concur that "when organisations make effective use of the results of performance measurement they will be able to make a transition from performance measurement to performance management."

Halachmi (2005:511) and Tsang (2007:273) contend that "the objectives of performance management include motivating employees, helping individuals develop their skills, building a performance culture, determining who should be promoted, and eliminating individuals who are poor performers." The attainment of these objectives will ensure the successful implementation of business strategies. By implication, the aforementioned objectives point in the direction of compensation, which is an inextricable sub-process of performance management (Hegewisch & Larsen, 1996:7). All sub-processes considered, performance management comprises performance measurement, compensation, and includes training and development. Considering the importance of sub-processes such as

*performance measurement*, *compensation*, including *training and development* to performance management, each of them will be expanded upon in chapter three.

A performance management system is established at three hierarchical levels of an organisation, namely: strategic level, operational level and individual or team level. At the strategic level, the performance management system deals with strategic planning - putting things right in a right manner. At the operational level, the system deals with the productivity and efficiency of the people at the departmental levels. At the individual or team level, the system incorporates goals established for individual (personal) efficiency and performance. These goals, at all the three levels, are interrelated as, in the end, performance is measured to determine whether the organisation is productive and efficient as a whole.

Kihn (2010:483) asserts that "performance management is future oriented, customised to reflect particularities of each organisation and based on a causal mode linking inputs and outputs." The implication is that performance management process should depart from the establishment of specific objectives against which the performance of individuals, teams and the whole organisation should be measured.

In summary, this research puts emphasis on the movement from performance measurement to performance management, so as to "abridge the 'knowing-doing' gap, which expresses the difficulty of companies in effectively translating information coming from the measurement of processes into effective tasks" (Taticchi *et al.*, 2009:56).

## 2.4 PERFORMANCE MANAGEMENT PROCESS

In this section the fundamental activities of a performance management process are analysed. Sole's (2009:13) framework of performance management, as illustrated in Appendix A, is used as the basis to explore the performance management process.

### 2.4.1 Identifying the vision

The starting point for developing a performance management system is to identify the vision of an organisation. The strategic plan of an organisation clearly stipulates the vision for achievement of objectives within an established time-frame, as illustrated in Appendix A. The vision statement "of an organisation actually answers the question 'What do we want to become?'" (Ehlers & Lazenby, 2010:69).

### 2.4.2 Identifying the mission statement

The establishment of a vision leads the path to state the mission statement of an organisation that stipulates the outputs of all the departments and units within the organisation to be achieved (see Appendix A).

Mission statements are "popular staple of corporate life, they serve a valuable function for public organisations (including municipalities) by helping shape who they are and what they do" (McEwen, Shoesmith & Allen, 2010:587). Greiling (2006:450) postulates that the external and internal stakeholders of a municipality should be taken account of in the formulation of the objectives. By so doing, a

municipality will be able to understand its reason for existence and will be able to prioritise what should be done. In the "public service the output is measured in terms of quality of service and customer satisfaction, the number of customers served, while input is measured as the time consumed to serve customers" (Parameshwaran, Srinivasan & Punniyamoorthy, 2009: 796).

### 2.4.3 Identification of key results areas/critical dimensions

Macaulay and Cook (1994:4) contend that an identification of key results areas involves an analysis of:

- the reason for the existence of a specific job;
- the primary objective which the incumbent of the job should attain;
- important services that the job incumbent is providing to other employees or departments (see Appendix A)

The above-mentioned key result areas are identified by the supervisors/managers in a department/unit in consultation with their subordinates. This nature of consultation provides clarity regarding the manner in which the key result areas need to be realized within the organisation.

Key results areas separate work into important dimensions or areas critical to the attainment of organisational objectives. The development of critical dimensions helps to arrange work activities to be measured in a logical order. "The key results areas create a conceptual order for the use of performance indicators through which key results areas could be measured" (Adhikari, 2010:309-310).

### 2.4.4 Setting performance objectives

The setting of objectives is accomplished in various departments or units constituting the organisation (see Appendix A). If it should become a challenge to break down goals for lower levels in the organisation, the departments or units will formulate their own objectives that will not be aligned to the overall organisational goals (Natale *et al*., 1995:6-7). This nature of disintegrated goals may lead to a diverse range of performance indicators available within one organisation causing inability to achieve the uniform vision and mission. The uniformity of performance indicators and standard setting of objectives are required for overall performance of the organisation. Macaulay and Cook (1994:4), and Brumback (2003:167-168) moreover advise that "objectives should be SMART to be effective." By implication, objectives should be "**s**pecific, **m**easurable, **a**chievable, **r**elevant and **t**ime-bound" (Mol & Beeres, 2005:534).

It is critical that objectives set are relevant and achievable. Objectives should not be waived when a crisis occurs, nor should managers and subordinates press on regardless of the occurrence of out-of-date objectives. If these issues are not considered the performance management process will be a sham and employees will be demotivated. The consideration of the current change and the anticipated change prescribe a review and modification of objectives in line with the new business requirements and re-prioritisation (Macaulay & Cook, 1994:5).

Brumback (2003:169) suggests that "performance expectations should be intended results written as objectives." In fact, the author advises that the formulation of objectives should be accomplished within the framework **Management-by-**

**Objectives** (MBO). This phenomenon will be explained in detail in the next chapter.

The system requires employees to withhold accountability. In respect of accountability for their own performance, employees enter into a psychological contract with their immediate superiors. In pursuance of the psychological contract, both the employee and the immediate supervisor should negotiate, monitor, evaluate and then re-negotiate the objectives to be attained. The negotiation and re-negotiation of the psychological contract between the employee and the immediate supervisor is essential to avoid the breakdown of employee relations between the two which could have dire consequences for the execution of job responsibilities and attainment of performance objectives (Cheng, Dainty & Moore, 2007:61).

The setting of objectives has a significant impact on motivation and business performance. Hence, setting arbitrary targets should be avoided. The arbitrary targets are normally based on previous year's performance without regard to the changing circumstances inside and outside the organisation (Bourne *et al.*, 2003:19). In the "process of setting objectives external benchmarks should be used as a way of identifying comparative levels of performance. This practice results in the improvement of productivity for manufacturing entities, and improvement of service for non-manufacturing entities" (Cheng *et al.*, 2007:61).

When objectives are set, the relationship between them should be carefully considered. The next section probes the rationale for establishing relationships between objectives.

#### *2.4.4.1 The relationship between objectives*

Once the objectives have been set, their relationship with one another should be established. This is achievable through the creation of diagrams like business models, strategy maps or success maps. "The business models and strategy maps indicate the logic of how the objectives of the organisation interact to deliver overall performance" (Bourne *et al.*, 2003:16).

The improvement of performance management requires that a connection between activities be established in order to realise the overall outcomes of an organisation. This would ensure that units or departments collaborate in the execution of their activities. For the units or departments to execute their activities effectively, adequate resources should be allocated to them (Sudhakar, Farooq & Patnaik, 2011: 197).

### 2.4.5 Developing critical success factors (CSFs)

Critical success factors are defined as "the attributes or characteristics to be measured and include characteristics used to measure output" (Shane, 2010:14) (see Appendix A). The "critical success factors should be integrated to ensure that the performance management system becomes successful" (Review, 2006: 23). Moreover, the success of the performance management is dependent on the relationship between the critical success factors (CSFs) and the key performance indicators (KPIs) (De Waal & Counet, 2009:371).

The PMS should be kept current and functional by aligning it with changing circumstances. The changed circumstances should be reflected in the relevant CSFs and KPIs. The relevant CSFs and KPIs facilitate the monitoring and assessment of the organisation's strategy and employee performance (Andersen *et al.*, 2006: 62-63).

It is imperative to review the performance results on a continuous basis to consider and execute corrective actions. The corrective actions include reinforcement action comprised of processes of *performance measurement*, *training and development* and *compensation* respectively, and are topical issues in the next chapter. The "review, analysis and discussion of performance results" lead to the achievement of targets of an organisation. To attain organisational targets it is imperative to take corrective action in time (Greiling, 2005:552).

### 2.4.6 Formulating key performance indicators (KPIs)

Key performance indicators are "qualitative or quantitative measurements that demonstrate meaningful steps are being taken toward the stated goal" (McEwen *et al.*, 2010:587) (see Appendix B). It is imperative to establish the criteria for each performance dimension with required components leading to the establishment of KPIs. The details of the components are stated in Appendix B. Moreover, the significance of these components is explored.

Flapper *et al.* (1996:32) advise that the "relations between the various KPIs should be checked or clarified." Generally, there are two types of relations: relations between the KPIs used within the context of one function (internal relationship)

and relations between the sets of KPIs defined for different functions (external function).

Manville (2007:164) contends that "KPIs should be selected and agreed upon, based on both internal and external stakeholder requirements. All stakeholders should be used to collect information which forms the basis for generation of a set of KPIs" (De Waal & Coevert, 2007:405).

Indicators need to be "split into lagging KPIs, which report results after the event and leading KPIs which are used to predict a future event" (Fryer, Antony, & Ogden, 2009:484). An example of a leading indicator is an employee satisfaction that can be used to foretell customer satisfaction. In fact, "relying on lagging indicators is not sufficient or effective as this practice fails to analyse performance data in a predictive and dynamic way" (Greiling, 2006:449). In order to achieve the effective implementation of performance management system, KPIs "should be properly designed and clearly defined" (De Waal & Counet, 2009: 370).

In the case that the KPIs are appropriately designed and clearly defined, it should be possible to identify areas which are not performing up to expectations. The reasons behind the poor performance should be investigated. This could subsequently lead to reallocation of resources to an underresourced area, or suggestion of training and development for employees (Soltani, Van der Merwe, & Williams, 2003: 39-40).

KPIs can be developed at strategic, operational, team or individual spheres of an organisation. At the strategic sphere, KPIs are essential for assessing progress in

implementing strategic initiatives and evaluating the effectiveness with which desired outcomes are achieved (Sole, 2009: 5). At the operational sphere KPIs are developed to measure the "internal operating efficiency (input and output measures) and efficacy (service quality and customer indicators) of an organisation" (Halchmi, 2011: 28). At the team or individual sphere, KPIs are "related both to the single employee or team performance." These measures should be utilized to measure the performance of individual employees and units within which they operate. The purpose of performance measurement, through these measures, is to follow up performance measurement with motivation (Chau & Witcher, 2008:180-181). This issue will be probed further in chapter three.

#### *2.4.6.1 The types of KPIs*

According to Fryer *et al.* (2009:481), there are four types of key performance indicators, namely, output, welfare, performance and composite indicators. The output KPIs "have to do with how much is being produced." This type of KPI bears relevance for municipalities if considered in the light of the number of resources (inputs) utilized in relation to services rendered to a specific number of community members (efficiency).

The other type of KPIs are the welfare KPIs "which pertain to the value of service to final recipients of the service" (Ingram & McDonnel, 1996:41). The performance KPIs denote how the services are being produced (Sharif, 2002:63). The composite KPIs are the amalgamation of the output, welfare and performance indicators.

Fryer *et al.* (2009: 481), as well as De Waal and Counet (2009: 370), share the view that too many KPIs in the performance system have adverse effects on performance and quality. The authors suggest that the key performance indicators should be limited to between seven and nine to enhance and sustain motivation of employees.

#### *2.4.6.2 Strategies for generating KPIs*

One of the effective means for generating KPIs is through brainstorming. Brainstorming denotes an "uncensored though structured way of generating KPIs. It is an uncensored approach since each participant writes his or her suggestions on cards" (Flapper *et al.,* 1996: 32). During the "brainstorming session KPIs are defined for the first time or if they existed before they may have to be reviewed. After all participants have defined their sets of KPIs, one common set of KPIs is selected. Hereafter participants discuss about the relative importance of each KPI with the purpose to rank-order KPIs" (Srimai, Radford & Wright, 2011:663-664).

The "importance of brainstorming KPIs is that participants develop a common meaning and understanding of KPIs." Implicit from the foregoing is that data on KPIs should not be hastily collected. By so doing KPIs will not lose their reliability (Krause, 2003:12). To keep the motivation and participation high it is necessary to concentrate on few relevant KPIs. "Reducing the number of KPIs ensures that measurement is accomplished to make performance management effective and not to measure for measurement's sake" (Koufopoulos, Zoumbos, Argyropoulou & Motwani, 2008:342).

The key performance indicators should be developed with due consideration of desired business process rather than the existing organisational structure. Taking account of process and not structure fosters change and alignment of operations with strategy (Krause, 2003:10; Lawrie *et al.*, 2004: 353).

### 2.4.7 Setting the performance standards

After the KPIs are established, the next stage is to set the performance standards. Performance standards "specify the minimum acceptable outcome" for each job (see Appendix A). Performance standards are "the numeric values of a performance metric that must be achieved by a given date and are typically expressed as a degree of excellence or some required level that meets or exceeds predefined specifications" (Shane, 2010:14). The setting of performance standards elicits positive action from employees. Performance standards provide employees with a better understanding of performance expectations and how those expectations are to be measured. In this way, employees develop an insight into the control system that is used (Suipeng-Peng & Khoo, 2001:106).

The performance standards "are baseline data against which individual and team performance will be measured" (Chau & Witcher, 2011:180). An attainment of performance results over the baseline is typically considered as 'good' performance. Macaulay and Cook (1994:4) opine that "key result areas can be made clearer by defining standards or measures for each job which will eventually provide indicators of success."

### 2.4.8 Designing the performance architecture

Performance architecture refers to the software that should be constructed to facilitate the implementation of the performance management system (De Waal & Counet, 2009: 369) (see Appendix A). Using the software, employees are able to find out the causes performance outcomes and intepret data quickly. Employees do not have to depend on trained analysts. The value of software lies in its ability "create performance insights and performance focus" (Meekings *et al.*, 2009:15).

### 2.4.9 Linking performance to the budget

By linking performance to the budget, management can decide where most resources should be allocated and for reaching which performance outcome (see Appendix A) (McEwen *et al.*, 2010:590). This process can be achieved through the adoption of a performance budget approach (PBB) (Sudhakar *et al.*, 2011:188). The linking of performance to the budget also engenders a "sense of accountability by demonstrating that financial resources are scarce, they are not limitless and come with expectations" (Sudhakar *et al.*, 2011:188).

### 2.4.10 Reporting on performance

Reporting on performance is an invaluable step of performance management in the sense that it ensures that effective decisions are made. Where reporting is applied it is likely that processes become transparent and employees become accountable for their practices (see Appendix A). The findings in the performance reports should be clearly explained, whilst reports themselves should be presented on a continuous basis. The performance reports should spell out what employees have

actually achieved in relation to planned performance outcomes (Mackenzie & Hamilton-Smith, 2011:9).

### 2.4.11 Rewarding performance

A good performance comes from motivated staff. This means that a manager should identify the employees' needs and develop specific work mechanisms to gratify those needs while ensuring that an organisation's objectives are also realised. It is important that managers reward individual and team performance (Macaulay & Cook, 1994:5) (see Appendix A). This aspect of rewarding employees for their performance is discussed in chapter three.

A manager who fails to satisfy employee needs should expect poor performance from those employees which will eventually translate into decreased customer satisfaction (Ingram & McDonnel, 1996: 39).

### 2.4.12 Instituting training and development

Cheng *et al.* (2007: 61) describe performance management as "the process of delivering sustained success to the organisation through its employees." The lack of insight into the mechanics of performance management system and skills to work with a performance management system leads to its ineffective implementation (De Waal & Counet, 2009:370).

Natale *et al.* (1995:7) posit that "the individual who is trained in how to use PMS adds value to system implementation and has better levels of quality and motivation" It is suggested that the training should be integrated and incorporated

into the orientation plans for new incumbents. This would not only ensure proper induction and integration of the new employees but also that they would be able to learn good practices of PMS implementation (Adhikari, 2010:308). Bourne *et al*. (2003:19) add that "the development of employees should be in areas such as the use of PMS-related equipment, databases and management process if performance management system should succeed."

There is a need that "cross-evaluation exercises should be introduced to promote the exchange of ideas and learning about the PMS in place." This means that the trainer of department A, for example, will be an evaluator for department B, and the trainer for department B should, in turn, evaluate the performance of department A. (Sui-Pheng & Khoo, 2001:110). This system of evaluation encourages employees in various departments to identify their own problems and develop solutions to those problems. The practice of cross-evaluations and development of solutions to problems ensures continuous improvement in the use of performance management system. The continuous improvement of the use of a performance management system can further be enhanced by holding regular departmental-wide and company-wide meetings which lay the ground for robust discussions on performance management process and performance results (Adhikari, 2010:310).

Moreover, discipline is the key requirement for the successful implementation of a performance management system. In this context discipline means inculcating the performance culture in order that employees should acquire and continue habits that are required for implementing a performance management system effectively. These habits are key for a performance-driven behaviour (Sui-Pheng & Khoo, 2001: 107-108).

## 2.5 PERFORMANACE MANAGEMENT ORIENTATION

The appropriate behaviour and culture change are preconditions for implementing a performance management system effectively. In other words, performance management orientation, as this phenomenon is called, is a precondition for the effective implementation of a performance management system (Walker, 2008:340). The view that behavioural factors are important factors for implementing performance management system is supported by various authors (De Waal & Coevert, 2007: 398; De Waal & Counet, 2009: 371) for the reason that "much focus has been on the results of the implementation of PMS than on the behavioural factors required for the effective implementation of a PMS" (see these factors in Appendix C).

De Waal (2007:518) subsequently developed his work by rearranging the behavioural factors required for the regular use of performance management system into five areas: manager's understanding, manager's attitude, performance management system alignment, performance management system focus, and organisational culture. Elzinga, Albronda & Kluijtmans (2009: 517) extended the list of behavioural factors and reprioritised them (see Appendix D).

## 2.6 PERFORMANCE MANAGEMENT ANALYSIS

According to De Waal and Gerritsen-Medema (2006:26), both the structure of a performance management system and the performance-driven behaviour of an organisation should be incorporated in the performance management system during the design and implementation phases. Making both the structural and behavioural

sides part of the performance management system is key to its effective implementation.

The structural side focuses on the structural components of the performance management system such as critical success factors, key performance indicators, and a Balanced Scorecard. On the one hand, the behavioural side revolves around employees of the organisation and how they use a performance management system (De Waal & Gerritsen-Medema, 2006: 26).

## 2.7 STAKEHOLDER INVOLVEMENT IN THE PERFORMANCE MANAGEMENT PROCESS

Stakeholders should be role players in the development and implementation of a performance management system in municipalities. Important stakeholders are managers, employees, customers and suppliers (Simmons, 2008:469) (see Appendix E).

The stakeholder systems model is relevant for an effective performance management system in municipalities in the sense that the communities have to ascertain that the representatives they elected are held accountable for finances and authority bestowed upon them. Communities should be involved in the evaluation of their representatives to investigate whether their actual performance matches the performance targets. The communities should be provided with information about the performance of employees and the overall performance of municipalities so that elected officials and managers should account for their behaviours. In this regard "information is the impetus for public officials to justify decisions and shape future states. Placing information into the public forum for scrutiny

completes accountability circuit" (Shane, 2010:20). External accountability is important when considering the usage of public funds.

## 2.8 THE VALUE OF PERFORMANCE MANAGEMENT

An effective performance management system could deal with multiple challenges that are encountered by municipalities. If effectively implemented, performance management helps "to cut through red tape; it minimizes waste and adds value to the delivery of services" (Greiling, 2006:449).

The new public management (NPM) philosophy has risen as a result of an accent on effectiveness and quality in the service delivery. The new public management also places much emphasis on efficiency in service delivery (Deakins & Dillon, 2006:41).

An effective implementation of performance management requires that the mission and objectives of a specific organisation should be clearly spelt out. The performance targets should be known upfront before the performance period. The knowledge of mission, objectives and performance targets provides light to employees as to the direction the organisation is taking and an understanding of their own operations (Deakins & Dillon, 2006:41). Knowing performance targets in advance makes employees responsible and accountable in their operations (Macaulay & Cook, 1994:3; Ingram & McDonnell, 1996:40; Andersen *et al*., 2006: 62). In organisations where the mission is known, and the objectives, including performance targets, are clearly spelt out, the performance of individuals, teams and the overall organisation can be measured and improved (Macaulay & Cook, 1994:3; De Waal, 2007:371; Sole, 2009: 4).

The measurement of performance is required to accomplish the set targets and objectives for improvement. The performance measurement moreover assists the political and public office-bearers within a municipality to answer the public concern regarding the utilization of funds, emphasizing transparency in local governance.

Amaratunga and Baldry contend (2002:218) that it is through a performance management system that organisations are able to improve their performance. In organisations where performance management is implemented effectively, managers and subordinates receive feedback on the attainment of specific objectives and not just generelised feedback (Amaratunga *et al.*, 2001: 179).
The common problem in performance management is the overemphasis of measurement and rewards over learning and improvement. The focus on measurement and rewards and disregard of learning and development results in a negative halo effect in performance management (Brudan, 2010:109).

By and large, adopting a systematic approach to performance management would lead to this process being implemented effectively. A systems approach to performance management concentrates on the definition of the performance management system and describes specific objectives be achieved by the performance management system. The system approach integrates all components of a performance management system and the perspectives of the Balanced Scorecard to ensure that they are related to one another (Kihn, 2010:473-474).

## 2.9 CONCLUSION

Performance management is increasingly important for public organisations. An effective performance management system facilitates the delivery of quality service by public entities. For this reason, an effective development and implementation of the performance management system by these organisations is of paramount importance. Through the efficient and effective performance management system the individual and team performance in public organisations can be improved. The rewards of effective implementation of performance management system for communities are phenomenal.

In the next chapter, the key sub-processes of performance management, that is performance measurement, compensation and training and development are discussed. The essential elements of these sub-processes are further analysed.

# CHAPTER 3

# THE USE OF BALANCED SCORECARD, COMPENSATION SYSTEMS AND TRAINING STRATEGIES FOR EFFECTIVE PERFORMANCE MANAGEMENT AND ENHANCED SERVICE DELIVERY AT THE CITY OF JOHANNESBURG

## 3.1 INTRODUCTION

The contents of chapter two explored the process of performance management. In this chapter the important sub-processes of performance management - performance measurement, compensation, and training and development - are probed. First is the theoretical discussion of a performance measurement process. This is followed by an elaboration of the Balanced Scorecard. In fact, the Balanced Scorecard is a tool through which performance measurement is implemented. The discussion further includes how performance measurement is applied and how the Balanced Scorecard is utilized at the City of Johannesburg.

Once performance has been measured, appropriate rewards should be accorded to ensure that employees live up to the expectation of effective delivery of services. Various pay systems will be expounded upon with a view to shed light on how each one of them can enhance employee performance. The type of compensation system that is used at, and various services offered by the City of Johannesburg are also covered.

Where performance has been found to be lacking, training and development should be instituted to improve on the undesirable performance. Which strategy to adopt

in dealing with poor performance is the pivotal issue in this chapter. In fact, the emphasis in this chapter is on the systems approach to training and development. This approach has been confirmed to elicit appropriate behaviours required for effective delivery of services. The training and development strategy followed at the City of Johannesburg is reviewed.

## 3.2 THE DEFINITIONS AND ANALYSES OF PERFORMANCE MEASUREMENT AND THE BALANCED SCORECARD

Amaratunga *et al*., (2001: 181) define performance measurement "as a process of assessing progress towards achieving predetermined goals." Performance measurement is an appraisal process that aims at monitoring and maintaining organisational control of organisational practices to determine if overall goals and objectives have been achieved (Amaratunga & Baldry, 2002: 217). Performance measurement can furthermore be described as a process of a performance evaluation process that aims at bringing about change that will result in improved employee performance (Fryer *et al*., 2009: 480).

The three definitions indicate that the definition of performance measurement has remained static over time. The static nature of performance measurement definition is illustrative of the static performance measurement purpose: measuring performance to generate results.

The purpose of performance measurement is to generate data or results about *what* happened, not *why* it happened or *what to do* about it. Its sole aim is to assess how well the organisation is making progress in the attainment of pre-set goals and objectives. The employment of a performance measurement system helps identify

areas of strengths and weaknesses in organisations (Amaratunga & Baldry, 2002: 217; Sureshchander & Leinsten, 2005: 12; Fryer *et al*., 2009: 480).

The Balanced Scorecard is a performance measurement framework that is developed to measure the organisational performance from four perspectives rather than one. The four-perspective approach to performance measurement ensures a balanced performance measurement which takes account of four measures (financial, customer, learning and growth, and internal processes indicators) rather than an overemphasis of only one measure (financial indicators) (Hunsaker & Alessandra, 2008: 493).

Halachmi (2005: 506) defines the Balanced Scorecard as "a composite measure of four dimensions or aspects of a company's performance: financial, customer, internal business process, and learning and growth performance." The concept 'balance' refers to the need to use all the four different measures to give a result which is a holistic view of the organisation (Taticchi *et al.,* 2010:4-5). The perspectives should be applied to both profit making or non-profit making organisations. For non-profit making organisations, the Balanced Scorecard should be modified to apply to those organisations (Halachmi, 2005: 507).

On the basis of the definitions of the Balanced Scorecard it could be concluded that it is just a tool used during the performance measurement process to measure an individual or organisational performance on four perspectives. This is one reason the researcher named the chapter 'Performance measurement and the Balanced Scorecard'. The premise is that the two concepts are interwoven management

practices which should be discussed in the same chapter. The focus of the following section is on the nature of performance measurement.

## 3.3 THE NATURE OF PERFORMANCE MEASUREMENT

Organisations utilize performance measurement in order to overcome the challenges of the "changing nature of work, increasing competition, specific improvements initiatives, national and international quality awards, changing external demands, the power of information technology, and changing organisational roles" (Amaratunga *et al*., 2001: 181). Organisations that use performance measurement to overcome these challenges perform better than those that do not (Parameshwaran *et al*., 2009: 796). In this section the nature of performance measurement is explored.

Performance measurement consists of seven steps, as illustrated in Appendix F. These steps are as follows:

### 3.3.1 Step 1: Identifying organisational goals

In chapter two it was highlighted that the fundamental purpose of performance management is to formulate organisational goals. Some examples of the performance management goals could be improving the quality of service or products and efficiency (Amaratunga & Baldry, 2002: 217). By stating goals upfront it becomes possible to review the organisation's progress towards attaining its predetermined goals. The evaluation of the organisation's progress in achieving the set goals is the process of performance measurement (Fryer *et al.*, 2009: 481).

The implication is that broad goals shall be formulated through the process of performance management, whereas the process of performance measurement, in reviewing the progress made in attaining broad organisational goals, will set quantifiable performance objectives that are linked to the broad organisational goals.

### 3.3.2 Step 2: Formulating performance objectives

According to Lawrie *et al*. (2004: 361) aligning short-term and medium-term objectives with long-range organisational goals creates a 'strategic linkage model' that illustrates the relationship between wider organisational goals and specific performance goals. The use of work teams in the attainment of performance objectives has been found to yield gains for companies. These team objectives should coincide with the company's overall goal. If teams should fail to align their performance objectives with the company's overall goal, members of a team are likely to be demotivated (Shane, 2010:14). The benefit for using teams in organisations is the phenomenal enhancement of organisational performance (Natale, Libertella & Rothschild, 1995:6-7).

### 3.3.3 Step 3: Creating a responsibility structure

Job analysis is the "foundation of the performance plan for an individual employee within a specific job position" (Tsang, 2007:273). A detailed description of who will be accountable for which performance objective is required (Lawrie *et al.,* 2004: 361) for strategic action plans in order to improve performance.

### 3.3.4 Step 4: Linking CSFs and KPIs with performance objectives

A deliverable, a measure and an indicator are concepts that are used interchangeably in this thesis to mean "any measurable, tangible, verifiable outcome, result, or item that must be produced to complete a job or part of a job" (Deakins & Dillon, 2006: 41). Performance measurement "represents the process of adopting measures such as outcomes, productivity, output, efficiency and so on" (Elzinga *et al*., 2009: 509; Sole, 2009: 4). During the performance measurement process critical success factors and indicators are linked to performance objectives to gauge the progress made against the chosen objectives at regular intervals (Lawrie *et al*., 2004: 361).

Once the linking of critical success factors and key performance indicators is accomplished, performance should be measured to determine progress towards the attainment of performance objectives.

### 3.3.5: Step 5: Measuring performance

The next step after linking critical success factors and key performance indicators with performance objectives would be measuring performance of individual employees and teams or unit. The focus should be on the performance that relates to performance objectives. This means removing non-essential data that is not significant and using that which is important (Meekings *et al.,* 2009:14).

Key performance indicators should not focus on short-term results only as this can hinder innovation and prevent investment in longer term initiatives. Besides,

measurement should be conducted periodically as collected performance data soon become obsolete.

### 3.3.6 Step 6: Interpreting performance results

Performance indicators should be developed in such way that the results emanating from their use can be analysed and used for forecasting needs and their relevant costs. The best practice in the interpretation of performance data is to "audit results and have them validated or reliability tested" (Fryer *et al.*, 2009: 484). Once performance results have been obtained management should establish key performance areas that should be improved (Amaratunga & Baldry, 2002:219).

### 3.3.7 Step 7: Communicating performance results

The reporting of performance measurement should be documented and should be reported in a way that they are understood by those that have an interest in them (Fryer *et al.*, 2009: 485). In the following section various control mechanisms that ascertain an effective implementation of a performance measurement system are analysed.

## 3.4 THE CONTROL MECHANISMS IN PERFORMANCE MEASUREMENT

An effective performance measurement system should build its own control mechanism within it. The value of control mechanisms in performance

measurement lies in ensuring that the planned objectives are attained. It is through the control mechanisms that organisations are able to design programmes that are effective and to implement those programmes effectively (Verbeteen, 2008: 427).

Wilson (2004:264) maintains that the government institutions are at fault for emphasising inputs as performance measurement data rather than focusing on outputs which are result oriented. The former data is directly related to fiscal cost of providing the services, while the latter is linked to the performance drivers themselves. Inputs as performance data are overwhelmingly financial and internal in focus. The use of these data creates little information about the activities of the various areas.

In contrast, output controls are able to track the performance of individuals, and sometimes groups of individuals or teams in respect of preset objectives. The output controls generate results data from individual or team performance. The process of performance management proceeds by rewarding satisfactory results by individuals, groups or teams and punishing individuals, groups or teams for poor results (Robbins, Judge, Odendaal & Roodt, 2009: 156).

The output controls are most useful when employees know the objectives of the organisation and these objectives can be measured. The controls are invaluable if the effects of management interventions are known (Bacal, 2012: 25-26). Finally, ‘clan’ controls is a control measure that facilitates the control of employee behaviour by employees themselves. Amongst others, clan controls clarify expectations and standards of behaviour required of employees (Williams, 2002: 95-96). These controls make it clear to employees what the organisation expects

from them. This relates to the behavioural side of performance management expressed in chapter two (Verbeteen, 2008: 427-428). The next section focuses on the value of performance measurement for municipalities.

## 3.5 THE VALUE OF PERFORMANCE MEASUREMENT FOR MUNICIPALITIES

Municipalities throughout the country are obliged to implement the performance management system to review their progress. The review of municipalities' progress compels them to be involved in the following performance measurement activities:

- Past performance: recorded successes and achievements in the past
- Benchmarking: comparing performance against best performing municipalities
- Goals: matching progress against strategic objectives (Ingram & McDonnel, 1996: 42; Arora, 2002: 246)

The implementation of performance measurement fosters a performance culture at various levels in municipalities. All employees know the performance expectations and can anticipate being measured against these expectations (Arora, 2002:246). Municipalities that utilise performance measurement have experienced an improvement in the transparency of public administration. Transparency increases because internal employees and external stakeholders are let known or take part in formulating key performance areas and key performance indicators (Meekings, *et al*., 2009:19).

To involve key stakeholders in the development of key performance areas and key performance indicators encourages a culture of accountability on the part of municipalities and effective reporting system (Sureshchander & Leisten, 2005:12).

## 3.6 THE BALANCED SCORECARD

In this section the brief history of performance frameworks is offered to ensure that the Balanced Scorecard is placed in a context after which the nature of the Balanced Scorecard with its four perspectives will be elaborated upon.

### 3.6.1 The brief history of performance frameworks

The concept of performance management system dates back to the 1990s, when various frameworks were initiated to explore the significance of performance management in the public sector. Some of the frameworks include "integrated solutions (RDF, BSC, SPC, IPMS, CBS, IPMF and BEM) or just specific methodologies to fix certain issues (PMQ, ROQ, CPMF and CPMS)" (Parameshwaran *et al*., 2009: 795). The full form of the stated abbreviations, the meaning of these performance systems, and frameworks are explained in Appendix G**.** These systems and frameworks were followed by the Balanced Scorecard model. The Balanced Scorecard, as previously highlighted, uses a four-perspective approach to performance measurement (Parameshwaran *et al.*, 2009: 795).

With time, more frameworks emerged, including "DPMS, PP, CEVITA and UCDF, Performance Prism, Framework for Multinational Companies and Integrated Performance Framework" (Taticchi *et al.*, 2010: 10-11). The full form of the stated abbreviations, the meaning of these performance systems, and frameworks are explained in Appendix G**.** All the aforementioned systems and frameworks can be categorised into two kinds, namely, those that are integrated and those that have been developed to solve specific problems (Taticchi *et al*., 2010: 10-11).

### 3.6.2 The essence of a Balanced Scorecard

A number of performance frameworks have been developed to assess the organisation's performance. The Balanced Scorecard is popular because it incorporates a range of financial and non-financial indicators to generate a holistic picture of the organisation's performance (Fryer *et al*., 2009: 482).

The Balanced Scorecard is a "management framework that measures the economic and operating performance of an organisation" (Ingram & McDonnel, 1996: 41). In a Balanced Scorecard approach the exclusive use of financial measures is discouraged. Instead, non-financial measures should also be used in measuring performance to strike a balance between financials and non-financials (Lawrie *et al*., 2004: 353). Non-financial measures could include "customer retention, employee turnover, and number of products developed" (Amaratunga *et al.*, 2001: 183; Bourne *et al*., 2003: 19). De Waal (2007: 71) adds that organisations should combine financial and non-financial measures because the strict dependence on a single measure skews the performance results. In short, the Balanced Scorecard

should be utilized because of its ability to produce a more balanced view of an organisation's performance (Simmons, 2008: 464).

#### 3.6.2.1 The four perspective approach

The Balanced Scorecard uses the following perspectives of performance measurement:

- financial perspective: focuses on profitability, solvency and liquidity
- customer perspective: seeks to measure customer satisfaction
- innovation and learning perspective: the aim is to assesses the extent to which the organisation offers training and development for its employees, the extent to which new products and services are introduced and the degree to which the organisation develops its capacity to grow in the future
- internal perspective: relates to internal business processes such as operations, decision-making, communication, etc. (Ingram & McDonnel, 1996: 41; Sharif, 2002: 63; De Waal & Coevert, 2007: 401).

The following section probes the four perspectives of the Balanced Scorecard.

##### 3.6.2.1.1 Financial perspective

Financial performance measures "indicate whether the organisation's strategy, implementation and execution are contributing to the bottom-line improvement" (Phillips, 2005:220). The major criticism against the financial indicators is that they concentrate on profitability without showing the cost of capital. In response,

organisations included the economic value-added measure "to provide a better understanding of the value creation capability of the organisation" (Sureshchander & Leisten, 2005: 16).

In order to improve the stated challenge, organisations have of late incorporated measures such as quality management, customer retention, research and development. These measures of performance are non-financial (Prowse & Prowse, 2010: 149; Brudan, 2010: 113).

#### 3.6.2.1.2 Customer perspective

The customer perspective focuses on the organisation's ability to provide quality goods and services to customers. In respect of municipalities the emphasis should be on the effective service delivery to meet residents' service delivery expectations (Amaratunga *et al.*, 2001: 184; Walker, 2008: 343).

In support of the aforementioned view, Soltani *et al*. (2003: 46) contend that customers, internal and external to municipalities, should be involved in setting the standards of performance and in the evaluation of efforts made to attain those standards. This practice will obviate circumstances where employees are rewarded for the performance in their functional areas without due consideration of meeting stakeholders' expectations (Bourne *et al.,* 2003: 16).

#### 3.6.2.1.3 Internal business process perspective

The internal business processes perspective includes "the inclination and ability of the organisation to lead as a corporate citizen and to promote ethical conduct in everything it does" (Sureshchander & Leinsten, 2005: 21).

Amaratunga *et al.* (2001: 18) state that "the internal business process measures should link to overall corporate objectives." Linking internal business process measures to corporate objectives provides clarity about performance targets to be achieved, decisions to be made, relevant actions employees should take, and the required improvement initiatives to be undertaken.

#### 3.6.2.1.4 Innovation and learning perspective

The success of internal business processes hinges on adequately skilled and motivated employees. The organisation has to ensure its continued growth into the future in order to survive. This can be achieved if the organisation creates opportunities for learning for its employees. If employees are adequately skilled and the organisation introduces new products or services, performance of an organisation is likely to improve (Amaratunga *et al.*, 2001: 184; Bourne *et al*., 2003: 18-19).

On the whole, organisations should rely on a mix of 'soft' and 'hard' measures in measuring their performance. The performance measurement practice should blend qualitative and quantitative measures to ensure a balanced measurement. Key stakeholders should be part of the performance measurement process (Holloway,

2009:394). In fact, performance measurement should be measured on aspects such as quality, effectiveness, efficiency, timeliness and costs**.** The manner in which the Balanced Scorecard can be effectively implemented is the focus of the next discussion.

## 3.7 THE EFFECTIVE IMPLEMENTION OF A BALANCED SCORECARD

An effective implementation of a Balanced Scorecard means that an organisation should look beyond the four financial measures to include other measures that are reflective of the dynamic environment. Other relevant measures such as competitive technology and cultural issues that have a bearing on the organisation's excellence should be taken into account (Sharif, 2002:64). The complementary measures that need to be taken cognisance of as important measures in designing a Balanced Scorecard are "change management, project management, IT infrastructure development, quality assurance and risk management" (Halachmi, 2005:507). All these measures, however little considered, are critical for the effective implementation of a Balanced Scorecard.

The effective implementation of the Balanced Scorecard lies in the establishment of the sense of urgency among the stakeholders. Management should also be determined that Balanced Scorecard will indeed be effectively implemented. Additionally, an effective implementation of a Balanced Scorecard requires that a substantial number of key personnel in the organisation should share the commitment to implement the Balanced Scorecard (De Waal, 2007:7).

The effective implementation of the Balanced Scorecard is contingent on adequately addressing the aspect of employee motivation which appears not to be

embraced in the four perspectives of the Balanced Scorecard. In essence, employees should be appropriately rewarded (Krause, 2003:5).

Finally, once the Balanced Scorecard has been implemented, it is critical that the responses of those that implemented it and those that are affected by its implementation should be sought. This will help uncover the underlying deficiencies in the design and implementation of the Balanced Scorecard. The importance of using the Balanced Scorecard for organisations is elaborated in the next section.

## 3.8 THE VALUE OF A BALANCED SCORECARD

Organisations that reported the use of the Balanced Scorecard have seen an "improvement on their planning and budgeting processes; their resources allocation was in line with strategy; strategic learning in these organisations improved, and their bottom line improved" (Krause, 2003: 4).

The Balanced Scorecard is a useful performance measurement tool that ensures that strategic objectives of organisations are linked with objectives in all levels of an organisation. In this way the Balanced Scorecard serves as a strategic planning tool of organisations (Thorpe & Beasly, 2004:335).

Organisations that employ the Balanced Scorecard as a performance measurement mechanism are able to facilitate change in their business environment. The Balanced Scorecard requires managers at the three levels of management in an

organisation to generate discussions about the vision of an organisation. Discussions about the vision of an organisation open up channels of communication across an organisation (Sharif, 2002:63).

The Balanced Scorecard plays an invaluable role in organisations in the following ways:

- It ensures continued training and development of employees.
- It links performance measures and reward systems.
- It makes managers to concentrate on customer satisfaction (Anderson *et al*., 2006:64).

By and large, the Balanced Scorecard helps to balance the measurement of organisational performance. It ensures communication about critical processes to achieve results. The next section examines the performance measurement process and the application of the Balanced Scorecard at the City of Johannesburg.

## 3.9 PERFORMANCE MANAGEMENT SYSTEM AND THE BALANCED SCORECARD AT THE CITY OF JOHANNESBURG

This discussion revolves around the legislation governing the performance management system and the application of the Balanced Scorecard at the City of Johannesburg. The pieces of legislation that regulate the manner in which the performance management system is operationalised and how the Balanced Scorecard is utilized include the Constitution of the Republic of South Africa of 1996, the White paper on local government, the Municipal Systems Act 32 of 2000, and the Municipal Financial Management Act 56 of 2003.

The "passing of legislation in respect of local government was made to foster consistency of application of PMS across municipalities and to ascertain the effective and efficient service delivery to communities" (Municipal Performance Management Framework, 2009:9).

### 3.9.1 The origin the performance management at the City of Johannesburg

The City of Johannesburg introduced the performance management system in 2001 in order to comply with the constitutional requirements for implementing the system for improved delivery of services at grass-roots level. Performance management is defined, in local government, "as a strategic approach which provides a set of tools and techniques to plan regularly, monitor, measure and review performance of the organisation and individuals" (Municipal Performance Management Framework, 2009:6).

### 3.9.2 The objectives of the performance management system at the City of Johannesburg

The objectives of the performance management system at the City of Johannesburg are: to ensure compatibility of the City Scorecard or Service Delivery and Budget Implementation Plans (SDBIP) with IDP political priorities; to develop viable programmes to achieve targets and political priorities; establish linkages between planning and budgeting; design performance measurement systems that will improve performance; ensure increased accountability between community and the municipal council, political and administrative components, units or departments and the office of the municipal manager; facilitate learning and development of

employees throughout the municipality; provide political leadership and management with warnings about potential hazards that could cripple the effective management of and operations within the municipality; and inculcate a performance-oriented culture across the City (Municipal Performance Management Framework , 2009: 6).

### 3.9.3 The Balanced Scorecard at the City of Johannesburg

The Balanced Scorecard is implemented at four levels within the City of Johannesburg, namely, group level, sector level, departmental or municipality entity level, and individual level (see Appendix H). The discussion to follow analyses the implementation of the Balanced Scorecard at these levels.

#### *3.9.3.1 City Scorecard*

The City Scorecard involves strategic planning process through which city-wide performance objectives for the City of Johannesburg are identified. These city-wide objectives should be based on the Growth and Development Strategy and the Integrated Development Plan. The attainment of the overall objectives should then be monitored and measured against the City Scorecard which is also known as Service Delivery and Budget Implementation Plans (SDBIP) (see Appendix H). The performance management through the use of the City Scorecard targets the City Manager, Executive Directors and Managing Directors/Chief Executive Officers (Municipal Performance Management Framework, 2009:17).

### *3.9.3.2 Sector Scorecard*

In Appendix I, the performance planning encapsulates the conversion of the city-wide objectives into sector plans. The sector plans should, by way of inference, derive from the Citywide Scorecard or Service Delivery and Budget Implementation Plans (SDBIP) and the five year IDP. Role-players responsible for developing sector plans (objectives and measures) include sector leaders and sector members. It is expected that these role-players collaborate to develop sector plans. The development of sector plans should results into the development and adoption of sector scorecards. By way of analysis the collaboration of these key stakeholders in the development and adoption of sector scorecards fosters cooperation between municipal departments and municipal entities towards implementing the IDP sector priorities as articulated annually within the Service Delivery and Budget Implementation Plans (SDBIP) (compiled from the Municipal Performance Management Framework, 2009:18-19).

The collaborative nature of developing sector scorecards is illustrated in Appendix I. Appendix I shows that in developing the Infrastructure and Services Sector (ISS) sector scorecard, all related municipal entities (Joburg Water, City Power, Pikitup) and Infrastructure and Services Department should cooperate to ensure synergy of their activities.

The members of Mayoral Committee (as political heads of the sector) are held accountable for sector performance. The Mayoral Committee has the indisputable responsibility of overseeing the implementation of sector scorecards. The next sections describe the steps involved in the development of the Sector Scorecard.

#### *3.9.3.3 Departmental/Entity Scorecard*

The sector scorecard assists municipalities to establish specific sector priorities. These priorities are realized by the core departments and municipal entities within their areas of jurisdiction. Through proper planning, these priorities are then transformed into Strategic Performance Objectives (SPOs). The SPOs are recorded in the individual scorecards of the Executive Directors and the Managing Directors or Chief Executive Officers of the core departments and municipal entities. The department/entity specific priorities must be converted into Functional Performance Objectives (FPOs) for all other employees (Municipal Performance Management Framework, 2009:19).

#### *3.9.3.4 Individual Scorecard*

The Individual Scorecard reviews the performance of personnel at individual level. It is applicable to personnel at all the levels of the hierarchy including strategic decision-makers of core departments and municipal entities. The individual scorecards are converted to accommodate varied portfolios at various hierarchical positions within the municipality (Municipal Performance Management Framework, 2009:19).

### 3.9.4 The steps in the development of Sector Scorecard

Following from Appendix J, the City Manager is authorized to approve the sector scorecard - a draft. After receiving consent from the City Manager, the draft is then submitted to the Performance Audit Committee (JPAC). The draft, after receiving

inputs and feedback comments from the JPAC, is then submitted to the Mayoral Committee for absolute acceptance for implementation.

### 3.9.5 The phases of Performance Management system at the City of Johannesburg

At the heart of the performance management system, as amended, at the City of Johannesburg, are the five inter-related phases, namely, performance planning, performance execution (monitoring and coaching), performance reviewing and reporting, performance auditing, evaluation and moderation, managing the outcomes of the performance management process. This process is exhibited in Appendix K.

#### *3.9.5.1 Performance planning phase*

During this phase, the supervisors and subordinates, through consultation, identify the performance objectives at the individual and organisational levels. This process requires consensus between the supervisor and subordinates that is imperative for enhanced performance of the municipality as a whole.

#### *3.9.5.2 Performance execution (monitoring and coaching) phase*

Once the individual and organisational levels of performance are identified, the next phase is to execute the performance that requires effective monitoring and coaching. This phase appears at the centre of Appendix K. During this phase, the progress is reviewed and assessed through monitoring. It is imperative to offer

coaching at this stage to capacitate the municipal employees in order to improve their levels of performance.

#### *3.9.5.3 Performance reviews and reporting phase*

The process of performance review requires reporting back to the employees regarding their levels of performance within the municipality. This is done through performance appraisal whereby the performance of employees is measured against the established priorities in a scorecard.

#### *3.9.5.4 Performance auditing, evaluation and moderation phase*

During this phase, the generated performance outcomes undergo the process of auditing complemented with evaluation and moderation processes. This phase is important as the employees' performance is being evaluated. The report on employees' performance is then considered for moderation in which the recommendations are discussed to reach an agreement to reward the performance.

To give effect to reliable and valid audit process, the Performance Audit Committee must comply with local government regulations. The functions of the Performance Audit are, *inter alia*, to assess if:

- the performance management system is indeed operational
- the performance management system complies with the Municipal Systems Act of 2000
- the performance management system measures are reliable (Municipal Performance Management Framework, 2009:15).

Performance evaluations are conducted at the end of the performance cycle, at which individual performance is appraised against the key performance indicators, as reflected in the sector scorecards. The performance evaluations are the sole responsibility of performance evaluation panels which should be established in compliance with local government regulations. The Performance Evaluation Panel (PEP) and the Performance Audit Committee (JPAC) should not be confused (Municipal Performance Management Framework, 2009:43). The differences between the two organs are shown in Appendix L.

Both the City Manager and the managers directly accountable to the City Manager have to be subjected to two panel evaluations annually. Subsequent to the final performance evaluation of the City Manager and the managers, the recommended performance scores are submitted to the Mayoral Committee and the Council for approval (Appendix M).

#### *3.9.5.5 Managing the outcomes of the performance management process*

The performance management process results into distribution of rewards (financial or non-financial) to recognize the efforts of employees. The City of Johannesburg rewards the employees in the following manner:

- a performance bonus will be paid to all section 57 employees pending compliance with procedures as earlier outlined; and
- performance bonuses for Section 57 employees and MDs/CEOs employees will range from 5% to 14% all-inclusive remuneration package (Municipal Performance Management Framework, 2009:52).

Appendix N shows the framework within which performance bonuses will be paid. The framework proposes a bonus where a percentage is dependent on the level of sector achievement of its objectives and a percentage that is dependent on the level of individual performance.

This phase is imperative to eliminate the elements of poor performance. The adequate guidance, assistance and required support are provided to employees for enhancing their levels of productivity. To ensure effective management of poor performance the following aspects should be considered:

- The steps to manage poor performance should be taken at any time during the performance cycle.

- Decisive action about continued poor performance should be taken at the final review process.

- If an employee fails to improve performance after development and support has been provided, the contract of employment of such an employee shall be terminated (Municipal Performance Management Framework, 2009:52).

### 3.9.6 Managing unsatisfactory or poor performance

To manage the poor performance of employees requires support and corrective measures. Through continuous reviews of the ‘under/non-performing’ employees, a decision can be taken to terminate their services.

There are three broad phases for dealing with poor performance that the City of Johannesburg manages. The poor performance of employees is managed through three crucial and critical phases. These phases are "identifying poor performance; encouragement of performance improvement; and the final review of employee performance" (Municipal Performance Management Framework, 2009: 54). Appendix O depicts the process of a managing poor performance at the City of Johannesburg. This figure is the creation of the researcher to graphically simplify the management of poor performance at the City of Johannesburg.

### *3.9.6.1 Phase 1: Identifying poor performance*

Managers should identify whether the poor performance of employees was as a result of incapacity or ill health. In this regard it is advisable for a superior to enlist the support of the Human Resource Department so that she/he can handle the situation appropriately. The superior has to determine if poor performance is as the result of ill-health or incapacity. In the case where poor performance is as the result of incapacity it is the superior's responsibility to establish the performance standard used, to determine the actual poor performance, and to ensure that the poor performer is virtually aware of the undesirable performance (Municipal Performance Management Framework, 2009:54-55):

3.9.6.1(a) Establish the performance standard

The performance standard is established for employees that should serve as the basis against which the employees' performance will be measured. Sources of performance standards include, *inter alia*, "letters of appointment, induction

manuals, direct instruction, custom and practice at City of Johannesburg" (Municipal Performance Management Framework, 2009:55).

3.9.6.1 (b) Determine poor performance

The poor performance is determined through outcomes of the performance appraisal. Data gained as a result of performance evaluation should confirm the poor performance on the part of the employee (Municipal Performance Management Framework, 2009:55).

3.9.6.1 (c) Ensure awareness of the performance standard

The immediate manager makes employees aware of the performance standard before the commencement of the performance review (Municipal Performance Management Framework, 2009:55).

***3.9.6.2 Phase 2: Encouragement of performance improvement***

The immediate manager initiates a performance appraisal interview with the concerned employee to find out the reasons behind the declining performance of an employee. The purpose of the performance appraisal interview is also to generate discussions on the manner in which employee performance can be improved. Prior to a performance appraisal interview the superior gathers any relevant information and documentation. During this meeting the superior states clearly the objective of the meeting which is the employee's dwindling performance and reaches a mutual agreement on appropriate training or assistance required to ameliorate employee performance. Counselling and psychological assistance through Employment

Assistance Programme (EAP) is provided to employees (Municipal Performance Management Framework, 2009:55).

### *3.9.6.3 Phase 3: Final performance review*

After the appraisal interview the employee is allowed time and opportunity to perform, after which performance measurement is executed during the final performance review period. It is the responsibility of the superior to arrange a final meeting with an employee. During this meeting an employee is duly informed in writing or verbally of the performance review outcomes (Municipal Performance Management Framework, 2009:55).

If after appraisal interviews the performance of an employee shows no signs of improvement the immediate manager will have to institute a disciplinary hearing. The outcomes of disciplinary hearing are varied, and include dismissal as the last resort (Municipal Performance Management Framework, 2009:55).

The regulations provide for the submission and consideration of deviations from required performance standards by employees. Should the submission from deviation be accepted and granted within the first two quarters of the performance cycle an employee is compelled to sign an amended performance agreement (Municipal Performance Management Framework, 2009:55). The City Manager must approve all requests for deviations by the Executive Directors of the various departments and the chairpersons of various boards must approve all requests for deviations by the respective MDs/CEOs of the municipal entities within the City.

These must be reviewed and validated by the Performance Audit Committee (Municipal Performance Management Framework, 2009:55).

Disciplinary procedure should be conducted if poor performance persists and gross misconduct occurs. The superior should critically analyse the cause of an employee's performance, and identify an appropriate remedial action to overcome the performance deficiencies. The fundamental objective of remedial action is improving an employee's performance that could lead to dismissal if poor performance persists (Municipal Performance Management Framework, 2009:55).

## 3.10 SERVICES RENDERED AT THE CITY OF JOHANNESBURG

The performance of local municipalities should be assessed on the basis of effective provision of core services such as "education, social care, housing, the care of environment, libraries, leisure activities, and welfare benefits" (Game, 2006: 473). The City of Johannesburg offers the following services to its communities: water and electricity, sanitation, refuse removal, housing, communal benefit services (Municipal Performance Management Framework, 2009:2-3).

Effective and active local municipalities are those that show high delivery of services in education and social services. These municipalities have effective leadership and effective management practices. Their finances are well managed and are directed at priorities (Game, 2006: 473). Game (2006: 475) has found out the causes of poor performance in municipalities to be:

- *Ineffective political arrangements*: this refers to specific political structures and behaviour that impede members' exercise of leadership and appropriate management practices to overcome the challenges
- *Ineffective managerial arrangements*: the ineffective management practices to deal with rapid change or dormancy
- *Weaknesses in relationships with the external environment* – the failure to scan the changes in the external environment and involvement of residents in the development and implementation of a performance management system
- *Weaknesses in the authority's culture* – an organisational culture that does not embrace the needs of the local communities.

The following section elaborates on the reward systems in general and the reward system employed at the City of Johannesburg to enhance performance.

## 3.11 THE VALUE OF COMPENSATION SYSTEMS IN PERFORMANCE ENHANCEMENT

This section of the literature review explores what researchers have discovered about employee satisfaction and the role that compensation plays in employee satisfaction. This leads into the description of the objectives of a compensation system and the pay systems available that can be utilized to enhance employee performance. The compensation continuum places these pay options and their development at various stages.

An effective implementation of a performance measurement system is a prerequisite for a fair distribution of rewards. If managers perceive the performance measurement system as effectively executed, the resulting

compensation will be perceived as fair. This perception engenders an improvement of performance. Integrated in the current trends on compensation is the manner in which the compensation system is applied at the City of Johannesburg.

### 3.11.1 The concept of compensation

Gomez-Meja, Balkin and Cardy (2004:329) define compensation "as the package of quantifiable rewards an employee receives for his or her labour [and] includes three components, [that is], base compensation, pay incentive and indirect compensation (i.e. benefits)." Base compensation is "the fixed pay an employee receives on regular basis, either in the form of salary or as hourly wages, whereas pay incentive is "programme designed to reward employees for good performance" (Sutherland & Canwell, 2004:45.)

Implicit in the definitions is that for employees to receive appropriate and equitable compensation, labour should have been dispensed. The performance of employees as individuals and as teams should be evaluated regularly and compared against organisational and performance objectives (Winfield, Bishop & Porter, 2004:127; Tsang, 2007:273; 127).

Indirect compensation is benefits which encompass "a wide variety of programmes [such as] medical aid and housing allowance" (Gomez-Meja *et al.* 2004:329). "A compensation system has a direct influence on employee job satisfaction, which will affect employee performance in the work place" (Aamodt 2012: 321. In other words, if a compensation system is deemed appropriate by employees it will increase their job satisfaction and ultimately result in improved performance (Verbeteen, 2008: 428; Hunter, 2010:147).

### 3.11.2 The objectives of a compensation system

The main objectives of a compensation system include “striking efficiency and equity (both internal and external equity); aligning individual employee with strategic business objectives; and complying with laws” (Greenberg & Baron 2010:111; Bogardus, 2004:90-92).

The “organisations are realising that, as individual employee efforts are integrated with strategic business objectives, a compensation system becomes a source of competitive advantage” (Dowling, Festing & Engel, 2008:20-22). The attainment of this competitive advantage requires the introduction of the compensation system that adds value to the attainment of strategic business objectives.

The compensation system is one such tool and management must decide what combination of pay systems will best communicate the organisation` s strategy (Hill & McShane, 2008:330). There are various pay systems that are explored in the following section. These are illustrated in Appendix P that the researcher created to simplify a discussion on the different pay systems.

The remuneration policy of the City of Johannesburg deals comprehensively with the management of remuneration in respect of two categories of employees, namely South African Local Government Bargaining Council (SALGBC) and non-SALGBC employees. The City of Johannesburg has therefore developed a remuneration policy to ensure the effective management of remuneration (Remuneration Policy, 2008:3).

At the City of Johannesburg the "guaranteed pay includes all guaranteed items such as basic salary, medical aid, retirement fund, car allowance, and other allowances" (Remuneration Policy, 2008:6-7).The level of guaranteed pay for each employee is based on his/her level of responsibility and experience. The amount of the guaranteed pay an employee receives depends on the size of an employee's job and his or her job level in the municipality's organisational structure. To establish the appropriate guaranteed pay, jobs are graded using the system of job evaluation. Although the guaranteed pay is "pitched at the median of the chosen market", its purpose is to attract and retain talented and highly performing employees (Remuneration Policy, 2008:6-7).

### 3.11.3 The various types of pay systems

In the following section the various pay systems are explored (pay systems are illustrated in Appendix P).

#### *3.11.3.1 Time-based pay systems*

With the time-based pay systems employees "are compensated for the time they contribute to the job or the amount of work they produce on the job" (Williams, 2002:542). Time-based pay systems are used for jobs in which employees are paid by the hours worked or compatible to the rate of pay on weekly or monthly basis."

In work situations where time-based pay systems are in use "jobs are assigned to a particular grade depending on the results of the job evaluation." The gross pay pertinent to a job grade is calculated by multiplying the rate by the units of time worked" (Henderson, 2000:173).

There are two types of pay increases:

3.11.3.1(a) Across-the-board increases

Across-the-board increases are granted to everyone in the organisation. Employees receive an equal pay increase. The pay increases are related to the rate of inflation. Practically, "equal percentage increases mean that employees in higher pay grades will receive greater actual rand increases than employees in lower pay grades" (DuBrin, 2009:394).

3.11.3.1 (b) Merit and seniority increases

Merit increases are paid contingent to employee performance. After a performance appraisal of their work, employees receive pay increases if their performance is considered meritorious. Merit raises are developed to link pay increases with performance (Hellriegel, Jackson & Slocum, 2005:478).

### *3.11.3.2 Employee-based pay systems*

Employee-based pay systems essentially pay for the person or for the job. Employee-based pay systems make pay increases dependent on employees assuming extra activities or new additional activities (Lussier, 2006:449).There are two types of employee-based pay systems: broad-banding and skills-based pay.

### 3.11.3.2 (a) Broadbanding

Broadbanding "groups a number of progressively higher-paying grades into one pay grade band." It can also be defined as the grouping of jobs of significant differences, worth or value within one band (Lussier, 2006:449; Wan, 2010:122-123)

### 3.11.3.2 (b) Skilled-based pay

According to Gomez-Meja *et al*., (2004: 329) "the skill-based pay is necessitated by the change in the nature of work, where employees must perform a variety of tasks."

The City of Johannesburg uses the skills based in a slightly different fashion. At the municipality employees are paid for scarce skills that they have acquired and will be usable. This kind of pay, better known as the skill scarcity premiums at the municipality, is derived from a market analysis and is agreed upon in advance at the beginning of a financial year. The scarcity premium is paid in the form of a scarcity allowance. Every year a decision is taken as to the continuity of payment of the scarcity allowance for those employees who receive it. A decision is also taken on how much scarcity allowance should be paid for each scarce skill acquired and utilized. The remuneration policy further confirms that other than the scarcity allowance the municipality will use pay to recognize competency and acquisition of technical skills (Remuneration Policy, 2008:6).

### *3.11.3.3 Performance-based pay systems*

Kreitner and Kinicki (2001:288) define performance-related pay as "the monetary incentives that link the portion of the paycheck directly to results or accomplishments."

The City of Johannesburg uses variable pay to enhance the performance of its employees by incentivizing employee achievement of performance standards. Variable pay can be either a bonus or an incentive over and above the guaranteed remuneration. The variable pay is therefore not a guaranteed pay, but is kind of incentive for attaining or exceeding performance standards. It is "pitched at the 50$^{th}$ percentile of the chosen market" (Remuneration Policy, 2008:7). The primary objectives with the use of variable pay are to attract and retain targeted employees. This type of pay is strictly payable to non-SALGBC employees and is regulated by the fixed-term contract employees' contracts and the City of Johannesburg's approved Performance Management System (PMS) Policy (Remuneration Policy, 2008:7)

Performance pay is usually implemented through some sort of merit system. Pay for performance can only be successful if there is equitable process of measuring performance (Robbins 2001: 376-376). When "implementing performance pay a number of decisions must be made, such as the kind of reward, how often it will be paid out, whether to reward performance at an individual, group or organisational level and the kind of performance reward" (Daft & Marcic, 2009: 245).

In general, performance-based systems can be classified into three categories: individual-based incentive system, team-based incentive system and organisation-wide incentive system.

### *3.11.3.4 Individual-based pay systems*

An individual-based pay system "provides a pay incentive to each employee based on his/her own level of productivity" (Doherty & Horne, 2002:346). The three types of individual-based pay systems are: piece-rate systems, standard hour plans, and commissions (see Appendix P).

### *3.11.3.5 Team-based pay systems*

The "interrelatedness of tasks such as an assembly line requires employees to work in teams in order to accomplish team and organisational objectives. Working in teams has the effect that the performance of one employee has a direct bearing on the performance of another employee" (Certo, 2006:43).

The salary scale for non-SALGBC employees is "developed using the median total-cost-to-company package figures derived from Government and Parastatals Salary Survey Information" (Remuneration Policy, 2008:8). The survey on salary packages is commissioned by SALGA or the City of Johannesburg on a four-year basis. The non-SALGBC employees are a total-cost-to-company/total-cost-to-employer package from which salary and benefits are funded. The essence total-cost-to-company is to allow "employees to structure their own salary packages within parameters of tax legislation for tax efficiency purposes" (Remuneration Policy, 2008:8). Employees' structured salary packages may comprise "basic

salary, pension fund or provident fund or retirement annuity contributions, medical aid contributions, and travel allowance. Employees have to provide evidence to prove that they belong to Hospital Plan before the municipality can advance medical aid" (Remuneration Policy, 2008:8-9).

The collective bargaining process at SALGBC determines all salary-related matters. The development of salaries scales and salary increments by the City of Johannesburg results from the collective bargaining process on salaries. The employee's all-inclusive salary package shall be linked to a cost-of-living adjustment based on market indicators and is not based on performance. "Changes to the salary amount are effective from the 1st of July of each year" (Remuneration Policy, 2008:8-9).

The salary package for each employee may be structured over twelve months or thirteen months. By implication, employees have a choice of whether they want to receive 13th cheque or not. Since the City of Johannesburg operates on a total annual cost-to-company package, a guaranteed bonus or 13th cheque does not form part of the guaranteed package. However, the payment of the 13th cheque "is determined and provided for through the collective bargaining process" (Remuneration Policy, 2008:10-11).

#### *3.11.3.6 Benefits*

All pay systems must be integrated to ensure that the business strategy is implemented. The allocation of benefits should follow the same guideline. Benefits include medical aid, a pension or provident fund, entertainment allowance,

company car or allowance, housing assistance, education assistance and so on (Dawson, 2000:204).

## 3.12 THE VALUE OF TRAINING AND DEVELOPMENT IN PERFORMANCE ENHANCEMENT

The section deals with improving employee performance through training. Training can only be designed and instituted after performance measurement using the Balanced Scorecard has been conducted. The issues of importance in this section are the definition of the concepts of training and development, the systems approach to training, the objectives of training and development, including problems that may be encountered in training and development. The manner in which training is conducted at the City of Johannesburg will be interwoven in the discussion.

### 3.12.1 Definitions of the concepts of training and development

Training can be defined as "a systematic and planned process to change the knowledge, skills, and behaviour of employees in such way that organisational objectives are achieved" (Lussier, 2006:276).

Development is defined as "the process whereby managers gain experience, skills, and attitudes to become or remain successful leaders in their organisations" (Lussier, 2006:276).

### 3.12.2 Brief analysis of the concepts of training and development

The goal of training is to improve employees' performance on the job. It is a deliberate effort to teach specific knowledge, skills, and attitudes (SKA), the application of which leads to organisational goal achievement. Training results should lead to the ability of employees to execute a specific job effectively (Drucker, 2007:132-132; McGuire & Jorgensen, 2011:2). Development "in any organisation is aimed at employees who occupy managerial positions" (Martin, 2010:100).

### 3.12.3 The objectives of training and development

The objectives of training and development are: to improve employee performance, to update employees' skills, to avoid managerial obsolescence, to orientate new employees, to prepare employees for promotion or managerial succession, and to satisfy personal growth needs. These objectives are elaborated on in the next section.

#### *3.12.3.1 Improving employee performance.*

Employees who perform below the performance standard should be the cause for concern. The amelioration of employee deficient skills can be attained through training (Wood, 1997:542-543).

To further improve quality of service and products of organisations, employee basic skills on quality should be taught and quality training programmes should be

designed. The inculcation of a quality culture and skills into employees will meet the customers' quality expectations (Doherty & Horne, 2007:430-431).

#### *3.12.3.2 Updating employees' skills*

Managers in all areas of business need to be alert to technological changes in order to improve the skills of employees accordingly. Technological changes lead to changes in how jobs are performed. Once changes in the way jobs are accomplished have occurred, employee skills must be updated through training (Perkins & Shortland, 2006:116; Rue & Byars, 2009:252-253).

#### *3.12.3.3 Avoiding managerial obsolescence*

The managerial obsolescence denotes "the failure to keep pace with new methods and processes that enable employees to remain effective" (Dawson, 2000:181-182). Rapidly changing macro-environment impacts on the way managers perform their jobs. Organisations that do not adapt to these changes become obsolete and ineffective (Erasmus, Leodolff, Mda & Nel, 2010:28).

#### *3.12.3.4 Solving organisational problems*

Use can be made of universities, training and development consultants to train and develop employees in new ways of doing jobs. Training and development can be conducted in the various functional areas of an organisation (Cole, 2004: 252-253; Meyer, 2007: 4).

#### *3.12.3.5 Orientating new employees*

Managers orientate new employees, through training and development, to the organisation and the job in order to create a favourable image of the organisation and its employees to new incumbents (Evans, Pucik & Barsoux, 2006:362-363; Hill & McShane, 2008:6-7).

Newly appointed employees may experience surprise or even shock when events in the new work place do not conform to their expectations. Provision of training on organisational realties allays anxieties, reduce uncertainties and dispel the preconceived assumptions of new employees (Williams, 2002:455-456; Silberman, 2006:161-162).

#### *3.12.3.6 Preparing for promotion and managerial succession.*

The important way to attract, retain and motivate personnel is through training and development. Training and development enable an employee to acquire the set of skills required for promotional posts. Organisations that implement training and development are able to retain employees (DuBrin, 2009:316-317).

#### *3.12.3.7 Satisfying personal growth needs.*

Some employees are achievement-oriented and have the inclination to face new challenges on the job. Offering training to such employees helps them to gratify the need for achievement and bolster their resolve to tackle new work challenges. Training and development for the purpose of satisfying personal growth needs has

been found to be positively related to greater organisational effectiveness (Hellriegel *et al*., 2005:368-369).

### 3.12.4 The training and development policy at the City of Johannesburg

The Training and Development Policy of the City of Johannesburg is implemented with the aim to offer guidance, direction and support related to training and management activities within the municipality. The Training and Development Policy moreover identifies the training needs of employees within the municipality. The City of Johannesburg, by its Training and Development Policy, intends to:

- document the key policies that will govern the new training approach at the City of Johannesburg ;
- lay down specific guidelines for training, development and education of the employees at the City of Johannesburg ;
- ensure the alignment of the City of Johannesburg's training and development approach with the National Skills Development Strategy, the applicable SETA requirements, and sector skills principle ;
- integrate training strategy and pertinent training initiatives with the overall strategic plan of the City of Johannesburg ;
- provide a supportive environment which encourages employee development;
- ensure that the decisions on training and development are taken in the best interests of City of Johannesburg; and

- ensure that training and development initiatives of the City of Johannesburg are consistent with best practices in the training and development fraternity (Training and Development Policy, 2008:3)

### 3.12.5. Types of training and development interventions

The City of Johannesburg offers three types of training and development programmes, namely, an Accelerated Development Programme (ADP), a Management Development Programme (MDP) and a Skills Programme. An accelerated development programme (ADP) denotes "a programme that is developed for affirmative action appointees and employees with outstanding performance in order to fast-track their development within the City of Johannesburg" (Training and Development Policy, 2008:8)

The Management Development Programme (MDP) is targeted for managers at the municipality and its specific purpose is to improve the management skills of managers. Lastly, the Skills Programme is geared towards the development of specific skills that may be required to enhance employee efficiency. This programme is offered by accredited service providers, and leads to the acquisition of credits, and should above all, be aligned to relevant unit standards (Training and Development Policy, 2008:9).

### 3.12.6 The systems approach to training and development

The systems approach to training and development, as illustrated in Appendix Q, is an approach to training which embraces the following steps to training and development: training needs analysis, determining the learning outcomes, selecting

the training content, determining the assessment processes, developing the training methods, executing training, and evaluating the impact of training and the training process (Nel *et al*., 2010:458).

It is important that before efforts at training and development could be initiated, a training policy should be developed. This training policy should spell out the economic way of conducting training (Tyson & York, 2000:174).

#### *3.12.6.1 Training needs analysis*

Training needs analysis refers to "the identification of gaps or discrepancies between the actual and optimal performance of employees" (Smith, 2007:109). In the City of Johannesburg training needs analysis is known as individual training needs analysis whose objective is to identify "training and development needs and requirements, as well as gaps an employee has, to ensure that suitable training and development interventions are sourced and implemented" (Training and Development Policy, 2008:7). In other words, training and development is geared towards the determination of gaps between the competence of employees and the requirements of their jobs. Notwithstanding the various definitions which point in the same direction, training needs arise from the comparison between the desired and actual work results. Comparison of the desired and future results requires the setting of the standards against which employee performance can be measured. "The difference between the standard and the current performance forms the performance gap, and therefore represents the training need to be executed to achieve the desired outcome" (Groenewald, 2011:274). Through conducting training needs analysis, training will be tailored for a particular purpose and the

‘one-size-fits-all-approach’ to training will be obviated (Allen, Finkelstein & Poteet, 2009:61).

At the City of Johannesburg individual training needs are identified by means of a performance appraisal system through which an employee and a manager jointly identify the outcomes of the performance review process which serves as the training need for the next training and development initiatives. Additionally, a manager or a supervisor should ascertain that the identified training and development needs are appropriately met. These training and development needs have to align to municipality-wide performance objectives. This process further involves the identification of the level of skills which employees require to meet the demands of the position (Training and Development Policy, 2008:8). Daft (2007:262-263) cautions that the job content must be scrutinized before the determination of training needs can commence.

There are two types of training needs: apparent needs and non-apparent needs. Apparent needs are obvious needs, which are easily identifiable and require no special analysis, for example, when new equipment is or procedures are introduced in the workplace. Non-apparent training needs are not easily identifiable and require further investigation to determine the exact nature of the problem (Goodman, Fandt, Michlitsch & Lewis, 2007:213-214; Barbazette, 2008:56).

The training needs analysis can be conducted at three levels, namely, organisational analysis level, operations analysis level and person analysis level (Fitzsimmons & Fitzsimmons, 2008:153; Clark, 2008:21). Meyer (2007:152-153) considers other levels such as skills analysis and attitude analysis to be of paramount importance to an effective training needs analysis. At organisational

analysis level the focus is on the organisation-wide management practices, performance criteria, for example, employment equity, labour turnover, etc. Any problem identified after this analysis indicates the need for training (Fitzsimmons & Fitzsimmons, 2008:153; Clark, 2008:21).

The primary purpose of the operations analysis level, also called task analysis level, "is to determine how a job should be performed – desired level of performance" (Drucker, 2001:24). The conduct of operations analysis will be followed by the design of programmes that focus on the appropriate processes or mechanisms of performing jobs (Lawson, 2006:6-7).

The person analysis level revolves around the individual employee and it is aimed at offering training to individual employees. The purposes of person analysis are to determine who currently needs training and development, and which skills, knowledge, and attitudes need to be acquired or improved (Rothwell, 2010:40-41).

The optimisation of employee performance on certain jobs is dependent on employee acquisition of relevant skills. Which skills are required to perform jobs up to the desired level is dubbed as skills analysis. Skills analysis assists in developing learning outcomes for a training programme. At this juncture it should be determined which skills should be mastered before another, next set of skills could be attempted (Meyer, 2007:152).The provision of training and development programmes should be aligned to the municipality's business plans and the work plans. To achieve the interwovenness of training and development programmes with the municipalty's business plans and work plans, training needs assessment should be conducted. Furthermore training and development plans should be

formulated and the training budget allocated (Training and Development Policy, 2008:7).

The result of determining which set of skills should be learnt before the next ones, is the sequencing of learning modules which in essence establishes skills hierarchy. For each level of skills to be acquired it should first be established which prerequisite knowledge is essential. A prerequisite knowledge is "what learners should know before participating in education and training (ETD), or a skill that someone must have in order to benefit from training" (Meyer, 2007:152). At the City of Johannesburg the "identification of training needs for an employee should be done in respect of both functional and generic training and development." Training and development needs cited should be captured on an employee's Individual Learning Plans (ILP) (Training and Development Policy, 2008:7)

According to Botha, de Jager and Jonck, (2005:32) training needs should be identified should the following problems occur:

- a decline in an individual's or a department's productivity below the predetermined standard
- slow service
- poor supervision
- increased complaints from the clients
- increased absenteeism
- low morale among employees

Over and above the aforementioned problems, at the City of Johannesburg the assessment of individual training needs is carried out on a continuous basis as part of individual performance assessment (Training and Development Policy, 2008:8)

#### *3.12.6.2 Determining the learning outcomes*

The "learning outcome is a description of a performance you want trainees to be able to exhibit before they can be declared competent." The learning outcome states an intended result of an instruction clearly (Holliday, 2001:40).

The learning outcome is formulated before the development of the training programme. The learning outcome should determine what is expected of the employee after he/she has attended the training course. The learning outcome must be determined in order to establish criteria to evaluate the efficiency and effectiveness of the training programme. In setting goals, line and employee representatives should agree on what must be accomplished. In essence, the learning outcomes should be made known to all concerned, including the trainee (Owen, 2006:98-99).

According to Lawson (2006:88), the learning outcomes are categorised into three components, namely, skill, knowledge and attitude components of learning outcomes. The skill development category of learning outcomes refers to behavioural development which concentrates on employees' ability to perform certain tasks. The knowledge component of learning outcome deals primarily with the cognitive ability of employees in which case employees have to exhibit that they have indeed acquired specific knowledge, are able to comprehend information and analyse concepts. The attitude development of employees embraces attitudes,

values or feelings that employees have to acquire. The purpose of attitude development is to effect a desired change of attitude, values or feelings in employees.

#### *3.12.6.3 Selecting the training content*

After establishing the training objectives the next step is to select the appropriate training content to be used as the basis of training. The training content relevant to the training objectives can be obtained from the sources such as textbooks, other training courses, or published articles (Nankervis, 2005:307). In this step the in-house trainer or a training consultant develops, selects, and produces the lesson plans, instructional material, learner manuals, tests, and instructor manuals (Van Dyk, Nel, Van Loedolff & Haasbroek, 20001:164).

#### *3.12.6.4 Determining the assessment processes*

During this stage, the trainer should make a decision on what to assess, how and when. Assessment to determine if trainees have indeed learned should relate to training outcomes earlier cited at the planning phase of the training and development programme. Two types of assessments can be used, namely, formative and summative assessments. The former assessment refers to progress tests given trainees after a certain portion of training and development has been completed before dealing with next section of training and development. The latter assessment is conducted at the end of the whole training and development programme. Summative assessment is meant to tests if all learning outcomes have been achieved (Rothwell, 2010:111).

In the municipality the main objectives of training and development are cited as the determination of employee competence and the requirements of their jobs. This could be considered as diagnostic assessment which aims at determining the prior knowledge that training candidates have. The conduct of diagnostic assessment assists trainers to give recognition to prior knowledge (RPL) of training candidates. The Recognition of Prior Learning (RPL) is a process of "identifying, assessing, and recognising what a person already knows and can do" (Training and Development Policy, 2008:9-11). Its paramount objective is to "close the gap between classroom learning and learning in the workplace or through life experience." The other key objectives of training and development at the City of Johannesburg are to assess the progress of learners during training, to assess whether or not the learner has achieved the required competencies on completion of a learning programme and to ensure that the assessment system at the municipality complies with the requirement of SAQA and relevant SETA (Training and Development Policy, 2008:9).

The Training and Development Policy stipulates the following principles to guide the assessment processes at the City of Johannesburg:

- It must be valid, that is, assessment procedure should assess what it claims to assess.
- It should also be reliable in which case the learning outcome to be assessed is consistent from one assessment to another, and when assessment results remain consistent even if different assessors were used.

- Only trained and registered assessors meeting ETQA requirements should conduct assessment.

- Learners who fail to reach the required learning standard after training should be informed accordingly and encouraged to make another attempt.
- Assessment should be transparent.
- There should be equitable access to assessment (Training and Development Policy, 2008:10).

#### *3.12.6.5 Developing training and development methods*

The City of Johannesburg offers on-the-job training and off-the-job training as training and development methods. These methods are explained as follows.

On-the-job training is conducted on company premises by a training specialist from the HR department or by external consultants. It may also occur that the trainee is attached to a skilled employee for direction and instruction, and in the course of that instruction the trainee acts as assistant. The experienced employee offers advice and suggestions for performing the job efficiently and effectively. In this way the trainee learns through practice or through his/her mistakes. The trainee can learn using the actual equipment, how to run a machine, or conduct an interview (Rostron, 2009:40-41).

On-the-job training should not only be offered to ordinary employees, but managers should also be subjected to training when training circumstances require. Managers can also learn by doing, in which case they may practice management skills. Through the practice of management skills, under the guidance of an experienced and competent manager, managers make mistakes and learn from their mistakes. On-the-job training methods include “job rotation, enlarged and enriched responsibilities, job instruction training, and apprentice training, coaching,

mentoring and committee assignments" (Rostron, 2009:40-41). At the City of Johannesburg, the mentorship programme is stipulated in the Training and Development Policy, for effective transference of skills and expertise.

Mentorship is considered as a "process whereby experienced employees coach or mentor and guide less-experienced employees in order to develop their skills and knowledge in specific work areas" (Training and Development Policy, 2008:5). Mentoring could be formal or informal. Formal mentoring is more structured where mentors and mentees are selected through a formal process. The mentors are senior personnel who could include line mangers whose job description should encapsulate mentoring as a responsibility. Before they can even commence with mentoring those earmarked to mentor must attend training that will enable them to be effective mentors. Mentors will be allowed to discharge their mentoring responsibilities only when they have demonstrated the necessary competence to act as mentors. Clear mentoring goals based on employees' ILP should be formulated which will, in turn, provide a yardstick against which the current performance of mentors will be evaluated (Training and Development Policy, 2008:6).

On the other hand, informal mentoring simply means that employees may approach more experienced people inside or outside the City of Johannesburg to request mentors to offer advice on job and career-related challenges and on guidance on personal developmental matters (Training and Development Policy, 2008:6).

At the City of Johannesburg the key characteristics of an effective and a successful mentorship programme are considered to be the following:

- It allows equal access into the programme.
- It is properly structured.
- It can be implemented formally or informally, sometimes both formally and informally.
- It should include well-structured learning processes by which information is communicated.
- It is a programme through which mentors are able to observe and assess the progress of mentees, and provide positive feedback to mentees.
- It is a programme that is dependent on a strong commitment from management and experienced employees (Training and Development Policy, 2008:6)

The City of Johannesburg offers and manages Adult Basic Education and Training programmes (ABET) to its illiterate employees with the sole purpose of closing the gaps in fundamental skills resulting from the apartheid education system or due to the changing nature of work. The primary focus of ABET will be the facilitation of the acquisition of skills and expertise for improved performance of employees (Training and Development Policy, 2008:14-15).

Off-the-job training is usually done in a classroom situation. It can be done on the premises of the organisation, but away from the trainee's place of work, or it can be totally removed from the organisation, for example, at a conference centre, educational institution, or training and development firm. These methods may also be classified as classroom or simulation methods since they simulate real-life situations. They may be used to develop the ability, interpersonal skills and attitudes of the trainee (Erasmus & Van Dyk, 2003:189).

#### *3.12.6.6 Executing training*

This stage involves the actual training where the trainer imparts the requisite SKAs to trainees and where the trainee is practising or demonstrating SKAs. The trainer has at his disposal a variety of training aids and training methods that he/she can employ to facilitate training and development as well as learning on the part of the trainee (Allen *et al.*, 2009:58-59).

It is the trainer's responsibility to create a learning climate conducive to learning in the training classroom. The implication is that training personnel should create a learning environment in which employees experience personal growth and a sense of achievement. Added to this should be the recognition of sterling employee' learning potential and rewards for excellent learning (Lawson, 2006:147).

#### *3.12.6.7 Evaluating the impact of training and the training process*

The final step in the systems model of training is evaluation of the impact of training and the training process. This process is called essential competency process (Rothwell & Kazanas, 2008:288-289). At the City of Johannesburg this step is also considered as the last step in the training and development process. Evaluation assists managers to "determine how well a specific training and development activity has met the defined objectives" (Training and Development Policy, 2008:12). Moreover, the training course and the trainees are evaluated. Feedback is provided to the trainees and, if necessary, changes or adjustments are made to the training material or training methods (Van Dyk *et al*., 2001:313). The Kirkpatrick model is utilized to evaluate training on four levels: reaction level,

learning level, behavioural level and results level (Cheese, Thomas & Craig, 2008:129).

At the reaction level trainers or stakeholders with interest in the training provided obtain feedback from course participants regarding their views of the value of specific training programme. The course participants will be able to provide the required information because they have formulated opinions and attitudes about the overall effectiveness of the training programme throughout the training. The trainee normally "completes a questionnaire about the adequacy of the training and development facilities, the skill of the trainer, the quality of the programme content and the relevancy of the training and development techniques" (Hardingham, 1996:33). At the City of Johannesburg "a trainee completes a Post-Training Evaluation Form. The purpose of this post-training evaluation exercise is to establish if training and development has been effective and relevant to the training needs earlier identified, or whether trainees have indeed benefited from the programme" (Training and Development Policy, 2008:13).

The evaluation of training at learning level aims at determining whether participants in the training programme have acquired new knowledge. This form of evaluation is usually accomplished through knowledge tests to which training participants are subjected. Additionally, the evaluation should extend to the trainees' work situation to assess whether acquired new knowledge has been transferred to their workplaces, otherwise employees would consider training as the waste of time while employers may perceive it as not yielding the required return on investment in training (Machin, 2002:263). The training is aimed at bringing about a change in behaviour, it can also be determined whether such behavioural changes have taken place. Performance appraisals and attitude surveys

can be used. Determining if training has brought about the required behaviours is the evaluation of training at behavioural level (Brockbank & McGill, 2006:45).

Finally, training is evaluated at results level in which case it is determined whether training has led to measurable results such as a decrease in production costs, a decrease in accident rate and/or an increase in productivity, quality and job satisfaction, decreased turnover, accidents or grievances. The purpose of the evaluation of training at this level is to ascertain if the acquired skills, knowledge, and attitudes have been transferred to the working situation (Saunders, 2000:161-162).

At the City of Johannesburg training and development programmes are evaluated to assess "progress on implementation of training plans; utilisation of the training budget; progress on implementation of ILPs and ADPs; and effective implementation of ABET programmes" (Training and Development Policy, 2008:12).

### 3.12.7 The workplace skills plan

The Skills Development Act 97 of 1998 and the Skills Development Levies Act 9 of 1999 require organisations to compile a Workplace Skills Plan (WSP) which is supposed to be approved by the relevant SETA. The WSP should indicate the T&D requirements of an organisation for a year. The cited T&D requirements should conform to the needs identified during the training needs analysis. In addition, the T&D requirements should take cognizance of the individual training needs. In developing the WSP the existing T&D policy and the available resources should be taken into account (Erasmus *et al.*, 2010:147).

The WSP, as required by the Skills Development Act 97 of 1998, should comprise the following elements:

- the time frame within which training should be conducted and the number and category of employees to be trained
- details of expected standards to be achieved
- clear guidelines on the unit standard to be achieved
- the personnel who will be in charge of training
- a training budget assigned to various departments (Erasmus & Van Dyk, 2003:86)
- how quality is to be maintained to comply with statutory requirements
- prioritized skills for the period for which employees need training (Erasmus & Van Dyk, 2003:143)
- issues relating to employment equity in the enterprise (Erasmus *et al*., 2010:148)

At the City of Johannesburg the WSP is generated by the Training and Development committee/forum. In accordance with the municipality's WSP the budget should be developed to provide training. Contingent to budget rules each department at the municipality is expected to spend a minimum of one per cent of the total salary bill, excluding the benefits budget, on training, in order to achieve the skills rebate. It is the responsibility of the training and development committee to develop and implement WSP. This committee will also be required to inform employees about the WSP as well as providing reports with respect to the implementation of the WSP. Other than matters pertinent to WSP, the training committee is bound by policy to appoint the training service providers, monitor the

allocation and use of the training budget, including the monitoring of the effectiveness of training (Training and Development Policy, 2008:7).

### 3.12.8 Skills audit

According to Erasmus *et al*., (2010:148) the WSP stems from the strategic human resources training and development plan and its aim is to develop the capacity of employees in the organisation to achieve the business goals. Whereas the needs analysis process, as earlier described, is an inextricable ingredient for a meaningful WSP, the compilation of skills audit is equally an indispensable step for a meaningful WSP.

The skills audit is "an investigation which is undertaken to determine the actual skills of the current workforce in order to identify the skills gaps and define real skills requirements of an organisation" (Saunders, 2000:167). Put differently, the skills audit process involves the identification of the current skills employees possess in relation to those required if they have to perform optimally. "It is a process where skills held by employees are identified and compared with skills required now and in the future so that the skill shortfall or surplus can be determined" (Meyer, 2007:331). The skills audit should aim at identifying key success indicators/measures through which the effectiveness of WSP can be measured. Once these measures have been developed progress towards the implementation of WSP should be monitored and reports on the progress made reported to the relevant SETA (Erasmus *et al*., 2010:148).

The skills audit, which is a structured skills assessment process, is conducted at the City of Johannesburg. The skills audit serves as a basis of the WSP. The skills

audit is a training and development activity that is aimed at determining the skills that employees possess and matching with skills requirements of the municipality. Data gleaned from the skills audit process is stored in the municipality's database which is updated continuously. The data generated through the skills audit process can be used to implement appropriate training and development interventions in cases where skill gaps are identified. At the City of Johannesburg the skills audit and the updating skills audit are instituted once every five years (Training and Development Policy, 2008:8)

### 3.12.9 Individual Learning Plans (ILPs)

The individual learning plan (ILP) is a plan that is developed to assist employees to achieve employee development goals. The individual learning plan should be included in the WSP and should not be in conflict with the overall organisational goals. The primary objective of an individual learning plan is to identify training that will facilitate the acquisition of a set of skills which will enhance employee competence in their job (Training and Development Policy, 2008:13).

The ILP should be included in the skills-development planning process. The significance of including the ILP in the skills development planning process lies in ensuring that managers, supervisors and employees are able to jointly identify training needs. The effort to jointly identify training needs necessitates conformity of individual employee development goals with overall organisational goals. The balance of ILP and organisational goals translates into improved job performance and enhanced support for individual development (Training and Development Policy, 2008:13).

The IPL is developed annually and as practice requires; it should be reflected in the Annual Development Plan (ADP) which is compiled at the beginning of every financial year but reviewed throughout the year. The ADP is a plan/schedule of prioritised training and development interventions planned for the year for an employee. Specific employee training goals and objectives to be achieved during the years are to be included in the ADP (Training and Development Policy, 2008:14).

Through the ILP employees are able to plan and attain their career aspirations. This bolsters the morale of employees and their organisational commitment to the municipality is enhanced. The other benefits of ILP include the opportunity to match the skills needs of individuals against the job roles and organisational goals resulting in a comprehensive work skills plan. The WSP, in turn, specifies skills deficiencies, the training required, and how this should be offered (Training and Development Policy, 2008:14).

### 3.12.10 Problems to be avoided in training and the benefits of training

There are problems that should be avoided when designing, implementing and evaluating the training programme in order to reap the benefits of training. The following section is a discussion of these problems and potential rewards that could be gained when these problems are avoided.

One of the problems that should be avoided in training is to place the training accountability on the training department only. Rather, the immediate manager and the employee should also carry the responsibility for training and development (Cheese *et al.*, 2008:144).

The aforementioned problem is compounded by using trainers who lack experience to conduct training and development. If training and development is carried out by unqualified training staff the result will be poor training and development which cannot be expected to be effective (Russel & Russel, 2009:130). It also happens that training and development is undertaken with no specific purpose in mind. Training and development should be undertaken only when a definite training need among individuals or in the organisation in general, has been identified (Lawson, 2006:8-9).

Training may fail to achieve the intended objective for the reason that it is conducted at an inopportune period. This occurs when employers and trainees evaluate an employee very soon after they have just started a new job, when they have not yet had time to settle down. Trainers and superiors may, in such cases, recommend and undertake additional training and development, which may be unnecessary (Machin, 2002:264). When a training programme is undertaken but not properly assessed, further training and development programmes are jeopardized because there is no proof yet of the effectiveness of the training and development programme (Meyer, 2007: 67; Machin, 2002:265).

It is practically impossible to change the personality of an employee through training and development. Too much concern with the trainee's personality, coupled with too little emphasis on his or her performance, may cause the training and development programme to fail (Rothwell & Kazanas, 2008:89-90). Training and development programmes are often devised with too much emphasis on theory and too little attention to the on-the-job problems. For training to be effective, it

must link with the actual job the trainee does or will be doing (Rothwell & Kazanas, 2008:169).

If the above-mentioned aspects are avoided during the design, implementation and evaluation phase of a training and development programme, organisations and employees can reap the following benefits:

- With proper training employees learn to do the job quickly, to the required standard; they may become familiar with safety measures and learn how to avoid wastage of material and damage to equipment resulting in the reduction in maintenance and repair costs of damaged equipment.
- Training and development enables employees to revise their level of performance, and as a result, output increases and quality improves.
- The right attitudes are fostered because employees tend to become more loyal and committed to the organisation.
- training and development provide employees with the skills required to meet human resources needs.
- Employees who acquire knowledge and skills increase their earning capacity and their value in the labour market. This increases their job security and creates opportunities for promotion to more responsible jobs.
- It results in improved decision making and problem solving.
- There is better management of stress and other related problems.
- It fosters improvement of job satisfaction.
- Because training makes employees more effective, improved goods and services can be provided (Krause, 2003:12).

In the next section the practice of training and development at the City of Johannesburg is probed.

## 3.13 CONCLUSION

In conclusion, it is significant that organisations such as municipalities should engage in a performance measurement process so as to be aware of, in advance, which employee behaviours work against effective delivery services. In this chapter, the steps constituting the performance measurement process were described. The value of performance measurement process was highlighted and specific control mechanisms that can be used to monitor employee and organisational performance were explained.

The performance measurement tool, that is the Balanced Scorecard, was discussed. The brief history of the Balanced Scorecard was provided, and the various perspectives of the Balanced Scorecard were distinguished. The value of the Balanced Scorecard and how effectively it could be implanted were elaborated. The implementation of the Balanced Scorecard at the City of Johannesburg was investigated.

The discussion revolved around the compensation system to illustrate how various pays systems and benefits could be used to reward appropriate employee behaviours to ensure that employees deliver services to the level expected by stakeholders. The discussion also revolved around the compensation system that is utilized at the City of Johannesburg.

If employee performance falls short of meeting performance standards, training and development should certainly be embarked upon to improve employee performance. This process and its objectives were issues that were focused upon in this chapter. The different types of training and development interventions and the value of training and development received attention. The focus of the discussion was also on training and development as practised to enhance employee performance at the City of Johannesburg. In the following chapter the research methodology utilized in this study is explained.

# CHAPTER 4
# RESEARCH METHODOLOGY

## 4.1 INTRODUCTION

In this chapter, the focus is on the methodology used in this study, including the request by the researcher to relevant authorities to conduct the research study at the City of Johannesburg. The researcher will elucidate the questionnaires for the study and how they were drafted and piloted. The sampling procedure used to draw units of analysis, which resulted in the sample size, will be explained. The manner in which data was collected from respondents is a focal issue, and quantitative methods that were used to analyse the collected data are also elaborated upon. The importance of ethics in research will also be highlighted.

## 4.2 PERMISSION TO CONDUCT THE STUDY AND DISTRIBUTE QUESTIONNAIRES

Permission to conduct the study at the City of Johannesburg Metropolitan Municipality was requested from the Executive Director for Corporate Affairs and Shared Services of this municipality. The request letter to this effect is found in Appendix R. In this study two questionnaires were designed. One was distributed to the employees of the City of Johannesburg, the other issued to the residents living in the municipal area. The researcher requested permission to distribute questionnaires to the employees and residents at the head office and the various service sites in the seven regions of the municipality.

## 4.3 PILOT TESTING THE QUESTIONNAIRE

Pilot testing is crucial in research as it establishes the content validity of an instrument used to gather data. The pilot study helps the researcher to reformulate questions, format, and scales contingent on the respondents' understanding of questions, format and scales in the research instrument. It is also important to indicate from the onset the number of people who will form part of the pilot test. "Once there have been changes to the research instrument resulting from pilot test feedback, the comments of the pilot feedback should be included in the final instrument that shall have been revised" (Creswell, 2009:150).

In this study ten employees from the City of Johannesburg and ten from the community were used as pilot subjects. Employees received a questionnaire relevant to them, so did the respondents from the community. This means that there are two different questionnaires: one for community members and the other for employees. The two questionnaires are found in their original form in Appendix S and Appendix T respectively.

It should be mentioned at this juncture that pilot testing was accomplished merely to determine if respondents would understand the questions in the questionnaires. The reliability of the questionnaires was not tested statistically. The feedback received from respondents led to the adoption of the two questionnaires unchanged.

## 4.4 SAMPLING PROCEDURE

This section focuses on the identification of the population, determination of the sample frame, selection of the sampling procedure, the determination of the sample size, data collection methods and statistical analysis.

### 4.4.1 Identifying the population

The "population is typically a total of individuals that the researcher intends to learn about" (McBride, 2010:114). It "is the larger group, whether individuals, objects, of events which could also be referred to as the target population" (McMillan, 2004:107). In this study the target population is all permanent employees and employees contracted for a fixed term, at all levels of the City of Johannesburg Metropolitan Municipality. These employees are from different racial groups, namely, Black, White, Coloured, Indian or Asian. The elements of the population encompass employees irrespective of gender or sexual orientation.

The target population also includes all official residents, that is, households irrespective of race, gender, religion or class who are owners of the dwellings in the communities in the City of Johannesburg. These communities are found in the nine regions in the City of Johannesburg (see Appendix U). The names of the regions are as follows:

- Region A – Diepsloot/Midrand
- Region B – Northcliff/Randburg
- Region C – Roodepoort
- Region D – Greater Soweto

- Region E – Sandton/Alexandra
- Region F – Inner City
- Region G – Ennerdale/Orange Farm

### 4.4.2 Determining the sample frame

The sampling frame "is the list of units that constitute a population from which a sample is drawn." To ensure representativeness of the population it is imperative that the sampling frame should comprise all elements of the population (Babbie, 2001:492). The sampling frame in respect of this research study is 15 000 employees (www.coj.gov) of the municipality and 1 165 014 (Community survey, 2007) households in the same municipality.

### 4.4.3 Selecting the sample procedure

A sample "is the group of individuals chosen from the population to represent it in the research study" (McBride, 2010:114). To select a sample that should be representative of the population a number of probability and non-probability sampling methods can be utilized. A sample is representative when it has the similar attributes of the target population from which it was selected (McMillan & Schumacher, 2006:122; Greener, 2011:60-63). By implication, descriptions and explanations emanating from an analysis of the sample may be considered to represent those of the target population.

Probability sampling refers to "the predetermined chance of any individual's being selected for the study, given the particular constraints under the study" (Ray, 2006:311). The probability sampling methods constitute simple random sampling,

stratified random sampling, systematic sampling method, random-digit-dialing sampling, cluster sampling and multi-stage sampling (McCready, 2006:254).

Non-probability sampling connotes that "there is no assurance that every element in the population has a chance of being included." The key advantages of non-probability sampling are that it is convenient method and it is inexpensive to use. (Best & Kahn, 2006:17). The non-probability sampling methods comprise convenience sampling, purposive sampling, and quota sampling (Ary, Jacobs & Sorensen, 2010:155). It is not the object of this study to elaborate on each one of these methods. Only those sampling methods relevant to the study are explained.

To select a sample of respondents from the target population of employees, the researcher relied on simple random sampling. In simple random sampling "every member of the population has an equal chance of being selected." This is like putting the names of everyone in the population into a hat and drawing out a certain number of names (Barbour, 2010:58). The names of research participants were randomly drawn from the municipality's Human Resources database.

On the one hand, cluster sampling and convenience sampling methods were utilized to extract units of analysis from residents in the City of Johannesburg. Cluster sampling is used when the elements of the population are spread over a large area. This makes it practically difficult to make a list of every element within the areas (Sapsford, 1999:83-84). What then the researcher can do is to obtain the map of the area depicting political boundaries or any other subdivisions. An example is when a city can be divided into "precincts, clusters of city blocks, or school boundaries and other subdivisions, counties or townships" (Robson, 1993:139). In this study, the City of Johannesburg, as previously indicated, is

divided into nine regions. The researcher would draw a certain number of units of analysis from each region. In "cluster sampling, it is important that the clusters be similar to one another as possible, with each cluster containing an equally heterogeneous mix of individuals" (Durrheim & Painter, 2006:139). This is indeed the case in clusters for this study because residents in the regions are a heterogeneous mix in respect of race, gender, class, religion, creed, etc.

Beyond the division of the City of Johannesburg into regions the researcher used convenience sampling to select units of analysis from each region. Convenience sampling, also called 'haphazard' or 'opportunistic' sampling, "takes on whoever is available in a particular place at a particular time." Through this sampling method it is easier to obtain a sample of the population which is accessible to a researcher. This sampling procedure has a risk of non-representativeness (Springer, 2010:107). Springer (*ibid*.) advises that this risk can be avoided by being clear about the target population, as well as the attributes of the sample. This makes generalisations from the sample to the population possible.

Cluster samplings should be used in specific cases only – "mostly when the universe is sufficiently homogeneous" (Strudwig & Stead, 2011:111). The researcher distributed questionnaires to residents at service sites in the nine regions. This method was used as it was convenient, if not easy, to reach residents living in the suburbs who could not be reached in any other way that was as easy and fast. The researcher personally issued the questionnaires to a variety of respondents as they came to the service site to avoid the problem of homogeneity that could obscure the representativeness of the sample. It should be mentioned that the researcher waited for respondents to fill out questionnaires and retrieved

them immediately after their completion. This practice ensured that the researcher remained alert as to who completed the questionnaires.

### 4.4.4 Determining the relevant sample size

The size of the sample was decided upon using Gomm's (2008:146) guidelines (Appendix V) on sufficient sample size for each population size that states the required sample size for the corresponding population size. For example, for the population size of 2000 the sufficient sample size would be 322 units of analysis. For this study the sample size for the target population of 15 000 *employees* would be 381*employees*. For the *households* the sample size would stand at about 384 *households*. For each region the researcher drew 55 residents, so that in the end the total sampled residents from all regions amounted to 385 residents.

### 4.4.5 Data collection methods

This study is a survey research. In a survey the researcher poses questions directly to participants by means of a questionnaire "about their behaviour (past, present and future) and their underlying attitudes, beliefs, and intentions." The researcher can then arrive at conclusions feedback collected (Bordens & Abbot, 2005:231-232).

Surveys can be conducted at a single point in time or on a longitudinal basis. A trend study is another form of a survey that investigates different samples of a population at different points in time (Hoy, 2010: 45).

The survey method has the following several advantages:

- It is relevant for evaluating attributes for large sample size.
- The survey method is suitable a method for assessing respondents' attitudes.
- It can be utilized in exploratory research and hypothesis testing, that is, using the naturalist and conventional methodologies. Practically, this is achieved through unstructured interviews using an interview guide and a structured questionnaire.
- A survey can be used in probing a large range of topics.
- A survey is suitable when gleaning data that are to be analysed for comparative purposes to bring out group similarities or differences (Mishra, 2009:36).

Marshall and Rossman (2006: 126) identify the following additional advantages of survey research:

- A survey is appropriate for collecting quantitative data.
- A survey facilitates research in politically or ethically sensitive areas within the public domain because the researcher does not become physically involved in the collection of data.
- A survey is accurate, convenient to use, and its findings can be generalised to the population.

The survey research is not without its demerits. Despite the many advantages the survey method has, it also has some of the following disadvantages:

- A survey method does not allow for direct measurement like the observation method.
- A survey is unsuitable for research involving multiple relations between various variables of a copmplex nature.
- A survey is considered to be expensive method of collecting data.

- A survey is perceived by responsdents as intrusion into their personal affairs (Richards, 2009:37).

Notwithstanding the disadvantages the survey method still remains a popular method of gleaning information from respondents (Jackson, 2006: 65). In this study a questionnaires has been employed to gather data from employees and residents in the City of Johannesburg.

#### *4.4.5.1 Questionnaire*

A questionnaire is "a self-report data collection instrument that each research participant fills out as part of a research study." Researchers use questionnaires in order to obtain feedback about thoughts, feelings, attitudes, beliefs, values, perceptions, personality, and behavioural intentions of units of analysis. (Wilkinson & Birmingham, 2003:10).

In essence there are three kinds of questionnaires: the mail survey, the group-administered questionnaire, and the household drop-off survey. The researcher will discuss the group-administered questionnaire since it is the one that is used in this research study. The group-administered questionnaire is a research instrument that requires each element of units of analysis to fill out a questionnaire and submit to the researcher once it has been filled. Response rates using the group-administered questionnaires are considered to be higher than those for mail surveys (Johnson & Christensen, 2004:100).

There are different approaches that can be used to develop a questionnaire. These approaches are closed questions, multiple-choice or ranking questions, scale

questions, and open-ended questions. Closed questions are questions to which all possible answers are provided. The most common form of closed question is the question requiring a ‘yes’ or ‘no’ response (Delport, 2002:172).

The multiple-choice questions include questions which provide a number of predefined responses from which the respondents have to choose. The construction and piloting of multiple-choice questions usually require careful thought to ensure that all or most possible responses are covered (Strydom, 2002:2978-279).

The scale items are questions that require the respondent to indicate answers according to a predefined list or scale, usually ranging from a very positive answer to a very negative answer. The most commonly used scale is the Likert scale. The Likert scale measures responses from units of analysis. The units of analysis are provided with answers ranging from ***strongly agree*** to ***strongly disagree*** from which they have to choose the one representing their thoughts or opinions (Welman & Kruger, 1999:140). The questionnaires used in this study fall under this category (see Appendix S and Appendix T). Both questionnaires, for the employees and residents, are of a four-item Likert scale which includes ***strongly agree, agree, disagree, and strongly disagree.***

Open-ended questions are questions that do not have restrictions like closed and multiple-choice questions. Responses resulting from these questions have to be recorded and analysed. The analysis of the responses is difficult since the research participants do not respond in a predetermined manner. The researcher has also used open-ended questions in the study. These questions are found towards the end of the questionnaire (Appendix S and Appendix T).

The merits of a questionnaire are: it is economical, it allows adequate time for reply, and more samples can be observed. The demerits of using the questionnaire are: persons may not be interested in filling out the questionnaire, replies may not be accurate and it is time consuming (Khanzode, 2009:75).

#### *4.4.5.2 Interviews*

Kvale (2010:70-72) defines an interview as "a conversation between two or more people where one or more of the participants takes the responsibility for reporting the substance of what is said." The definition indicates that the interviewer poses a series of questions to the interviewee.

Interviews are used to glean qualitative data. In research instances where a questionnaire has been used it can be followed up with an interview to probe further any important aspects not fully covered by the questionnaire (Verma & Mallick, 1999:122).

Interviews are of three kinds: a structured interview, an unstructured interview and semi-structured interview. The structured interview is an interview in which an interviewer has prepared a series of questions which cannot be deviated from. The unstructured interview or open-ended interview is designed to allow the respondents freedom in answering questions. Lastly, semi-structured interviews are a combination of structured and unstructured interviews. They are usually utilized for sensitive topics (Repko, 2008:202).

The advantages of interviews are that:

- interview procedures are appropriate for eliciting cooperation from respondents;
- the interviewer is afforded the opportunity to answer respondents' questions, probing for adequate answers;
- interviews allow for the concurrent use of other methods, such as observations, visual cues, etc;
- the interviewer is able to establish rapport with the interviewee (Creswell, 2007:140).

Some of the notable disadvantages of interviews include the following:

- It is an uneconomical method of data collection.
- The researcher needs to be adept at the interviewing technique, which is normally not the case.
- Some samples (those in "high-rise buildings or high crime areas, elites, employees, students") may be less accessible, thus making it difficult to interview research participants (Fowler, 2009:80). This method of data collection has not been used to collect data from the units of analysis.

### 4.4.6 Mixed methods

Mixed methods research "is empirical research that involves the collection of and analysis of both qualitative and quantitative data." A single study that juxtaposes qualitative and quantitative data is a mixed methods study(Cresswell, 2010:50). In this study, mixed methods have not been utilized.

#### *4.4.6.1 Quantitative research*

Quantitative research "is explaining phenomena by collecting numerical data that are analysed using mathematically based methods, in particular statistics" (Muijs, 2004:1-3). Quantitative research collects numerical data.

Quantitative research "is based on observations that are converted into discrete units that can be compared with one another using statistical methods." Quantitative studies focus on the relationship between independent and dependent variables, not processes (Bergman, 2008:11). This study is a quantitative research.

#### *4.4.6.2 Qualitative research*

Qualitative methods "are used in research that is designed to provide an in-depth description of a specific program, practice, process or setting" (Mertens, 2010:225). The aim of qualitative research is to describe the meanings and challenges experienced as result of utilizing and implementing certain programs, practices or processes

Qualitative researchers "emphasise the socially constructed nature of reality" as their point of departure. To qualitative researchers the close relationship of what is studied is the crux of quantitative studies. In pursuit of qualitative inquiry, qualitative researchers accord due consideration to situational constraints that shape the very same inquiry. Important to qualitative researchers is the persistent search for "answers to questions that explain how social experience is created and given meaning." By its very nature, qualitative research is a value-laden inquiry. In short, qualitative research investigates the reality of participants as they experience

it by using narrations and descriptions of their experiences (Repko, 2008:202). This research design has also not been utilized in this study.

The difference between quantitative research design and qualitative research design lies in the former searching for causes and the latter searching for occurrences (Stake, 1995:37). In other words, quantitative research seeks to explain and control the relationship between variables whereas qualitative research professes for the understanding of the interrelationship among the variables with no manipulation of any variable. In the words of Denzin and Lincoln (2008:14) "quantitative research deals with an inquiry for *making explanations* whilst qualitative research focuses on inquiry for *promoting understanding*."

## 4.5 STATISTICAL ANALYSIS

Both reliability analysis and validity are discussed in this section.

### 4.5.1 Reliability analysis

Reliability refers to the extent to which "the study of some phenomenon yields approximately the same results across repeated trials" (Saville, 2008:74). In essence, reliability alludes to replicability or producibility of the findings resulting from the study. Put differently, reliability denotes that the research method used in the study should "if repeated by a different person at the same time, or the same person at a later point in time, yield the same results on a second occasion" (Bulmer & Warwick, 1993:10).

The various types of relibitiy are test-retest reliability, equivalent form of reliability, split-half reliability, and internal reliability. These types of reliability are explained in the following section.

#### *4.5.1.1 Test-retest reliability*

This type of reliability of an instrument is determined by administering the instrument to the same subjects on two (or more) instances. The first set of scores is then compared with the second set by calculating a correlation coefficient. If the value of the coefficient resulting from the calculation is close to zero the research instrument can be considered as having low reliability. On the other hand, if the coefficient value is close to one, it can be concluded that the research instrument has a high reliability (Pietersen & Maree, 2007:215).

Durrheim and Painter (2006:153) caution that the problem with the test-retest reliability method occurs when the units of analysis simply respond in the same way on both occasions. This could occur as a result of the shorter time that is taken between the two occasions within which the tests are administered (Durrheim & Painter, 2006:153).

#### *4.5.1.2 Equivalent form reliability*

Equivalent form reliability "denotes that reliability test is administered on two occasions measuring the same construct to the same objects of study, though on the second instance the researcher uses an instrument that is equivalent to the one used in the first occasion." The researcher then compares two sets of scores by means of a correlation coefficient. The usage of the equivalent researcher instrument is

aimed at reducing the risk of respondents having to simply repeat their responses of the first test to the second test (Welman & Kruger, 1999: 140).

#### *4.5.1.3 Split-half reliability*

To obtain a split-half reliability "all items constituting the instrument are categorized into two. The three methods commonly used to divide the items are:

- in the one form there are even-numbered items and in the other odd-numbered items;
- the items are randomly distributed or allocated to the two instruments; the first half of the items constitute the one instrument and the second half makes up the second instrument" (Pietersen & Maree, 2007:215).
- the researcher then compares the scores obtained using a correlation coefficient (Pietersen & Maree, 2007:215).

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#### *4.5.1.4 Internal reliability*

Internal reliability "which is also called internal consistency, implies that the number of formulated items to measure the same construct should in all probability show similarity" (Welman & Kruger, 1999:141). If these items reflect a high degree of similarity the research instrument has internal consistency The coefficient that is used to measure the internal reliability of an instrument is called Cronbach's alpha coefficient. Its main purpose is to correlate items to one another. When there is a strong correlation between the formulated items their internal consistency is high and the alpha coefficient will be close to one. If, on the other hand, the items are poorly formulated and do not correlate strongly, the alpha coefficient will be close to zero (Leedy & Ormrod, 2010: 134)

The guidelines for the interpretation of Cronbach's alpha coefficient are the following:

- 0.90 - high reliability
- 0.80 - moderate reliability
- 0.70 - low reliability (Pietersen & Maree, 2007:216)

Reliability values of 0.80 are deemed as acceptable while reliability values lower than 0.60 are regarded as unacceptable (Onwuegbuzie & Combs, 2010:399-400).

### 4.5.2 Validity analysis

Butler-Kisber (2010:14) defines validity as "the degree to which a study actually measures what it purports to measure – whether 'the truth' is accurately identified and described."

The different kinds of validity are discussed in the next section.

#### *4.5.2.1 Face validity*

Face validity refers to "the extent to which an instrument 'looks' valid. In other words, does the instrument appear to measure what is supposed to measure?" (Leedy & Ormrod, 2010: 98). Ghauri and Gronhaug (2005:83) argue that face validity cannot be quantified or tested. The only way to arrive at a conclusion whether the instrument is valid or not is by asking experts in the field to assess the research instrument.

#### *4.5.2.2 Content validity*

Content validity connotes "the extent to which the research instrument sufficiently or completely covers the content of an obstruct which it intends to measure" (Gibson & Brown, 2009:60-61). If the research instrument, by way of example, is developed to measure emotional intelligence let it measure emotional intelligence by covering sufficiently and strictly the dimensions of emotional intelligence.

#### *4.5.2.3 Criterion validity*

Criterion validity is conceptualized as "criterion validity because a measure has some relationship with some outcome or criterion. Once an outcome has been reasonably established it should be possible to predict future behaviour of other units of analysis using the same known measures" (Goodwin, 2008:126). For example, once the measures of an IQ test are known it should be possible to measure the IQ of other units of analysis.

#### *4.5.2.4 Construct validity*

The construct validity of a test "assesses the extent to which a measuring instrument accurately measures a theoretical construct or trait that it is designed to measure" (Jackson, 2006:63). Examples of theoretical constructs are verbal fluency, depression, or scholastic aptitude.

In summary, construct validity poses the question whether the measure relates to other measures in a way that makes sense. Statistical techniques used here are factor analysis and item analysis (Mook, 2001:90).

### 4.5.3 Descriptive analysis

#### *4.5.3.1 Frequency analysis*

The relationship between the independent variable and the dependent variable can better be understood when the raw data is organized into frequency distribution. Frequency distribution is "the pattern of a set of numbers by showing count or proportion for each possible value of a variable" (Nolan & Heinzen, 2011:22).

There are several different ways to organize the data in terms of a frequency distribution. The first approach is the frequency table, and is also the starting point for each of the three other ways. "A frequency table is a visual depiction of data that shows how often each value occurred; that is, how many scores were at each value" (Bowerman, O'Connell & Murphree, 2011:35). Once organized into frequency table, the data can be displayed as a grouped frequency table, a frequency histogram, or a frequency polygon (Gravetter & Wallnau, 2011:36). In his study, data gleaned from employees and residents by means of the questionnaires will be organized through the frequency tables and bar charts in order make it meaningful.

### 4.5.4 Correlation analysis

Coefficient of correlation (*r*) "provides a clue as to whether the relationship between the independent variable and the dependent variable is a matter of chance or not." Another striking feature of the correlation is that it can be used to test strength of the correlation. A coefficient of correlation is the number that is utilized to indicate the extent of the relation between two continuous variables. This could

mean “that as the values of the correlation get higher, the stronger the correlation shall be” (Howitt & Cramer, 2005:225).

Correlations range from -1 to +1. If two variables vary together, they have a positive correlation, which means that as the value of one variable increases, so does the other. In contrast, if the correlation is negative, “as the independent variable changes, the dependent variable changes in the opposite direction.” The sign of correlation represents the direction of the relation and has nothing to with its strength. So, for example, *r*= - *.85* is a stronger correlation than r = +.41 because the sign merely indicates whether the variables are varying in the same or opposite direction (Hoy, 2010:59-60).

## 4.6 RESEARCH ETHICS

Research ethics concern the responsibility of researchers to be honest and respectful to all research participants. This means providing research participants with complete information and their role in the research. The information provided to participants should enable them to participate or not. This also implies that before they take part in research the to-be respondents should understand the nature and value of research they are to engage into (Gravetter & Forzano, 2006:89 &97).

Ethics in research further means that “data should be legitimately obtained and credit accorded to those who contributed to the research. The fabrication of data is unacceptable since future researchers may unknowingly base their research on false data. The danger herein lies with later research projects being spurious” (Bazeley, 2010:439). Research ethics also “require researchers to present ideas in

their own words without forgetting to make appropriate references. This will, in essence, obviate plagiarism. Plagiarism 'is scientific theft'- stealing the ideas of others" (McBurney & White, 2010: 59-60).

For research to be ethical researchers should at all cost avoid committing the following acts:

- misreporting sources, inventing data, or faking results
- submitting data if they do not believe it is truthful
- caricaturing or distorting opposing views
- destroying empirical evidence or hiding sources of data from other interested researchers (Creswell, 2007: 141-142; Booth, Colomb & Williams, 2008:274).

## 4.7 CONCLUSION

In summary, the researcher indicated how he sought permission to conduct the study from the relevant authorities at the City of Johannesburg. The manner in which the questionnaire was piloted was explained. An exhaustive discussion on the target population, the determination of the sample size, the sampling procedure, the determination of the relevant sample size, the data collection methods was engaged upon.

In respect of quantitative research design, two different questionnaires were utilized to collect data, one distributed to the employees of the municipality and the other to residents of the City of Johannesburg. The questionnaire for the City of Johannesburg's employees contained close-ended statements and open-ended questions, whereas the one for residents consisted only of close-ended statements.

The data collected was analysed using statistical methods such as the correlation analysis and the frequency analysis.

The researcher outlined the significance of ethics in research. The focus was on how the researcher would adhere to ethical principles in conducting the study. Some of the actions taken to comply with ethical requirements for research were to avoid coercion of participants (units of analysis) to participate in the study and guarantying anonymity of participants in the study. In the upcoming chapter, data is analysed and interpreted in relation to the hypotheses and research questions in chapter one.

# CHAPTER FIVE
# PRESENTATION AND INTERPRETATION OF RESULTS

## 5.1 INTRODUCTION

In the previous chapter the research methodology was discussed. In the current chapter the research data is presented and analysed. In so doing the sample of respondents used in the study will be described and the response rate made known. The framework that served as a basis for the analysis of data will be explained, as well as the manner in which the researcher presented, analysed and interpreted the research data.

The researcher will first present and interpret data pertaining to the performance management system as perceived by employees. This means that the data resulting from a questionnaire that was issued to employees will be used to analyse the manner in which the performance management system was developed and implemented at the City of Johannesburg. Further elucidation will encompass the analysis of research data strictly dealing with the way employees perceive the City of Johannesburg to be rendering services. This will be followed by the perception of communities regarding the delivery of services received. Once the employees' and communities' perceptions of service delivery have been analysed, these perceptions will be compared to observe whether there is any point of agreement in relation to service delivery. The discussion will additionally entail the comparison of perceptions of service delivery by regions.

Lastly the correlation analysis will be conducted to determine whether there is any relationship between the performance management system and service delivery.

Conducting the correctional analysis will conclude the acceptance or rejection of the hypotheses, formulated in chapter one.

## 5.2 SAMPLE DESCRIPTION AND THE RESPONSE RATE

The sample of the study consists of employees from the City of Johannesburg from all levels of management. The sample also comprised ordinary employees across race, gender, age, work experience, and educational qualifications. Only permanent and fixed-term contract employees formed part of the study. In order to include community members as part of the study permanent residents in the seven regions of the City of Johannesburg irrespective of age, race, gender, and religion were approached to conduct the empirical study.

There were 400 questionnaires issued to employees, out of that 175 were retrieved, translating into a response rate or completion rate of 44%. In as far as the residents were concerned 400 questionnaires were disseminated and 389 were collected. In this particular case a responses rate of 97% was recorded. The overall response rate was therefore 71%. The response rates from employees and residents are considered sufficiently significant to derive findings for the study.

## 5.3 THE FRAMEWORK FOR THE PRESENTATION AND INTERPRETATION OF RESULTS

The proper means to create a plausible framework for the presentation and interpretation of results is through the coding of questionnaire statements, and the classification or grouping of these questionnaire statements. The grouped

questionnaire statements should relate specifically to the research objectives, and generally to critical aspects of the performance management system.

### 5.3.1 Coding of questionnaire statements

The questionnaire statements for employees and residents were coded in order to be statistically analysed. The original statements from the questionnaire distributed to employees and residents, and their corresponding coded numbers can be viewed in Appendix W and Appendix X. Appendix S and Appendix T illustrate the original statements in the questionnaires that were disseminated to the employees and residents of the City of Johannesburg.

### 5.3.2 Grouping of questionnaire statements

The statements from the questionnaire (Appendix T) which was distributed to the employees of the City of Johannesburg are grouped into critical aspects of the performance management system to allow for a logical presentation of results and their interpretation. The close-ended statements of a Likert scale were grouped in various aspects of the performance management system. The questionnaire statements are grouped to correspond with the critical aspects of the design and implementation of the performance management system at the City of Johannesburg. The questionnaire statements adjacent to the critical aspects of the performance management system are actually coded statement numbers in table 5.1. The critical aspects of the performance management system against which the questions are grouped, comprise the participation of stakeholders in the design and implementation of performance management system, the development of key performance indicators, the goal of performance management system and the

mission of the City of Johannesburg, information technology support, the training of personnel in the design and implementation of performance management system, the development of critical success factors and formulation of key job responsibilities, performance orientation, appraisal and reward systems, performance results and their communication, the provision of social services, the provision of billing services and the provision of basic services.

The grouping of statements from the questionnaire has been accomplished to correspond with the research objectives in chapter one. The purpose of striking the compatibility between the grouped statements and the research objectives is that after the presentation and interpretation of results, answers to the research questions should be provided. For logical reasons or a coherent flow of the presentation and interpretation of findings the research objectives are numbered. The following research objectives were formulated in chapter one:

- **Research objective 1**: Theoretical elaboration of the precepts and practice of a performance management system.
- **Research objective 2**: To illustrate how the Balanced Scorecard, as a performance measurement tool, operates and also to demonstrate how it is related to a performance management system.
- **Research objective 3**: To investigate how key performance areas are identified at the City of Johannesburg.
- **Research objective 4**: To explore how performance indicators and critical success factors are identified in the planning and measurement of performance at the City of Johannesburg.

- **Research objective 5**: To examine the steps taken by the City of Johannesburg to correct or reinforce employee performance or behaviours.
- **Research objective 6**: To identify what performance orientation entails and whether it does exist at the City of Johannesburg.
- **Research objective 7**: To make recommendations on how to effectively implement the performance management system at the City of Johannesburg.
- **Research objective 8**: To come up with a better designed performance management system for the City of Johannesburg, and ways of implementing performance management system effectively in this City of Johannesburg.

It is imperative at this juncture to make a commentary on the research objectives as this exercise will serve as an organiser in this discourse. Firstly, the research objectives have been re-arranged in order to effect a logical discussion of the presentation and interpretation of findings. Secondly, the research objectives 7 and 8 are subjects of discussion in the upcoming chapter six. Thirdly, the research objectives 1 and 2 are of a theoretical nature and have been expounded upon in the previous chapters. Nonetheless, these research objectives will be dealt with to determine if the theoretical underpinnings expatiated upon in prior chapters correspond with the empirical findings in the City of Johannesburg. For example, it could be that, on theory, the Balanced Scorecard appears to be properly designed, only to have empirical findings rejecting the notion. The grouping of questionnaire statements and their correspondence with the research objectives are presented in table 5.1

In table 5.1 it will be noticed that certain questionnaire statements have not been assigned specific research objectives. The reason for non-allocation of these questionnaire statements to any of the research objective is that they are not relevant for the performance management system but important for the analysis of City of Johannesburg's service delivery through employees' perspective. The analysis of this data is indispensable as it would assist later in the acceptance or rejection of the hypotheses formulated in chapter one. The presentation and analysis in respect of employees' views of City of Johannesburg's rendering of services will furthermore be integrated with a discussion on the provision of services as perceived by residents.

**Table 5.1: Grouped statements from the employee questionnaire and corresponding research objectives**

| RESEARCH OBJECTIVES | CRITICAL ASPECTS OF PERFORMANCE MANAGEMENT SYSTEM | CODED QUESTION NUMBER |
|---|---|---|
| **Research objectives 1 & 2** | -The goal of performance management system and the mission of the City of Johannesburg | Q6, Q10 & Q46-Q49<br><br>Q1, Q2, Q34, Q41 & Q46-Q49 |
| | -The involvement of stakeholders in the design and implementation of performance management system | Q4, Q5, Q22, Q19 & Q46-Q49 |
| | -The training of personnel in | Q8, Q12, Q25, Q28 & Q46-Q49 |

| | | |
|---|---|---|
| | the design and implementation of the performance management system<br><br>-The role of information technology infrastructure | |
| **Research objectives 1 , 2 & 3** | The development of key performance areas | Q46-Q49 |
| **Research objectives 1, 2, & 4** | -The development of key performance indicators<br><br>-The development of critical success factors and the formulation of key job responsibilities | Q13, Q14, Q15, Q16, Q18 & Q46-Q49<br><br>Q11, Q17 & Q46-Q49 |
| **Research objectives 1, 2 & 5** | -The link between the appraisal system and the reward system<br><br>-Performance results | Q24, Q26 & Q46-Q49<br><br>Q33, Q29, Q30, Q31, Q43 & Q46-Q49 |
| **Research objective 6** | Performance orientation | Q7, Q9, Q23, Q27 & Q46-Q49 |
| | The provision of social services | Q39, Q40 & Q46-Q49 |
| | The provision of billing services | Q35, Q36 & Q46-Q49 |
| | The rendering of basic | Q37, Q38, Q42, Q44, Q45 & |

| | | |
|---|---|---|
| | services | Q46-Q49 |
| Other additional information | The availability of resources to support performance management system | Q39 & Q46-Q49 |

The statements constituting the questionnaire that was distributed to the community are similarly grouped to correspond with categories such as the design and implementation of performance management system, the provision of social services, the provision of billing services, and the rendering of basic services. Table 5.2 indicates these categories and their corresponding coded question numbers.

**Table 5.2: Grouped statements from the community questionnaire**

| CATEGORIES | CODED QUESTION NUMBER |
|---|---|
| The design and implementation of performance management system | B1, B2, B10, B11, B15 |
| The provision social services | B7, B8 |
| The provision of billing services | B3, B4 |
| The rendering of basic services | B5, B6, B9, B12, B13 |

The next section focuses on the frequency analysis of the questionnaire feedback from employees. The questionnaire statements directly relating to the performance management system and the corresponding research objectives will be focused upon.

## 5.4 FREQUENCY ANALYSIS OF QUESTIONNAIRE FEEDBACK FROM EMPLOYEES

In this section, the questionnaire feedback for employees of the City of Johannesburg is subjected to frequency analysis. In the discussion to follow the researcher will first merely present the raw statistical data for every questionnaire statement under the relevant categories and thereafter present a combined data for "strongly agree" and "agree" scales as one scale collectively to be known as "agree" scale. In other words, percentages of "strongly agree" and "agree" scales will be added to give one cumulative percentage of the "agree" scale. The same procedure will be followed for scales "do not agree" and "disagree" to eventually end up with one cumulative percentage in the "disagree" scale. The data resulting from this exercise will be presented in diagrams with interpretation of responses. The sequence of presentation and interpretation of data will be followed for the frequency analysis of both employees' and residents' questionnaire feedback.

### 5.4.1 The goal of performance management system and the mission of the City of Johannesburg

The crux of the matter here is to find out whether the performance management system embraces the goal and mission of the City of Johannesburg. Questionnaire statements Q6 and Q10 were used to generate data in order to offer an explanation on whether employees were aware of the goal of the performance management system and the mission of the City of Johannesburg. If so, to what extent does the goal of the performance management system correlate with the mission of the City of Johannesburg. The results for questionnaire statements Q6 and Q10 are presented in table 5.3 and table 5.4 respectively.

**Table 5.3: Respondents' feedback pertaining to questionnaire statement Q6**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 11 | 6.3 | 6.4 | 6.4 |
| | 2 | 107 | 61.1 | 61.8 | 68.2 |
| | 3 | 38 | 21.7 | 22.0 | 90.2 |
| | 4 | 17 | 9.7 | 9.8 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

In table 5.3, as with all subsequent tables containing raw statistically computed feedback data, the researcher will use the percentages in the "Valid Per cent" column to present the raw data. In accordance with table 5.3 the majority (61.8%) of respondents agree that both managers and subordinates have a clear understanding of what the goal of the performance management system is, whereas the minority (22%) of sampled respondents does not agree with the questionnaire statement. A meager percentage (6.4%) of respondents strongly agree that both managers and subordinates have a clear understanding of what the goal of the performance management system is and a equal number (9.8%) of respondents strongly disagree to the questionnaire statement.

**Table 5.4: Respondents' feedback pertaining to Questionnaire statement Q10**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 23 | 13.1 | 13.3 | 13.3 |
| | 2 | 110 | 62.9 | 63.6 | 76.9 |
| | 3 | 25 | 14.3 | 14.5 | 91.3 |
| | 4 | 15 | 8.6 | 8.7 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

Table 5.4 shows that the majority of respondents (63.3%) agree that managers and subordinates understand the mission of the City of Johannesburg as compared with a smaller percentage (14.5%) of units of analysis that does not agree with the statement. A smaller percentage of respondents (8.7%) strongly disagree with the questionnaire statement compared with 13.3% of respondents who strongly agree with the questionnaire statement.

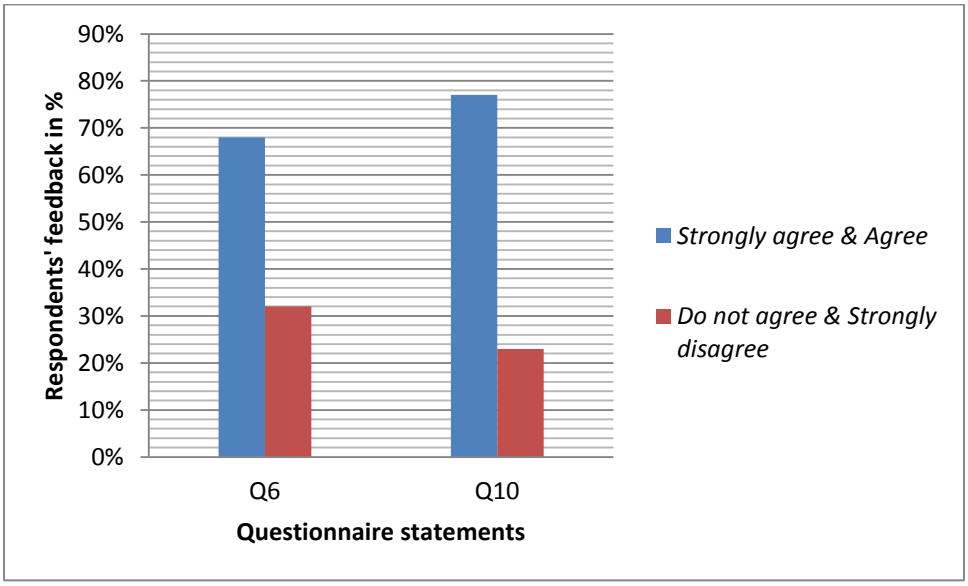
**Table 5.5: Responses on the goal and mission of the City of Johannesburg**

| **Coded question number** | ***Strongly agree &Agree*** | ***Do not agree & Strongly disagree*** |
|---|---|---|
| Q6 | 68.2% | 31.8% |
| Q10 | 76.9% | 23.1% |

Illustrated in table 5.5 is the higher cumulative percentage (68.2%) of respondents who agree that both managers and their subordinates have a clear understanding of the goal of the performance management system at the City of Johannesburg. A

few sampled employees (cumulative 31.8%) do not agree with the questionnaire statement (Q6). Equally, a high cumulative percentage (76.9%) of respondents holds the view that managers and subordinates understand the mission of the City of Johannesburg. A smaller fraction (23.1%) of respondents holds the opposing view (Q10). This research data is exhibited in figure 5.1.

**Figure 5.1: The goal and the mission of the City of Johannesburg**




From figure 5.1 it could be safely concluded that the employees are aware of the reason for the City of Johannesburg's existence in fulfilling its goal and mission. This understanding is imperative to better shape the behaviour of employees towards the attainment of the City of Johannesburg's objective: to deliver services to its constituency. The City of Johannesburg may, moreover, find it relatively difficult to achieve its objective in view of the practice of not involving residents in the development of City of Johannesburg's key performance indicators.

Similarly, employees need to be informed about and be aware of the purpose of the performance management system at the City of Johannesburg. If employees are

aware of the goal of the performance management system at the City of Johannesburg their performance behaviour could also improve. In reality, the performance management system is inward-looking and not outward-looking, in the sense that it seeks to improve internal municipal processes without considering the needs and expectations of the residents. This view is supported later in this study.

Responding to open-ended questions the employees of the City of Johannesburg believed that the City of Johannesburg has a clearly defined Growth and Development Strategy (GDS) with clearly defined priorities. The City of Johannesburg, moreover, has an Integrated Development Plan encapsulating stakeholders' needs for improved service delivery.

Employees contended that the City of Johannesburg's vision and mission are not aligned to the daily activities within the units or sub-directorates. The analysis of responses to the open-ended questions gives the impression that the strategic performance objectives of the City of Johannesburg are somehow unrealistic. These strategic performance objectives are unachievable due to the lack of consultation or participation with key stakeholders such as employees and residents.

### 5.4.2 The involvement of stakeholders in the design and implementation of the performance management system

The purpose in this section is to find out whether key stakeholders such as employees and communities have been consulted or participated in the design and

implementation of the performance management system. The research data for this research objective is captured in tables 5.6, 5.7, 5.8 and 5.9.

**Table 5.6: Respondents' feedback pertaining to questionnaire statement Q1**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 23 | 13.1 | 13.3 | 13.3 |
| | 2 | 95 | 54.3 | 54.9 | 68.2 |
| | 3 | 37 | 21.1 | 21.4 | 89.6 |
| | 4 | 18 | 10.3 | 10.4 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

Expressed in table 5.6 is the higher percentage (54.9%) of sampled employees who agree that management and subordinates are involved in the development and implementation of the performance management system. A lower percentage (21.4%) of respondents does not agree with the questionnaire statement. Similarly, a high percentage (13.3%) of respondents strongly agrees with the questionnaire statement. On the contrary, a lower percentage (10.4%) of respondents strongly disagrees with the questionnaire statement (Q1).

A significantly higher percentage (52%) of the units of analysis agrees that managers and employees set performance objectives jointly. A comparatively small percentage (23.1%) of the units of analysis does not agree to the questionnaire statement (Q2).

**Table 5.7: Respondents' feedback pertaining to questionnaire statement Q2**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 17 | 9.7 | 9.8 | 9.8 |
| | 2 | 90 | 51.4 | 52.0 | 61.8 |
| | 3 | 40 | 22.9 | 23.1 | 85.0 |
| | 4 | 26 | 14.9 | 15.0 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

Table 5.7 indicates that 9.8% of respondents strongly agrees with and 15% of respondents strongly disagrees with the questionnaire statement (Q2).

**Table 5.8: Respondents' feedback pertaining to questionnaire statement Q34**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 8 | 4.6 | 4.6 | 4.6 |
| | 2 | 50 | 28.6 | 28.6 | 33.1 |
| | 3 | 85 | 48.6 | 48.6 | 81.7 |
| | 4 | 32 | 18.3 | 18.3 | 100.0 |
| | Total | 175 | 100.0 | 100.0 | |

In table 5.8 a higher percentage (48.6%) of respondents does not agree with the questionnaire statement that they are involved in the development of the performance management system at the City of Johannesburg whilst a relatively less percentage (28%) of the respondents agrees with the questionnaire statement (Q34). Sampled employees (18.3%) strongly disagree whereas 4.6% of respondents strongly agree with the questionnaire statement (Q34).

**Table 5.9: Respondents' feedback pertaining to questionnaire statement Q41**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 6 | 3.4 | 3.5 | 3.5 |
| | 2 | 38 | 21.7 | 22.4 | 25.9 |
| | 3 | 84 | 48.0 | 49.4 | 75.3 |
| | 4 | 42 | 24.0 | 24.7 | 100.0 |
| | Total | 170 | 97.1 | 100.0 | |
| Missing | System | 5 | 2.9 | | |
| Total | | 175 | 100.0 | | |

It can be seen from table 5.9 that a comparatively large percentage (49.4%) does not agree that the City of Johannesburg involves them in the evaluation of its performance. A higher percentage (24.7%) of sampled employees strongly disagrees whereas a smaller percentage (22.4%) of respondents agrees with the questionnaire statement (Q41). A very small percentage (3.5%) of respondents strongly agrees with the questionnaire statement (Q41).

**Table 5.10: Stakeholders' views on the design and implementation of performance management system**

| **Coded question number** | ***Strongly agree &Agree*** | ***Do not agree & Strongly disagree*** |
|---|---|---|
| Q1 | 68.2% | 31.8% |
| Q2 | 61.8% | 38.1% |
| Q34 | 33.2% | 66.9% |
| Q41 | 25.9% | 74.1% |

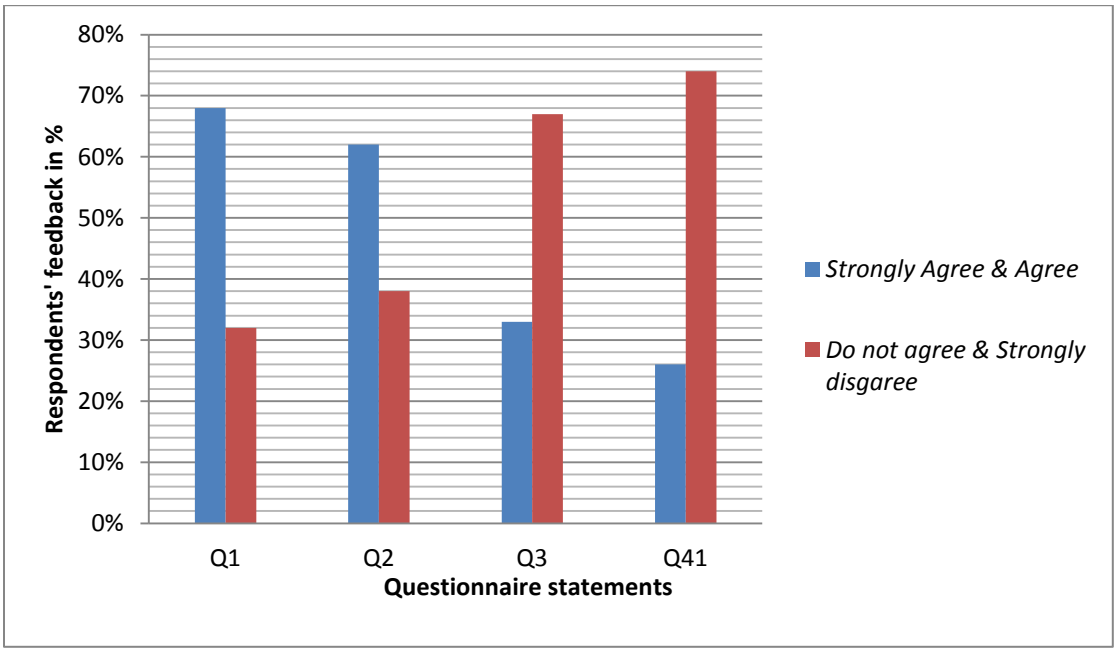
In table 5.10 the majority (cumulative 68.2%) of respondents agree that both management and subordinates are involved in the development and implementation of the performance management system (Q1). Similarly, a higher cumulative percentage (61.8%) of respondents agree that both managers and their

subordinates set performance objectives jointly (Q2). For both questionnaire statements Q1 and Q2 a lower cumulative percentage (31.8% and 38.1% respectively) of respondents does not agree that they are involved in the development and implementation of the performance management system (Q1) and that there is joint setting of objectives between managers and their subordinates (Q2).

A relatively high cumulative percentage (66.9%) of units of sampled employees does not agree that they are individually involved in the development of the performance management at the City of Johannesburg (Q34) whereas a smaller cumulative percentage (33.2%) of respondents agrees with the questionnaire statement. Indicated in the same table 5.10 is that a substantially larger cumulative percentage (74.1%) of sampled employees does not agree that they are involved in the evaluation of the City of Johannesburg's performance, whereas a lower cumulative percentage (25.9%) of sampled employees agrees with the questionnaire statement (Q41). The cited results are shown in figure 5.2.

Figure 5.2 leads the researcher to the conclusion that the development and implementation of the performance management system at the City of Johannesburg is a cooperative discourse wherein both managers and subordinates are jointly involved. The fact that the respondents in this study disagree that they are not involved as individuals in this process points to the direction that joint involvement in the development and implementation of performance management system does indeed occur.

**Figure: 5.2: The design and implementation of performance management system**




This cooperation extends to the setting of performance objectives. However, the participants are of the opinion that they are not involved in the evaluation of City of Johannesburg's performance. In other words, even though the performance objectives are set jointly, none of the participants are involved or consulted in the measurement of the attainment of the preset objectives.

The employees of the City of Johannesburg affirm that they are aware of the existence of the performance management system. The opinion of employees is however that not everybody is involved in the development of the performance management system. It is a system that is drafted or developed by senior mangers without consultation with employees. The fact that it is designed by senior officials, but lacks participation by those who have to implement it, does not augur well for the effective implementation of the performance management system.

### 5.4.3 The training of personnel in the design and implementation of the performance management system

Critical here is the extent to which personnel at the City of Johannesburg is offered training on the design and implementation on the performance management system. The results are reflected in tables 5.11, 5.12, 5.13 and 5.14.

**Table 5.11: Respondents' feedback pertaining to questionnaire statement Q4**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 19 | 10.9 | 11.2 | 11.2 |
| | 2 | 107 | 61.1 | 62.9 | 74.1 |
| | 3 | 34 | 19.4 | 20.0 | 94.1 |
| | 4 | 10 | 5.7 | 5.9 | 100.0 |
| | Total | 170 | 97.1 | 100.0 | |
| Missing | System | 5 | 2.9 | | |
| Total | | 175 | 100.0 | | |

A convincing majority (62.9%) of respondents agree that managers and subordinates have appropriate skills and knowledge to implement the performance management system, while a lesser percentage (20%) of respondents does not agree with the questionnaire statement (Q4 in table 5.11). A relatively high percentage (11.2%) of sampled employees strongly agrees, and a lesser percentage (5.9%) strongly disagrees with the questionnaire statement (Q4).

**Table 5.12: Respondents' feedback pertaining to questionnaire statement Q5**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 24 | 13.7 | 14.0 | 14.0 |
| | 2 | 94 | 53.7 | 55.0 | 69.0 |
| | 3 | 40 | 22.9 | 23.4 | 92.4 |
| | 4 | 13 | 7.4 | 7.6 | 100.0 |
| | Total | 171 | 97.7 | 100.0 | |
| Missing | System | 4 | 2.3 | | |
| Total | | 175 | 100.0 | | |

It can be seen from table 5.12 that a relatively large percentage (55%) of respondents agrees that proper training is carried out to ensure that managers and subordinates are able to work with the performance management system, and a lower percentage (23.4%) of the units of analysis does not agree with the questionnaire statement Q5). A smaller percentage (14%) of respondents strongly agrees with the questionnaire statement, while a smaller percentage (7.6%) strongly disagrees with the questionnaire statement (Q5).

Somehow equal percentages (45.1% and 41.6%) of sampled respondents agree and do not agree, respectively, that management implements training programmes to instill a positive attitude towards the performance management system (see table 5.13). Similarly, 5.2% of respondents strongly agree, and 8.1% of respondents strongly disagree with the questionnaire statement (Q22).

**Table 5.13: Respondents' feedback pertaining to questionnaire statement Q22**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 9 | 5.1 | 5.2 | 5.2 |
| | 2 | 78 | 44.6 | 45.1 | 50.3 |
| Valid | 3 | 72 | 41.1 | 41.6 | 91.9 |
| | 4 | 14 | 8.0 | 8.1 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

It is apparent in table 5.14 that close to equal percentages of respondents (38.5% [agree] and 42% [disagree]) that the Balanced Scorecard is understood by everyone in the City of Johannesburg. However, a smaller percentage of respondents (14.9%) strongly disagree, and a smaller percentage of respondents (4.6%) strongly agree to the questionnaire statement (Q19)

**Table 5.14: Respondents' feedback pertaining to questionnaire statement Q19**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 8 | 4.6 | 4.6 | 4.6 |
| | 2 | 67 | 38.3 | 38.5 | 43.1 |
| Valid | 3 | 73 | 41.7 | 42.0 | 85.1 |
| | 4 | 26 | 14.9 | 14.9 | 100.0 |
| | Total | 174 | 99.4 | 100.0 | |
| Missing | System | 1 | .6 | | |
| Total | | 175 | 100.0 | | |

**Table 5.15: The results on the training of personnel**

| Coded question number | *Strongly agree &Agree* | *Do not agree & Strongly disagree* |
|---|---|---|
| Q4 | 74.1% | 25.9% |
| Q5 | 69% | 31% |
| Q22 | 50.3% | 49.7% |
| Q19 | 56.9% | 43.1% |

It can be deduced from table 5.15 that the majority (cumulative 74.1%) of sampled employees agree that managers and subordinates have the required skills and knowledge to implement the performance management system (Q4). Only a smaller cumulative percentage of respondents (25.9%) do not agree to the questionnaire statement (Q4).

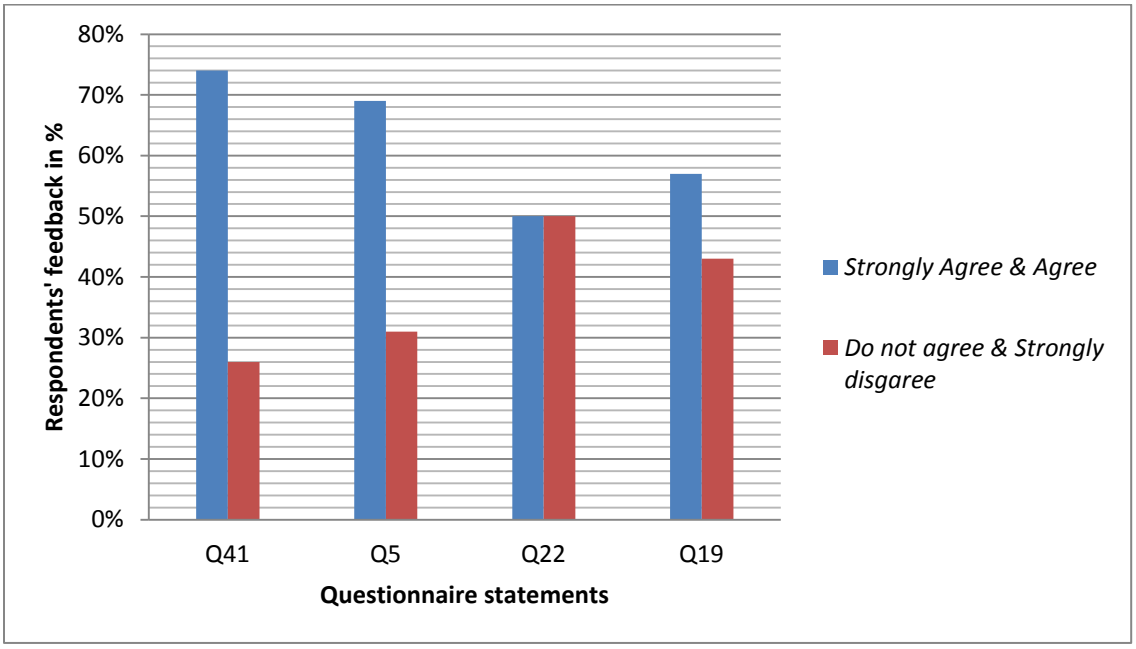
The higher cumulative percentage (69%) of units of analysis affirms the statement that proper training is carried out to ensure that managers and subordinates are able to work with the performance management system. A lower cumulative percentage (31%) of the units of analysis disagrees with the assertion that managers and subordinates are able to work with the performance management system (Q5).

A slightly higher cumulative percentage of sampled employees (50.3%) agrees that management implements training programmes to instill a positive attitude towards the performance management system. A somehow lower cumulative percentage of respondents (49.7%) does not agree to the questionnaire statement (Q22). Finally, a marginally higher cumulative percentage (56.9%) of respondents does not agree to the questionnaire statement that the balance scorecard is understood by everyone at the City of Johannesburg. A lower number of

respondents (43.1%) agree to the questionnaire statement (Q19). The results for training on performance management system are presented in figure 5.3.

It can be deduced from figure 5.3 that training is carried out to ascertain that managers and subordinates are able to work with the performance management system. In fact both managers and subordinates attest to the fact that the training implemented does indeed capacitate them to deal effectively with the task of working with the performance management system.

**Figure 5.3: The training of personnel**




Through the training offered at the City of Johannesburg, employees are expected to acquire the requisite skills to work with the performance management system. When employees have the required skills to work with the performance management system they would feel confident and therefore perform better. Employees could, additionally, be enthusiastic enough to tackle challenges that may emanate from the implementation of the performance management system.

Having the required skills could encourage employees to suggest needed changes to the way the performance management system is developed and implemented. This on its own would enhance the development and implementation of the performance management all the more.

On the contrary, the situation just explained does not occur at the City of Johannesburg. The training on the performance management system does not infuse a positive attitude among the users of the performance management system. The obvious effect of having a negative attitude to the current performance is the lack of ownership of the process. In fact, the findings explored in the chapter refute that employees have a positive attitude towards the performance management system at the City of Johannesburg.

The only worrying factor in the performance management system is the fact that employees seem to lack an understanding of the Balanced Scorecard at the City of Johannesburg. The failure to grasp the essence and machinations of the Balanced Scorecard can have devastating effects on the implementation of the performance management system and the morale of employees to put it into operation. Lack of understanding of the Balanced Scorecard could definitely lead to the evaluation of the wrong key performance indicators which would eventually lead to the demise of the performance management system in general. If the Balanced Scorecard is not understood properly an inappropriate evaluation of employee performance could occur thereby jeopardizing the proper implementation of the performance management system. The employees could also raise questions about the relevance of the performance management system especially with regard to the rewards resulting from the faulty performance measurement system. All these together could necessitate the casting of aspersions on the performance management system

and arguments could be fermented regarding the implementation of the performance management system with no clear outcomes. The general conclusion could be that training was not organized on a continuous basis in order to achieve the objective of capacitating the employees in the development and implementation of the performance management system.

In their reaction to the open-ended questions in the questionnaire the majority of employees affirmed that there was no training for employees, especially line managers regarding the use of the City of Johannesburg's scorecard. Training on performance reviews was not conducted for managers, which led to ineffective reviews of subordinates' performance. The employees were concerned that training was lacking on how to compile an auditable evidence file once performance reviews have been completed, thus leading to the lack of evidence on the performance evaluation conducted. Under such conditions it cannot be maintained that rewards distributed are fair and equitable. This aspect will be probed later when the appraisal and reward systems are discussed.

### 5.4.4 The role of information technology (IT) infrastructure

The objective at this point is to examine whether the information technology (IT) infrastructure supports the implementation of the performance management system. Data for this research objective can viewed in tables 5.16, 5.17, 5.18, and 5.19.

A slightly higher percentage of respondents (45.9%) agree that the current information technology supports the performance management system whereas a

lower percentage of respondents (38.8%) disagree with the questionnaire statement (Q8) (see table 5.16).

**Table 5.16: Respondents' feedback pertaining to questionnaire statement Q8**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 3 | 1.7 | 1.8 | 1.8 |
| | 2 | 78 | 44.6 | 45.9 | 47.6 |
| Valid | 3 | 66 | 37.7 | 38.8 | 86.5 |
| | 4 | 23 | 13.1 | 13.5 | 100.0 |
| | Total | 170 | 97.1 | 100.0 | |
| Missing | System | 5 | 2.9 | | |
| Total | | 175 | 100.0 | | |

A lower percentage of respondents (13.5%) strongly disagree that the information technology supports the performance management system, whereas a lower percentage of respondents (1.8%) strongly agrees with the questionnaire statement (see table 5.16). For the same questionnaire statement (Q8) a high percentage of respondents (45.9%) agree with the questionnaire statement and a smaller percentage of respondents (38.8%) do not agree with the questionnaire statement.

Clearly indicated in table 5.17 is a higher percentage of respondents (43.5%) who agree that the information technology used to carry out the performance management system is user friendly. On the other hand, a lower percentage (36.5%) of respondents does not agree with the questionnaire statement (Q12). Additionally, 12.4% of respondents strongly disagree with the questionnaire statement whilst 7.6% of respondents strongly agree with the questionnaire statement (Q12).

**Table 5.17: Respondents' feedback pertaining to questionnaire statement Q12**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 13 | 7.4 | 7.6 | 7.6 |
| | 2 | 74 | 42.3 | 43.5 | 51.2 |
| Valid | 3 | 62 | 35.4 | 36.5 | 87.6 |
| | 4 | 21 | 12.0 | 12.4 | 100.0 |
| | Total | 170 | 97.1 | 100.0 | |
| Missing | System | 5 | 2.9 | | |
| Total | | 175 | 100.0 | | |

As reflected in table 5.18, a larger percentage of sampled employees (49.1%) agree that the performance management system is easy to work with. A lower percentage of respondents (40.9%) do not agree with the questionnaire statement (Q25). A marginally higher percentage of respondents (7.6%), contrasted with lower percentage of respondents (2.3%) in the "strongly agree" category, strongly disagree that the performance management system is easy to work with.

**Table 5.18: Respondents' feedback pertaining to questionnaire statement Q25**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 4 | 2.3 | 2.3 | 2.3 |
| | 2 | 84 | 48.0 | 49.1 | 51.5 |
| Valid | 3 | 70 | 40.0 | 40.9 | 92.4 |
| | 4 | 13 | 7.4 | 7.6 | 100.0 |
| | Total | 171 | 97.7 | 100.0 | |
| Missing | System | 4 | 2.3 | | |
| Total | | 175 | 100.0 | | |

Nearly equal percentages of units of analysis (41.5% and 45 %) agree and do not agree, respectively, that there are difficulties in getting data to calculate the key performance indicators (see table 5.19).

**Table 5.19: Respondents' feedback pertaining to questionnaire statement Q28**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 7 | 4.0 | 4.1 | 4.1 |
| | 2 | 71 | 40.6 | 41.5 | 45.6 |
| | 3 | 77 | 44.0 | 45.0 | 90.6 |
| | 4 | 16 | 9.1 | 9.4 | 100.0 |
| | Total | 171 | 97.7 | 100.0 | |
| Missing | System | 4 | 2.3 | | |
| Total | | 175 | 100.0 | | |

A higher percentage of respondents (9.4%) relative to a lower percentage (4.1%) of respondents in the "strongly agree**"** category, strongly disagree with the questionnaire statement (Q28).

**Table 5.20: The respondents' perception on information technology support**

| **Coded question number** | ***Strongly agree &Agree*** | ***Do not agree & Strongly disagree*** |
|---|---|---|
| Q8 | 52.3% | 47.7% |
| Q12 | 51.1% | 48.9% |
| Q25 | 51.4% | 48.5% |
| Q28 | 45.6% | 54.4% |

It can be seen from table 5.20 that a relatively high cumulative percentage of respondents (52.3%) are positive that the current information technology supports the performance management system at the City of Johannesburg (Q8). A slightly

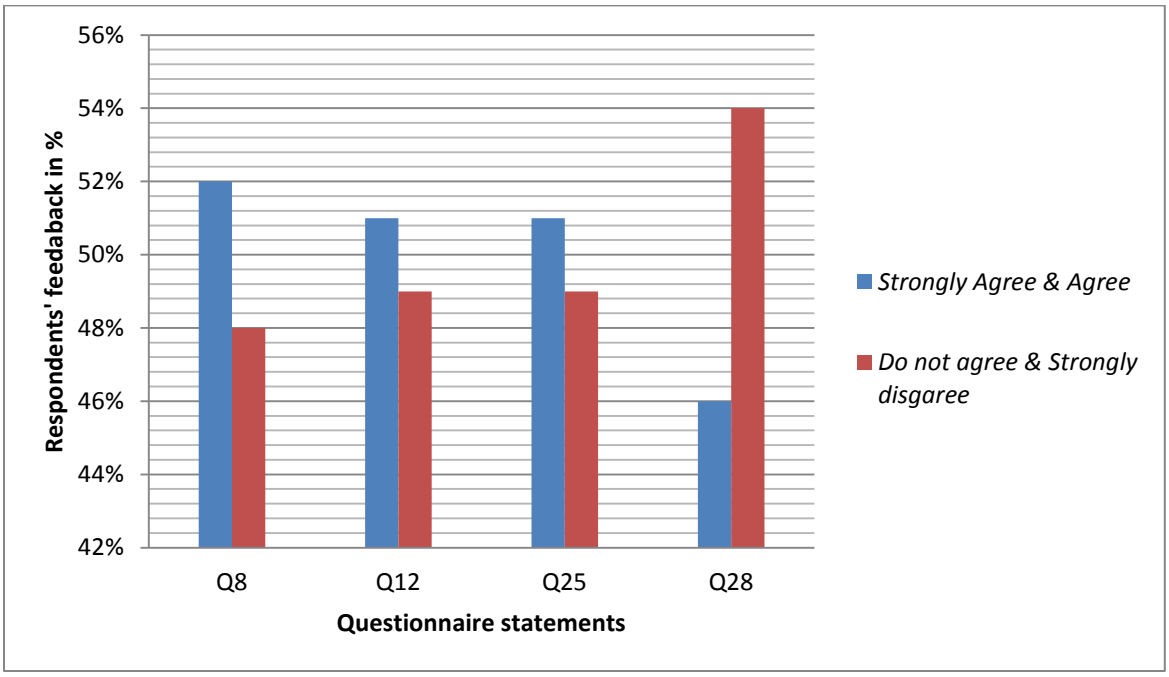
lower cumulative percentage of the units of analysis (47.7%) is opposed to the questionnaire statement (Q8).

A fairly large cumulative percentage of units of analysis (51.1%) agree that the information technology used at the City of Johannesburg to carry out the performance management system is user friendly. A marginally lower cumulative percentage of respondents (48.9%) stand to disagree with the questionnaire statement (Q12).

A higher cumulative percentage of sampled employees (51.4%) perceive the performance management system as easy to work with. A lower cumulative percentage sampled employees (48.5%) do not agree with the questionnaire statement (Q25). In contrast, a higher cumulative percentage of respondents (54.4%) hold the view that there are no difficulties in getting data to calculate the key performance indicators (Q28). This is in stark contrast to a lower cumulative percentage of the respondents (45.6%) who agree to the questionnaire statement (Q28). All this data is depicted in figure 5.4.

The finding, as it can be viewed in figure 5.4, is that the information technology architecture is supportive of the implementation of the performance management system. Furthermore, the ease with which employees work with information technology software facilitates the implementation of the performance management system. Besides, the performance management system has been developed in a manner that makes it is easier for employees to work with it.

**Figure 5.4: Information technology support to performance management system implementation**




The only debilitating shortcoming of the information technology architecture is its failure to ease up the procurement of data in order to calculate key performance indicators. This could cause delays in reformulating appropriate key performance indicators or re-engineering specific trouble spots in the performance management system, thereby creating a much-delayed response to unsatisfactory performance or causing a delay in meeting customers' needs.

Reponses emanating from open-ended questions allude to the view that those charged with implementing the performance management system did not know how to utilise computers to capture details regarding key performance indicators and performance data. Besides computers at the City of Johannesburg were "not working every time", that is, the network was not operational. Computers were not

adequate thereby hampering the effective implementation of the performance management system.

### 5.4.5 The development of key performance areas

It was raised on various occasions by the employees that there is no uniformity regarding the City of Johannesburg's key performance areas. Various units have developed their own key performance areas which are not aligned with the Growth and Development Strategy of the City of Johannesburg. The operations focused on actualising the unsynchronised key performance areas with disastrous effects as every unit develops objectives inimical to the overall objectives of the City of Johannesburg. The failure to have uniform key performance areas defeats the very essence of Integrated Developmental Plan. It is unimaginable how the City of Johannesburg intends to gratify community needs or efficiently render services without the required integration of key performance areas and the Integrated Developmental Plan.

### 5.4.6 The development of key performance indicators and critical success factors

It is crucial to explore whether the key performance indicators and critical success factors are developed appropriately to give effect to the performance management system. The findings in this respect are shown in tables 5.21, 5.22, 5.23, 5.24, 5.25, 5.26, 5.27 and 5.28.

**Table 5.21: Respondents' feedback pertaining to questionnaire statement Q13**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 16 | 9.1 | 9.3 | 9.3 |
| | 2 | 110 | 62.9 | 64.0 | 73.3 |
| Valid | 3 | 36 | 20.6 | 20.9 | 94.2 |
| | 4 | 10 | 5.7 | 5.8 | 100.0 |
| | Total | 172 | 98.3 | 100.0 | |
| Missing | System | 3 | 1.7 | | |
| Total | | 175 | 100.0 | | |

Table 5.21 shows that a large percentage of units of analysis (62.9%) agree that the key performance indicators are clearly understood and lower percentage of respondents (20%) disagree to the questionnaire statement (Q13). A comparatively high percentage of respondents (9%) strongly agree and a smaller percentage of respondents (5.6%) strongly disagrees with the questionnaire statement (Q13).

**Table 5.22: Respondents' feedback pertaining to questionnaire statement Q14**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 11 | 6.3 | 6.3 | 6.3 |
| | 2 | 108 | 61.7 | 62.1 | 68.4 |
| Valid | 3 | 33 | 18.9 | 19.0 | 87.4 |
| | 4 | 22 | 12.6 | 12.6 | 100.0 |
| | Total | 174 | 99.4 | 100.0 | |
| Missing | System | 1 | .6 | | |
| Total | | 175 | 100.0 | | |

Table 5.22 indicates that a larger percentage of respondents (62.1%) agree with the questionnaire statement that key performance indicators are agreed upon by managers and subordinates whereas a lower percentage of respondents (19%) do

not agree with the questionnaire statement (Q14). In the same table, a higher percentage of respondents (12.6%) strongly disagree and a lower percentage (6.3%) of respondents strongly agrees with the questionnaire statement (Q14).

**Table 5.23: Respondents' feedback pertaining to questionnaire statement Q15**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 10 | 5.7 | 5.9 | 5.9 |
| | 2 | 94 | 53.7 | 55.3 | 61.2 |
| Valid | 3 | 42 | 24.0 | 24.7 | 85.9 |
| | 4 | 24 | 13.7 | 14.1 | 100.0 |
| | Total | 170 | 97.1 | 100.0 | |
| Missing | System | 5 | 2.9 | | |
| Total | | 175 | 100.0 | | |

A relatively high percentage of respondents (55.3%) agree that key performance indicators involve financials while a lower percentage (24.7%) of respondents does not agree with the questionnaire statement (table 5.23). Respondents (5.9%) strongly agree with the questionnaire statement (Q15). In contrast, a higher percentage of respondents (14.1%) strongly disagree with the questionnaire statement (Q15).

A comparatively great percentage of respondents (57.6%) agree that the key performance indicators involve the satisfaction of customers' needs whilst a smaller percentage of respondents (21.2%) do not agree with the questionnaire statement (Q16 in table 5.24). Nearly the same percentages of respondents strongly agree (10%) and strongly disagree (11.2%) with the questionnaire statement (Q16).

**Table 5.24: Respondents' feedback pertaining to questionnaire statement Q16**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 17 | 9.7 | 10.0 | 10.0 |
| | 2 | 98 | 56.0 | 57.6 | 67.6 |
| Valid | 3 | 36 | 20.6 | 21.2 | 88.8 |
| | 4 | 19 | 10.9 | 11.2 | 100.0 |
| | Total | 170 | 97.1 | 100.0 | |
| Missing | System | 5 | 2.9 | | |
| Total | | 175 | 100.0 | | |

In table 5.25 a relatively large percentage of respondents (42.9%) do not agree that customers are involved in the development of the key performance indicators. Conversely, a smaller percentage of respondents (33.3%) agree with the questionnaire statement. A significantly higher percentage of respondents (22%) strongly disagree and a lower percentage of respondents (1.8%) strongly agree with the questionnaire statement (Q18).

**Table 5.25: Respondents' feedback pertaining to questionnaire statement Q18**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 3 | 1.7 | 1.8 | 1.8 |
| | 2 | 56 | 32.0 | 33.3 | 35.1 |
| Valid | 3 | 72 | 41.1 | 42.9 | 78.0 |
| | 4 | 37 | 21.1 | 22.0 | 100.0 |
| | Total | 168 | 96.0 | 100.0 | |
| Missing | System | 7 | 4.0 | | |
| Total | | 175 | 100.0 | | |

**Table 5.26: Respondents' feedback pertaining to questionnaire statement Q20**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 18 | 10.3 | 10.5 | 10.5 |
| | 2 | 114 | 65.1 | 66.7 | 77.2 |
| Valid | 3 | 28 | 16.0 | 16.4 | 93.6 |
| | 4 | 11 | 6.3 | 6.4 | 100.0 |
| | Total | 171 | 97.7 | 100.0 | |
| Missing | System | 4 | 2.3 | | |
| Total | | 175 | 100.0 | | |

A significantly high percentage of sampled employees (65.1%) agree that the key performance indicators are linked to team or departmental responsibilities whereas a lower percentage of respondents (16.4%) do not agree with the questionnaire statement (Q20 in table 5.26). A slightly higher percentage of respondents (10.5%) strongly agree and a lower percentage of respondents (6.4%) strongly disagree with the questionnaire statement (Q20).

**Table 5.27: Respondents' feedback pertaining to questionnaire statement Q21**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 32 | 18.3 | 18.7 | 18.7 |
| | 2 | 79 | 45.1 | 46.2 | 64.9 |
| Valid | 3 | 58 | 33.1 | 33.9 | 98.8 |
| | 4 | 2 | 1.1 | 1.2 | 100.0 |
| | Total | 171 | 97.7 | 100.0 | |
| Missing | System | 4 | 2.3 | | |
| Total | | 175 | 100.0 | | |

Indicated in table 5.27 is that 46.2% of sampled employees agree that there are too many key performance indicators defined and only 33.9% of respondents do not agree with the questionnaire statement. A higher percentage of respondents (18.7%) strongly agree and a lower percentage of respondents (1.2%) strongly disagree with the questionnaire statement (Q21).

**Table 5.28: Respondents' feedback pertaining to questionnaire statement Q32**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 12 | 6.9 | 6.9 | 6.9 |
| | 2 | 131 | 74.9 | 75.7 | 82.7 |
| | 3 | 25 | 14.3 | 14.5 | 97.1 |
| | 4 | 5 | 2.9 | 2.9 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

A huge percentage of sampled employees (75.7%) agree that the key performance indicators are linked to managers' and subordinates' responsibilities and a lower percentage of sampled employees (14.5%) do not agree with the questionnaire statement (see table 5.28). In respect of the same questionnaire statement 6.9% and 2.9% of sampled employees strongly agree (6.9%) and strongly disagree (2.9%) with the questionnaire statement (Q32).

Table 5.29 shows that a high cumulative percentage of respondents (73.3%) agree that the key performance indicators are clearly understood and a lower cumulative percentage of units of analysis (26.7%) do not agree with the questionnaire statement (Q13).

**Table 5.29: Feedback on the key performance indicators**

| Coded question number | *Strongly agree &Agree* | *Do not agree & Strongly disagree* |
|---|---|---|
| Q13 | 73.3% | 26.7% |
| Q14 | 68.4% | 31.6% |
| Q15 | 61.2% | 38.8% |
| Q16 | 68% | 32% |
| Q18 | 35.1% | 64.9% |
| Q20 | 77.2% | 22.8% |
| Q21 | 64.9% | 35.1% |
| Q32 | 82.6% | 17.4% |

A relatively large cumulative percentage of units of analysis (68.4%) agree that the key performance indicators are a matter agreed between the managers and subordinates, whereas a substantially lower cumulative percentage of respondents (31.6%) do not agree with the questionnaire statement (Q14 in table 5.29). In accordance with the respondents' feedback (cumulative 61.2%) the key performance indicators at the City of Johannesburg involve financials. The other respondents (cumulative 38.8%) do not agree with the questionnaire statement (Q15). The respondents further agree (cumulative 68%) that the formulated key performance indicators include the satisfaction of customers whereas a lower cumulative percentage of respondents (32%) do not agree with the questionnaire statement (Q16).

From table 5.29 it is clear that the high cumulative percentage of respondents (64.9%) do not agree that customers are involved in the development of key performance indicators at the City of Johannesburg. On the other hand a lower cumulative percentage of respondents (35.1%) agree with the questionnaire statement (Q18). In the same table, a high number of sampled employees

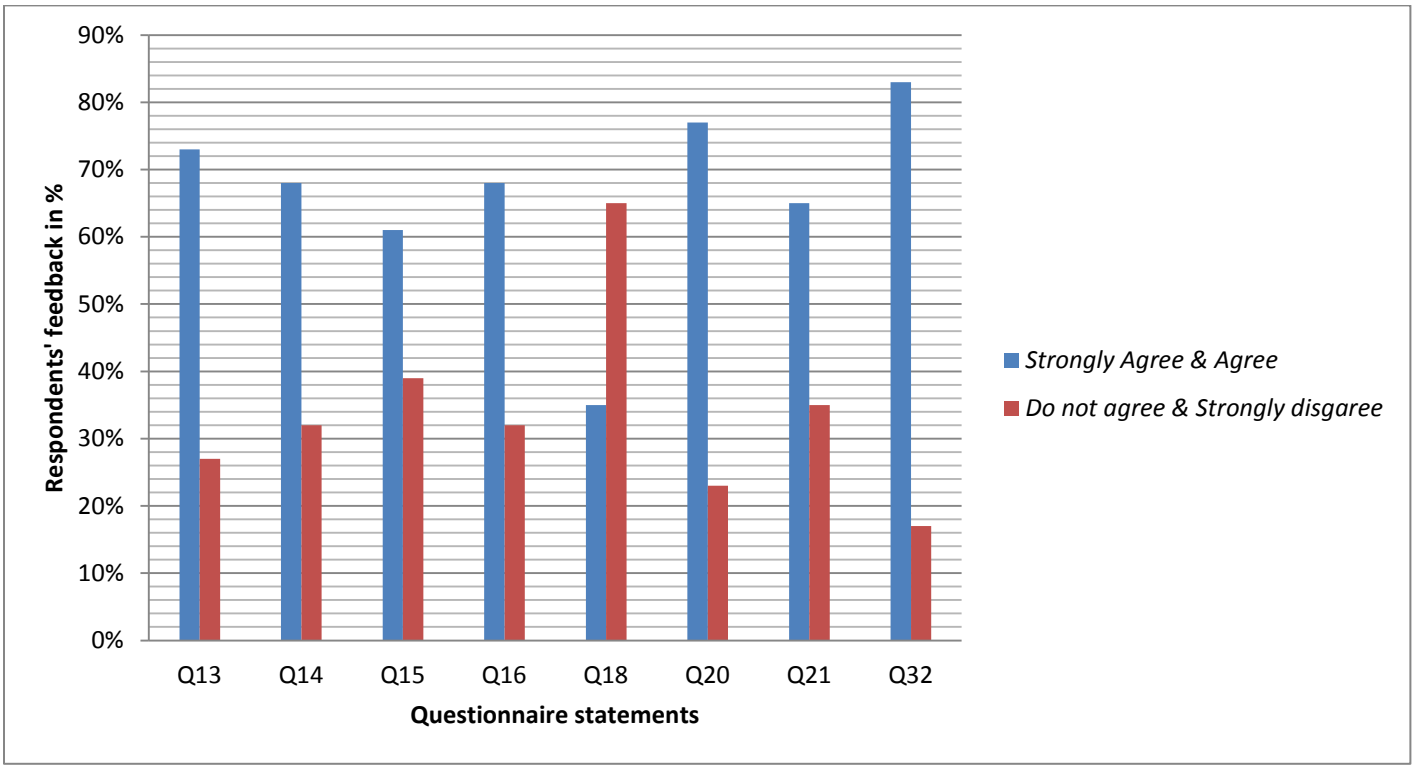
(cumulative 77.2%) are of the view that the key performance indicators are linked to team or departmental responsibilities whereas a lower cumulative percentage of sampled employees (22.8%) do not agree with the questionnaire statement (Q20).

Table 5.29 further indicates that a relatively high cumulative percentage of the sampled employees (64.9%) agree that there are too many key performance indicators defined in the performance management system and a lower cumulative percentage of the sampled employees (35.1%) do not agree with the questionnaire statement (Q21). In the same vein, a very high cumulative percentage of sampled employees (82.6%) agree that the key performance indicators are linked to managers' and subordinates' responsibilities whereas a meager cumulative percentage of sampled employees (17.4%) do not agree with the questionnaire statement (Q32). These results are illustrated in figure 5.5.

The research data that is illustrated in figure 5.5 generally reflect that the City of Johannesburg develops the key performance indicators appropriately. In all the questionnaire statements the respondents agree to the statements except for questionnaire statement Q18

In essence, the key performance indicators that are developed at the City of Johannesburg are understood by employees. This means that it is crystal clear what the performance requirements are for every employee. The employees understand and make meaning of the key performance indicators. The key performance indicators are better understood because the managers and subordinates have agreed upon them.

**Figure 5.5: The development of key performance indicators**




Employees are able to derive understanding and meaning from the key performance indicators because the key performance indicators relate to managers' and employees' responsibilities. To cap it, meaningfulness of the key performance indicators can be attributed to the fact that the key performance indicators that are generated are linked to team and departmental responsibilities.

To the contrary, the key performance indicators that are developed at the City of Johannesburg are not oriented towards the satisfaction of the needs of the residents. The residents are not consulted or involved in the formulation of the key performance indicators. It will be subsequently argued that the City of Johannesburg's performance management system is not service oriented. This assertion is supported by the fact that the key performance indicators are of the

financial nature with the mere purpose of determining the financial performance of the City of Johannesburg.

The key performance indicators are not developed in time so that employees should know and embrace them. It has been found that the planning of the scorecards is accomplished almost four or five months into the financial year. This, it is believed, compromises the purpose of the performance management system.

The formulation of the key performance indicators is accomplished without the consultation or participation of employees. Instead, the key performance indicators are imposed upon the non-senior managers and ordinary employees. Only section 57 employees on a fixed term contract are invited to participate in the development of the key performance indicators and the development of the City of Johannesburg's strategy. The development of key performance indicators is accomplished with no due consideration of the availability of resources.

The units of the City of Johannesburg are operating in 'silos' when they develop the key performance indicators. The key performance indicators that are generated from various departments are not linked together so that employees can realise how the achievement or non-achievement of key performance indicators in one unit could have an impact on the operations or achievement of key performance indicators in the other units. The employees do not see how the integration of key performance indicators of various units could result in the achievement of the overall City of Johannesburg's objectives. Failure to integrate key performance indicators could result into sub-optimal performance of the units of the City of Johannesburg.

There is no uniformity in the number and content of key performance indicators that should be developed by various departments and at times the key performance indicators are beyond the ability of employees to achieve. In fact, the key performance indicators are unrealistic and politically driven. One employee observed that employees are "given a completed scorecard to sign without agreeing with them on the contents of the scorecard."

### 5.4.7 The development of critical success factors and formulation of key job responsibilities

The purpose of the study at this point is to find out whether critical success factors are developed and key job responsibilities are outlined at the City of Johannesburg. The data to this effect is presented in table 5.30 and table 5.31.

**Table 5.30: Respondents' feedback pertaining to questionnaire statement Q11**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 12 | 6.9 | 6.9 | 6.9 |
| | 2 | 95 | 54.3 | 54.9 | 61.8 |
| | 3 | 50 | 28.6 | 28.9 | 90.8 |
| | 4 | 16 | 9.1 | 9.2 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

Table 5.30 indicates that a greater percentage of units of analysis (54.9%) agree that the critical success factors are clearly understood and a lower percentage of respondents (28.9%) do not agree with the questionnaire statement. Somehow

equal percentages (6.9% and 9.2%) of respondents strongly agree (6.9%) and strongly disagree (9.2%) with the questionnaire statement (Q11).

**Table 5.31: Respondents' feedback pertaining to questionnaire statement Q17**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 25 | 14.3 | 14.5 | 14.5 |
| | 2 | 95 | 54.3 | 55.2 | 69.8 |
| | 3 | 39 | 22.3 | 22.7 | 92.4 |
| | 4 | 13 | 7.4 | 7.6 | 100.0 |
| | Total | 172 | 98.3 | 100.0 | |
| Missing | System | 3 | 1.7 | | |
| Total | | 175 | 100.0 | | |

A higher percentage of respondents (55.2%) agree that there are clear tasks and responsibilities for managers and subordinates and a lower percentage of respondents (22.7%) do not agree with the questionnaire statement. Regarding the same questionnaire statement of respondents 14.5% strongly agree and 7.6% of respondents strongly disagree with the questionnaire statement (Q17 in table 5.31).

**Table 5.32: Data on the development critical success factors**

| **Coded question number** | ***Strongly agree &Agree*** | ***Do not agree & Strongly disagree*** |
|---|---|---|
| Q11 | 61.8% | 38.1% |
| Q17 | 69.7% | 30.3% |

Table 5.32 is indicative of a high cumulative percentage of respondents (61.8%) that agree with the statement that critical success factors are clearly understood by employees, whilst a smaller cumulative percentage of respondents (38.1%) do not agree to the questionnaire statement (Q11). A high cumulative percentage of

respondents (69.7%) confirms that there are clear tasks and responsibilities for managers and their subordinates and a lower cumulative percentage of the respondents (30.3%) do not agree with the questionnaire statement (Q17). These results are illustrated in figure 5.6.

**Figure 5.6: The development of critical success factors**

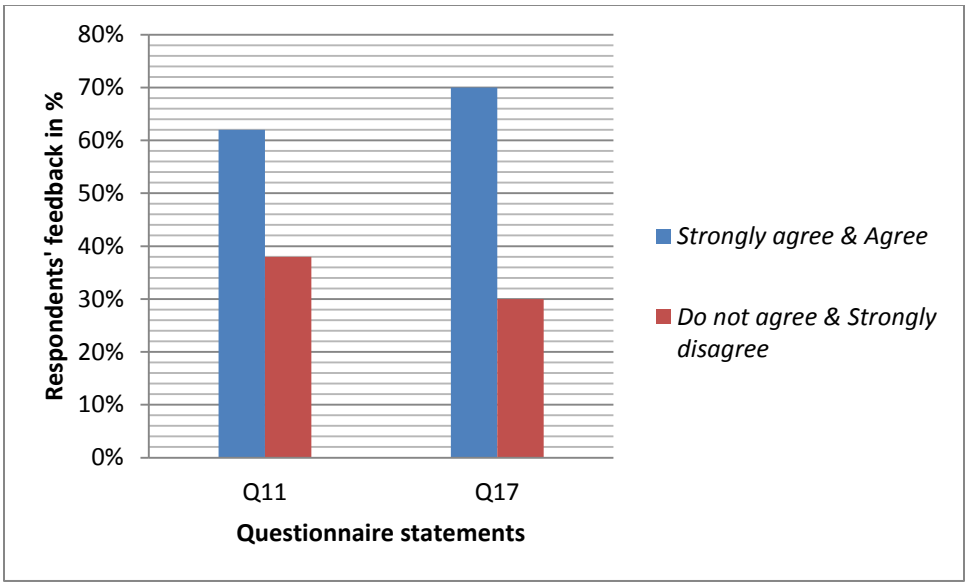



Figure 5.6 illustrates that the critical success factors are understood by employees at the City of Johannesburg. If employees are crystal clear about the critical success factors, they are likely to know the challenges that lie ahead and prepare themselves accordingly.

The good practice at the City of Johannesburg is that employees know their major tasks and responsibilities. The knowledge of tasks and responsibilities has the added advantage of giving employees the edge to successfully achieve performance objectives.

### 5.4.8 The link between the appraisal system and the reward system

The research objective is to investigate whether the appraisal of employees is executed and whether performance results determine rewards employees should receive. Statistical data in relation to the research objective is exhibited in table 5.33 and table 5.34

**Table 5.33: Respondents' feedback pertaining to questionnaire statement Q24**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 18 | 10.3 | 10.4 | 10.4 |
| | 2 | 95 | 54.3 | 54.9 | 65.3 |
| | 3 | 46 | 26.3 | 26.6 | 91.9 |
| | 4 | 14 | 8.0 | 8.1 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

A higher percentage of sampled employees (54.9%) agree that there is a link between the performance management system and the reward system at the City of Johannesburg (see table 5.33). A lower percentage of respondents (26.6%) do not agree with the questionnaire statement (Q24). Nearly the same percentages of units of analysis of the subjects of study strongly agree (10.4%) and strongly disagree (8.1%) with the questionnaire statement (Q24).

In table 5.34, equal percentages of respondents agree (39%) and do not agree (39.5%) that the performance appraisal at the City of Johannesburg is fair and accurate.

**Table 5.34: Respondents' feedback pertaining to questionnaire statement Q26**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 5 | 2.9 | 2.9 | 2.9 |
| | 2 | 67 | 38.3 | 39.0 | 41.9 |
| | 3 | 68 | 38.9 | 39.5 | 81.4 |
| | 4 | 32 | 18.3 | 18.6 | 100.0 |
| | Total | 172 | 98.3 | 100.0 | |
| Missing | System | 3 | 1.7 | | |
| Total | | 175 | 100.0 | | |

However, 18.6% of respondents strongly disagree and 2.9% of respondents strongly agree with the questionnaire statement (Q26).

**Table 5.35: Respondents' views on the appraisal and rewards systems**

| **Coded question number** | ***Strongly agree &Agree*** | ***Do not agree & Strongly disagree*** |
|---|---|---|
| Q24 | 65.3% | 34.7% |
| Q26 | 41.9% | 58.1% |

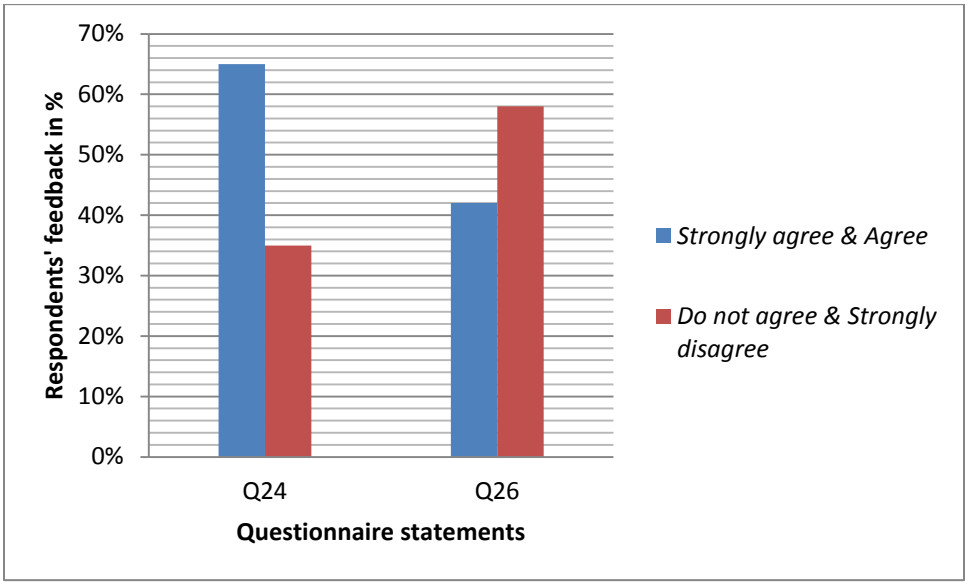
A significantly high cumulative percentage of the units of analysis (65.3%) uphold the view that there is a link between the performance management system and the reward system at the City of Johannesburg (see Q24 in table 5.35). On the other hand, a lower precentage of sampled employees (cumulative 34.7%) do not agree with the questionnaire statement (Q24).

A cumulative 41.9% of respondents consider the performance appraisal process at the City of Johannesburg to be fair and accurate, whereas a cumulative 58.1% of

respondents do not agree with the questionnaire statement (Q26). The results for the research objectives are illustrated in figure 5.7.

Figure 5.7 depicts the existence of the relationship between the performance measurement system and the rewards system. However, the performance measurement system is considered to produce inaccurate and unfair performance results.

**Figure 5.7: The appraisal and reward systems**




This view corresponds with the earlier contention that employees do not understand how the Balanced Scorecard works. This situation is likely to give rise to inaccurate or unreliable performance results. The system could be susceptible to misuse or abuse in extreme cases. To make matters worse, employees are rewarded on the basis of the performance measurement that produces an inaccurate and unfair performance system. This makes a farce of the performance measurement system and the reward system, and of course of the whole system of performance management at the City of Johannesburg.

### 5.4.9 Performance results and their communication

The research objective is to investigate whether performance results are communicated. The research data for this research objective is in tables 5.36, 5.37, 5.38, 5.39, and 5.40.

**Table 5.36: Respondents' feedback pertaining to questionnaire statement Q33**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 38 | 21.7 | 21.7 | 21.7 |
| | 2 | 127 | 72.6 | 72.6 | 94.3 |
| | 3 | 9 | 5.1 | 5.1 | 99.4 |
| | 4 | 1 | .6 | .6 | 100.0 |
| | Total | 175 | 100.0 | 100.0 | |

A very high percentage of sampled employees (72.6%) agree that the City of Johannesburg has the performance management system in place and a very low percentage of sampled employees (5.1%) do not agree with the questionnaire statement (see table 5.36). A larger percentage of respondents (21.7%) strongly agree and a small percentage of the respondents (0.6%) strongly disagree with the questionnaire statement (Q33).

A higher percentage of units of analysis (49.7%) agree that the performance management system improves performance results and 29.5% of respondents do not agree with the questionnaire statement (see Q29 in table 5.37). A higher percentage of respondents (11.6%) strongly agree and a lower percentage of respondents (9.2%) strongly disagree with the questionnaire statement (Q29).

**Table 5.37: Respondents' feedback pertaining to questionnaire statement Q29**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 20 | 11.4 | 11.6 | 11.6 |
| | 2 | 86 | 49.1 | 49.7 | 61.3 |
| Valid | 3 | 51 | 29.1 | 29.5 | 90.8 |
| | 4 | 16 | 9.1 | 9.2 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

Table 5.38 highlights that 51.7% of respondents agree that communication about performance results takes place at regular intervals and 32.8% of respondents do not agree with the questionnaire statement. In addition, 5.7% of the respondents in the study strongly agree and 9.8% of respondents strongly disagree with the questionnaire statement (Q30).

**Table 5.38: Respondents' feedback pertaining to questionnaire statement Q30**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 10 | 5.7 | 5.7 | 5.7 |
| | 2 | 90 | 51.4 | 51.7 | 57.5 |
| Valid | 3 | 57 | 32.6 | 32.8 | 90.2 |
| | 4 | 17 | 9.7 | 9.8 | 100.0 |
| | Total | 174 | 99.4 | 100.0 | |
| Missing | System | 1 | .6 | | |
| Total | | 175 | 100.0 | | |

It is apparent from table 5.39 that equal percentages of sampled employees agree (40.4%) and do not agree (40.9%) with the questionnaire statement (Q31).

**Table 5.39: Respondents' feedback pertaining to questionnaire statement Q31**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 6 | 3.4 | 3.5 | 3.5 |
| | 2 | 69 | 39.4 | 40.4 | 43.9 |
| Valid | 3 | 70 | 40.0 | 40.9 | 84.8 |
| | 4 | 26 | 14.9 | 15.2 | 100.0 |
| | Total | 171 | 97.7 | 100.0 | |
| Missing | System | 4 | 2.3 | | |
| Total | | 175 | 100.0 | | |

However, 15.2% of respondents strongly disagree whereas 3.5% of respondents strongly agree with the questionnaire statement (Q31).

**Table 5.40: Respondents' feedback pertaining to questionnaire statement Q43**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 3 | 1.7 | 1.8 | 1.8 |
| | 2 | 53 | 30.3 | 31.4 | 33.1 |
| Valid | 3 | 78 | 44.6 | 46.2 | 79.3 |
| | 4 | 35 | 20.0 | 20.7 | 100.0 |
| | Total | 169 | 96.6 | 100.0 | |
| Missing | System | 6 | 3.4 | | |
| Total | | 175 | 100.0 | | |

An analysis of data in table 5.40 highlights that 46.2% of respondents do not agree that the City of Johannesburg reports regularly to community on its performance. In contrast, 31.4% of respondents agree with the questionnaire statement. A higher percentage of respondents (20.7%) strongly disagree whereas 1.8% of respondents strongly agree with the questionnaire statement (Q43).

**Table 5.41: Respondents' perception of performance results**

| Coded question number | *Strongly agree &Agree* | *Do not agree & Strongly disagree* |
|---|---|---|
| Q33 | 94.3% | 5.7% |
| Q29 | 61.3% | 38.7% |
| Q30 | 57.1% | 42.6% |
| Q31 | 43.9% | 56.1% |
| Q43 | 33.1% | 66.9% |

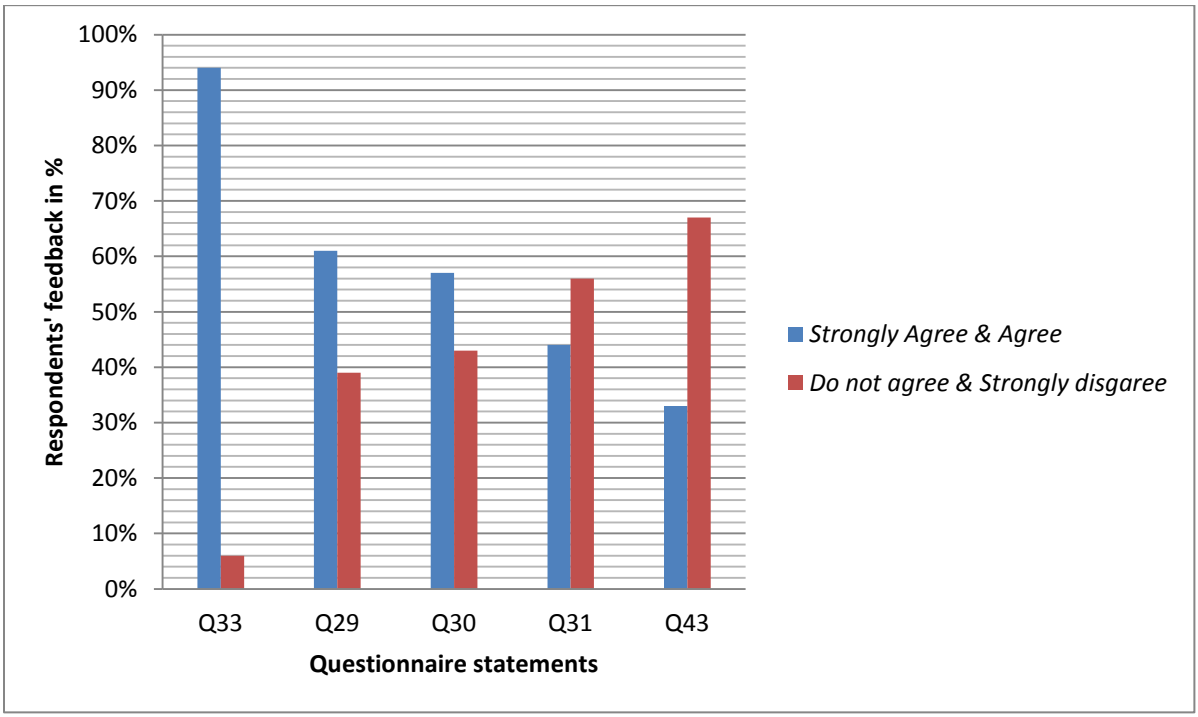
Table 5.41 indicates that a large proportion of respondents (cumulative 94.3%) agree that the City of Johannesburg has performance management in place (Q33) and a small proportion of respondents (cumulative 5.7%) do not agree with the questionnaire statement. Similarly, a high cumulative percentage of research participants (61.3%) agree to the statement that performance management system improves performance results at the City of Johannesburg, whereas a smaller number (cumulative 38.7%) do not agree with the questionnaire statement (Q29).

In similar vein, a larger cumulative percentage of sampled respondents (57.1%) hold the view that communication about performance results takes place at regular intervals. On the other hand, a lower cumulative percentage of units of analysis (42.6%) disagree with the questionnaire statement (Q30). Conversely, a higher cumulative percentage of respondents (56.1%) do not agree with the statement that communication about performance results takes place between City of Johannesburg's units and a lower cumulative percentage of sampled employees (43.9%) agree with the questionnaire statement (Q31).

Additionally, respondents do not agree (cumulative 66.9%) with the statement that the City of Johannesburg reports regularly to the community on its performance

while a lower cumulative percentage (33.1) do not agree with the questionnaire statement (Q43).

**Figure: 5.8: performance management system results and their communication**




Employees at the City of Johannesburg contend that there is a performance management system in operation in the City of Johannesburg (see figure 5.8). Employees' perception is that the performance management system in operation improves performance results and these performance results are communicated at regular intervals. Even though there is communication of performance results at regular intervals, it does not take place between units or departments. The lack of communication between units or departments about performance results embodies lack of integration of performance management practices which has a negative impact on the overall performance of the City of Johannesburg. One would be inclined to assert that the improvement of performance results previously alluded to is unit-based and encourages the City of Johannesburg to operate in vertical

‘silos.’ This practice cannot be considered to gratify the needs of the residents but is more focused on the improvement of internal intra-business unit processes.

On a positive note, employees have observed that there is the review of employees across the City of Johannesburg since the performance management system was put in operation. The performance reviews do not occur within predetermined time frames. The minority of employees opine that once reviews are completed, performance feedback is provided to appraisees and developmental plans are mapped out. These are followed by coaching and mentoring to achieve developmental plans. There is a vitriolic contention that the developmental plans at the City of Johannesburg are not considerate of the growth and development of employees. In fact, the individual developmental plans as advocated by the City of Johannesburg’s scorecard exist on paper only.

The majority of employees hold the view that quarterly performance reviews are not conducted but only the final review is conducted. The final performance review is linked to rewards and this leads to the perception that this review is the most important one. One employee commented that the review of performance does not occur in time but “starts late due to politicking and it takes long to draft key performance indicators, way into the second quarter when review should be happening.” When these reviews are conducted, they are not implemented in a uniform manner, which opens up the system for abuse or misuse. This leads to a situation where employees receive rewards that are not contingent on their performance.

Senior managers are considered lacking in knowledge of how the scorecard functions and are incapable of compiling evidence pertaining to employee

performance. As a result they do not know issues that are challenges to the implementation of the performance management system or the attainment of City of Johannesburg's objectives.

Employees perceive the appraisal system as a way managers use to settle personal scores with their subordinates. One employee offered this comment: "performance review is used as a weapon to punish employees and ordinary employees gain nothing from it." Besides, the performance reviews set managers and employees up as adversaries.

There is the general feeling among employees that the performance review needs to be closely monitored for proper execution. There are instances where employees are solely responsible for their own performance review which could yield biased performance data. In other performance review occasions, managers tend to score employees too high.

A reward system is in place but, as previously indicated, it is not dependent on the appraisal data. To make matters worse, the performance reviews linked to monetary rewards is restricted to senior managers of a fixed-term contract who are perceived to be "milking the city". These managers receive performance bonuses based on manipulated performance data.

Employees argue that the system of performance bonuses should be extended to all managers and all employees. As of now these categories of employees receive non-monetary rewards, such as two or three days off from work, for outstanding performance. The overall view is that the non-monetary rewards are a farce, if there is anything to say about them.

### 5.4.10 Performance orientation

The research objective is to find out whether there is a performance culture at the City of Johannesburg that supports the implementation of the performance management system. Research data for this research objective is shown in tables 5.42, 5.43, 5.44, and 5.45.

**Table 5.42: Respondents' feedback pertaining to questionnaire statement Q7**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 11 | 6.3 | 6.4 | 6.4 |
| | 2 | 68 | 38.9 | 39.3 | 45.7 |
| | 3 | 66 | 37.7 | 38.2 | 83.8 |
| | 4 | 28 | 16.0 | 16.2 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

Nearly equal percentages of respondents agree (39.3%) and do not agree (38.2%), that managers and subordinates have a positive attitude towards the performance management system (see table 5.42). In contrast, 16.2% of respondents strongly disagree and 6.4% of respondents strongly agree with the questionnaire statement (Q7).

**Table 5.43: Respondents' feedback pertaining to questionnaire statement Q9**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 4 | 2.3 | 2.3 | 2.3 |
| | 2 | 85 | 48.6 | 49.1 | 51.4 |
| Valid | 3 | 61 | 34.9 | 35.3 | 86.7 |
| | 4 | 23 | 13.1 | 13.3 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

As exhibited in table 5.43, a higher percentage of sampled employees (49.1%) agree that the management style at the City of Johannesburg is appropriate for the development and implementation of the performance management system whereas a lower percentage of respondents (35.3%) do not agree with the questionnaire statement. Respondents strongly agree (2.3%) and strongly disagree (13.3%) with the questionnaire statement.

**Table 5.44: Respondents' feedback pertaining to questionnaire statement Q23**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 22 | 12.6 | 12.8 | 12.8 |
| | 2 | 67 | 38.3 | 39.0 | 51.7 |
| Valid | 3 | 73 | 41.7 | 42.4 | 94.2 |
| | 4 | 10 | 5.7 | 5.8 | 100.0 |
| | Total | 172 | 98.3 | 100.0 | |
| Missing | System | 3 | 1.7 | | |
| Total | | 175 | 100.0 | | |

Nearly equal percentages of respondents agree (39%) and disagree (42.4%) that there is resistance from management and subordinates towards the performance

management system (see table 5.44). A comparatively high percentage of respondents (12.8%) strongly agree and a low percentage of respondents (5.8%) strongly disagree with the questionnaire statement (Q23).

**Table 5.45: Respondents' feedback pertaining to questionnaire statement Q27**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 4 | 2.3 | 2.3 | 2.3 |
| | 2 | 50 | 28.6 | 29.1 | 31.4 |
| | 3 | 100 | 57.1 | 58.1 | 89.5 |
| | 4 | 18 | 10.3 | 10.5 | 100.0 |
| | Total | 172 | 98.3 | 100.0 | |
| Missing | System | 3 | 1.7 | | |
| Total | | 175 | 100.0 | | |

In table 5.45 a comparatively high percentage of respondents (58.1%) do not agree that the City of Johannesburg has a performance management culture whilst 29.1% of respondents agree with the questionnaire statement. A further 2.3% of respondents strongly agree and 10.5% of respondents strongly disagree with the questionnaire statement (Q27).

A higher cumulative percentage of respondents (54.3%) do not agree that managers and subordinates have a positive attitude towards the performance management system whereas a lower cumulative percentage of the units of analysis (45.7%) agree with the questionnaire statement (see table 5.46).

**Table 5.46: Responses on the role of behavioural factors**

| Coded question number | *Strongly agree &Agree* | *Do not agree & Strongly disagree* |
|---|---|---|
| Q7 | 45.7% | 54.3% |
| Q9 | 51.4% | 48.6% |
| Q23 | 51.8.% | 48.2% |
| Q27 | 31.4% | 68.6% |

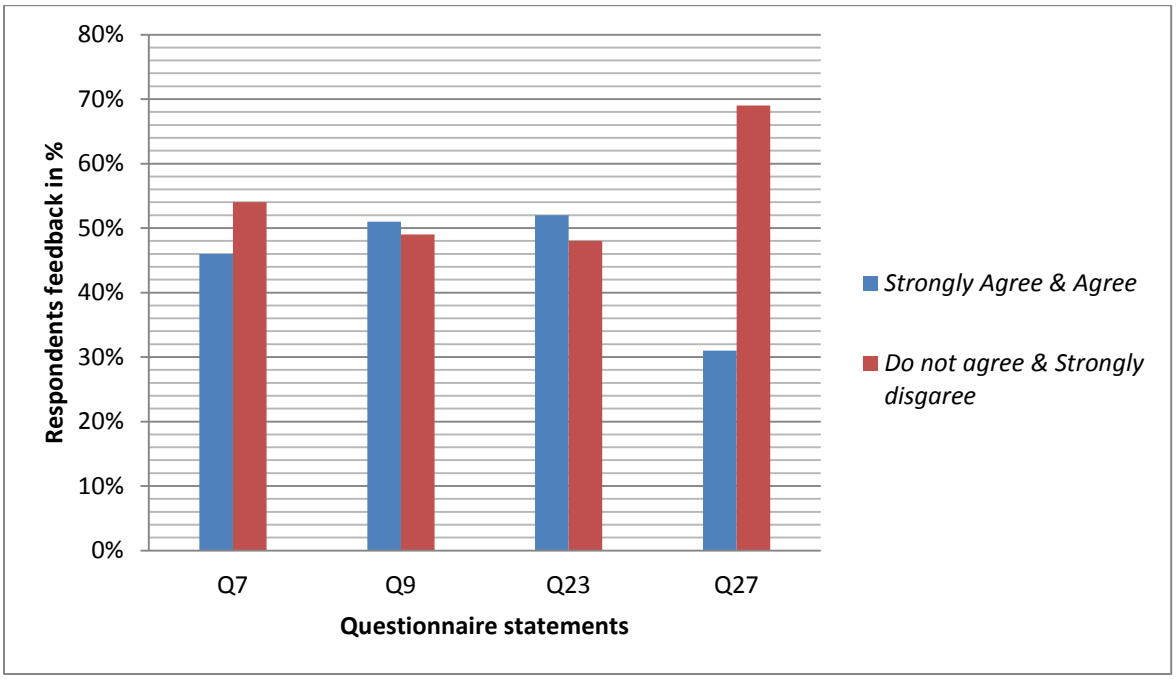
A marginally higher cumulative percentage of research participants (51.4%) agree that the management style in the City of Johannesburg is appropriate for the development and implementation of the performance management system (Q9). To the contrary, a smaller cumulative percentage of respondents (48.6%) do not agree with the questionnaire statement (Q9).

A slightly higher cumulative percentage of responses (51.8%) indicate there is resistance from management and subordinates towards the performance management system. Conversely, a lower cumulative percentage of respondents (48.2%) do not agree with the questionnaire statement (Q23)

Lastly, a substantial number of respondents (cumulative 68.6%) disagree that the City of Johannesburg has a performance management culture (Q27). A lower cumulative percentage of respondents (31.4%) positively identifies with the questionnaire statement (Q27). These results are captured in figure 5.9.

Figure 5.9 illustrates that employees do not have a positive attitude towards the performance management system at the City of Johannesburg. Such a negative attitude cannot be considered conducive to the effective implementation of the performance management system.

**Figure 5.9: The role of behavioural factors**




The implication is that the negative attitude of employees towards the performance management system makes it fail, irrespective of whether it is properly designed. Aggravating this situation is the lack of performance management culture at the City of Johannesburg under study. If values, norms, beliefs and standards of behaviour do not support the performance management system, the City of Johannesburg will not be able to attain its objectives.

The negative attitude that employees have towards the performance management system shows that there is resistance towards the performance management system. This situation is inimical to the effective implementation of the performance management system. Similarly, the management style at the City of Johannesburg is perceived to be inappropriate to the effective development and implementation of the performance management system.

Communication is stifling the effective implementation of the performance management system. Communication about what the City of Johannesburg can deliver and residents expect from the City of Johannesburg is ineffective and leads to the demise of the performance management system.

Managers and line managers do not communicate about the important key performance areas. The lack of communication of key performance areas results into non-alignment of internal business activities with the City of Johannesburg's Growth and Development Strategy.

Emerging from responses to the questionnaire are entrenched negative attitudes to the performance management system at the City of Johannesburg. If employees hold negative attitudes to the performance management system they cannot commit to its implementation nor have a sense of ownership of its objectives. Only communication can clear conflict about the performance management system or misunderstanding about its objectives and how it is or should be implemented.

### 5.4.11 The availability of resources to support performance management system

In this section, the objective is to investigate whether the resources are available to support the implementation of the performance management system. The results pertaining to this questionnaire statement can be viewed in table 5.47.

**Table 5.47: Respondents' feedback pertaining to questionnaire statement Q3**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 3 | 1.7 | 1.8 | 1.8 |
| | 2 | 76 | 43.4 | 44.7 | 46.5 |
| | 3 | 75 | 42.9 | 44.1 | 90.6 |
| | 4 | 16 | 9.1 | 9.4 | 100.0 |
| | Total | 170 | 97.1 | 100.0 | |
| Missing | System | 5 | 2.9 | | |
| Total | | 175 | 100.0 | | |

Nearly equal percentages of respondents agree (44.7%) and do not agree (44.1%) that sufficient resources available for the implementation of the performance management system (see table 5.47). On the other hand, 1.8% strongly agrees and 9.4% strongly disagree with the questionnaire statement (Q3).

**Table 5.48: Responses on the availability of resources**

| **Coded question number** | ***Strongly agree &Agree*** | ***Do not agree & Strongly disagree*** |
|---|---|---|
| Q3 | 46.5% | 53.5% |

Table 5.48 shows that employees at the City of Johannesburg are convinced that there are insufficient resources for the implementation of the performance management system. The failure to commit resources to the effective implementation of the performance management system indicates lack of proper planning on the part of senior management. A poorly planned performance management system leads to an ineffective implementation of the performance management system.

Evidence from open-ended questions of the questionnaire suggests that there is a strong belief among employees that the financial and human resources allocated are insufficient for the performance management system to be implemented effectively. Employees have singled out health care as the most under-resourced unit. Any available money is spent inefficiently which leads to wastage even when the budget is constrained.

## 5.5 FREQUENCY ANALYSIS FOR PROVISION OF SERVICES

In this section, the frequency analysis for the provision of services is conducted. The frequency analysis for the provision is twofold: as perceived by employees and as perceived by residents in the various regions.

### 5.5.1 Employees' perception of the provision of social services

The results for the provision of social services as observed by employees are captured in table 5.49 and table 5.50.

Table 5.49 indicates that 65.5% of employees agree that the City of Johannesburg provides adequate health services and 27.5% of respondents do not agree with the questionnaire statement.

**Table 5.49: Respondents' feedback pertaining to questionnaire statement Q39**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 11 | 6.3 | 6.4 | 6.4 |
| | 2 | 112 | 64.0 | 65.5 | 71.9 |
| Valid | 3 | 47 | 26.9 | 27.5 | 99.4 |
| | 4 | 1 | .6 | .6 | 100.0 |
| | Total | 171 | 97.7 | 100.0 | |
| Missing | System | 4 | 2.3 | | |
| Total | | 175 | 100.0 | | |

Other percentages of respondents strongly agree (6.4%) and strongly disagree (0.6%) with the questionnaire statement (Q39).

**Table 5.50: Respondents' feedback pertaining to questionnaire statement Q40**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 11 | 6.3 | 6.5 | 6.5 |
| | 2 | 135 | 77.1 | 79.4 | 85.9 |
| Valid | 3 | 22 | 12.6 | 12.9 | 98.8 |
| | 4 | 2 | 1.1 | 1.2 | 100.0 |
| | Total | 170 | 97.1 | 100.0 | |
| Missing | System | 5 | 2.9 | | |
| Total | | 175 | 100.0 | | |

A convincing majority of sampled employees (79.4%) agree that the City of Johannesburg provides effective library services and a low 12.9% percentage of sampled employees do not agree with the questionnaire statement (see table 5.50). A higher percentage (6.5%) of respondents, compared to 1.2% of respondents in the "strongly disagree" category, strongly agrees with the questionnaire statement (Q40).

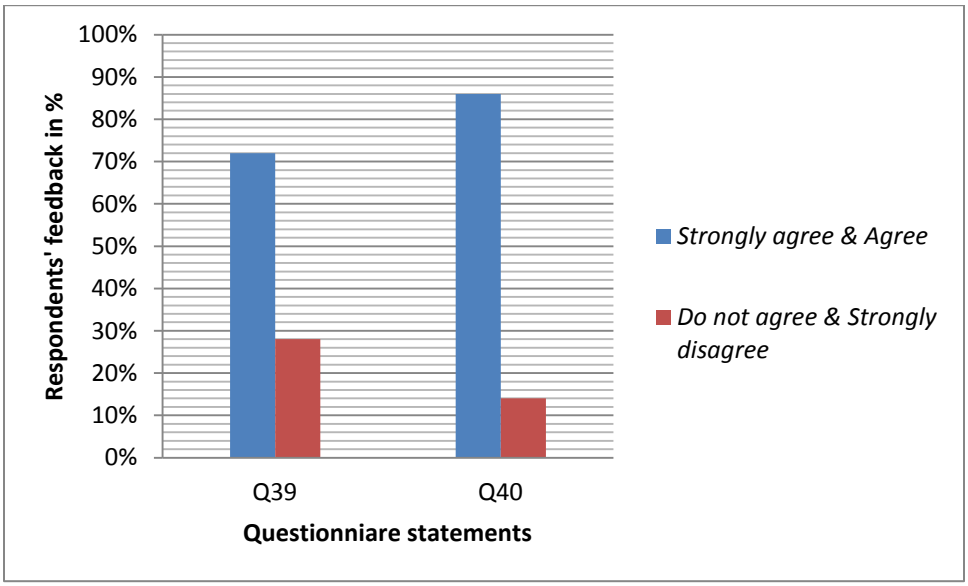
**Table 5.51: Employees' feedback on the provision of social services**

| Coded question number | *Strongly agree &Agree* | *Do not agree & Strongly disagree* |
|---|---|---|
| Q39 | 71.9% | 28.1% |
| Q40 | 85.9% | 14.1% |

The majority (71.9%) of the research participants agree that the City of Johannesburg provides adequate health services whereas a substantially lower 28.1% do not agree with the questionnaire statement (Q39) (see table 5.51). In the same table, a large cumulative percentage of respondents (85.9%) agree that the City of Johannesburg provides effective library services. Conversely, a very low cumulative percentage of respondents (14.1%) do not agree with the questionnaire statement (Q40). These results are illustrated in figure 5.10.

It is clear from figure 5.10 that employees contend that the City of Johannesburg provides adequate health services and effective library services. This view and other employees' views on the rendering of services will later be compared with views of residents on the same aspects in order to arrive at the conclusion as to whether the City of Johannesburg delivers services effectively.

**Figure 5.10: Employees' perception of the provision of social services**




## 5.5.2 Employees' perception of the provision of billing services

The extent to which the billing services are effectively provided is the focus of the discussion in this section. Data pertaining to the provision of billing services is presented in table 5.52 and table 5.53.

**Table 5.52: Respondents' feedback pertaining to questionnaire statement Q35**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 5 | 2.9 | 2.9 | 2.9 |
| | 2 | 45 | 25.7 | 26.0 | 28.9 |
| | 3 | 48 | 27.4 | 27.7 | 56.6 |
| | 4 | 75 | 42.9 | 43.4 | 100.0 |
| | Total | 173 | 98.9 | 100.0 | |
| Missing | System | 2 | 1.1 | | |
| Total | | 175 | 100.0 | | |

Nearly equal percentages of respondents agree (26%) and do not agree (27.7%) that the City of Johannesburg issues accurate tax and rates accounts (see table 5.52). A fairly large percentage of respondents (43.4%) strongly disagree whereas 2.9% of respondents strongly agree with the questionnaire statement (Q35).

Viewed in table 5.53 are percentages of respondents that agree (37.2%) and disagree (31.4%) that the City of Johannesburg issues tax and rates accounts in time. The other percentages of respondents and strongly agree (3.5%) and strongly disagree (31.4%) with the questionnaire statement (Q36).

**Table 5.53: Respondents' feedback pertaining to questionnaire statement Q36**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 6 | 3.4 | 3.5 | 3.5 |
| | 2 | 64 | 36.6 | 37.2 | 40.7 |
| | 3 | 54 | 30.9 | 31.4 | 72.1 |
| | 4 | 48 | 27.4 | 27.9 | 100.0 |
| | Total | 172 | 98.3 | 100.0 | |
| Missing | System | 3 | 1.7 | | |
| Total | | 175 | 100.0 | | |

Table 5.54 shows that a lower cumulative percentage of respondents (28.9%) agree to the statement that the City of Johannesburg issues accurate tax rates accounts whereas 71.1% of respondents disagree with the questionnaire statement (Q35).

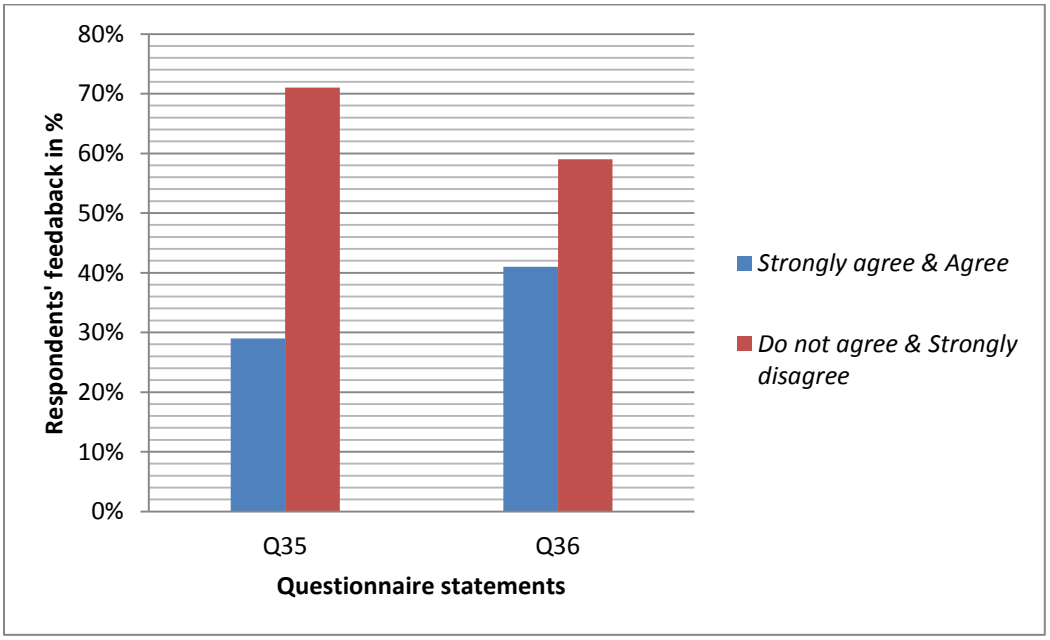
**Table 5.54: Employee feedback on the provision of billing services**

| Coded question number | *Strongly agree &Agree* | *Do not agree & Strongly disagree* |
|---|---|---|
| Q35 | 28.9% | 71.1% |
| Q36 | 40.7% | 59.3 |

A higher cumulative percentage of sampled employees (59.3%) do not agree that the City of Johannesburg issues tax and rates accounts in time whereas a lower of the sampled employees (40.7%) do not agree with the questionnaire statement (Q36). Figure 5.11 illustrates these results.

Figure 5.11 shows that employees do not agree that the City of Johannesburg provides billing services effectively. The tax and rates accounts are not accurate and they are not issued in time to residents.

**Figure 5.11: The employees' perception of the provision of billing services**



### 5.5.3 Employees' perception of the provision of basic services

The results for the rendering of basic services are shown tables 5.55, 5.56, 5.57, 5.58 and 5.59.

**Table 5.55: Respondents' feedback pertaining to questionnaire statement Q37**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 19 | 10.9 | 10.9 | 10.9 |
| | 2 | 110 | 62.9 | 63.2 | 74.1 |
| Valid | 3 | 29 | 16.6 | 16.7 | 90.8 |
| | 4 | 16 | 9.1 | 9.2 | 100.0 |
| | Total | 174 | 99.4 | 100.0 | |
| Missing | System | 1 | .6 | | |
| Total | | 175 | 100.0 | | |

A huge percentage of respondents (63.2%) agree that the City of Johannesburg removes garbage regularly and 16.7% of respondents do not agree with the questionnaire statement (see Table 5.55). The other percentages of respondents strongly agree (10.9%) and strongly disagree (9.2%) with the questionnaire statement (Q37).

**Table 5.56: Respondents' feedback pertaining to questionnaire statement Q38**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 4 | 2.3 | 2.3 | 2.3 |
| | 2 | 44 | 25.1 | 25.3 | 27.6 |
| Valid | 3 | 79 | 45.1 | 45.4 | 73.0 |
| | 4 | 47 | 26.9 | 27.0 | 100.0 |
| | Total | 174 | 99.4 | 100.0 | |
| Missing | System | 1 | .6 | | |
| Total | | 175 | 100.0 | | |

In table 5.56 a higher percentage of sampled employees (45.4%), compared to 25.3% of sampled employees in the "agree" category, do not agree that the City of Johannesburg fixes potholes regularly. A small percentage of sampled employees (2.3%) strongly agree with the questionnaire statement (Q38). On the other hand, 27% of sampled employees strongly disagree with the questionnaire statement (Q38).

**Table 5.57: Respondents' feedback pertaining to questionnaire statement Q42**

| | | Frequency | Per cent | Valid per cent | Cumulative er cent |
|---|---|---|---|---|---|
| | 1 | 2 | 1.1 | 1.2 | 1.2 |
| | 2 | 68 | 38.9 | 40.5 | 41.7 |
| Valid | 3 | 66 | 37.7 | 39.3 | 81.0 |
| | 4 | 32 | 18.3 | 19.0 | 100.0 |
| | Total | 168 | 96.0 | 100.0 | |
| Missing | System | 7 | 4.0 | | |
| Total | | 175 | 100.0 | | |

Nearly equal percentages of units of analysis agree (40.5%) and do not agree (39.3%) that the City of Johannesburg maintains street lights regularly (see table 5.57). The other percentages of units of analysis strongly agree (1.2%) and strongly disagree (19%) with the questionnaire statement (Q42).

Respondents (38.2%) agree that the City of Johannesburg maintains lawns, sidewalks and parks regularly and 31.2% of the respondents do not agree with the questionnaire statement (see table 5.58).

**Table 5.58: Respondents' feedback pertaining to questionnaire statement Q44**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 9 | 5.1 | 5.3 | 5.3 |
| | 2 | 65 | 37.1 | 38.2 | 43.5 |
| Valid | 3 | 53 | 30.3 | 31.2 | 74.7 |
| | 4 | 43 | 24.6 | 25.3 | 100.0 |
| | Total | 170 | 97.1 | 100.0 | |
| Missing | System | 5 | 2.9 | | |
| Total | | 175 | 100.0 | | |

Additionally, respondents strongly agree (5.3%) and strongly disagree (25.3%) with the questionnaire statement (Q44).

**Table 5.59: Respondents' feedback pertaining to questionnaire statement Q45**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 9 | 5.1 | 5.3 | 5.3 |
| | 2 | 76 | 43.4 | 44.4 | 49.7 |
| Valid | 3 | 56 | 32.0 | 32.7 | 82.5 |
| | 4 | 30 | 17.1 | 17.5 | 100.0 |
| | Total | 171 | 97.7 | 100.0 | |
| Missing | System | 4 | 2.3 | | |
| Total | | 175 | 100.0 | | |

A higher percentage of respondents (44.4%), in relation to 32.7% of respondents in the "do not agree" category, agree that the City of Johannesburg maintains the sewage system regularly (see table 5.59). Other respondents strongly agree (5.3%) and strongly disagree (17.5%) with the questionnaire statement (Q45).

In respect of the questionnaire statement Q37 in table 5.60, a high cumulative percentage of the sampled employees (74.1%) agree that the City of Johannesburg removes garbage regularly while a lower cumulative percentage of respondents (25.9%) do not agree with the questionnaire statement.

**Table 5.60: Employees' responses on the rendering of basic services**

| **Coded numbers for questionnaire statements** | ***Strongly agree &Agree*** | ***Do not agree & Strongly disagree*** |
|---|---|---|
| Q37 | 74.1% | 25.9% |
| Q38 | 27.6% | 72.4% |
| Q42 | 41.7% | 58.3% |
| Q44 | 43.5% | 56.5% |
| Q45 | 49.7% | 50.2% |

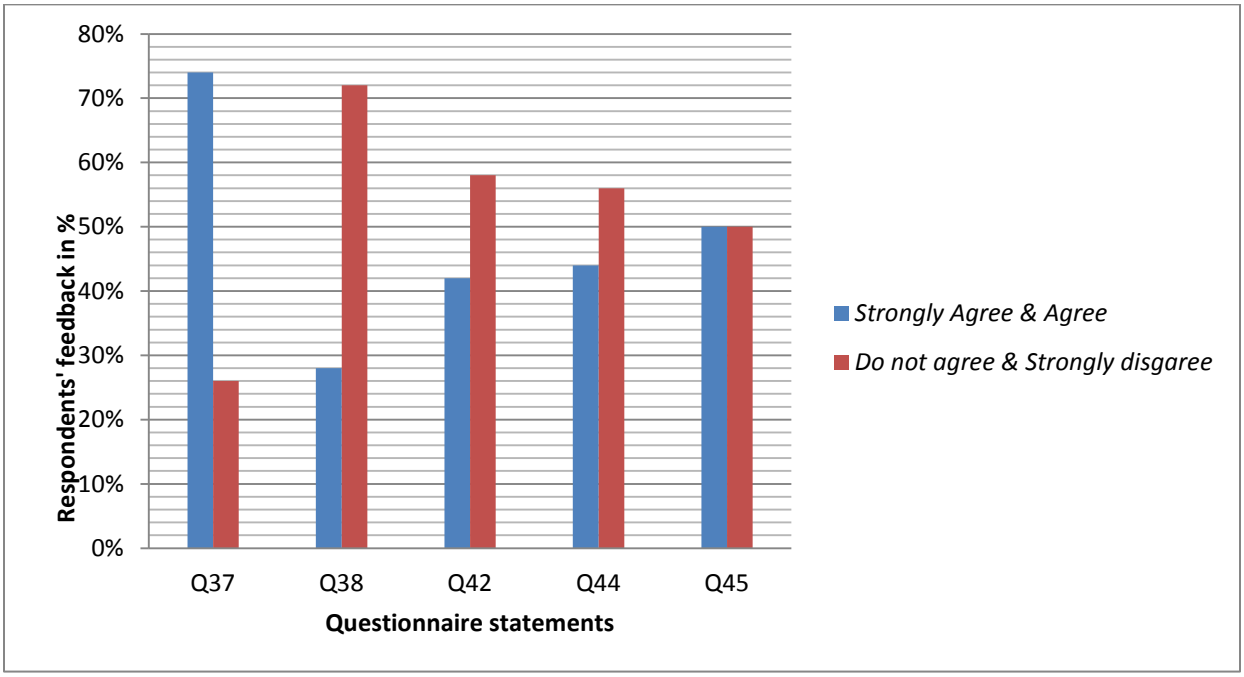
For the questionnaire statement Q38 a high cumulative percentage of respondents (72.4%) do not agree with the statement that the City of Johannesburg fixes potholes regularly. On the other hand, a smaller cumulative percentage of units of analysis (27.6%) agree with the questionnaire statement (Q38).

Table 5.60 further highlights that 58.3 % of respondents disagree with the statement that the City of Johannesburg maintains street lights regularly (Q42). Conversely, the cumulative percentage of respondents (41.7%) agree with the questionnaire statement (Q42).

In table 5.60 a higher cumulative percentage of units of analysis (56.5%) do not agree that the City of Johannesburg maintains lawns, sidewalks and parks regularly (Q44). A lower cumulative percentage of respondents (43.5%) agree with the

questionnaire statement (Q44). Lastly, a slightly higher cumulative percentage of respondents (50.2%) agree with the questionnaire statement that the City of Johannesburg maintains sewage regularly (Q45). In contrast, a smaller cumulative percentage of respondents (49.7%) do not agree with the questionnaire statement (Q45). See figure 5.12 for the illustration of these results.

**Figure 5.12: Employees' perception of the rendering of basic services**




With respect to figure 5.12 residents seem to agree only on one issue, that is, the City of Johannesburg removes garbage regularly. The residents do not agree that the City of Johannesburg:

- fixes potholes regularly;
- maintains street lights regularly; and
- maintains lawns, sidewalks and parks regularly.

An equal number of employees agrees and disagrees that the City of Johannesburg provides sewage services regularly. The general conclusion is that the City of Johannesburg, as perceived by residents, does not render basic services effectively.

### 5.5.4 Residents' perception of the design and implementation of performance management system

The research data in respect of the residents' perception of the design and implementation of the performance management system can be viewed in tables 5.61, 5.62, 5.63, 5.64, and 5.65.

**Table 5.61: Respondents' feedback pertaining to questionnaire statement B1**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 29 | 7.5 | 7.7 | 7.7 |
| | 2 | 174 | 44.7 | 45.9 | 53.6 |
| | 3 | 91 | 23.4 | 24.0 | 77.6 |
| | 4 | 85 | 21.9 | 22.4 | 100.0 |
| | Total | 379 | 97.4 | 100.0 | |
| Missing | System | 10 | 2.6 | | |
| Total | | 389 | 100.0 | | |

A higher percentage of sampled residents (45.9%) agree that the City of Johannesburg has the performance management system in place and a lower percentage of sampled residents (24%) do not agree with the questionnaire statement (see QB1 in table 5.61). In contrast, a larger percentage of respondents (22.4%) strongly disagree and a small percentage of the respondents (7.7%) strongly agree to the questionnaire statement (QB1).

It can be seen from table 5.62, that a comparatively large percentage of respondents (44.7%) do not agree that the City of Johannesburg involves them in the development of the performance management system. On the other hand a smaller percentage of respondents (25.7%) agree with the questionnaire statement (QB2).

**Table 5.62: Respondents' feedback pertaining to questionnaire statement B2**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 11 | 2.8 | 2.9 | 2.9 |
| | 2 | 96 | 24.7 | 25.7 | 28.7 |
| | 3 | 166 | 42.7 | 44.5 | 73.2 |
| | 4 | 100 | 25.7 | 26.8 | 100.0 |
| | Total | 373 | 95.9 | 100.0 | |
| Missing | System | 16 | 4.1 | | |
| Total | | 389 | 100.0 | | |

A higher percentage of sampled residents (26.8%) strongly disagree, whereas a small percentage of the respondents (2.9%) strongly agree to the questionnaire statement (B2).

It can be seen from table 5.63 that a comparatively large percentage of units of analysis (41.8%) do not agree that the City of Johannesburg involves them in the evaluation of its performance. On the other hand, a smaller percentage of respondents (19.2%) agree with the questionnaire statement (B10). A relatively high percentage of sampled residents (33.4) strongly disagree whereas a small percentage of the respondents (5.5%) strongly agree to the questionnaire statement (B10).

**Table 5.63: Respondents' feedback pertaining to questionnaire statement B10**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 21 | 5.4 | 5.5 | 5.5 |
| | 2 | 73 | 18.8 | 19.2 | 24.7 |
| | 3 | 159 | 40.9 | 41.8 | 66.6 |
| | 4 | 127 | 32.6 | 33.4 | 100.0 |
| | Total | 380 | 97.7 | 100.0 | |
| Missing | System | 9 | 2.3 | | |
| Total | | 389 | 100.0 | | |

An analysis of data in table 5.64 highlights that 41.6% of respondents do not agree that the City of Johannesburg reports regularly to the community on its performance.

**Table 5.64: Respondents' feedback pertaining to questionnaire statement B11**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 21 | 5.4 | 5.5 | 5.5 |
| | 2 | 87 | 22.4 | 22.9 | 28.4 |
| | 3 | 158 | 40.6 | 41.6 | 70.0 |
| | 4 | 114 | 29.3 | 30.0 | 100.0 |
| | Total | 380 | 97.7 | 100.0 | |
| Missing | System | 9 | 2.3 | | |
| Total | | 389 | 100.0 | | |

In contrast, 22.9% of respondents agree with the questionnaire statement (B11). A higher percentage of respondents (30%) strongly disagree and 5.5% of respondents strongly agree with the questionnaire statement (B11).

In table 5.65, a greater percentage of respondents (42.9%) do not agree that customers are involved in the development of the key performance indicators.

**Table 5.65: Respondents' feedback pertaining to questionnaire statement B15**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 20 | 5.1 | 5.3 | 5.3 |
| | 2 | 102 | 26.2 | 27.2 | 32.5 |
| | 3 | 161 | 41.4 | 42.9 | 75.5 |
| | 4 | 92 | 23.7 | 24.5 | 100.0 |
| | Total | 375 | 96.4 | 100.0 | |
| Missing | System | 14 | 3.6 | | |
| Total | | 389 | 100.0 | | |

Conversely, a smaller percentage of respondents (27.2%) agree to the questionnaire statement (B15). A significantly higher percentage of respondents (24.5%), compared to a lower percentage (5.3%) of respondents in the "strongly agrees", strongly disagree with the questionnaire statement (B15).

**Table 5.66: Residents' responses on the design and implementation of performance management system**

| **Coded question number** | ***Strongly agree &Agree*** | ***Do not agree & Strongly disagree*** |
|---|---|---|
| B1 | 53.6% | 46.4% |
| B2 | 28.6% | 71.3% |
| B10 | 24.7% | 75.2% |
| B11 | 24.7% | 75.2% |
| B15 | 32.5% | 67.4% |

Table 5.66 reveals that a higher cumulative percentage of sampled residents (53.6%) agree that the City of Johannesburg has a performance management system in place (B1). A slightly lower cumulative percentage of units of analysis (46.4%) do not agree with the questionnaire statement (B1). A substantially higher cumulative percentage of respondents (71.3%) do not agree and a lower

cumulative percentage of respondents (28.6%) agree with the questionnaire statement (B2). The majority of respondents (cumulative 75.2%) do not agree that the City of Johannesburg involves them in the evaluation of the City of Johannesburg's performance whilst only a smaller cumulative percentage of residents (24.7%) agree with the questionnaire statement (B10).

A huge cumulative percentage of respondents (75.2%) do not agree that the City of Johannesburg reports regularly on its performance to the community whereas a smaller cumulative percentage of units of analysis (24.7%) do not agree with the questionnaire statement (B11). Finally, a high cumulative percentage of selected residents (67.4%) do not agree that the key performance indicators are agreed upon with the community. In contrast, a lower cumulative percentage of selected residents (32.5%) agree with the questionnaire statement (B15). All these results are illustrated in figure 5.13.

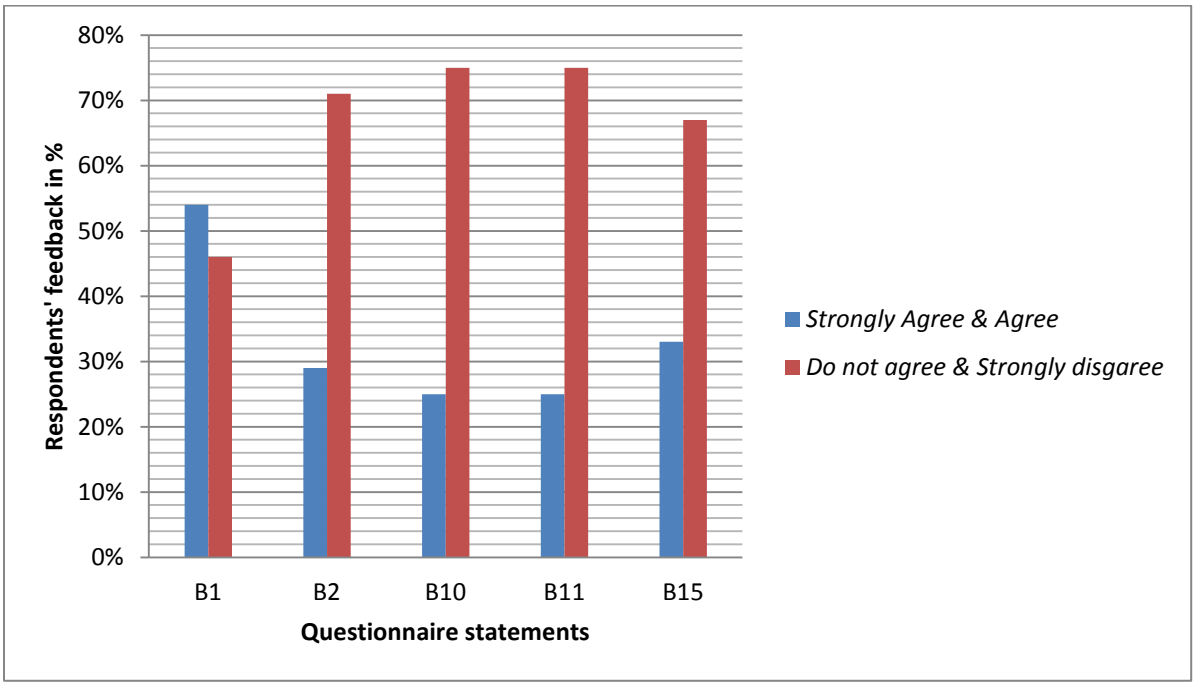
Figure 5.13 is illustrative of the general contention that the performance management system in the City of Johannesburg is designed and implemented, with the exclusion of residents' views or participation.

While residents agree that there is performance management system in operation in the City of Johannesburg, there seems to be the general consensus that the residents are not involved in the development of the performance management system.

The residents are not involved and consulted on the formulation of key performance indicators. This view concurs with the previous argument that the

performance management system at the City of Johannesburg is not customer or service oriented.

**Figure5.13: Residents' responses on the design and implementation of performance management system**




The inward looking nature of the City of Johannesburg's performance management system is aggravated by the practice that residents are not requested to evaluate the City of Johannesburg's performance. When the City of Johannesburg has evaluated its own performance, it does not report on its performance results to the residents.

### 5.5.5 Residents' perception of the provision of social services

Data relating to the residents' view of the provision of social services are reflected in table 5.67 and table 5.68.

**Table 5.67: Respondents' feedback pertaining to questionnaire statement B7**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 44 | 11.3 | 11.7 | 11.7 |
| | 2 | 119 | 30.6 | 31.6 | 43.4 |
| | 3 | 146 | 37.5 | 38.8 | 82.2 |
| | 4 | 67 | 17.2 | 17.8 | 100.0 |
| | Total | 376 | 96.7 | 100.0 | |
| Missing | System | 13 | 3.3 | | |
| Total | | 389 | 100.0 | | |

Table 5.67 shows that 31.6% of residents agree that the City of Johannesburg provides adequate health services and 38.8% of respondents do not agree with the questionnaire statement (B7). Other percentages of respondents strongly agree (11.7%) and strongly disagree (17.8%) with the questionnaire statement (B7).

Sampled residents (38.7%) agree that the City of Johannesburg provides effective library services and a relatively small percentage of sampled residents (31.9%) do not agree with the questionnaire statement (see B8 in table 5.68).

A higher percentage of respondents (18%), compared to 11.4% of respondents in the "strongly agree" category, strongly disagree with the questionnaire statement (B8).

**Table 5.68: Respondents' feedback pertaining to questionnaire statement B8**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 42 | 10.8 | 11.4 | 11.4 |
| | 2 | 142 | 36.5 | 38.7 | 50.1 |
| | 3 | 117 | 30.1 | 31.9 | 82.0 |
| | 4 | 66 | 17.0 | 18.0 | 100.0 |
| | Total | 367 | 94.3 | 100.0 | |
| Missing | System | 22 | 5.7 | | |
| Total | | 389 | 100.0 | | |

In table 5.69 it is apparent that a slightly higher cumulative percentage of residents (56.6%) do not agree that the City of Johannesburg provides adequate health services (B7).

**Table 5.69: Results on residents' reaction to the provision of social services**

| **Coded question number** | ***Agree*** | ***Do not agree*** |
|---|---|---|
| B7 | 43.3% | 56.6% |
| B8 | 50.1% | 49.9% |

On the other hand, a slightly lower cumulative percentage of residents (43.3%) agree with the questionnaire statement (B7).

For the questionnaire statement B8, almost equal numbers of respondents agree (50.1%) and disagree (49.9%) with the questionnaire statement (B8). The results for the provision of social services to residents are illustrated in figure 5.14.

**Figure 5.14: Residents' perception of the provision of social services**

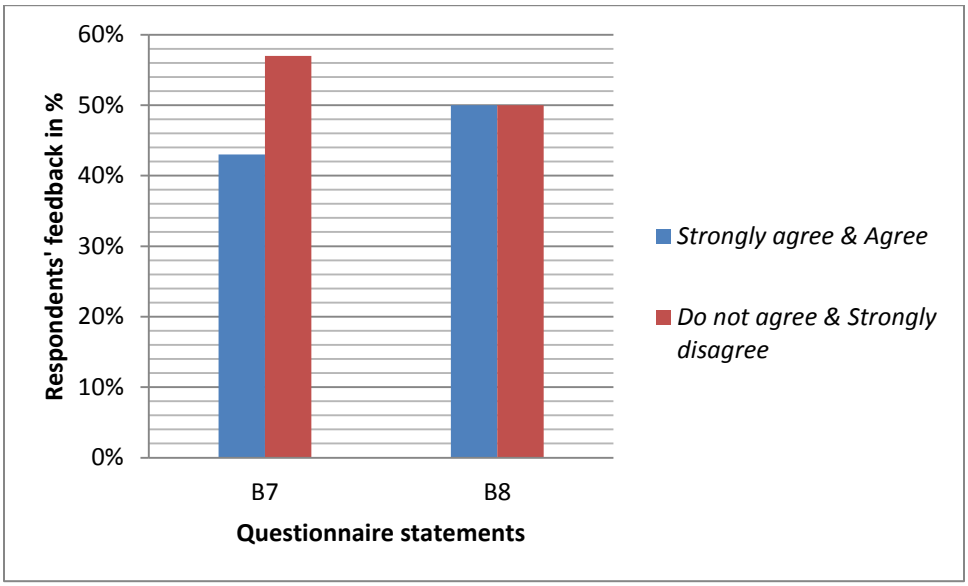



Figure 5.14 shows that the City of Johannesburg is considered not to provide adequate health services effectively to the residents. There is lack of consensus on the provision of effective library services. The conclusion from figure 5.14 is that the City of Johannesburg does not render social services effectively.

### 5.5.6 Residents' perception of the provision of billing services

The results regarding the provision of billing services can be viewed in table 5.70 and table 5.71.

The percentages of respondents agree (41.4%) and do not agree (28.4%) that the City of Johannesburg issues accurate tax and rates accounts (see table 5.70).

**Table 5.70: Respondents' feedback pertaining to questionnaire statement B3**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 25 | 6.4 | 6.6 | 6.6 |
| | 2 | 156 | 40.1 | 41.4 | 48.0 |
| Valid | 3 | 107 | 27.5 | 28.4 | 76.4 |
| | 4 | 89 | 22.9 | 23.6 | 100.0 |
| | Total | 377 | 96.9 | 100.0 | |
| Missing | System | 12 | 3.1 | | |
| Total | | 389 | 100.0 | | |

A higher percentage of respondents (23.4%) strongly disagree and a small percentage of respondents (6.6%) strongly agree with the questionnaire statement (B3).

**Table 5.71: Respondents' feedback pertaining to questionnaire statement B4**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 32 | 8.2 | 8.5 | 8.5 |
| | 2 | 121 | 31.1 | 32.0 | 40.5 |
| Valid | 3 | 148 | 38.0 | 39.2 | 79.6 |
| | 4 | 77 | 19.8 | 20.4 | 100.0 |
| | Total | 378 | 97.2 | 100.0 | |
| Missing | System | 11 | 2.8 | | |
| Total | | 389 | 100.0 | | |

Table 5.71 shows that, 32% of respondents agree and 39.2% of residents disagree that the City of Johannesburg issues tax and rates accounts in time. The other percentages of respondents (8.5%) strongly agree and strongly disagree (20.4%) with the questionnaire statement (B4).

**Table 5.72: Results on residents' reaction to the provision of billing services**

| Coded question number | *Strongly agree &Agree* | *Do not agree & Strongly disagree* |
|---|---|---|
| B3 | 48% | 52% |
| B4 | 40.5% | 59.% |

A marginally higher cumulative percentage of respondents (52%) do not agree that the City of Johannesburg issues accurate tax and rates accounts while a lower cumulative percentage of residents (48%) agree with the questionnaire statement (see B3 in table 5.72). A higher cumulative percentage of residents (59%) do not agree, and a lower cumulative percentage of units of analysis (40.5%) agree with the questionnaire statement (B4). Figure 5.15 shows these results.

**Figure 5.15: Results on residents' reaction to the provision of billing services**

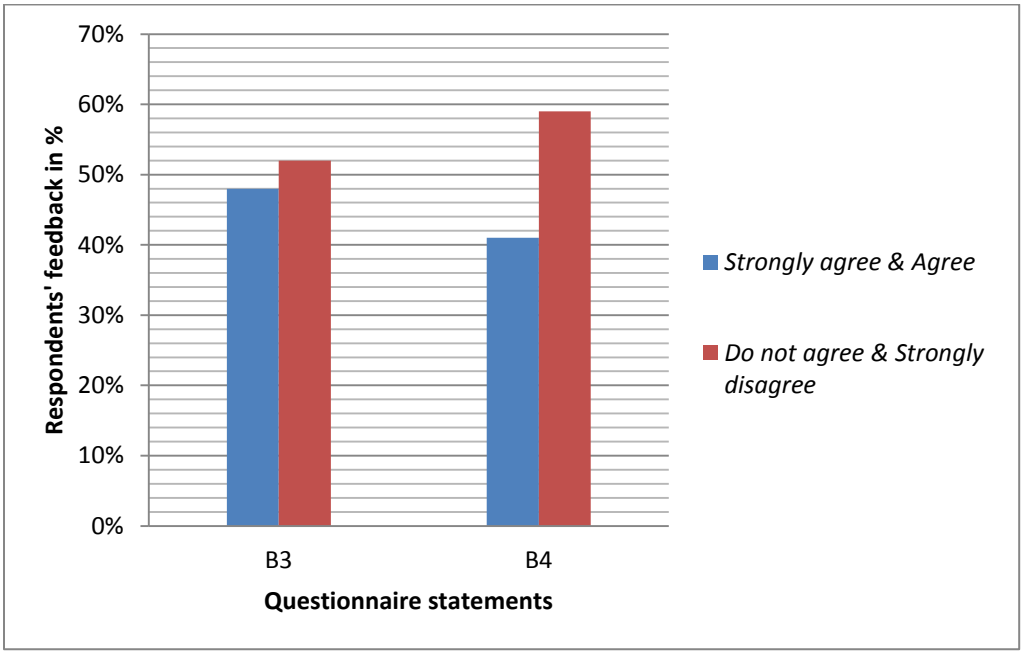



Figure 5.15 shows that the City of Johannesburg does not render effective billing services for the reason that sampled residents do not agree that the City of Johannesburg issues accurate tax and rates accounts. The residents also refute that

the tax and rates accounts are issued in time. The conclusion from these findings is that the City of Johannesburg does not provide effective billing services.

### 5.5.7 Residents' perception of the rendering of basic services

Captured in tables 5.73, 5.74, 5.75, 5.76, and 5.77 are results on the provision of basic services.

**Table 5.73: Respondents' feedback pertaining to questionnaire statement B5**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| Valid | 1 | 113 | 29.0 | 29.6 | 29.6 |
| | 2 | 173 | 44.5 | 45.3 | 74.9 |
| | 3 | 65 | 16.7 | 17.0 | 91.9 |
| | 4 | 31 | 8.0 | 8.1 | 100.0 |
| | Total | 382 | 98.2 | 100.0 | |
| Missing | System | 7 | 1.8 | | |
| Total | | 389 | 100.0 | | |

A higher percentage of respondents (45.3%) agree that the City of Johannesburg removes garbage regularly and 17% of respondents do not agree with the questionnaire statement (see B5 in table 5.73). Other percentages of respondents strongly agree (29.6%) and strongly disagree and (8.1%) with the questionnaire statement (B5).

**Table 5.74: Respondents' feedback pertaining to questionnaire statement B6**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 26 | 6.7 | 6.8 | 6.8 |
| | 2 | 84 | 21.6 | 22.0 | 28.8 |
| Valid | 3 | 152 | 39.1 | 39.8 | 68.6 |
| | 4 | 120 | 30.8 | 31.4 | 100.0 |
| | Total | 382 | 98.2 | 100.0 | |
| Missing | System | 7 | 1.8 | | |
| Total | | 389 | 100.0 | | |

A smaller percentage of sampled residents (6.8%) strongly agree with the questionnaire statement (B6). On the other hand, 31.4% of sampled residents strongly disagree with questionnaire statement (B6).

**Table 5.75: Respondents' feedback pertaining to questionnaire statement B9**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 33 | 8.5 | 8.7 | 8.7 |
| | 2 | 129 | 33.2 | 34.0 | 42.7 |
| Valid | 3 | 128 | 32.9 | 33.8 | 76.5 |
| | 4 | 89 | 22.9 | 23.5 | 100.0 |
| | Total | 379 | 97.4 | 100.0 | |
| Missing | System | 10 | 2.6 | | |
| Total | | 389 | 100.0 | | |

Nearly equal percentages of units of analysis agree (34%) and do not agree (33.8%) that the City of Johannesburg maintains street lights regularly. The other percentages of units of analysis strongly agree (18.7%) and strongly disagree and (23.5%) with the questionnaire statement (see B9 in table 5.75).

**Table 5.76: Respondents' feedback pertaining to questionnaire statement B12**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 33 | 8.5 | 8.5 | 8.5 |
| | 2 | 143 | 36.8 | 37.0 | 45.6 |
| Valid | 3 | 114 | 29.3 | 29.5 | 75.1 |
| | 4 | 96 | 24.7 | 24.9 | 100.0 |
| | Total | 386 | 99.2 | 100.0 | |
| Missing | System | 3 | .8 | | |
| Total | | 389 | 100.0 | | |

A higher percentage of respondents (37%), compared to 29.5% of respondents in the "do not agree" category, agree that the City of Johannesburg maintains lawns, sidewalks and parks regularly (see table 5.76). Other respondents strongly agree (8.5%) and strongly disagree (24.9%) with the questionnaire statement (B 12).

**Table 5.77: Respondents' feedback pertaining to questionnaire statement B13**

| | | Frequency | Per cent | Valid per cent | Cumulative per cent |
|---|---|---|---|---|---|
| | 1 | 41 | 10.5 | 10.8 | 10.8 |
| | 2 | 152 | 39.1 | 40.1 | 50.9 |
| Valid | 3 | 118 | 30.3 | 31.1 | 82.1 |
| | 4 | 68 | 17.5 | 17.9 | 100.0 |
| | Total | 379 | 97.4 | 100.0 | |
| Missing | System | 10 | 2.6 | | |
| Total | | 389 | 100.0 | | |

A higher percentage of respondents (40.1%), compared to 31.1% of respondents in the "do not agree" category, agree that the City of Johannesburg maintains the sewage system regularly (see table 5.77). Other respondents strongly agree (10.8%) and strongly disagree (17.5%) with the questionnaire statement (B13).

**Table 5.78 Data on residents' views on the rendering of basic services**

| Coded question number | *Strongly agree &Agree* | *Do not agree & Strongly disagree* |
|---|---|---|
| B5 | 74.9% | 25.1% |
| B6 | 28.8% | 71.2% |
| B9 | 42.7% | 57.3% |
| B12 | 45.5% | 54.4% |
| B13 | 50.9% | 49% |

As shown in table 5.78 the majority of sampled residents (cumulative 74.9%) agree that the City of Johannesburg removes garbage regularly (B5). The smaller cumulative percentage of the respondents (25.1%) do not agree with the questionnaire statement (B5)

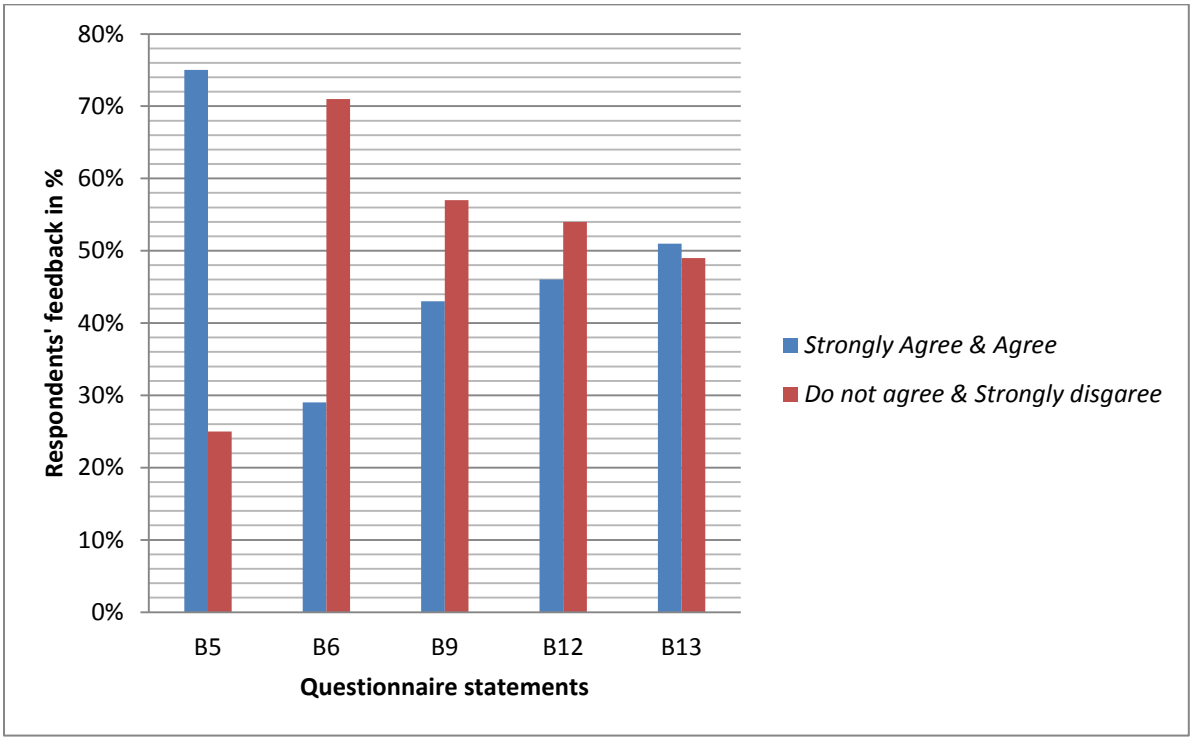
In the same table, a high cumulative percentage of respondents (71.2%) do not agree that the City of Johannesburg fixes potholes regularly whilst a lower cumulative percentage of respondents (28.8%) agree with the questionnaire statement (B6).

Table 5.78 indicates that a higher cumulative percentage of research participants (57.3%) do not agree that the City of Johannesburg maintains street lights regularly whereas a lower cumulative percentage of sampled residents (42.7%) agree with the questionnaire statement (B9).

A marginally higher cumulative percentage of respondents (54.4%) do not agree that the City of Johannesburg maintains lawns, sidewalks and parks regularly (see B12 in table 5.78). Conversely, a slightly lesser cumulative percentage of respondents (45.5%) agree with the questionnaire statement (B12).

Finally, it can be seen from table 5.78 that a slightly higher cumulative percentage of respondents (50.9%) agrees that the City of Johannesburg maintains sewage regularly (B13). In contrast, a lower cumulative percentage of residents (49%) do not agree with the questionnaire statement (B13). The results are graphically illustrated in figure 5.16.

**Figure 5.16: Data on residents' views on the rendering of basic services**




On the basis of figure 5.16 it can be concluded that the City of Johannesburg does not provide basic services effectively. Although the City of Johannesburg removes garbage regularly it fails to fix potholes regularly. Over and above this, the City of Johannesburg fails in its task to maintain street lights regularly, let alone the regular maintenance of lawns, sidewalks and parks. Somehow the residents are equally split over the regular maintenance of sewage. The findings lead the

researcher to the general conclusion that the City of Johannesburg does not provide adequate basic services except for the removal of garbage.

## 5.6 COMPARISON OF EMPLOYEES' AND RESIDENTS'PERCEPTIONS OF THE PERFORMANCE MANAGEMENT SYSTEM AND SERVICE DELIVERY

The objective in this part of the study is to compare the perceptions of employees and residents in respect of the design and implementation of the performance management system including the provision of services by the City of Johannesburg. The smaller the variation of between employees' and residents' perceptions the more firmly a decision can be taken regarding a specific questionnaire statement. However, residents' perception should be taken as pivotal in concluding whether the City of Johannesburg renders a specific service effectively.

### 5.6.1 The design and implementation of performance management system

The results for the comparison of perceptions in respect of the design and implementation of the performance management system are shown in table 5.79. The data for "do not agree" and "strongly disagree" scales for all variations can be viewed in Appendix Y.

**Table 5.79: Variation of employees' and residents' perception on the design and implementation of performance management system**

| Coded question number for employees and residents respectively | *Cumulative % of Strongly agree and agree categories for employees' responses* | *Cumulative % of Strongly agree and agree categories for residents' responses* | *Variation in % between employees' and residents' responses* |
|---|---|---|---|
| Q33 & B1 | 94.3% | 53.6% | 40% |
| Q34 & B2 | 33.2% | 28.6% | 4.6% |
| Q41 & B10 | 25.9% | 24.7% | 1.2% |
| Q43 & B11 | 33.1% | 28.4% | 4.7% |
| Q18 & B15 | 35.1% | 32.5% | 2.6% |

Table 5.79 reflects data in respect of the variation of employees' and residents' responses pertaining to the design and implementation of performance management system. For questionnaire statements B33 and B1 the variation of 40% is recorded. The questionnaire statement is that the City of Johannesburg has a performance management system in place. In respect of the questionnaire statement that there is involvement of communities in the development of the performance management at the City of Johannesburg (B34 & B2), the captured variation of responses is 4.6%. The variation of employees' and residents' responses with regard to questionnaire statement (Q41 & B10) that the City of Johannesburg involves communities in the evaluation of City of Johannesburg's performance is 1.2%. The responses of employees and residents varied at 4.7% for the questionnaire statement (Q43 & B11) that the City of Johannesburg regularly reports to the community on its performance. Lastly, for the questionnaire statement (Q18 & B15) by which communities are said to agree upon the key performance indicators set by the City of Johannesburg, the variation of responses is 2.6%. The variations are illustrated in figure 5.17.

**Figure 5.17: Comparison of responses on the design and implementation of performance management system**

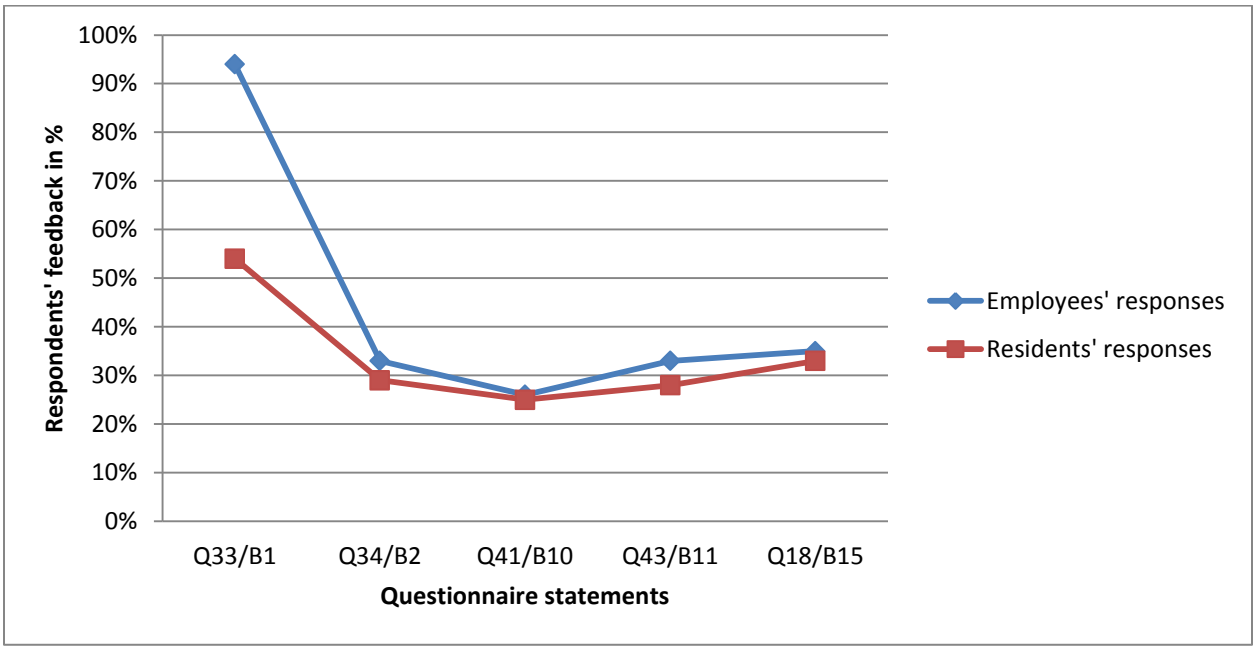



Figure 5.17 clearly shows that both employees and residents vary significantly in their views in respect of the statement that the City of Johannesburg has a performance management system in place. This variation could be attributed to the failure of the City of Johannesburg to involve communities in the development of the performance management system. Residents are also not invited to partake in the evaluation of the City of Johannesburg's performance and the key performance indicators are not agreed upon with those who will be affected by the service delivery. Nonetheless, a sizeable number of residents are aware of the existence of the performance management system at the City of Johannesburg.

From figure 5.17 the employees of the City of Johannesburg as well as its residents share the following views:

- The City of Johannesburg ***does not*** involve communities in the development of the performance management system.
- The City of Johannesburg ***does not*** involve communities in the evaluation of its performance.
- The City of Johannesburg ***does not*** report on its performance to the communities.
- The City of Johannesburg ***does not*** agree upon the key performance indicators with communities.

In the light of these findings it can be concluded that the City of Johannesburg's performance management system is developed without due consideration of residents' views and the evaluation of the City of Johannesburg's performance is equally inconsiderate of inputs from the residents. In other words, the City of Johannesburg's performance management system is **not** customer or service oriented.

### 5.6.2 The provision of social services

The results for compared perceptions on the provision of social services are found in table 5.80.

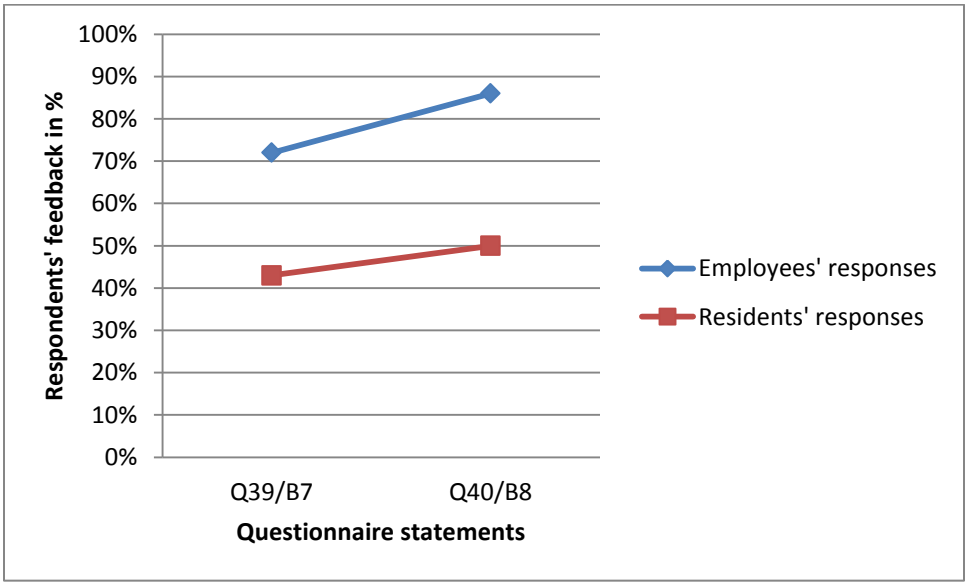
In table 5.80 employees' and residents' variance at 28.6% for the questionnaire statement (Q40 & B8) to which the second variation relates is suggestive of the view that the City of Johannesburg provides effective library services. The variations are graphically illustrated in figure 5.18.

**Table 5.80: Variation of employees' and residents' responses on the provision of social services**

| Coded question number for employees and residents respectively | *Cumulative % of Strongly agree and Agree categories for Employees' responses* | *Cumulative % of Strongly agree and Agree categories for Residents' responses* | *Variation in % between employees' and residents' responses* |
|---|---|---|---|
| Q39 & B7 | 71.9% | 43.3% | 28.6% |
| Q40 & B8 | 85.9% | 50.1% | 35.8% |

The residents do not hold the same views with employees as depicted by figure 5.18. Both the employees and residents vary significantly with respect to the City of Johannesburg's provision of adequate health services and effective library services.

**Figure 5.18: Comparison of responses on the provision of social services**




Although residents and employees agree that the City of Johannesburg provides adequate health services and effective library service the variations are huge. The differences in opinions show that the performance management system, as

previously indicated, at the City of Johannesburg is **not** customer or service oriented.

### 5.6.3 The provision of billing services

Table 5.81 shows a high variation (19.1%) of employees' and residents' responses for questionnaire statements Q35 and B3.

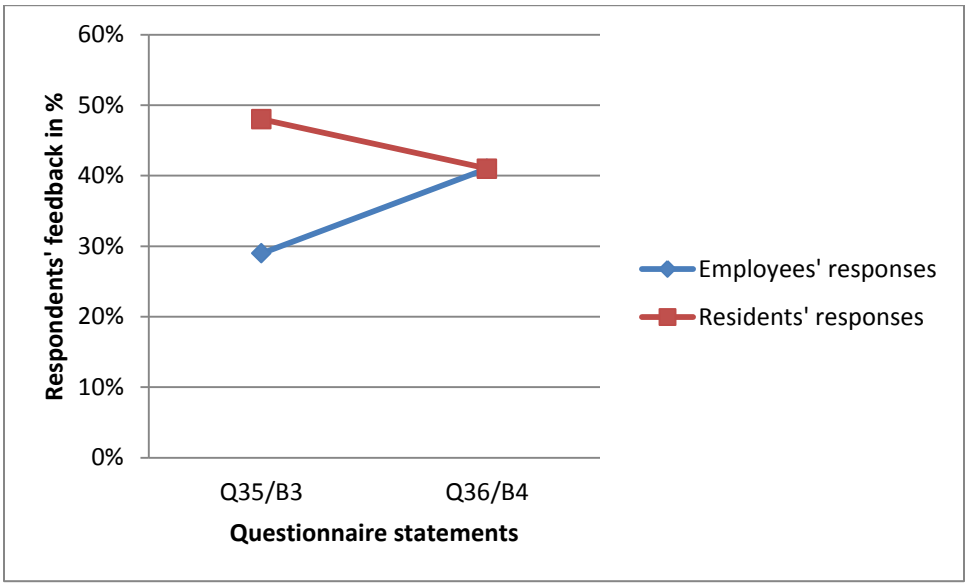
**Table 5.81: Variation of employees' and residents' responses on the provision of billing services**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for employees' responses*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses*** | ***Variation in % between employees' and residents' responses*** |
|---|---|---|---|
| Q35 & B3 | 28.9% | 48% | 19.1% |
| Q36 & B4 | 40.7% | 40.5% | 0.2% |

This questionnaire statement is that the City of Johannesburg issues accurate tax and rates accounts. As for the questionnaire statement (Q36 & B4) that the City of Johannesburg issues tax and rates accounts in time, only a 0.2% variation is recorded. The results are illustrated in figure 5.19.

What can be concluded from figure 5.19 is that there is similarity of views between residents and employees to confirm that the City of Johannesburg does not issue tax and rates accounts in time. The variation between the views of employees and residents in relation to the statement that the City of Johannesburg does not issue accurate tax and rates accounts is significant but not huge.

**Figure 5.19: Comparison of responses on the provision of billing services**




It can then be firmly stated that the City of Johannesburg **does not** issue accurate tax and rates accounts nor issue tax and rates on time.

### 5.6.4 The rendering of basic services

Reflected in table 5.82 are insignificant variations regarding the questionnaire

**Table 5.82: Variation of employees' and residents'responses on the rendering of basic services**

| Coded question number for employees and residents respectively | *Cumulative % of Strongly agree and Agree categories for employees' responses* | *Cumulative % of Strongly agree and Agree categories for residents' responses* | *Variation in % between employees' and residents' responses* |
|---|---|---|---|
| Q37 & B5 | 74.1% | 74.9% | 0.8% |
| Q38 & B6 | 27.6% | 28.8% | 1.2% |
| Q42 & B9 | 41.7% | 42.7% | 1% |
| Q44 & B12 | 43.5% | 45.5% | 2% |
| Q45 & B13 | 49.7% | 50.9% | 1.2% |

statements that the City of Johannesburg removes garbage regularly (Q37 & B5), and the City of Johannesburg fixes potholes regularly (Q38 & B6). The variations are 0.8% and 1.2% respectively. Additionally, employees' and residents' variation in respect of the statement that the City of Johannesburg maintains street lights regularly is 1% (Q44 & B12). A small variation of 2% is recorded for the statement that the City of Johannesburg maintains sewage system regularly (Q45 & B13). The results can be viewed from figure 5.20.

**Figure 5.20: Comparison of responses on the provision of basic services**

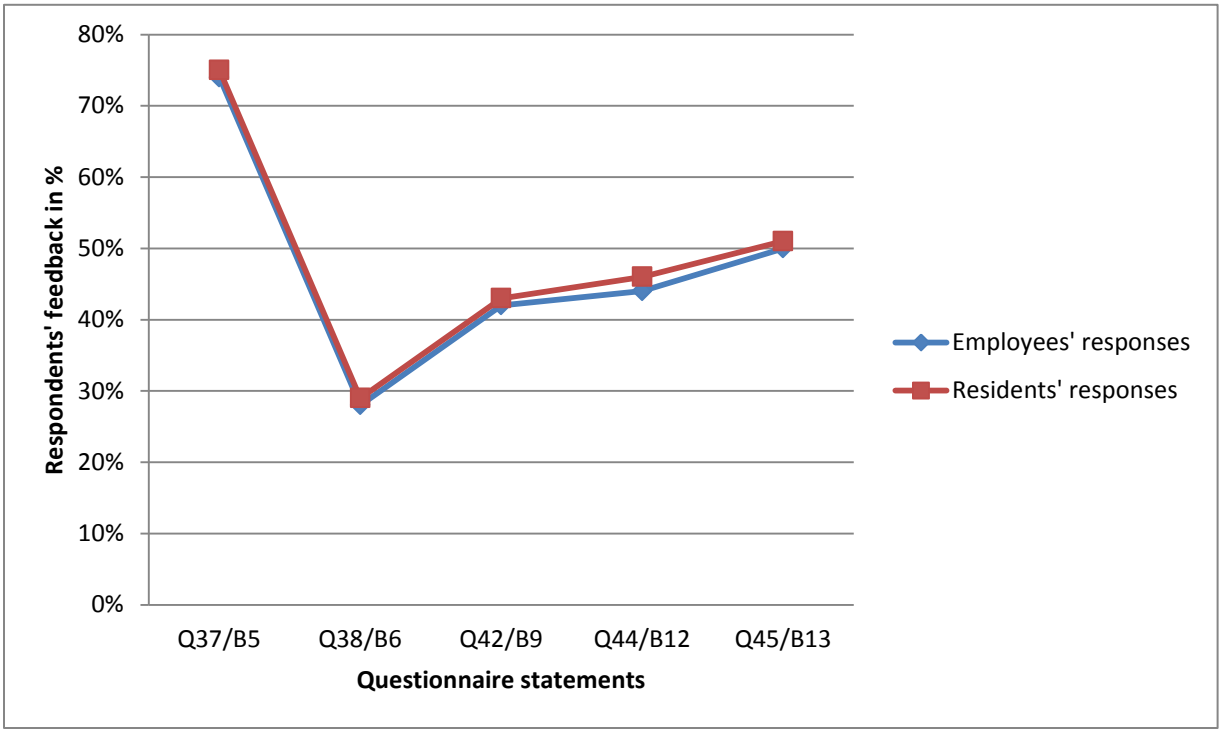



Figure 5.20 reflects the similarity of views of both employees and residents pertaining to the following issues:

- The City of Johannesburg ***removes*** garbage regularly.
- The City of Johannesburg ***does not*** fix potholes regularly.
- The City of Johannesburg ***does not*** maintain street lights regularly.
- The City of Johannesburg ***does not*** maintain sewage system regularly.

From these findings the researcher can make a firm conclusion that the City of Johannesburg fails to provide of effective basic services to its residents, except for the removal of garbage regularly

## 5.7 COMPARISON OF RESIDENTS' PERCEPTIONS ON THE PROVISION OF SERVICES BY AREAS

At this juncture the responses of residents from areas in the same region will be compared to see whether residents of different areas in the same region agree or disagree on service delivery issues. The comparison shows similarities and differences of perceptions among residents of the affluent communities like Sandton as against the less affluent ones such as Alexandra. The comparison of responses will be strictly on the design and implementation of the performance management system, the provision of social services, the provision of billing services and the provision of basic services. When the comparison is completed it should help to reinforce or consolidate previous conclusions arrived at in respect of the effectiveness of service delivery to the residents.

It should be stated upfront that variations that are less than 15% would be considered insignificant in which case residents would be deemed to share the

same perception relating to the statement in question. On the other hand variations beyond 15% would be regarded as significant and as a result residents would be said to hold opposing views pertinent to the statement under review.

### 5.7.1 Comparison of Alexandra and Sandton

Responses are compared on four aspects: the design and implementation of the performance management system, the provision of social services, the provision of billing services, and the rendering of basic services. This comparison of these aspects occurs for all areas that are compared.

#### *5.7.1.1 The design and implementation of performance management system*

Data on the compared perceptions reagarding the design and implementation of the performance management system for the residents of Alexandra and Sandton is presented in table 5.83. The data that compares responses of residents for “do not agree” and “strongly disagree” scales are available in Appendices Z, AA, BB, CC DD.

Table 5.83 indicates that residents in Sandton and Alexandra differ widely (B1 with the variation of 34%) regarding the questionnaire statement that the City of Johannesburg has a performance management system in place. Residents further differ substantially (B2 with the variation of 25%) on their involvement in the development of performance management system.

**Table 5.83: Comparison of responses on the design and implementation of the performance management system – Alexandra and Sandton**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in SANDTON*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ALEXANDRA*** |
|---|---|---|
| B1 | 34% | 68% |
| B2 | 31% | 56% |
| B10 | 22% | 35% |
| B11 | 15% | 18% |
| B15 | 22% | 29% |

The residents of Sandton are of the opinion that there is no performance management system in place in comparison with the opinions of Alexandra residents who consider the City of Johannesburg to have an operational performance management system. Sandton residents are of the opinion that they are not involved in the development of the performance management system whereas Alexandra residents confirm that they are involved in the development of the performance management system in the City of Johannesburg.

On the contrary, residents differ very little on the remaining questionnaire statements. The residents of the two areas differ little on whether they are involved in the evaluation of the City of Johannesburg's performance management system (B10 with the variation of 13%), whether the City of Johannesburg reports regularly to the community on its performance (B11 with the variation of 3%) and on whether the key performance indicators are agreed upon with the community (B15 with the variation of 7%).

The residents in both areas contend that they are not involved in the evaluation of the City of Johannesburg's performance. They agree that the City of Johannesburg does not report regularly to the community about its performance and that the key performance indicators are not agreed upon with them.

### *5.7.1.2 The provision of social services*

Table 5.84 highlights that there is lack of agreement on the questionnaire statement that the City of Johannesburg provides adequate health services (B7 with the variation of 32%). The residents differ significantly on the provision of effective library services to the community by the City of Johannesburg (B8 with the variation of 17%).

**Table 5.84: Comparison of responses on the provision of social services – Sandton and Alexandra**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in SANDTON*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ALEXANDRA*** |
|---|---|---|
| B7 | 24% | 56% |
| B8 | 33% | 16% |

The residents share the perception that the City of Johannesburg does not offer effective library services. However they differ in respect of the statement that the City of Johannesburg provides adequate health services

### *5.7.1.3 The provision of billing services*

Table 5.85 reflects that residents differ considerably (B4 with the variation of 28%) in respect of whether the City of Johannesburg issues tax and rates in time. The residents also share the opinion that the City of Johannesburg issues accurate tax and rates accounts (B3 with the variation of 1%).

**Table 5.85: Comparison of responses on the provision of billing services – Sandton and Alexandra**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in SANDTON*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ALEXANDRA*** |
|---|---|---|
| B3 | 33% | 34% |
| B4 | 47% | 19% |

The residents unanimously agree that the City of Johannesburg does not issue tax and rates in time and, when issued, the tax and rates accounts are not accurate.

### *4.7.1.4 The rendering of basic services*

The residents concur with one another that the City of Johannesburg:

- ***removes*** garbage regularly (B5).
- ***does not*** fix potholes regularly (B6);
- ***does not*** maintain lawns, sidewalks and parks regularly (B12); and
- ***does not*** maintain sewage regularly (B13) (see table 5.86)

**Table 5.86: Comparison of responses on the provision of basic services – Sandton and Alexandra**

| Coded question number for employees and residents respectively | *Cumulative % of Strongly agree and Agree categories for residents' responses in SANDTON* | *Cumulative % of Strongly agree and Agree categories for residents' responses in ALEXANDRA* |
|---|---|---|
| B5 | 70% | 70% |
| B6 | 19% | 26% |
| B9 | 42% | 67% |
| B12 | 49% | 26% |
| B13 | 49% | 16% |

Similarly, as it can be noticed from table 5.86, the residents of the two areas differ significantly on questionnaire statement B9. The residents of Sandton and Alexandra differ on the notion that the City of Johannesburg the City of Johannesburg maintains street lights regularly (42% and 67% respectively). Implicit from these percentages is that Sandton residents do not agree that street lights are maintained regularly whereas the Alexandra residents contend that the street lights are maintained regularly.

### 5.7.2 Comparison of Midrand and Diepsloot

#### *5.7.2.1 The design and implementation of performance management system*

Table 5.87 shows compared perceptions in respect of the design and implementation of the performance management system for the residents of Midrand and Diepsloot.

**Table 5.87: Comparison of responses on the design and implementation of the performance management system – Midrand and Diepslsoot**

| Coded question number for employees and residents respectively | *Cumulative % of Strongly agree and Agree categories for residents' responses in MIDRAND* | *Cumulative % of Strongly agree and Agree categories for residents' responses in DIEPSLOOT* |
|---|---|---|
| B1 | 39% | 63% |
| B2 | 33% | 43% |
| B10 | 23% | 37% |
| B11 | 26% | 20% |
| B15 | 29% | 69% |

The residents of Diepsloot and Midrand vary vastly on questionnaire statements B1 and B15 (see table 5.87). For B1, the residents of Midrand disagree that the City of Johannesburg has a performance management system in place whereas the Diepsloot residents agree that the performance management system is operational at the City of Johannesburg. Additionally, the residents differ that the key performance indicators are agreed upon with the community and that the City of Johannesburg involves them in the development of the performance management system (B15). The residents in Midrand hold the view opposing the notion that the key performance indicators are agreed upon with them. The Diepsloot residents confirm that the key performance indicators are agreed upon with them.

There is an agreement among the residents of the two areas that the City of Johannesburg:

- ***does not*** involve residents in the development of performance management system (B2);

- the City of Johannesburg ***does not*** involve them in the evaluation of City of Johannesburg's performance (B10 ); and
- the City of Johannesburg ***does not*** report regularly to the community on its performance (B11).

### *5.7.2.2 The provision of social services*

Table 5.88 shows that there are major differences of opinions of residents with regard to questionnaire statements B8. The residents of Midrand consider the City of Johannesburg to be succeeding in providing effective library services. On the other hand, the residents of Diepsloot disagree that the City of Johannesburg renders effective library services. There is consensus on the perception that the City of Johannesburg ***does not*** provide adequate health services (B7).

**Table 5.88: Comparison of responses on the provision of social services – Midrand and Diepsloot**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in MIDRAND*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in DIEPSLOOT*** |
|---|---|---|
| B7 | 41% | 44% |
| B8 | 60% | 33% |

### *5.7.2.3 The provision of billing services*

Displayed in table 5.89 is the unanimous view of residents in connection with the questionnaire statement that the City of Johannesburg ***does not*** issue accurate tax

and rates accounts (B3). Additionally, residents agree to another, that the City of Johannesburg ***does not*** issue tax and rates accounts in time (B4).

**Table 5.89: Comparison of responses on the provision of billing services - Midrand and Diepsloot**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in MIDRAND*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in DIEPSLOOT*** |
|---|---|---|
| B3 | 23% | 29% |
| B4 | 47% | 38% |

### *4.7.2.4 The rendering of basic services*

In the final analysis, table 5.90 shows vast differences of opinions pertaining to questionnaire statements B5 and B13. For the respective questionnaire statements

**Table 5.90: Comparison of responses on the provision of basic services – Midrand and Dieplsoot**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in MIDRAND*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in DIEPSLOOT*** |
|---|---|---|
| B5 | 80% | 56% |
| B6 | 22% | 47% |
| B9 | 59% | 22% |
| B12 | 35% | 26% |
| B13 | 62% | 71% |

the residents of the two areas agree that the City of Johannesburg removes garbage regularly and that it maintains the sewage regularly.

On the other hand, residents share the views that the City of Johannesburg:

- ***does not*** fix potholes regularly (B6), and
- ***does not*** maintain the lawns, sidewalks, and parks regularly (B12).

The residents differ on the City of Johannesburg's regular maintenance of street lights (B9). Midrand residents agree that the City of Johannesburg maintains street lights regularly and the Diepsloot community disagrees with the statement (B9).

### 5.7.3 Comparison of Roodepoort and Greater Soweto

#### *5.7.3.1 The design and implementation of performance management system*

Table 5.91 is illustrative of the comparison of research data pertaining to the design and implementation of the performance management system for the residents of Roodepoort and Greater Soweto.

Reflected in table 5.91 are conflicting views of the residents of Roodepoort and Greater Soweto on the following delivery issues:

- The City of Johannesburg has a performance management in place (B1).

- The City of Johannesburg involves residents of the two areas in the development of the performance management system (B2).
- The City of Johannesburg agrees about the key performance indicators with the community (B1).

**Table 5.91: Comparison of responses on the design and implementation of performance management system – Roodepoort and Greater Soweto**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ROODEPOORT*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in GREATER SOWETO*** |
|---|---|---|
| B1 | 30% | 73% |
| B2 | 20% | 57% |
| B10 | 24% | 44% |
| B11 | 26% | 47% |
| B15 | 27% | 57% |

The communities of Roodepoort and Greater Soweto concur with one another that the City of Johannesburg ***does not*** involve them in the evaluation of its performance (B10) and that it ***does not*** report regularly on its performance to these communities (B11).

### *5.7.3.2 The provision of social services*

The residents have varying perceptions with regard to the questionnaire statement (B7) that the City of Johannesburg provides adequate health services (see table 5.92). The Roodepoort residents disagree that adequate health services are provided by the City of Johannesburg while the residents of Greater Soweto agree with the questionnaire statement (B7)

**Table 5.92: Comparison of responses on the provision of social services – Roodepoort and Greater Soweto**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ROODEPOORT*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in GREATER SOWETO*** |
|---|---|---|
| B7 | 39% | 53% |
| B8 | 58% | 53% |

In contrast, the residents in both the areas hold the perception that the City of Johannesburg provides effective library services (B8).

Table 5.93 indicates that the residents differ widely in respect of the questionnaire statement that the City of Johannesburg issues accurate tax and rates accounts (B3). The residents agree that the City of Johannesburg issues tax and rates accounts in time (B4).

### *5.7.3.3 The provision of billing services*

It can be recognised from table 5.94 that the residents of Roodepoort and Greater Soweto have similar views on the regular removal of garbage by the City of Johannesburg (B5).

**Table 5.93: Comparison of responses on the provision billing services – Roodepoort and Greater Soweto**

| Coded question number for employees and residents respectively | *Cumulative % of Strongly agree and Agree categories for residents' responses in ROODEPOORT* | *Cumulative % of Strongly agree and Agree categories for residents' responses in GREATER SOWETO* |
|---|---|---|
| B3 | 34% | 70% |
| B4 | 33% | 57% |

### *4.7.3.4 The rendering of basic services*

Similarly, the residents share the opinion that the City of Johannesburg maintains the sewage system regularly (B13).

**Table 5.94: Comparison of responses on the provision of basic services – Roodepoort and Greater Soweto**

| Coded question number for employees and residents respectively | *Cumulative % of Strongly agree and Agree categories for residents' responses in ROODEPOORT* | *Cumulative % of Strongly agree and Agree categories for residents' responses in GREATER SOWETO* |
|---|---|---|
| B5 | 78% | 63% |
| B6 | 25% | 40% |
| B9 | 44% | 29% |
| B12 | 44% | 59% |
| B13 | 55% | 66% |

There is also uniformity of views of the residents in the Roodepoort and Greater Soweto on the following service delivery issues:

- The City of Johannesburg ***does not*** fix potholes regularly (B6).
- The City of Johannesburg ***does not*** maintain street lights regularly (B9).

The residents in these areas vary on the regular maintenance of lawns, sidewalks and parks (B12).

### 5.7.4 Comparison of Inner City and Randburg

#### *5.7.4.1 The design and implementation of performance management system*

The compared responses on the design and implementation of the performance management system for the residents of Inner City and Randburg are shown in Table 5.95.

**Table 5.95: Comparison of responses on the design and implementation of the performance management system – Inner City and Randburg**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in INNER CITY*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in RANDBURG*** |
|---|---|---|
| B1 | 88% | 60% |
| B2 | 35% | 32% |
| B10 | 50% | 27% |
| B11 | 53% | 33% |
| B15 | 38% | 31% |

The residents of Inner City and Randburg show similarity of views (see table 5.95) on the following questionnaire statements:

- The City of Johannesburg ***has*** a performance management system in place (B1).
- The City of Johannesburg ***does not*** involve residents in the development of the performance management system (B2).
- The City of Johannesburg ***does not*** agree upon the key performance indicators with the community (B15).

There is lack of common views around the involvement of the residents in the evaluation of the City of Johannesburg's performance (B10).The research data also indicates that the residents of Inner City agree that the City of Johannesburg reports regularly on its performance than those residents of Randburg (B11).

#### *5.7.4.2 The provision of social services*

In table 5.96 the residents of Inner City and Randburg hold the same opinion that the City of Johannesburg ***does not*** provide adequate health services (B7), and that it ***provides*** effective library services (B8).

**Table 5.96: Comparison of responses on the provision of social services – Inner City and Randburg**

| Coded question number for employees and residents respectively | *Cumulative % of Strongly agree and Agree categories for residents' responses in INNER CITY* | *Cumulative % of Strongly agree and Agree categories for residents' responses in RANDBURG* |
|---|---|---|
| B7 | 35% | 38% |
| B8 | 52% | 54% |

Table 5.97 also shows that the residents concur with one another that the City of Johannesburg issues accurate tax and rates accounts (B3). The residents do not differ on the statement that the City of Johannesburg issues tax and rates accounts in time (B4).

### *5.7.4.3 The provision of billing services*

The residents of Inner City and Randburg vary significantly on the following questionnaire statements (see Table 5.98): the City of Johannesburg removes

**Table 5.97: Comparison of responses on the provision billing services – Inner City and Randburg**

| Coded question number for employees and residents respectively | *Cumulative % of Strongly agree and Agree categories for residents' responses in INNER CITY* | *Cumulative % of Strongly agree and Agree categories for residents' responses in RANDBURG* |
|---|---|---|
| B3 | 66% | 59% |
| B4 | 51% | 49% |

garbage regularly, the City of Johannesburg maintains street lights regularly (B9), the City of Johannesburg maintains lawns, sidewalks and parks regularly and that the City of Johannesburg maintains the sewage system regularly (B13).

#### *4.7.4.4 The rendering of basic services*

The questionnaire statement on which the residents agree upon is the regular maintenance of the sewage system (B6).

**Table 5.98: Comparison of responses on the provision basic services – Inner City and Randburg**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in INNER CITY*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in RANDBURG*** |
|---|---|---|
| B5 | 45% | 67% |
| B6 | 42% | 46% |
| B9 | 24% | 64% |
| B12 | 42% | 70% |
| B13 | 38% | 65% |

### 5.7.5 Comparison of Ennerdale and Orange Farm

#### *5.7.5.1 The design and implementation of performance management system*

The results regarding the comparison of responses on the design and implementation of the performance management system for the residents of Ennerdale and Orange Farm are found in table 5.99

**Table 5.99: Comparison of responses on the design and implementation of the performance management system – Ennerdale and Orange Farm**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ENNERDALE*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ORANGE FARM*** |
|---|---|---|
| B1 | 58% | 47% |
| B2 | 11% | 30% |
| B10 | 11% | 36% |
| B11 | 8% | 37% |
| B15 | 25% | 24% |

The residents of Ennerdale and Orange Farm share the same view in respect of the following service delivery issues:

- The City of Johannesburg involves the residents in the development of the performance management system (B2).
- The City of Johannesburg involves the residents in the evaluation of its performance (B10).
- The City of Johannesburg reports regularly on its performance to the City of Johannesburg (B11).

- The City of Johannesburg agrees upon the key performance indicators with the community (B15).

The only contentious service delivery issue is whether the performance management system is existent at the City of Johannesburg. The residents of Ennerdale agree that the performance management system is in operation at the City of Johannesburg. In contrast, the residents of Orange Farm residents do not agree that the performance management system isin place in the City of Johannesburg (B1).

### *5.7.5.2 The provision of social services*

The residents in both the residential areas share the same views that the City of Johannesburg ***does not*** provide adequate health services (B7), and that the City of Johannesburg provides effective library services (B8) (see table 5.100).

**Table 5.100: Comparison of responses on the provision of social services – Ennerdale and Orange Farm**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ENNERDALE*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ORANGE FARM*** |
|---|---|---|
| B7 | 42% | 48% |
| B8 | 52% | 57% |

### *5.7.5.3 The provision of billing services*

The residents agree that the City of Johannesburg issues accurate tax and rates accounts (B3) (see table 5.101). The residents, however, differ on the questionnaire statement that the City of Johannesburg issues the tax and rates accounts in time (B4).

**Table 5.101: Comparison of responses on the provision of billing services – Ennerdale and Orange Farm**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ENNERDALE*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ORANGE FARM*** |
|---|---|---|
| B3 | 54% | 82% |
| B4 | 39% | 54% |

### *5.7.5.4 The rendering of basic services*

Table 5.102 highlights that the residents of Ennerdale and Orange Farm agree to one another that:

- the City of Johannesburg removes garbage regularly (B5);
- the City of Johannesburg ***does not*** fix potholes regularly (B6);
- the City of Johannesburg ***does not*** provide adequate health services (B9);
- the City of Johannesburg ***does no***t maintain the sewage system regularly (B13);

In contrast, they do hold the same perception that the City of Johannesburg maintains lawns, sidewalks and parks regularly (B12).

**Table 5.102: Comparison of responses on the rendering of basic services – Ennerdale and Orange Farm**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ENNERDALE*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in ORANGE FARM*** |
|---|---|---|
| B5 | 73% | 73% |
| B6 | 24% | 19% |
| B9 | 17% | 46% |
| B12 | 33% | 78% |
| B13 | 30% | 18% |

From this comparison it is evident the residents in the various areas find the provision of services by the City of Johannesburg to be lacking. From the study the residents of less affluent communities are of the firm belief that the performance management system is existent, in contrast with those of the more affluent communities. The residents from less affluent communities are satisfied with the maintenance of street lights, parks, sidewalks and lawns than the residents in the affluent communities. This should not be surprising as the City of Johannesburg's attention may be directed to these previously disadvantaged communities. The City of Johannesburg's service delivery efforts are more visible in these areas.

However, there is the general agreement by residents from all areas that potholes are left unattended. Besides, residents are showing consensus that the billing

service is the most problematic area. The tax and rates accounts are inaccurate even though they may be received in time. This is a contentious issue which increases high levels of dissatisfaction among residents and also against which the performance of the City of Johannesburg is informally measured by residents, notwithstanding the biased nature of this single-criterion measurement of performance.

## 5.8 CORRELATION ANALYSIS

In this section of the study, the objective is to establish if any correlation relationship exists between the performance management system and service delivery in the City of Johannesburg. The bone of contention, put differently, is to unravel whether the performance management system has any significant relationship with service delivery at the City of Johannesburg. The purpose of the correlation is also to discover the direction of the relationship between the performance management system and service delivery, that is, whether the direction of such a relationship is positive or negative. Equally significant is to determine the magnitude of the relationship between the performance management system and service delivery.

The results for this correlation relationship between the aforementioned variables can be viewed in Appendix EE. For the purpose of the study the questionnaire statements for the community are classified into four key areas in order to correspond with previous categorisation of these questionnaire statements. These questionnaire statements are: the design and implementation of performance management, the provision of social services, the provision of billing services, and the provision of basic services. The rationale behind this classification is to ensure

coherence in the presentation of and interpretation of results. The following section explains the essence of correlation analysis and thereafter applies the correlation analysis to the current study.

### 5.8.1 Theoretical exposition of correlation analysis

In a correlation analysis there is a correlation value, also called correlation coefficient, (*r* – value) which falls between -1 and +1. If the *r* = +1 or -1 then all cases fall in a straight line (i.e. perfect linear) (Ghauri & Gronhaug, 2005:181).

A positive correlation exists where higher scores on one variable correspond with higher scores on another. On the other hand, a negative correlation is when higher scores on one variable correspond with lower scores on another. This means that as the scores of one variable decreases, then scores on the other variable increases (Hoy, 2010:59).

A correlation is non-existent if the *r* value is 0.00. The implication is obviously that there is no correlation between the variables. The strength of the correlation is not dependent on the direction. This practically means that *r* = 0.89 and *r* = -0.89 have equal strength. The strength of the correlation is determined by the absolute value of the coefficient as when -0.70 is stronger than a correlation of +0.30. The following guidelines are adhered to in respect of the strength of the correlation:

- ranges between the *r* values of 0.10 to 0.29 reflect weak correlations or relationships;
- ranges between the *r* values of 0.30 to 0.49 represent a moderate correlations or relationship; and

- ranges between *r* values of 0.50 and above are indicative of strong relations or relationship (Ghauri & Gronhaug, 2005:181)

### 5.8.2 The correlation analysis in the study

All correlation data can be viewed in Appendix EE. The data on correlations in table 5.103, table 5.104, and table 5.105 are arranged to allow for a logical discussion.

In table 5.103, the coded numbers B7 and B8 represent the questionnaire statements, respectively: "The Johannesburg Metro City of Johannesburg provides adequate health services" and "The Johannesburg Metro City of Johannesburg provides effective library services."

**Table 5.103: Pearson correlation on the performance management system and the provision of social services**

| | | PERFORMANCE MANAGEMENT SYSTEM |
|---|---|---|
| **B7** | Pearson Correlation | -.187* |
| | Sig. (2-tailed) | .015 |
| | N | 170 |
| **B8** | Pearson Correlation | -.080 |
| | Sig. (2-tailed) | .300 |
| | N | 171 |

*Correlation is significant at the 0.05 level (2-tailed)

The correlation coefficient for B7 and performance management system is -.187 and for B8 and performance management system is -.080 both of which represent a negative correlation. However, the correlation between B7 and performance management system is significant. In accordance with the guidelines previously outlined the *r* value for the correlation of B7 and performance management system is between 0.10 and 0.29 thereby reflecting a weak correlation (*r* = .187; mN171; p = .015). In other words, there is a ***weak*** correlation between the performance management system and provision of adequate health services. There is no relationship between the performance management system and B8 (r = -.080; N = 171; p =.300). Thus no relationship exists between the performance management system and the provision of effective library services. The results indicate that the performance management system at the City of Johannesburg is not oriented towards the provision of social services. It would be correct to assert that the performance management system is designed and implemented to improve internal business processes without due consideration of the gratification of community needs.

The coded numbers B3 and B4 from table 5.104 represent the following questionnaire statements, respectively: “The Johannesburg Metro City of Johannesburg issues accurate tax and rates accounts” and “The Johannesburg Metro City of Johannesburg issues tax and rates accounts in time.”

**Table 5.104: Pearson correlation on performance management system and the provision of billing services**

| | | PERFORMANCE MANAGEMENT SYSTEM |
|---|---|---|
| **B3** | Pearson Correlation | .128 |
| | Sig. (2-tailed) | .096 |
| | N | 171 |
| **B4** | Pearson Correlation | -.056 |
| | Sig. (2-tailed) | .463 |
| | N | 171 |

*Correlation is significant at the 0.05 level (2-tailed)

The *r* value for the correlation between B3 and performance management system is .128 and -.056 for the correlation of B4 and performance management system. Statistically there are no correlations between all these variables, thus confirming that ***no relationship*** exists between the performance management system and the issuing of tax and rates accounts ($r$ = .128; N = 171; p =.096). Similarly, the relationship between the performance management system and issuing of tax and rates accounts in time is ***non-existent*** ($r$ = -.056; N =171; p = .463). Again the results show the inward nature of performance management system at the City of Johannesburg. In the development and implementation of performance management system the views of residents are not taken into account.

The coded numbers in table 5.105 represent the following questionnaire statements:

- B5 – " The City of Johannesburg removes garbage regularly."
- B6 – "The City of Johannesburg fixes potholes regularly."

- B9 – "The City of Johannesburg maintains street lights regularly."
- B12–"The City of Johannesburg maintains lawns, sidewalks and parks regularly."

**Table 5.105: Pearson correlation on the performance management system and provision of basic services**

| | | PERFORMANCE MANAGEMENT SYSTEM |
|---|---|---|
| **B5** | Pearson Correlation | -.047 |
| | Sig. (2-tailed) | .538 |
| | N | 171 |
| **B6** | Pearson Correlation | -.098 |
| | Sig. (2-tailed) | .205 |
| | N | 170 |
| **B9** | Pearson Correlation | -.063 |
| | Sig. (2-tailed) | .414 |
| | N | 170 |
| **B12** | Pearson Correlation | -.141 |
| | Sig. (2-tailed) | .067 |
| | N | 170 |
| **B13** | Pearson Correlation | -.120 |
| | Sig. (2-tailed) | .120 |
| | N | 170 |

*Correlation is significant at the 0.05 level (2-tailed)

- B13 – "The City of Johannesburg maintains sewage system regularly."

From table 5.105 the *r* values are recorded as follows:

- for correlation between B5 and performance management system the *r* value is -.047;
- for correlation between B6 and performance management system the *r* value is -.098
- for correlation between B9 and performance management system the *r* value is -.063
- for correlation between B12 and performance management system the *r* value is -.141
- for correlation between B13 and performance management system the *r* value is -.120

The results show a negative relationship for all cases. It can further be said that the relationship between the variables in all cases is not significant. By implication the following correlation is recorded between variables:

- There ***is no*** relationship between the performance management system and removal of garbage ($r$ = -.047;N = 171;p = .538).
- There ***is no*** association between the performance management system and the fixing of potholes ($r$ = -.098;N = 171;p = .538).
- There ***is no*** correlation between the performance management system and maintenance of lights ($r$ = -.063;N = 170;p = .414).
- The relationship between the performance management system and maintenance of lawns, sidewalks and parks ***is non-existent*** ($r$ = -.141;N = 170;p = .067).
- There ***is no*** correlation between the performance management system and maintenance of the sewage system ($r$ = -.120;N = 170;p = .120).

The results prove that the performance management system at the City of Johannesburg is not geared towards service delivery. It focuses solely on the performance of employees.

In the final analysis, the hypothesis that the well-designed performance management system, with its thoroughly thought-out processes, at the City of Johannesburg ***cannot*** improve the implementation of the performance management system is rejected while the one which purports that a well-designed performance management system with thoroughly thought-out processes ***can*** improve the implementation at the City of Johannesburg is accepted.

## 5.9 CONCLUSION

By and large, it has been proven that the performance management system is not effectively developed at the City of Johannesburg. It has also been shown in this study that the ineffective development of the performance management system results into ineffective implementation of the performance management system. On the contrary, a properly developed performance management system has a high probability of being effectively implemented.

Ineffective development and implementation of the performance management system result into inefficient service delivery. Conversely, a well-structured performance management system and one which is effectively implemented is associated with efficient service delivery.

In this chapter the employees' perceptions of service delivery were compared with those of residents. The findings in this regard are further elaborated in the next

chapter. Furthermore, the views of residents were compared by areas in the City of Johannesburg. The findings in this respect are outlined in the next chapter.

In the following chapter the conclusions derived from the study will be cited and attendant recommendations made. The appropriate framework of performance management system for municipalities will be proposed.

# CHAPTER SIX
# CONCLUSIONS AND RECOMMENDATIONS

## 6.1 INTRODUCTION

In the previous chapter the findings of this study were presented and interpreted. In this chapter an overview of the study is provided and the researcher explains how the research objectives were realised. Further to the explanation of the manner in which the research objectives were realised, the research findings drawn from the study are stated. The recommendations for improving the performance management system at the City of Johannesburg are cited and an appropriate service-oriented framework of performance management system is suggested. Finally, the recommendations for future, related studies are made.

## 6.2 SUMMARY OF THE STUDY

In chapter one the problem statement referred to the fact that the performance management system at the City of Johannesburg was not properly designed. The improper design or development of the performance management system at this municipality precipitates its ineffective implementation, thus leading to poor service delivery to its communities. The fundamental problems that give rise to its ineffective practice were cited in this chapter. In that chapter key research questions were posed and research objectives formulated and the research methodology utilized to reach these research objectives was summarised.

The answer to the research question *"what is a performance management system?"* posed in chapter one lies in the theoretical exposition of the performance

management system in chapter two without contextualising a performance management system within any organisation. In chapter two the definition of the concept was comprehensively defined. Critical in this chapter was the explanation of the differences between performance management and performance measurement without the intention to separate the processes. The elaboration of a performance management system unraveled the interconnected nature of pivotal tenets of a performance management system, which if lost sight of, could have devastating repercussions for the effective development and implementation of a performance management system. In this connection mention can be made of the inextricable linkages between processes of performance measurement, a reward system, and training and development.

In chapter two it became clear that to realise an effective development and implementation of a performance management system it is of paramount importance to evaluate the performance of employees with accuracy, fairness and consistency. Once this indispensable performance management system process has been implemented it then follows that the required employee performance and its attendant attitudes should be reinforced through rewards to ensure its repetition, while sub-optimal performance would be corrected by way of training and development. Important to highlight is that the rewards distributed to employees should be perceived by employees to be fair when compared to the performance of other employees doing similar tasks and expending the same effort under similar conditions. Fairness could be extended to include equitable rewards to match the going rate of the same job categories across the same industry or sector. If employee performance plummets it is essential to conduct a training-needs analysis before engaging in any training lest training and development degenerates into training for its own sake. The purpose of this exercise is to ensure continued

performance improvement of individual employees and teams, so that in turn the overall organisational performance improves.

In chapter two the performance management process was discussed using Sole's model of performance management as a framework for discussion. The important issues that were illuminated were that a performance management system proceeds over a number of stages or phases before it transforms into an effective performance management system. These stages are:

- the identification of the vision statement of an organisation,
- the identification of a mission statement of an organisation,
- the identification of key result areas/critical dimensions,
- the setting of performance objectives,
- the developing of critical success factors,
- the formulation of key performance indicators,
- the setting of performance standards, the designing of the performance architecture,
- the linking of performance to budget,
- the reporting of performance, the rewarding of performance,
- and the institution of training and development.

In chapter two the concept of performance orientation was explored. It was indicated that specific behaviours and attitudes are required if a performance management system has to be implemented effectively. The specific behaviours which were considered to be the prerequisites of an effective implementation of a performance management system were identified. Any structure, however well developed, of a performance management system will not automatically lead to

effective implementation of a performance management system without blending the structure with the requisite behaviours, attitudes and/or culture. Performance management analysis, the process by which the alignment of the structural side of a performance management system with behavioural side of a performance management system is determined, was described.

The chapter ended with an elaboration of the type of stakeholders that should be involved in the development and implementation of a performance management system and the role they play in the development and implementation of a performance management system. The value of a performance management system for organisations was aptly enunciated to argue that organisations that intend to improve continuously and renew incessantly cannot do so without a performance management system in place.

In chapter three the focus of discussion was on the step-by-step process of performance measurement. The performance measurement process was elucidated with key emphasis on its proper place within the broader performance management process. It also became clear that the processes of performance measurement and performance management were inseparable. By implication, the performance management system cannot be achieved without executing performance measurement nor does performance measurement have any meaning outside the performance management process. Whilst performance measurement process is geared towards purely obtaining performance data, performance management acts on the performance results to generate ways of improving individual, team or organisational performance and eventually attain an organisation's strategic objectives. The value of performance measurement for organisations including municipalities was explored.

It also became clear that performance measurement could be accomplished through a number of ways or using a number of performance management frameworks, one topical for the study being the Balanced Scorecard. The Balanced Scorecard approach, with its four composite measures (financial, customers, learning and development, internal business processes) to performance measurement was first probed in general and then investigated under the context of the City of Johannesburg. The value of using the Balanced Scorecard in performance measurement is inherent in its ability to use financial and non-financial measures in performance measurement. In principle and in practice the Balanced Scorecard and the performance measurement process remain inextricably intertwined. Added to the explanation of the Balanced Scorecard approach was an elaboration of how Balanced Scorecard could be effectively implemented in organisations and the value that organisations were likely to accrue from the Balanced Scorecard when it is effectively implemented.

Once performance has been measured and performance results gathered, compensation commensurate with employee performance has to be distributed. Various pay systems were pivotal issues of discussion in this chapter and non-monetary forms of compensation were also elaborated upon. The discussion on compensation extended to include the fashion in which compensation was operationalised in the City of Johannesburg, with the prime motivation of unravelling how compensation was utilized to give effect to effective service delivery.

In cases where employees exhibited sub-optimal performance, training and development has to be instituted. This aspect was thoroughly explained in chapter three with particular focus on how training and development could be used to elicit

expected performance from employees. The discussion also considered the manner in which training and development is instituted in the City of Johannesburg to ensure that the performance of municipality employees met the performance standards set, with a view to positively effect service delivery.

By and large, chapter three addressed or found answers to the following research questions:

- What is a Balanced Scorecard and how is it related to a performance management system?
- Which areas are identified as key performance areas in the City of Johannesburg?
- Which performance indicators and critical success factors are used to plan and measure performance at the City of Johannesburg?
- What steps are taken to correct or reinforce required employee performance or behaviours?

In chapter four the survey method that was used to collect data from the two sets of samples, employees and residents was described. Employees were individuals employed by the City of Johannesburg, whilst residents were drawn from all the regions of the municipality. The sampling procedure to this effect was exhaustively discussed. An almost equal number of residents was drawn from each region so that each had an equal representation in the sample to ensure representativeness of the sample. Two sets of questionnaires were issued to employees and residents, the responses of which were subjected to frequency analysis and correlation analysis. There was piloting of the questionnaires before they could be disseminated.

The findings of the study were illustrated in frequency tables and bar charts in chapter five. The correlation study was conducted to establish the relationship between the performance management system and service delivery and the findings emerging from this exercise reported in chapter five.

The research instrument, that is the questionnaire, was subjected to reliability and validity tests, the results of which showed the questionnaire to be reliable and valid. The role of ethics in this study was explained and the manner in which ethical principles would be adhered to cited. To comply with the ethical code of research practice the researcher explained how permission to conduct research was sought from the municipality.

In chapter five the empirical data of the study were presented and interpreted. The researcher commenced the analysis of data by unpacking the framework that was used to present and interpret empirical data. The sample on which the data was gathered was described and the response rated cited. The questionnaire feedback of employees and residents were both subjected to frequency analysis. The frequency tables and bar charts were utilized to illustrate the data generated through the frequency analysis. The results of the findings are explained later in this chapter. Following the frequency analysis of employees' and residents' feedback, the respective responses to service delivery were examined to investigate the level of variation between the employees' and residents' perceptions of service delivery.

In addition, the study compared the residents' responses to service delivery, by area, in the regions of the municipality. The intention was to compare responses of residents from the affluent communities with those of residents from the less affluent communities. The findings are later elaborated on in this chapter.

Lastly the correlation analysis was conducted to determine if there is any relationship between the performance management system and service delivery at the municipality. The finding, to be discussed later, indicates that there is no relationship between the performance management system and service delivery.

Whilst chapter two and chapter three provided answers to research questions such as: *"What is a performance management system?" "What are the principles of performance orientation?" "What is a Balanced Scorecard and how is it related to a performance management system?"* and *"What steps are taken to correct or reinforce required employee performance or behaviours?"* chapter five amplified those answers by providing empirical evidence for each research question.

In chapter five the empirical evidence was provided in respect of the following research questions that related to the practice of performance management system at the City of Johannesburg: *"Which areas are identified as key performance areas at the City of Johannesburg?"* and *"Which performance indicators and critical success factors are used to plan and measure performance at the City of Johannesburg?"*

## 6.3 REALISATION OF RESEARCH OBJECTIVES

This section of the study focuses on whether the research objectives posed in chapter one were realised. A number of research objectives that were formulated in the study were addressed in various chapters of the study.

The research objective of the theoretical exposition of the precepts and practice of a performance management objective was sufficiently realised by a theoretical

discussion of the concept of performance management and how performance management cannot be effectively implemented without the integral sub-processes of performance measurement, compensation, and training and development. In an effort to realise the objective under review the stages or phases of the performance management were described. In consideration of the distinction between the performance management and performance measurement, international and national literature was relied upon. The literature revealed the formal steps that a performance measurement process should proceed through if it has to be effective and achieve an effective performance management system.

In this study the research objective of illustrating how the Balanced Scorecard, as a performance measurement tool operates and also the demonstration of how it relates to performance measurement was attained by the theoretical exposition of national and international literature that delved into the four performance measures of the Balanced Scorecard, namely, financial, non-financial, innovation and learning, and internal business process measures. It was illustrated how the Balanced Scorecard could be utilized to measure performance results which could be used to compensate higher performers or train sub-optimal performers. The implication is that the Balanced Scorecard as a performance measurement tool generates performance measurement results whereas the performance management takes action on those results. The research objective was further achieved through the in-depth discussion of the design and implementation of the Balanced Scorecard at the City of Johannesburg. The policy on performance management system at the municipality was subjected to intense analysis to show the manner in which the City's scorecards, departmental scorecards, sector scorecards and individual scorecards were designed and implemented. Through the survey the

empirical evidence on the practically important aspects of the Balanced Scorecard was gleaned.

The investigation of how the key performance areas were identified at the municipality was another objective of the study. Pertinent to the research objective are the activities executed by management to generate the key performance areas. Of particular importance was to find out if the key stakeholders were involved in the identification of the key performance areas and whether the key performance areas were linked to the strategic objectives of the municipality. The analysis of the municipality's policy on performance management was conducted to realise this objective. A survey questionnaire was used to gather empirical data to arrive at findings in respect of the research objective. Employees were required to indicate if their job responsibilities were linked to key performance areas. To the effect that the study was able to find the existence or non-existence of inter-linkages between municipality's strategic objectives, key performance areas and job responsibilities the research objective was realised.

The research objective, the exploration of how performance indicators and critical success factors were used in the planning and measurement of performance at the City of Johannesburg, was posed. In order to realise this research objective, key literature on the formulation of key performance indicators and critical success factors was used. Fundamental to the elaboration of the formulation of key performance indicators and critical success factors was an explanation of the connection between the key performance indicators and critical success factors. The policy on performance management of the City of Johannesburg served as basis for elucidating the key performance indicators and critical success factors and their relationship in the context of the municipality under study. In addition, a

questionnaire was distributed to employees and residents to garner empirical evidence on the key performance indicators and critical success factors used at the municipality and the relationship these have with one another to achieve an effective performance management system. The relevant findings are cited later in this chapter.

Furthermore, the research objective of the examination of the steps that are taken by the City of Johannesburg to correct and reinforce employee performance or behaviours was formulated. International and national literature indicated that the correction of employee performances failing to meet required standards could be achieved through training and development. On the other hand, the employee performance that reached the required performance levels could be reinforced by means of compensation. Both training and development, including compensation, were thoroughly explained using literature and the analysis of the municipality's policy document on training and development and compensation. In the realisation of the research objective a survey was conducted to probe if training and development and compensation were indeed used in the municipality, and if they were used, to what extent were they linked to the performance of employees. The findings relevant to the aforementioned statement were elaborated. To this end, the research objective was realised.

The research objective of identifying the concept of performance orientation and whether performance orientation exists at the municipality was realised by the theoretical elaboration of the concept. The discussion of the concept revealed that performance orientation encapsulates the attitude entrenched in employees and the culture prevalent in the municipality which could positively or negatively affect the design and the implementation of the performance management system. Where

employee attitude and culture are positive to or support the design and implementation of the performance management system the municipality is considered as having a performance orientation. Empirical evidence by means of the questionnaire distributed to the employees of the municipality was accumulated in order to appropriately pronounce on the research objective. In this respect the research objective was realised.

The recommendations of how to effectively implement the performance management system at the municipality under study are outlined in this chapter (see section 6.4.1). This confirms that the research objective has been realised.

Similarly, a performance management system better suited to the City of Johannesburg is suggested and thoroughly discussed later in this chapter. Hence the researcher reaches the conclusion that this research objective was attained.

### 6.3.1 Testing the hypotheses

The hypotheses that are posed in chapter one in this study are:

- The null hypothesis (Ho): *A well-designed performance management system with well thought out practices and procedures **can** improve the delivery of services in the City of Johannesburg.*

- The alternative hypothesis (Ha): *A well-designed performance management system with well thought out practices and procedures **cannot** improve the delivery of services in the City of Johannesburg.*

In order to validate the hypotheses, the structured questionnaires on the performance management system and service delivery were compiled. A questionnaire for employees consisted of close-ended questionnaire statements and open-ended questions. Another questionnaire with only close-ended questionnaire statements was issued to residents to elicit responses on service delivery by the City of Johannesburg. Frequency analysis, which lends itself to correlation analysis, of employees' responses and residents' feedback was conducted. The correlation analysis between employees' responses to performance management system and residents' responses to service delivery was conducted using the Pearson Correlation. The purpose was to find if there is any correlation between the performance management system and service delivery. Fundamentally, the objective of using the Pearson Correlation is to determine the existence of the relationship between variables, and not to determine the causality of the variables. The statistical software SPSS (Statistical Product and Service Solutions) was utilized to generate the *r*-values.

### 6.3.2 Research findings

The research focused on the performance management system at the City of Johannesburg and the relationship the performance management system has with service delivery. The research findings emanating from the study are elaborated below.

- The study found out that the employees are definitively aware of the municipality's mission statement and therefore its purpose, however residents are unfortunately unaware of the mission statement. It is confirmed that there is a clearly outlined Growth and Development Strategy and

Integrated Development Plan. It is glaringly obvious that the Growth and Development Strategy and the IDP are not adhered to in the daily operations in the municipality, either by individual employees or units within the municipality. Emanating from the study is the finding that the strategic performance outcomes of the municipality are not a collaborative effort of residents and the municipality.

- The study confirms that both managers and subordinates set objectives jointly but are not participants in the evaluation of the municipality's performance. Emerging from the study is that the evaluation of the municipality's performance is in fact not carried out.
- The employees of the municipality affirm that they are aware of the existence of the performance management system because of the numerous roadshows to make employees aware of its existence. On a negative note the study's confirmation is that the performance management system is only applied for officials in the higher echelons of the municipality, who tend to benefit from the improper implementation of the performance management system. As one resident puts it: "*they are milking the city*." Hence the contention indicated by the study that the development of the performance management system is an activity restricted to top managers, and excludes participation by lower level managers and the rank and file.
- Evidence from the study indicates that managers and subordinates set performance objectives jointly. Evident is also the fact that employees and managers are not involved in the evaluation of the municipality's performance. Bluntly, the evaluation of the attainment of objectives by employees is not executed, leaving the municipality with no clue as to whether the strategic performance outcomes have been achieved or not.

- Further findings in the study indicate that training is implemented to enable managers and subordinates to understand the performance management system. The polemical issue here is that employees have a general understanding of performance management system and how it functions but training does not capacitate them to work effectively with the Balanced Scorecard. Lack of skills to put Balanced Scorecard into action engenders a negative attitude to Balanced Scorecard in particular and the performance management system in general. The study shows that there is no training provided on how to conduct performance reviews which ultimately leads to the demise of the performance management system completely.
- The finding arising from the study is that the information technology architecture is not supportive of the implementation of the performance management system. The information technology infrastructure makes it easy for employees to work with performance management system. However, it seems to be a daunting task to acquire data so that key performance indicators can be calculated. Employees do not have the skill to capture key performance indicators and, at worst, computers were not functional most of the time and the network was dysfunctional the better part of the time. These anomalies impacted negatively on the implementation of the performance management system.
- Key performance areas were found to lack uniformity in the municipality and therefore creating ‘silos’ in the municipality. The very same key performance areas were out of tune with the municipality’s Growth and Development Strategy, Integrated Development Plan and overall municipality objectives. This clearly affirms the point that there is lack of community involvement when key performance areas for the municipality are developed.

- The key performance indicators are clearly understood by employees and are aligned to the employees' key job responsibilities as well as team or departmental responsibilities. Contrary to good practice the key performance indicators are developed without the involvement of the communities including employees especially at the lower level of management. The key performance indicators are not developed without due consideration of available resources. The key performance indicators are formulated four or five months deep into the financial year. Like key performance indicators there is lack of integration of key performance indicators across the municipality's divisions and the key performance indicators are pitched at a high level that is beyond employees' ability.
- The critical success factors are understood by employees and are linked to major tasks and job responsibilities.
- Emerging from the study is that employees do not know how the Balanced Scorecard functions, which often results in inaccurate measurement of employee performance and incompatible allocation of rewards. The performance management system is found to concentrate on allocating unjustified performance rewards to top managers only. The allocation of rewards, moreover, is not based on performance.
- Performance management system does not yield fair performance results even though they are communicated at regular intervals in the whole municipality or in the departments. The results are also not communicated to communities who are affected by the performance management system.
- As earlier indicated the employees at the City of Johannesburg do not have a positive attitude towards the performance management system. Added to this is the apparent lack of the performance culture which is inimical to the

implementation of the performance management system. The performance management system, it seems, is not performance-oriented.

- Adequate resources, financial and human, are not available to ensure effective implementation of the performance management system. The few present resources are not effectively deployed.
- It has been found in this study that the employees of the City of Johannesburg contend that the municipality provides an adequate health service and library service.
- In contrast, the employees are of the view that the municipality fails to issue accurate tax and rates accounts in time. When issued, the tax and rates accounts are inaccurate.
- The City of Johannesburg is considered, in the eyes of employees in this study, to remove garbage regularly, but fails to fix potholes regularly, maintain street lights regularly, and maintain lawns, sidewalks and parks regularly. By and large, the City of Johannesburg is ineffective in the provision of basic services.
- The research results yield the finding that the operational performance management system is not a practice expressive of collaborative effort from residents. The residents do not play the pivotal role in the formulation of key performance indicators, or at least take part in the evaluation of municipality's performance.
- It has also been found that the employees' perception is that the municipality does render adequate social services, effective billing services, and adequate basic services.
- Emanating from the study is the same view held by employees that the municipality does not involve communities in the development and

evaluation of the performance management system. There is a general agreement between employees and residents that the municipality does not report its performance to the communities and that the key performance indicators, which are the cornerstone of the performance measurement, are not agreed upon with the communities who are affected by the realisation or non-realisation of somehow, irrelevant key performance indicators.

- There is a distinct difference between the views of residents and employees pertaining to the delivery of adequate health services and effective library services. Similarly, residents and employees hold opposing views with respect to the issuing of accurate tax and rates accounts. Conversely, both employees and residents concur with each other that the municipality does not issue tax and rates accounts in time.
- The study found the existence of consensus among residents and employees that the municipality removes garbage regularly; the municipality does not fix potholes regularly; the municipality does not maintain street lights regularly; and the municipality does not maintain sewage systems regularly. All in all, the municipality is failing in the provision of effective basic services to its communities.
- The study also showed that the residents from less affluent communities differed with those from the affluent communities concerning the existence of the performance management system at the municipality, with the former assenting that the performance management system was operational while the latter negate that view. Furthermore, the less affluent communities show more satisfaction with the municipality's maintenance of street lights, parks, sidewalks and lawns than the affluent communities. Residents from all the areas in all the regions of the municipality showed consensus in saying that

the potholes are not fixed regularly and that the provision of billing services leaves too much to be desired.

- The study illustrated that there is no relationship between the performance management system and the removal of garbage, fixing of potholes, maintenance of street lights, maintenance of lawns, sidewalks and parks, and maintenance of the sewage system. What this means is that there is no association between the performance management system and the provision of effective social services, billing services, and basic services. In a nutshell, the performance management system in the municipality is not geared towards effective delivery of services.

## 6.4 RECOMMENDATIONS

This section of the study seeks to realise the two research objectives, namely, recommendations to ensure that the City of Johannesburg improves on the development and implementation of the performance management system, and to design a more effective performance management system for the municipality. Finally suggestions for future research will be made.

### 6.4.1 Recommendations for improving on the implementation of the performance management system

Earlier in chapter three the performance management system that was developed and implemented at the City of Johannesburg was elaborated upon. In chapter five the empirical findings on how effectively performance management system was implemented and its association with service delivery were obtained through a questionnaire. These findings led to the following recommendations.

- It is recommended that the municipality conducts roadshows in the communities to sensitise them about the municipality's vision and mission statement. By means of these roadhsows the municipality should, over and above the sensitization of communities on the vision and mission statements, attempt to elicit the participation of residents in the development of Growth and Development Strategy, Integrated Development Plan, and strategic performance outcomes. Added to this should be the involvement of residents in the identification of key performance areas for the municipality to ensure integration with Growth and Development Strategy, Integrated Development Plan and strategic performance outcomes. Internally, the municipality should do the same with employees. Above all, monitoring and control measures should be put in place to align units' or departments' operations with the Growth and Development Strategy, Integrated Development Plan and strategic performance outcomes. The monitoring and control mechanisms should be bolstered by implementing reinforcement mechanisms to ensure repetition of the required behaviour compatible with the attainment of Growth and Development Strategy, Integrated Development Plan and strategic performance outcomes.

- It is of utmost importance that the performance management system should be applied throughout the municipality to include all levels of management and employees. Performance of lower level managers and ordinary employees is equally relevant in the assessment of the municipality's overall performance. If lower-level managers and employees are rewarded according their performance, they are likely to sustain the required performance whilst training of the employees who are performing below par

will yield positive results. The inclusion of these categories of employees will engender the buy-in from them and even cultivate the sense of ownership of the performance management system required for its success.

- In the same vein, residents have to be involved in the development of strategic performance outcomes. It is equally imperative that they should be involved in the evaluation of the extent to which the municipality has reached the strategic performance outcomes. The bedrock of the effective appraisal of the municipality's performance is the effective implementation of a performance measurement system for employees across the municipality.
- It has been found that employees do not know how to use the performance measurement tool, that is, the Balanced Scorecard. It serves no purpose to profess that the performance management system is in place when the measurement of employee performance, which is a pivotal requirement for the success of the performance management system, is not understood by those who use it or inappropriately implement it. This often results in inaccurate performance measurement results at the municipality. For this reason training and development on the use of Balanced Scorecard should be instituted throughout the municipality in simple language that is better understood by end-users. Further findings in the study indicate that training is implemented to enable managers and subordinates to work effectively with the performance management system. However, training should not be restricted to the use of the Balanced Scorecard but on how the performance management system operates holistically. This also means that employees should be able to work with the information technology infrastructure to ensure that they are able to capture key performance indicators quickly and

to make the implementation of the performance management system less of an administrative hassle**.**

- It would be a sound practice to ensure that employees partake in the development of key performance indicators as they are directly responsible for their attainment. Knowledge and acceptance of the key performance indicators assists in their achievement. As it is, currently the municipality's employees are of the opinion the key performance indicators are difficult to attain. The municipality should take stock of the availability of resources when developing key performance indicators as the lack of resources may negatively hamper the implementation of the performance management system. If employees partake in the development of key performance indicators it will be possible to engage them on how they perceive the key performance indicators as integrated across the units of the municipality. The integration of key performance indicators across the units of the municipality is effectual through interdepartmental meetings or any relevant communication aimed at forging departmental alliances or interdepartmental dependencies for the attainment of the municipality's Growth and Development Strategy and strategic performance outcomes.

- It is recommended that the City of Johannesburg should develop the reward system that is contingent on the performance of employees, the concept that is commonly known as pay-for-performance across all levels of management in municipality and for all categories of employees. For pay-for-performance practice to be effective the performance measurement at the municipality should be revisited. Departmental performance results should be communicated to communities at intervals, especially in areas in which they

have taken a keen interest to participate or consider the performance of the municipality to be important.

- The implementation of the pay-for-performance system would resuscitate and sustain the defunct performance culture of the employees in the municipality and even instill a positive attitude among the employees about the performance management system.

- Proper planning for the development and implementation of the performance management system is required so that adequate resources are allocated and deployed. The current resources allocation that is indispensable to nurture the implementation of the performance management system is utterly insufficient.

- On the whole, the strong recommendation is that the City of Johannesburg should develop a service-oriented performance management system and implement the performance management system to address communities' service delivery needs. How this can be achieved is the subject of the following section.

### 6.4.2 The convergent framework of service delivery-oriented performance management system

In light of the research findings that the performance management system at the City of Johannesburg is not service oriented, the researcher proposes a framework that is to be called the convergent framework of service delivery-oriented performance management system, hereafter referred to as convergent framework of service delivery-oriented performance management system. The aim with the

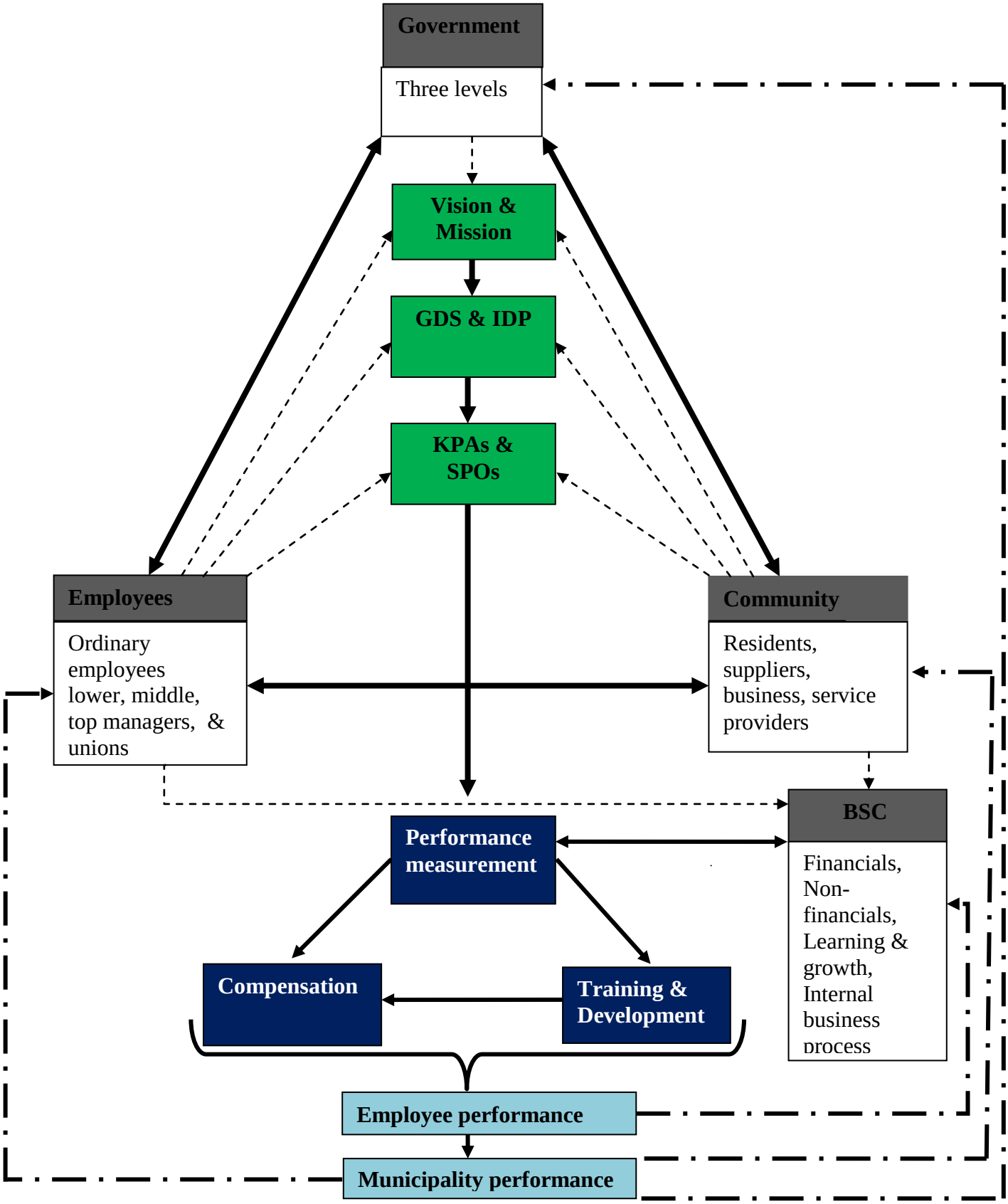
creation of the convergent framework of service delivery-oriented performance management system is to ensure that the performance management system is all the time geared towards the effective delivery of services. This framework can be viewed in Figure 6.1

The framework departs from the premise that every activity in the development phase, implementation phase, and the evaluation of the performance management system should of necessity be executed fundamentally to give effect to effective service delivery to the communities at the City of Johannesburg. Put differently, activities at every phase of the performance management system should converge to result into effective service delivery to residents in the respective communities.

The essence, looking at the framework in Figure 6.1, is that both the government with its three-tiers of government, all employees, unions, and the community should be an integral part of the planning of the performance management system. It should be stated upfront that the research only concentrated on service delivery to the residents and not suppliers, business and service providers, as one component of the community. However, in order to reap the rewards of convergent framework of service delivery-oriented performance management system the views of these key stakeholders should be taken into consideration.

In accordance with the convergent framework of service delivery-oriented performance management system the government must set the tone in the development of the performance management system by tabling legislation pertaining to the performance management system.

**Figure 6.1: Convergent framework of service delivery-oriented PMS**



As it is currently the South African government has promulgated a number of pieces of legislation bent on regulating the municipalities in their conduct of business and specifically in prescribing the imperative for the development and implementation of a performance management system customized to each municipality's material conditions. After the government has set the stage, the community and all levels of employees should converge to craft the vision of the municipality to portray the municipality's dream and mission statement to state unequivocally the mandate of the municipality. If management conceives the current vision and mission statement as capturing the aspirations of employees and communities, their opinions should be canvassed and the roadshows held before rolling them out. In a nutshell, the government, employees and community should converge to ensure that the vision and the mission statements of the municipality are aligned. Of course, the government has to assess if the vision and mission statements comply with the legislative imperatives

Furthermore, the community and all levels of employees should take the process forward by co-operatively developing the Growth and Development Strategy and the formulation of an Integrated Development Plan. The two documents should result in the formulation of key performance areas of the municipality which are linked with the Growth and Development Strategy and Integrated Development Plan. At this stage research has clearly indicated that communities are not involved in the development of the key performance areas, hence the performance management system is not service-oriented at the municipality under study. At this juncture, the strategic performance outcomes or objectives should be set jointly with communities and employees which have also been found to be lacking in the current performance management system. In the study employees have repeatedly complained that the strategic performance outcomes were difficult to achieve. The

involvement of key stakeholders will obviate these undesirable consequences. It is also significant to involve labour unions in the setting of strategic performance outcomes to have their buy-in earlier in the process, because they have the capability of mobilising against any system perceived to undermine workers' rights.

The formulation of key performance areas and strategic performance outcomes should be followed by the process of performance measurement directed at evaluating the employee performance. Evidence in this study confirms that strategic alignment of key performance areas and strategic performance outcomes is non-existent, let alone being thought about. Nonetheless, the implementation of the process of performance measurement should follow the steps described in section 3.3 of chapter three. The appraisal of employee performance is aimed at monitoring progress towards the actualisation of key performance areas and the attainment of strategic performance outcomes. The latter should be broken down into more specific performance objectives. Inter-linkages between the performance objectives and strategic performance outcomes are critical to maintain a convergent approach to performance management system.

Once the performance objectives for teams and individual objectives have been established through the process of Management by Objectives (MBO), the key performance indicators (key performance indicators) should be developed with the participation of the community stakeholder components, including the employees and managers of the municipality, to maintain convergence towards service delivery. The lack of participation by stakeholders in the identification of key performance indicators at the City of Johannesburg has been found to be non-existent. The determination of key performance indicators ultimately leads to the development of the Balanced Scorecard pertinent to each category of employees.

The key performance indicators of the Balanced Scorecard should be structured to follow the four dimensions of Kaplan and Norton's Balanced Scorecard, namely, the financial dimension, non-financial dimension, learning and innovation dimension, and internal business processes dimension.

The salient features of and the effectiveness with which the Balanced Scorecard should be implemented (see sections 3.6.2 and 3.7 in chapter three) should be accorded due consideration in the implementation of the municipality's customised Balanced Scorecard. If the performance results point to the direction that employees' performance on key performance indicators falls below the pre-established performance standards, then training and development is to be instituted for affected employees. In Figure 6.1 employees who underperform would have to receive compensation compatible with this performance. However, the employees, as previously indicated, should be subjected to training to optimise performance which will eventually lead to better rewards. The effectiveness with which training and development should be carried out was extensively discussed in section 3.8.10 of chapter three. The practice of compensation should take cognisance of all other important factors elaborated in section 3.10 of chapter three to make it performance related. Above all, the practice should be applicable to all categories of employees, not only Section 57 employees.

In contrast, performance results which show that the performance of employees meet the set performance criteria should lead to the allocation of appropriate rewards to concerned employees. Obviously, the processes of performance measurement, training and development and compensation are tuned to give rise to employee performance in various units or departments in the municipality. In other words the practice of these inextricable processes should not merely take cognisance of internal business processes but also take account of customers'

views of process development and execution, and their identified needs, if it has to be service oriented. The performance of employees should be evaluated by employees and managers, as Figure 6.1 demonstrates, to see if it provides practical expression of the vision and mission, the Growth and Development Strategy and Integrated Development Plan, key performance areas and strategic performance outcomes. The attainment of employee performance outcomes translates into overall municipality performance which, like employee performance, should essentially be appraised by managers and employees to gauge if it leads to the achievement of the vision and mission, the Growth and Development Strategy and Integrated Development Plan, key performance areas and strategic performance outcomes.

Similar evaluative actions should be taken by key components of the community, namely, suppliers, service providers, residents, and business, to determine if the specific employee performance does in fact give realisation of vision and mission, the Growth and Development Strategy, Integrated Development Plan and key performance areas. The same procedure should be followed when the overall municipality performance is measured. In essence, every stakeholder takes charge of the performance management activities to ascertain that these activities converge towards the realisation of the service delivery-oriented performance management system or the so-called convergent framework of service delivery-oriented performance management system

The government, as illustrated in the framework in Figure 6.1, should take part in the evaluation exercise to determine if the municipality is reaching the required performance threshold. The study actually indicated that relevant stakeholders were not involved in the evaluation of the municipality's performance, the practice which this framework seeks to correct.

### 6.4.3 Future research opportunities

The engagement of research at the City of Johannesburg, like any other research, has yielded the need to conduct future research, if not extend this study, in the following areas:

- A similar study could be engaged to determine the relationship between the performance management system as gratification of service delivery needs of any of the community stakeholders, other than residents. These key community stakeholders could either be businesses, service providers, or suppliers.
- The same study conducted at the City of Johannesburg could be undertaken in any other metropolitan municipality.
- Following the aforementioned study, research aimed at making comparative analysis between any two chosen metropolitan municipalities in respect of the relationship between the performance management system and service delivery could be undertaken.
- The study could also be conducted in local municipalities in any two provinces after which inter-provincial comparisons could be drawn.
- The suggested framework in the study could be implemented in any metropolitan municipality, including the City of Johannesburg, and its effectiveness measured to derive further findings and conclusions.

## 6.5 CONCLUSION

Generally, the study has confirmed the view that the performance management system, as developed and implemented at the City of Johannesburg, is not orientated towards gratifying service delivery needs of residents in the

respective communities. The performance management system is merely geared towards improving the internal processes within the municipality. A better performance management system appropriate to the municipality and a resident-responsive performance management system was developed. The effectiveness of this framework still remains to be tested by future research.

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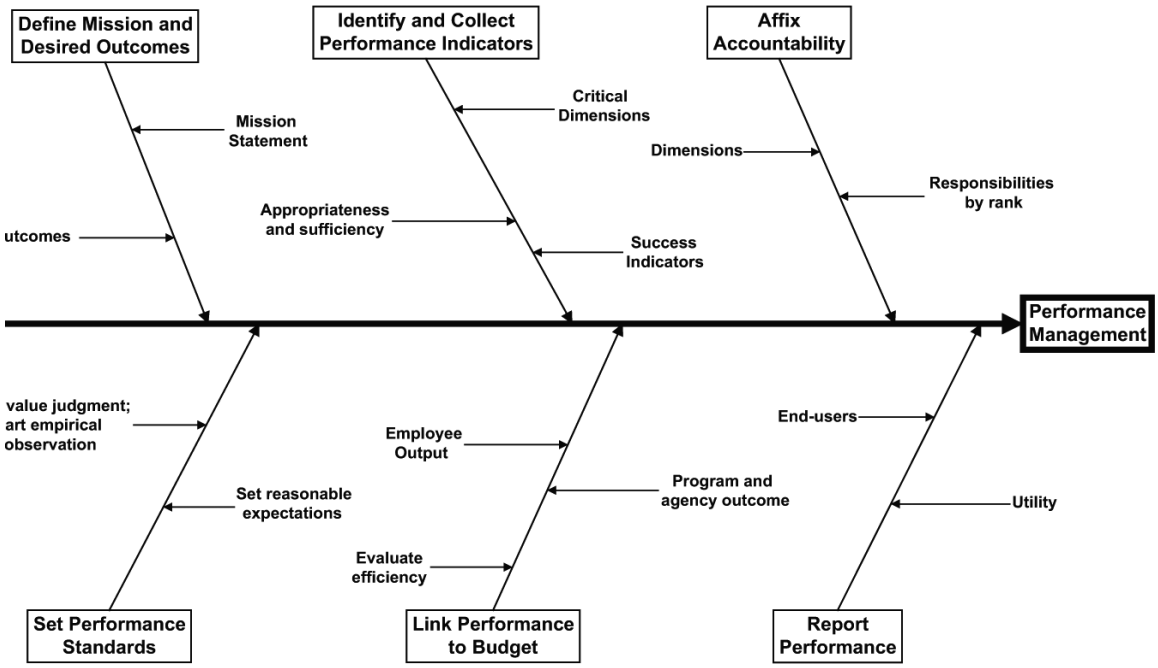
# APPENDIX A

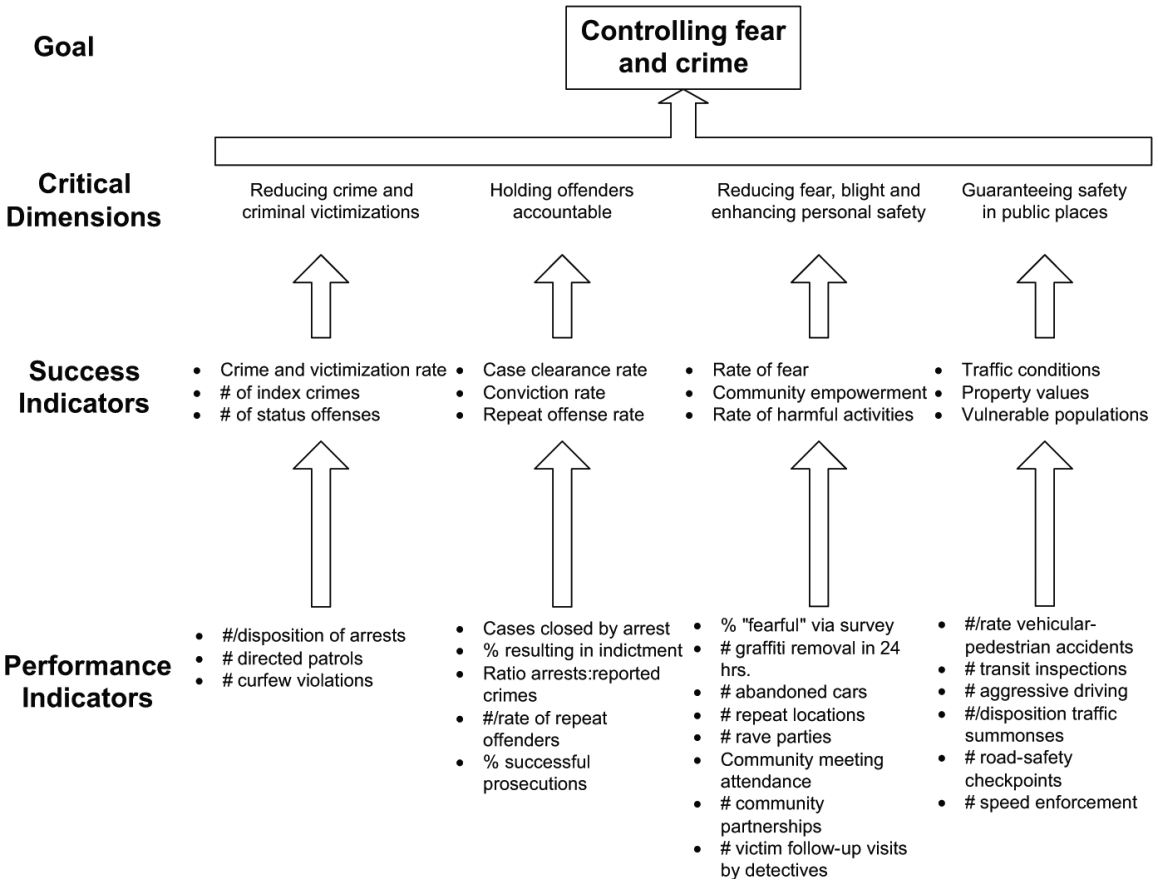
## Performance Management Framework




Source: Sole, 2009:13

# APPENDIX B

## Basic structure of performance dimensions




Source: Sole, 2009:16.

# APPENDIX C

**BEHAVIOURAL FACTORS**

| BEHAVIOURAL FACTORS |
| --- |
| 1. Organisational members understand the meaning of performance management, so they have an insight into (possible) consequences that their actions have on organisational results |
| 2. Organisational members have insight into the relationship between businesses processes, so they understand that the results they achieve on their KPIs are important to the continuity of the division |
| 3. Organisational members' frames of reference contain similar KPIs, so they can compare their results with those of other members and contain insight into how they are doing comparatively |
| 4. Organisational members agree on changes PMS, so they keep on feeling responsible for the results they achieve |
| 5. Organisational members' results are openly communicated, so everyone is aware of the status of the organisation and performance knowledge can be shared |
| 6. Organisational members recognise and acknowledge the need for performance management, which makes them willing to cooperate during the implementation of PMS |
| 7. Organisational members agree on the starting time, which makes them willing to cooperate from the start of the implementation of PMS |

| |
|---|
| 8. Organisational members have earlier positive experiences with performance management, so they can communicate the aim and goals of PMS to the organisation |
| 9. Organisational members realise the importance of performance management to their performance, so the PMS becomes part of their daily activities |
| 10. Organisational members do not experience performance management as threatening, so they are not hesitant to use PMS |
| 11. Organisational members' KPIs measure their responsibility areas, so they can be used for steering and control of those areas |
| 12. Organisational members can influence the KPIs assigned to them, so the acceptance and use of PMS are increased |
| 13. Organisational members prepare their own analyses, which increases the acceptance of those analyses |
| 14. Organisational members find the quality of analyses good, which increases the use of those analyses |
| 15. Organisational members can use KPIs for managing their employees, which increases the regular use of PMS |
| 16. Organisational members are stimulated to improve their performance by using PMS, so they do not have to be afraid that performance management |

| |
|---|
| will be used to punish lagging results |
| 17. Organisational members trust the performance information, which increases the acceptance of PMS |
| 18. Organisational members clearly see (top) management using PMS, so they understand the importance of the system to management and the organisation |
| 19. Organisational members find PMS relevant because it has a clear internal control purpose, and can therefore support their activities well |
| 20. Organisational members find PMS relevant because only those stakeholders' interest that are important to the organisation' success are incorporated, so the system stays aimed at the continuity of the organisation |

Source: De Waal & Counet, 2009:371

# APPENDIX D

**BEHAVIOURAL FACTORS IN ORDER OF IMPORTANCE**

| BEHAVIOURAL FACTORS | RANKING IN ORDER IMPORTANCE |
|---|---|
| Managers realise the importance of CSFs/KPIs/BSC to their performance | 1 |
| Managers accept the need for performance management | 2 |
| Managers have earlier (positive) experiences with performance management | 3 |
| Managers' frames of reference contain similar KPIs | 4 |
| Managers are involved in analyses | 5 |
| Mangers do not experience CSFs/KPIs/BSC as threatening | 6 |
| Managers clearly see the promoter using the PMS | 7 |
| Managers agree on the starting time | 8 |
| Managers understand the meaning of KPIs | 9 |
| Managers can influence the KPIs assigned to them | 10 |

| | |
|---|---|
| Managers find the PMS relevant because it has clear internal control purpose | 11 |
| Managers trust good quality analysis | 12 |
| Managers and their controlling systems have mutual trust | 13 |
| Managers agree on changes in CSF/KPI set | 14 |
| Managers are stimulated to improve their performance | 15 |
| Managers are informed about the status of PMS project | 16 |
| Managers have insight into the relationship between business processes and CSFs/KPIs | 17 |
| Managers' KPIs sets are aligned with their responsibility area | 18 |
| Managers understand the CSF/KPI/BSC reporting | 19 |
| Managers find the PMS relevant because only those stakeholders' interests are incorporated that are important to the organisation's success | 20 |
| Managers trust the performance information | 21 |

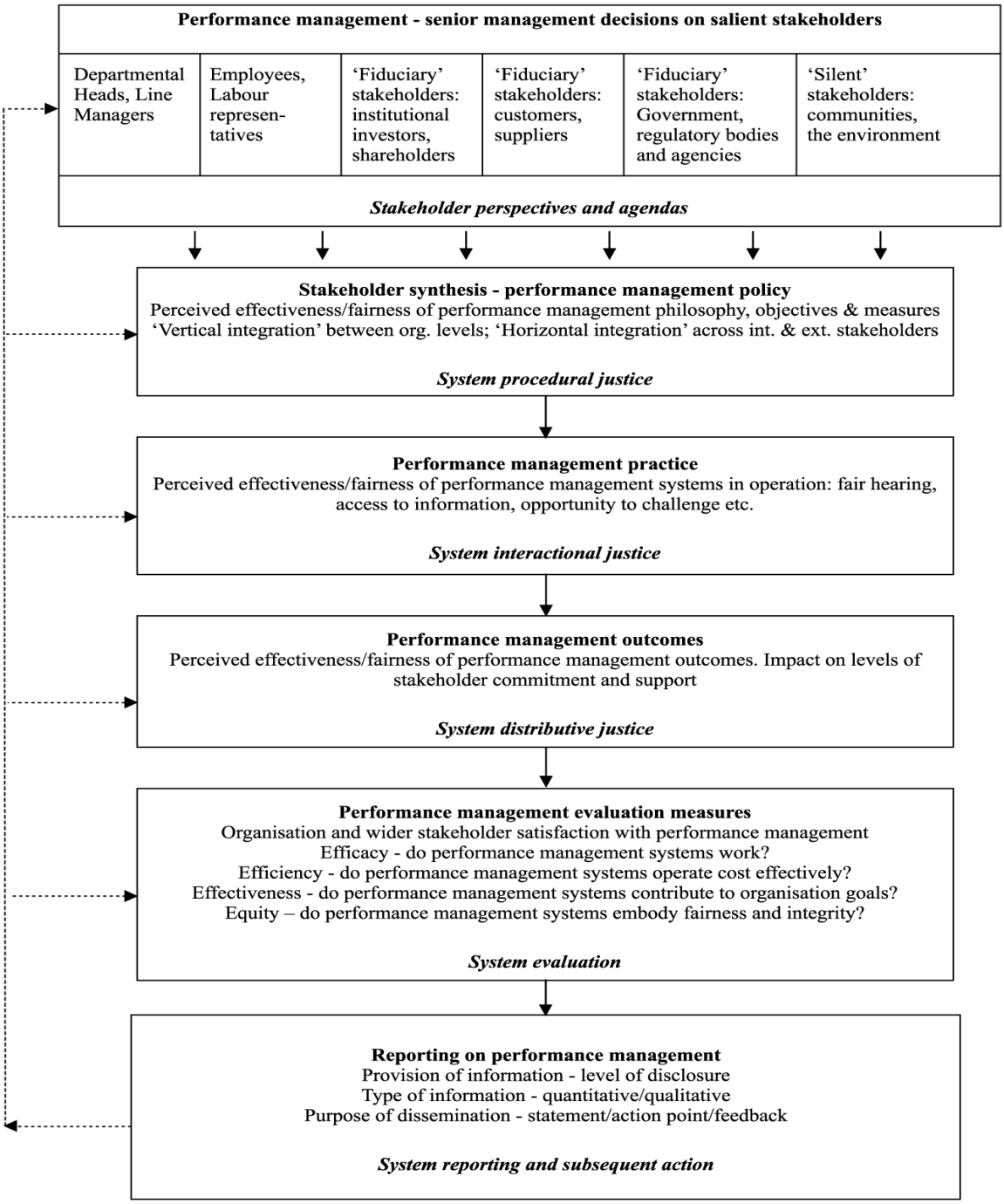
| | |
|---|---|
| Managers' results on CSFs/KPIs/BSC are openly communicated | 22 |
| Managers have an active role during the development stage of the PMS project | 23 |
| Managers are involved in the setting of KPI targets | 24 |
| Managers accept the promoter | 25 |
| Managers do not get discouraged by the collection of performance data | 26 |
| Managers have insight into the relationship between cause and effect | 27 |
| Managers' activities are supported by KPIs | 28 |
| Managers' information processing capabilities are not exceeded by the number of CSFs/KPIs | 29 |
| Managers can use their CSFs/KPIs/BSC for managing their employees | 30 |
| Managers use the PMS regularly during the planning and control cycle | 40 |
| Managers have been involved in decision making about the project start time | 41 |
| Mangers work in a stable, relatively tranquil environment | 42 |

| | |
|---|---|
| Managers are actively communication about the PMS project | 43 |
| Managers are involved in defining KPIs | 44 |
| Managers do have insight into the relationship between strategy and CSFs and KPIs | 45 |
| Managers are involved in making the CSFs/KPIs/BSC report layout | 46 |
| Managers use the CSFs/KPIs/BSC that match their responsibility areas | 47 |

Source: Elzinga *et al*., 2009:517.

# APPENDIX E

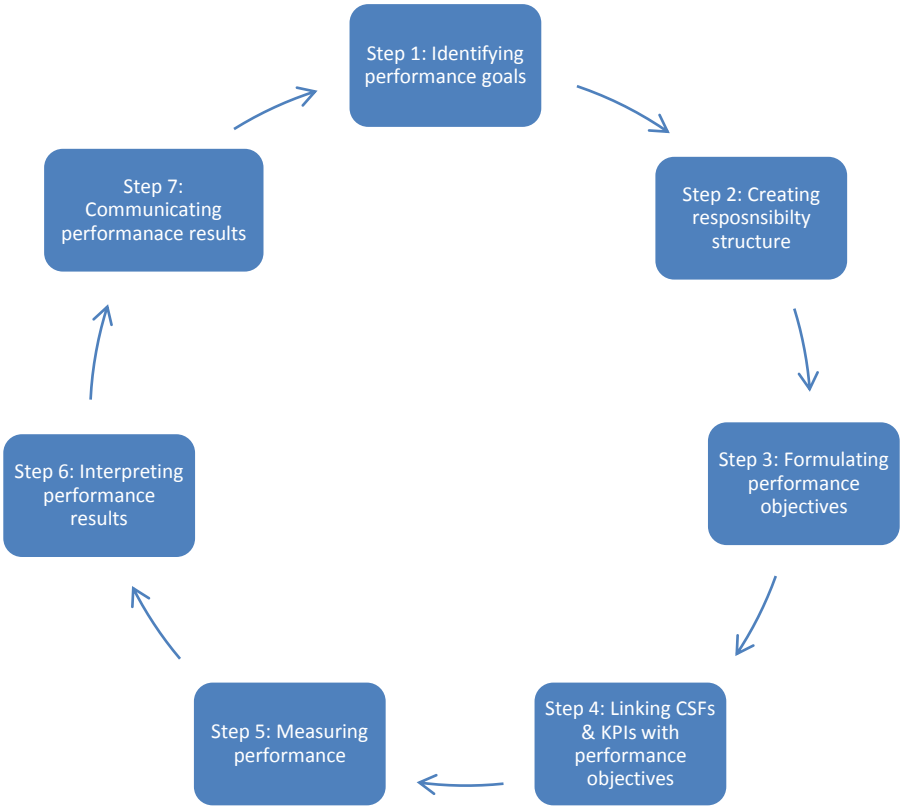
## SYSTEMS MODEL OF STAKEHOLDER INVOLVEMENT




Source: Simmons, 2008: 469.

# APPENDIX F

## PERFORMANCE MANAGEMENT PROCESS




Adapted from: (Fryer *et al*., 2009: 481)

# APPENDIX G

## PERFORMANCE MANAGEMENT FRAMEWORKS

1. Integrated frameworks for PMM:

- 1988 The Strategic Measurement Analysis and Reporting Technique (SMART)
- 1989 The Supportive Performance Measures (SPM)
- 1991 The Results and Determinants Framework (RDF)
- 1992 The Balanced Scorecard (BSC)
- 1994 The Service Profit Chain (SPC)
- 1997 The Integrated Performance Measurement System (IPMS)
- 1998 The Comparative Business Scorecard (CBS)
- 1998 The Integrated Performance Measurement Framework (IPMF)
- 2000 The Dynamic Performance Measurement System (DPMS)
- 2001 The Performance Prism (PP)

2. Models to face specific issues

- 1980 The Economic Value Added Model (EVA)
- 1990 The Performance Measurement Questionnaire (PMQ)
- 1995 The Return on Quality (RQ)
- 1996 The Cambridge Performance Measurement Framework (CPMF)
- 1996 The Consistent Performance Measurement (CPM)
- 2001 The Action Profit Linkage Model (APLM)
- 2004 The Performance Planning Value Chain (PPVC)

- 2004 The Capability Economic Value of Intangible and Tangible Assets Model (CEVITAM)
- 2006 The Unused Capacity Decomposition Framework (UCDF)

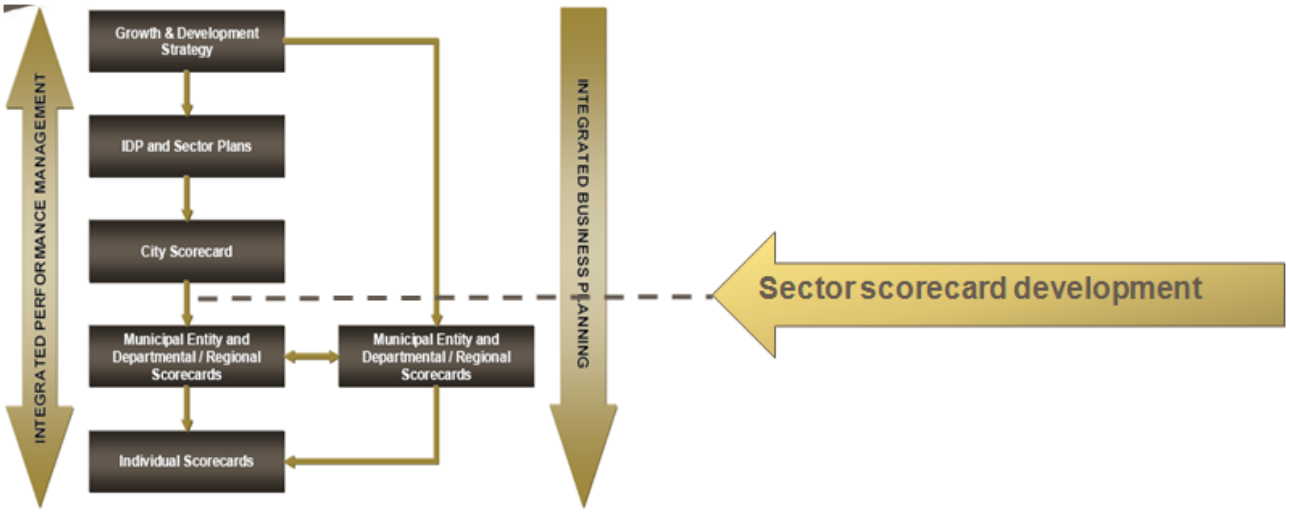
3. Other relevant models for PMM system design:

- 1988 The Activity-based Costing (ABC)
- 1990 The Customer Value Analysis (CVA)
- 1999 The European Foundation for Quality Management Model (EFQMM)
- 2001 The Manufacturing System Design Decomposition (MSDD)

Source: Parameshwaran *et al*., 2009:795

# APPENDIX H

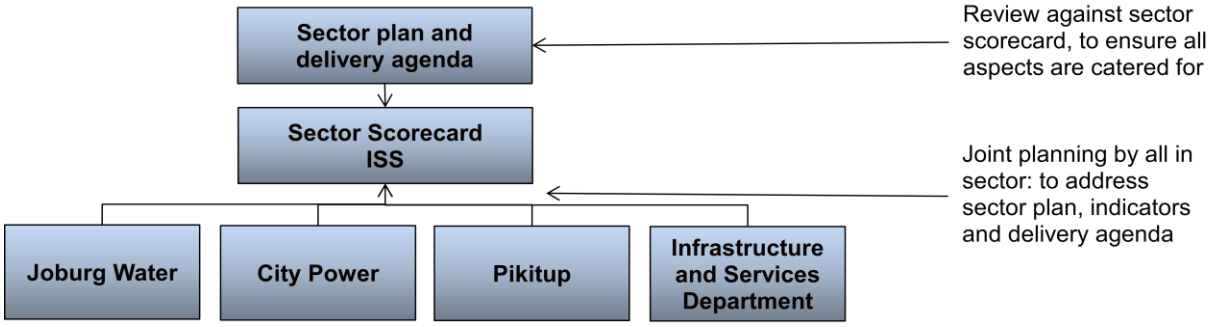
## THE CITY'S SCORECARD




Sources**:** Municipal Performance Management Framework, 2009:17

# APPENDIX I

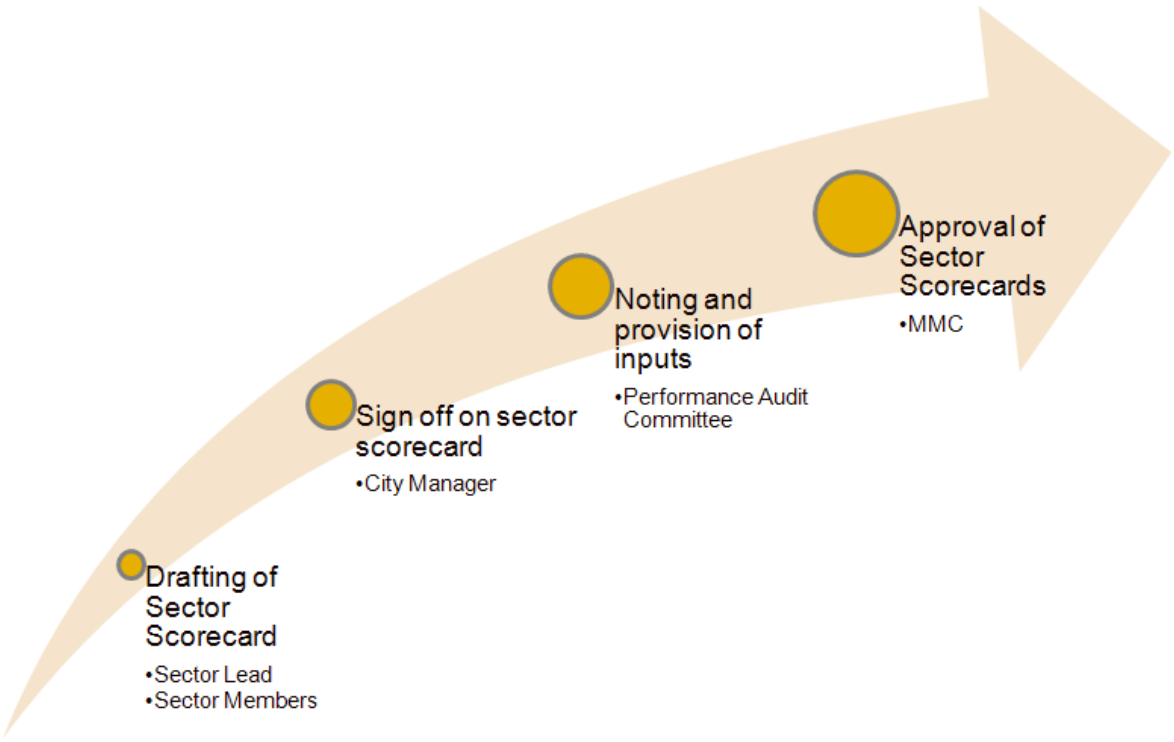
## COLLABORATION OF SECTOR STAKEHOLDERS




Source**:** Municipal Performance Management Framework, 2009:24

# APPENDIX J

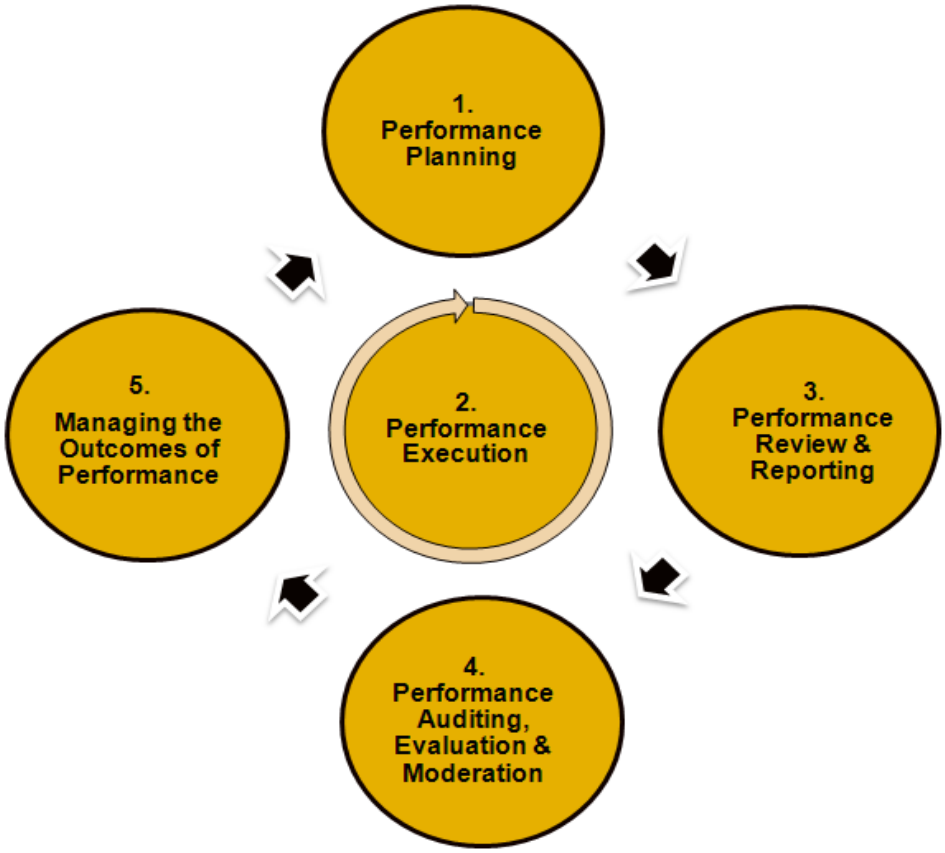
## THE SECTOR SCORECARD DEVELOPMENT PROCESS




Source: Municipal Performance Management Framework, 2009:23.

# APPENDIX K

## PERFORMANCE MANAGEMENT CYCLE FOR THE CITY OF JOHANNESBURG




Source: Performance Management Framework, 2009:16.

# APPENDIX L

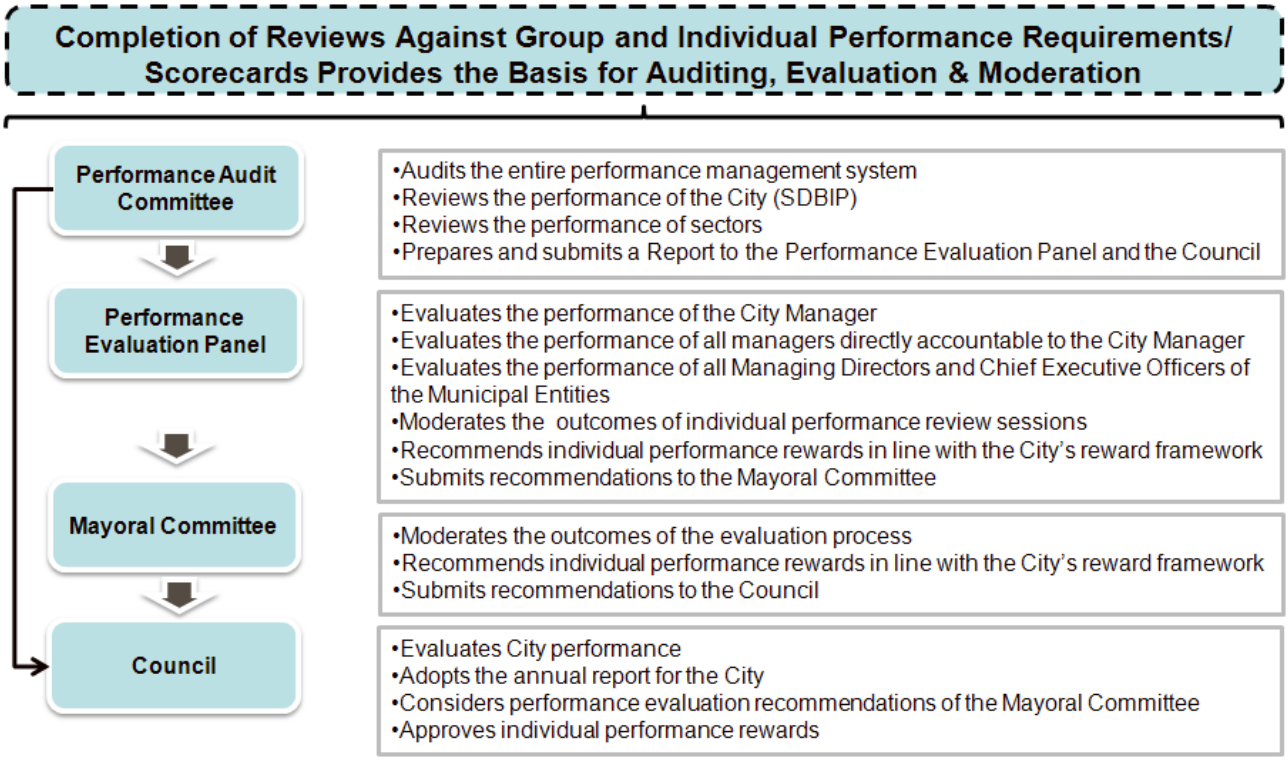
## DIFFERENCES BETWEEN JPAC AND PEP

| JPAC | PEP |
|---|---|
| Is responsible for auditing the outcomes of the performance management process | Evaluates the outcomes of the individual performance review sessions |
| Meets at least twice a year | Only meets at the end of the financial cycle |
| Primarily focuses on institutional performance, but also considers individual performance | Primarily focuses on individual performance, but also considers institutional performance |
| Looks at system functionality, system compliance and reliability of performance measures | Looks at individual performance and the extent to which it's in line with scorecards signed and the performance of the City |
| Provides input on individual rewards | Recommends individual rewards |
| Does not moderate performance | May moderate individual performance results |
| Does not consider recommendations of the PEP in its process | Considers the findings of the JPAC as part of its process |
| Submits audit reports to Council and PEP | Submits its recommendations to Mayoral Committee |
| Neither a Councillor nor an employee of the municipality maybe chairperson of the committee | No specific provisions are made in this regard |

Source: Municipality Performance Management Framework, 2009:52

# APPENDIX M

## PERFORMANCE AUDITING, EVALUATION, AND MODERATION




Source: Municipality Performance Management Framework, 2009:42

# APPENDIX N

## THE FRAMEWORK FOR PAYMENT OF BONUSES

| Level of Performance | Average Performance Rating | Cash Bonus (Expressed as a % of the all inclusive remuneration package) |
|---|---|---|
| Individual | > 4.5 | 9% |
| | 4 – 4.4 | 7% |
| | 3.5 – 3.99 | 4.6% |
| | 3 – 3.49 | 2.3 % |
| | <3 | No bonus |
| Sector performance | > 4.5 | 5% |
| | 4 – 4.4 | 3.7% |
| | 3.5 – 3.99 | 2.7% |
| | 3 – 3.49 | 1.7% |
| | <3 | No bonus |

Pros:

- Encourages individual as well as team (sector) performance;
- Ensures alignment between institutional and individual performance; and
- Encourages joint ownership and accountability for sector performance.

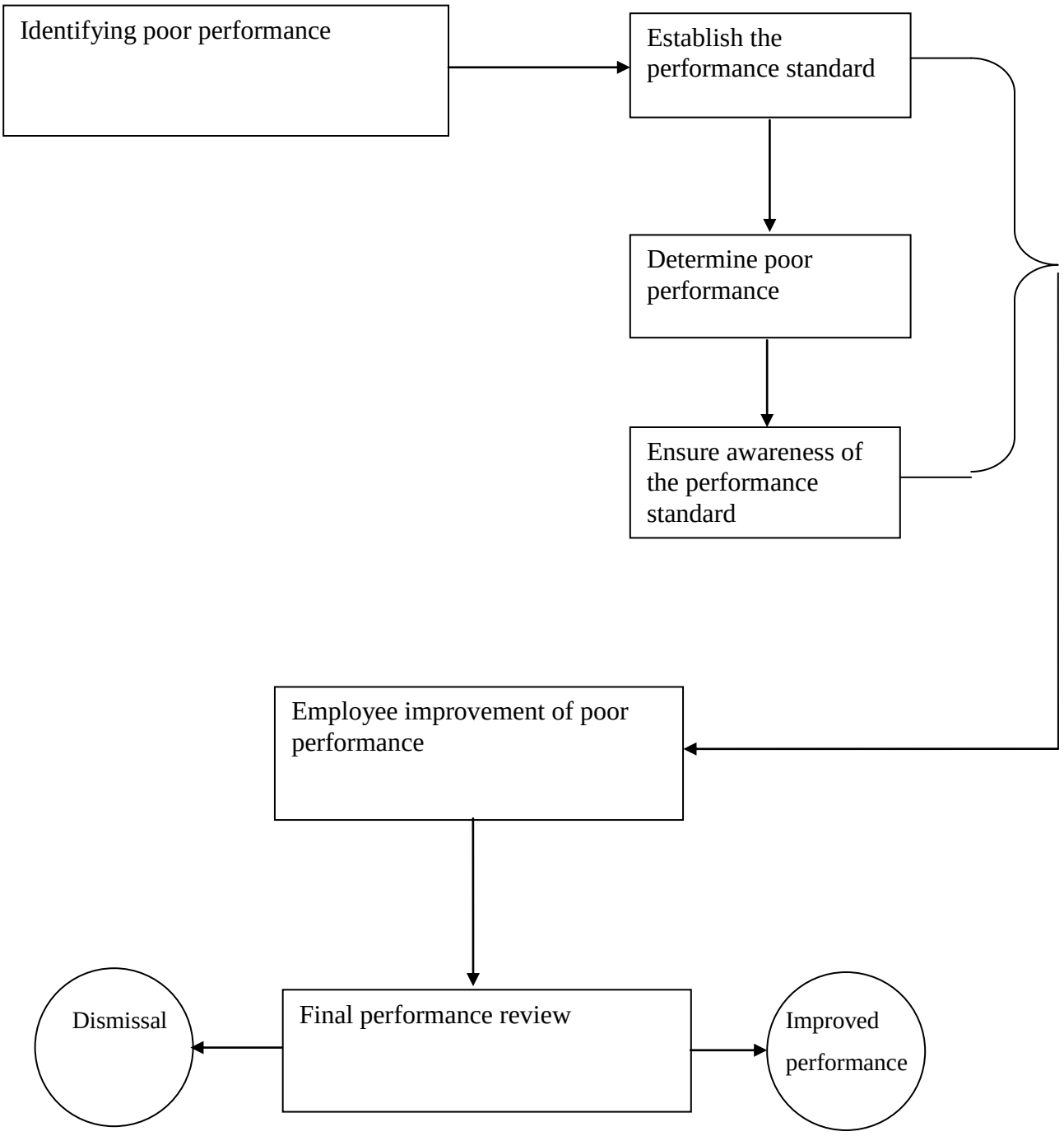
Cons:

- May be seen to be unfair especially without management control;
- May discourage individual brilliance; and
- May mask poor individual performance.

Source: Municipality Performance Management Framework, 2009:52

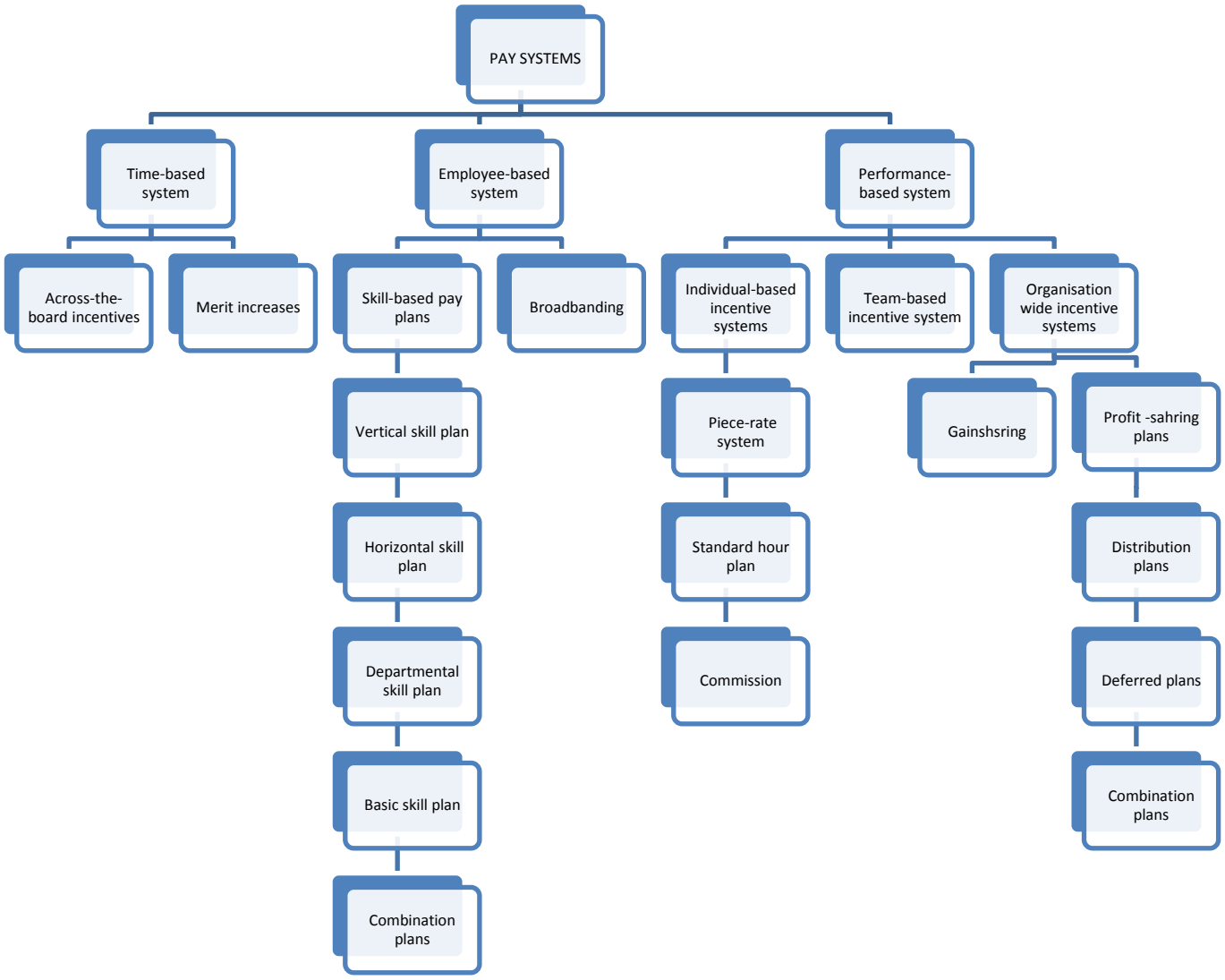
# APPENDIX O

## THE MANAGEMENT OF POOR PERFORMANCE AT THE CITY OF JOHANNESBURG



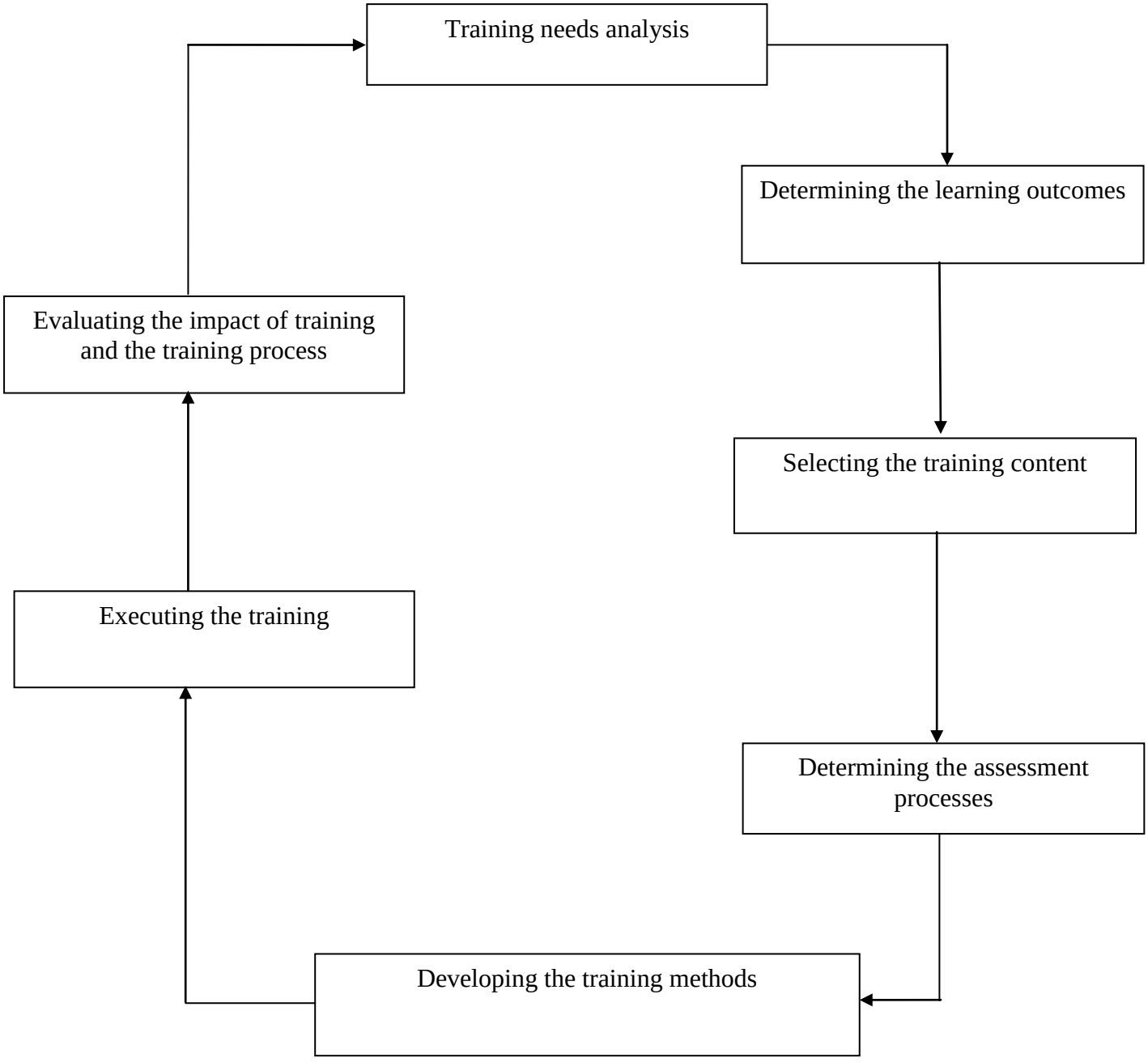
# APPENDIX P

## PAY SYSTEMS



# APPENDIX Q

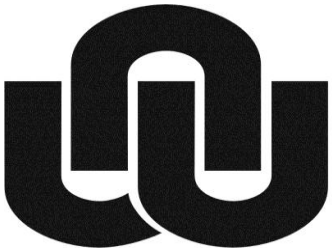
**SYSTEMS APPROACH TO TRAINING AND DEVELOPMENT**




Adapted from: (Nel *et al*., 2010:459)

# APPENDIX R

## REQUEST TO CONDUCT THE STUDY



NORTH-WEST UNIVERSITY
YUNIBESITI YA BOKONE-BOPHIRIMA
NOORDWES-UNIVERSITEIT
VAAL TRIANGLE CAMPUS

Executive Director: Corporate Services
Johannesburg Metropolitan Municipality
Johannesburg
2000

Dears Sir
I am a student (student number: 20468083) at North-West University and I am currently registered for PhD under the supervision of Prof. S. Vyas-Doorgapersad and Dr. W. Grobler. I am conducting a study on performance management system, and your municipality is the demarcated area of study. In order to this employees at your municipality will be requested to complete a questionnaire based on the performance management system.

The employees that are expected to participate in the study will be selected randomly. Participants should take part in the study willingly and their anonymity is guaranteed. Furthermore, the research findings will remain confidential, except when an article has to written for academic purpose. The findings can be made available to managers if they wish to have them.

Thank you for your consideration in this regard.

Patrick Radebe
patrick@vut.ac.za
Tel: 016 932 4636

# APPENDIX S

## QUESTIONNAIRE TO RESIDENTS

**SECTION A: BIOGRAPHICAL INFORMATION**
Please answers the questions by providing relevant information next to the blank block for each question

| | |
|---|---|
| 1. What is the combined household income per month? | |
| 2. Race | |
| 3. Are you living in a suburb/town/city? | |
| 4. What is the name suburb/town/city in which you live? | |
| 5. How many years/months/weeks have you been living in the current suburb/town/city? | |

**SECTION B: QUESTIONS ON PERFORMANCE MANAGEMENT**

The research questionnaire will be on a four-point scale of ***"Strongly agree", "Agree", "Do not agree" and "Strongly disagree"***
**Please note: To answer please mark with an X in the appropriate block**

| | Strongly agree | Agree | Do not agree | Strongly disagree |
|---|---|---|---|---|
| 1. The Johannesburg Metro Municipality has a performance management system in place | | | | |
| 2. I am involved in the development of performance management at Johannesburg Metro Municipality | | | | |

| | Strongly agree | Agree | Do not agree | Strongly disagree |
|---|---|---|---|---|
| 3. The Johannesburg Metro Municipality issues accurate tax rates accounts. | | | | |
| 4. The Johannesburg Metro Municipality issues tax and rates accounts in time | | | | |
| 5. The Johannesburg Metro Municipality removes garbage regularly | | | | |
| 6. Johannesburg Metro Municipality fixes potholes regularly | | | | |
| 7. Johannesburg Metro Municipality provides adequate health services | | | | |
| 8. Johannesburg Metro Municipality provides effective library services | | | | |
| 9. Johannesburg Metro Municipality maintains street lights regularly | | | | |
| 10. Johannesburg Metro Municipality involves me in the evaluation of municipality' s performance | | | | |
| 11. Johannesburg Metro Municipality reports regularly to the community on its performance | | | | |
| 12. Johannesburg Metro Municipality maintains lawns, sidewalks and parks regularly | | | | |

| | Strongly agree | Agree | Do not agree | Strongly disagree |
|---|---|---|---|---|
| 13. Johannesburg Metro Municipality maintains sewage system regularly | | | | |

| | | | | |
|---|---|---|---|---|
| 15. Key performance indicators are agreed upon with the community | | | | |

# APPENDIX T

## QUESTIONNAIRE TO EMPLOYEES

**SECTION A: BIOGRAPHICAL INFORMATION**
Please answers the questions by providing relevant information next to the blank block for each question

| | |
|---|---|
| 1. What is your job category? (e.g. ordinary employee, line manager) | |
| 2. What is your job title? (e.g. accountant, security) | |
| 3. Number of years in the current position | |
| 4. Race | |
| 5. Are you living in a suburb/town/city? | |
| 6. The name suburb/town/city in which you live | |

**SECTION B: QUESTIONS ON PERFORMANCE MANAGEMENT**
THIS IS A QUESTIONNAIRE ON HOW PERFORMANCE MANAGEMENT SYSTEM IS IMPLEMENTED AT JOHANNESBURG METRO MUNICIPALITY

The research questionnaire will be on a four-point scale of ***"Strongly agree", "Agree", "Do not agree" and "Strongly disagree"***
**Please note: To answer please mark with an X in the appropriate block**

| | Strongly Agree | Agree | Do not agree | Strongly disagree |
|---|---|---|---|---|
| 1. Management and subordinates are involved in the development and implementation of the performance management system. | | | | |
| 2. Managers and employees set performance objectives jointly. | | | | |

| | Strongly Agree | Agree | Do not agree | Strongly disagree |
|---|---|---|---|---|
| 3. There are sufficient resources available for the implementation of the performance management system. | | | | |
| 4. Managers and subordinates have the skills and knowledge to implement the performance management system. | | | | |
| 5. Proper training is carried out to ensure managers and subordinates are able to work with the performance management system. | | | | |
| 6. Managers and subordinates have a clear understanding of what the goal of the performance management system is. | | | | |
| 7. Managers and subordinates have a positive attitude towards the performance management system. | | | | |
| 8. The current information technology supports the performance management system. | | | | |
| 9. The management style in the municipality is appropriate for the development and implementation of the performance management system | | | | |
| 10. Managers and subordinates understand the mission of the municipality. | | | | |
| 11. Critical success factors are clearly understood. | | | | |

| | Strongly agree | Agree | Do not agree | Strongly disagree |
|---|---|---|---|---|
| 12. The information technology used to carry out the performance management system is user-friendly. | | | | |
| 13. Key performance indicators are clearly understood. | | | | |
| 14. Key performance indicators are agreed upon by managers and subordinates. | | | | |
| 15. The key performance indicators involve financials. | | | | |
| 16. The key performance indicators involve satisfaction of customers' needs. | | | | |
| 17. There are clear tasks and responsibilities for managers and subordinates. | | | | |
| 18. Customers are involved in the development of key performance indicators at the municipality. | | | | |
| 19. The balanced scorecard is understood by everyone at the municipality. | | | | |
| 20. The key performance indicators are linked to team or departmental responsibilities. | | | | |
| 21. There are too many key performance indicators defined. | | | | |

| | Strongly agree | Agree | Do not agree | Strongly disagree |
|---|---|---|---|---|
| 22. Management implements training programmes to instil a positive attitude towards the performance management system. | | | | |
| 23. There is resistance from management and subordinates towards the performance management system. | | | | |
| 24. There is a link between the performance management system and the reward system at the municipality. | | | | |
| 25. The performance management system is easy to work with. | | | | |
| 26. The performance appraisal at the municipality is fair and accurate. | | | | |
| 27. The Johannesburg Metro Municipality does not have a performance management culture. | | | | |
| 28. There are difficulties in getting the data to calculate the performance indicators. | | | | |
| 29. Performance management improves performance results. | | | | |
| 30. Communication about performance results takes place at regular intervals. | | | | |

| | Strongly agree | Agree | Do not agree | Strongly disagree |
|---|---|---|---|---|
| 31. Communication about performance results takes place between municipality's units. | | | | |
| 32. The key performance indicators are linked to managers' and subordinates' responsibilities. | | | | |
| 33. The Johannesburg Metro Municipality has a performance management system in place. | | | | |
| 34. I am involved in the development of performance management system at the municipality. | | | | |
| 35. The Johannesburg Metro Municipality issues accurate tax rates accounts. | | | | |
| 36. The Johannesburg Metro Municipality issues tax and rates accounts in time. | | | | |
| 37. The Johannesburg Metro Municipality removes garbage regularly. | | | | |
| 38. Johannesburg Metro Municipality fixes potholes regularly. | | | | |
| 39. Johannesburg Metro Municipality provides adequate health services. | | | | |

| | Strongly agree | Agree | Do not agree | Strongly disagree |
|---|---|---|---|---|
| 40. Johannesburg Metro Municipality provides effective library services. | | | | |
| 41. Johannesburg Metro Municipality involves me in the evaluation of municipality's performance. | | | | |
| 42. Johannesburg Metro Municipality maintains street lights regularly. | | | | |
| 43. Johannesburg Metro Municipality reports regularly to the community on its performance. | | | | |
| 44. Johannesburg Metro Municipality maintains lawns, sidewalks and parks regularly. | | | | |
| 45. Johannesburg Metro Municipality maintains sewage system regularly. | | | | |

**Please answer the following open-ended questions on the performance management system at Johannesburg Metro Municipality as comprehensively as possible. There is no right or wrong answer.**

46. Describe the aspects of the performance management system that are properly planned/designed in Johannesburg Metro Municipality.

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

47. Describe the aspects of the performance management system that need to be improved in Johannesburg Metro Municipality.

48. Briefly explain the aspects of the performance management system, as currently practiced in Johannesburg Metro Municipality, that lead to improved service delivery to communities.

49. Briefly explain the aspects of the performance management system, as currently practiced in Johannesburg Metro Municipality, that impact negatively on service delivery to communities.

## APPENDIX U

## CITY'S REGIONS




Source: www.joburg.gov

# APPENDIX V

## SAMPLE SIZE GUIDELINES

| Population size | Required sample size | Population size | Required sample size |
|---|---|---|---|
| 10 | 10 | 800 | 260 |
| 50 | 50 | 1 000 | 278 |
| 100 | 80 | 1 500 | 306 |
| 150 | 108 | 2 000 | 322 |
| 200 | 132 | 3 000 | 341 |
| 250 | 152 | 4 000 | 351 |
| 300 | 169 | 5 000 | 357 |
| 400 | 196 | 10 000 | 370 |
| 500 | 217 | 50 000 | 381 |
| 700 | 248 | 1 000 000 | 384 |

Source: Gomm, 2008:146.

# APPENDIX W

## CODED QUESTIONNAIRE STATEMENTS FOR EMPLOYEES

| NUMBERS FOR QUESTIONNAIRE STATEMENTS | CORRESPONDING CODED NUMBERS FOR QUESTIONNAIRE STATEMENTS |
|---|---|
| 1 | Q1 |
| 2 | Q2 |
| 3 | Q3 |
| 4 | Q4 |
| 5 | Q5 |
| 6 | Q6 |
| 7 | Q7 |
| 8 | Q8 |
| 9 | Q9 |
| 10 | Q10 |
| 11 | Q11 |
| 12 | Q12 |
| 13 | Q13 |
| 14 | Q14 |
| 15 | Q15 |
| 16 | Q16 |
| 17 | Q17 |
| 18 | Q18 |
| 19 | Q19 |
| 20 | Q20 |
| 21 | Q21 |
| | |

| NUMBERS FOR QUESTIONNAIRE STATEMENTS | CORRESPONDING CODED NUMBERS FOR QUESTIONNAIRE STATEMENTS |
|---|---|
| 22 | Q22 |
| 23 | Q23 |
| 24 | Q24 |
| 25 | Q25 |
| 26 | Q26 |
| 27 | Q27 |
| 28 | Q28 |
| 29 | Q29 |
| 30 | Q30 |
| 31 | Q31 |
| 32 | Q32 |
| 33 | Q33 |
| 34 | Q34 |
| 35 | Q35 |
| 36 | Q36 |
| 37 | Q37 |
| 38 | Q38 |
| 39 | Q39 |
| 40 | Q40 |
| 41 | Q41 |
| 42 | Q42 |
| 43 | Q43 |
| 44 | Q44 |
| 45 | Q44 |

# APPENDIX X

## CODED QUESTIONNAIRE STATEMENTS FOR RESIDENTS

| NUMBERS FOR QUESTIONNAIRE STATEMENTS | CORRESPONDING CODED NUMBERS FOR QUESTIONNAIRE STATEMENTS |
|---|---|
| 1 | B1 |
| 2 | B2 |
| 3 | B3 |
| 4 | B4 |
| 5 | B5 |
| 6 | B6 |
| 7 | B7 |
| 8 | B8 |
| 9 | B9 |
| 10 | B10 |
| 11 | B11 |
| 12 | B12 |
| 13 | B13 |
| 15 | B15 |

# APPENDIX Y

## COMPARSION OF EMPLOYEES' PERCEPTIONS WITH RESIDENTS' PERCEPTIONS

**Variation of employees' and residents'on the design and implementation of performance management system**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and strongly disagree categories for Employees' responses*** | ***Cumulative % of Do not agree and Strongly disagree categories for Residents' responses*** | ***Variation in % between employees' and residents' responses*** |
|---|---|---|---|
| Q33 & B1 | 5.7% | 46.4% | 40.7% |
| Q34 & B2 | 66.9% | 71.3% | 4.4% |
| Q41 & B10 | 74.1% | 75.2% | 1.1% |
| Q43 & B11 | 66.9% | 71.6% | 4.7% |
| Q18 & B15 | 64.9% | 67.4% | 2.5% |

**Variation of employees' and residents' responses on the provision of social services**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and strongly disagree categories for Employees' responses*** | ***Cumulative % of Do not agree and Strongly disagree categories for Residents' responses*** | ***Variation in % between employees' and residents' responses*** |
|---|---|---|---|
| Q39 & B7 | 28.1% | 56.6% | 28.5% |
| Q40 & B8 | 14.1% | 49.9% | 35.8 |

**Variation of employees' and residents' responses on the provision of billing services**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and strongly disagree categories for Employees' responses*** | ***Cumulative % of Do not agree and Strongly disagree categories for Residents' responses*** | ***Variation in % between employees' and residents' responses*** |
|---|---|---|---|
| Q35 & B3 | 71.1% | 52% | 19.1% |
| Q36 & B4 | 59.3% | 59.6% | 0.3% |

**Variation of employees' and residents' responses on the rendering of basic services**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and strongly disagree categories for Employees' responses*** | ***Cumulative % of Do not agree and Strongly disagree categories for Residents' responses*** | ***Variation in % between employees' and residents' responses*** |
|---|---|---|---|
| Q37 & B5 | 25.9% | 25.1% | 0.8% |
| Q38 & B6 | 72.4% | 71.2% | 1.2% |
| Q42 & B9 | 57.3% | 58.3% | 1.% |
| Q44 & B12 | 56.5% | 54.4% | 2.1% |
| Q45 & B13 | 50.2% | 49% | 1.2% |

# APPENDIX Z

## COMPARISON OF SANDTON WITH ALEXANDRA

**Comparison of employees' and residents' responses on the design and implementation of performance management system – Sandton and Alexandra**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in SANDTON*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in ALEXANDRA*** |
|---|---|---|
| B1 | 66% | 32% |
| B2 | 69% | 44% |
| B10 | 78% | 65% |
| B11 | 85% | 82% |
| B15 | 78% | 71% |

**Comparison of employees' and residents' responses on the provision of social services – Sandton and Alexandra**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in SANDTON*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in ALEXANDRA*** |
|---|---|---|
| B7 | 76% | 44% |
| B8 | 67% | 84% |

**Comparison of employees' and residents' responses on the provision of billing services – Sandton and Alexandra**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in SANDTON*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in ALEXANDRA*** |
|---|---|---|
| B3 | 67% | 66% |
| B4 | 53% | 81% |

**Comparison of employees' and residents' responses on the rendering of basic services – Sandton and Alexandra**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in SANDTON*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in ALEXANDRA*** |
|---|---|---|
| B5 | 30% | 30% |
| B6 | 81% | 74% |
| B9 | 58% | 33% |
| B12 | 51% | 74% |
| B13 | 51% | 84% |

# APPENDIX AA

## COMPARISON OF MIDRAND WITH DIEPSLOOT

**Comparison of employees' and residents' responses on the design and implementation of performance management system – Midrand and Diepsloot**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in MIDRAND*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in DIEPSLOOT*** |
|---|---|---|
| B1 | 61% | 37% |
| B2 | 67% | 57% |
| B10 | 77% | 63% |
| B11 | 74% | 80% |
| B15 | 71% | 31% |

**Comparison of employees' and residents' responses on the provision of social services – Midrand and Diepsloot**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in MIDRAND*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in DIEPSLOOT*** |
|---|---|---|
| B7 | 59% | 56% |
| B8 | 40% | 67% |

**Comparison of employees' and residents' responses on the provision of billing services – Midrand and Diepsloot**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in MIDRAND*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in DIEPSLOOT*** |
|---|---|---|
| B3 | 77% | 71% |
| B4 | 53% | 62% |

**Comparison of employees' and residents' responses on the rendering of basic services – Midrand and Diepsloot**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in MIDRAND*** | ***Cumulative % of Strongly agree and Agree categories for residents' responses in DIEPSLOOT*** |
|---|---|---|
| B5 | 20% | 44% |
| B6 | 78% | 53% |
| B9 | 41% | 78% |
| B12 | 65% | 74% |
| B13 | 38% | 29% |

# APPENDIX BB

## COMPARISON OF ROODEPOORT WITH GREATER SOWETO

**Comparison of employees' and residents' responses on the design and implementation of performance management system – Roodepoort and Greater Soweto**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in ROODEPOORT*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in GREATER SOWETO*** |
|---|---|---|
| B1 | 70% | 27% |
| B2 | 80% | 43% |
| B10 | 76% | 56% |
| B11 | 74% | 53% |
| B15 | 73% | 43% |

**Comparison of employees' and residents' responses on the provision of social services – Roodepoort and Greater Soweto**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in ROODEPOORT*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in GREATER SOWETO*** |
|---|---|---|
| B7 | 61% | 47% |
| B8 | 42% | 47% |

**Comparison of employees' and residents' responses on the provision of billing services – Roodepoort and Greater Soweto**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in ROODEPOORT*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in GREATER SOWETO*** |
|---|---|---|
| B3 | 66% | 30% |
| B4 | 67% | 43% |

**Comparison of employees' and residents' responses on the rendering of basic services**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in ROODEPOORT*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in GREATER SOWETO*** |
|---|---|---|
| B5 | 22% | 37% |
| B6 | 75% | 60% |
| B9 | 56% | 71% |
| B12 | 56% | 41% |
| B13 | 45% | 34% |

# APPENDIX CC

## COMPARISON OF INNER CITY WITH RANDBURG

**Comparison of employees' and residents' responses on the design and implementation of performance management system – Inner City and Randburg**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in INNER CITY*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in RANDBURG*** |
|---|---|---|
| B1 | 12% | 40% |
| B2 | 65% | 68% |
| B10 | 50% | 73% |
| B11 | 47% | 67% |
| B15 | 62% | 69% |

**Comparison of employees' and residents' responses on the provision of billing services – Inner City and Randburg**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in INNER CITY*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in RANDBURG*** |
|---|---|---|
| B7 | 65% | 62% |
| B8 | 48% | 46% |

**Comparison of employees' and residents' responses on the provision of billing services – Inner City and Randburg**

| Coded question number for employees and residents respectively | *Cumulative % of Do not agree and Disagree categories for residents' responses in INNER CITY* | *Cumulative % of Do not Strongly disagree categories for residents' responses in RANDBURG* |
|---|---|---|
| B3 | 34% | 41% |
| B4 | 49% | 51% |

**Comparison of employees' and residents' responses on the rendering of basic services – Inner City and Randburg**

| Coded question number for employees and residents respectively | *Cumulative % of Do not agree and Disagree categories for residents' responses in INNER CITY* | *Cumulative % of Do not Strongly disagree categories for residents' responses in RANDBURG* |
|---|---|---|
| B5 | 55% | 33% |
| B6 | 58% | 54% |
| B9 | 76% | 36% |
| B12 | 58% | 30% |
| B13 | 62% | 35% |

# APPENDIX DD

## COMPARISON OF ENNERDALE WITH ORANGE FARM

**Comparison of employees' and residents' responses on the design and implementation of performance management system – Ennderdale and Orange Farm**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in ENNERDALE*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in ORANGE FARM*** |
|---|---|---|
| B1 | 42% | 53% |
| B2 | 89% | 70% |
| B10 | 89% | 64% |
| B11 | 92% | 63% |
| B15 | 75% | 76% |

**Comparison of employees' and residents' responses on the provision of billing services – Ennerdale and Orange Farm**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in ENNERDALE*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in ORANGE FARM*** |
|---|---|---|
| B7 | 58% | 52% |
| B8 | 48% | 43% |

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**Comparison of employees' and residents' responses on the provision of billing services – Ennerdale and Orange Farm**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in ENNERDALE*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in ORANGE FARM*** |
|---|---|---|
| B3 | 46% | 18% |
| B4 | 61% | 46% |

**Comparison of employees' and residents' responses on rendering of basic services – Ennerdale and Orange Farm**

| **Coded question number for employees and residents respectively** | ***Cumulative % of Do not agree and Disagree categories for residents' responses in ENNERDALE*** | ***Cumulative % of Do not Strongly disagree categories for residents' responses in ORANGE FARM*** |
|---|---|---|
| B5 | 27% | 27% |
| B6 | 76% | 81% |
| B9 | 83% | 54% |
| B12 | 67% | 22% |
| B13 | 70% | 82% |

# APPENDIX EE

## PEARSON CORRELATION

| | | *PERFORMANCE MANAGEMENT SYSTEM* |
|---|---|---|
| PMS | Pearson Correlation | 1 |
| | Sig. (2-tailed) | |
| | N | 171 |
| B7 | Pearson Correlation | -.187* |
| | Sig. (2-tailed) | .015 |
| | N | 170 |
| B8 | Pearson Correlation | -.080 |
| | Sig. (2-tailed) | .300 |
| | N | 171 |
| B3 | Pearson Correlation | .128 |
| | Sig. (2-tailed) | .096 |
| | N | 171 |
| B4 | Pearson Correlation | -.056 |
| | Sig. (2-tailed) | .463 |
| | N | 171 |
| B5 | Pearson Correlation | -.047 |
| | Sig. (2-tailed) | .538 |
| | N | 171 |
| B6 | Pearson Correlation | -.098 |
| | Sig. (2-tailed) | .205 |
| | N | 170 |
| B9 | Pearson Correlation | -.063 |
| | Sig. (2-tailed) | .414 |
| | N | 170 |
| B12 | Pearson Correlation | -.141 |
| | Sig. (2-tailed) | .067 |
| | N | 170 |
| B13 | Pearson Correlation | -.120 |
| | Sig. (2-tailed) | .120 |
| | N | 170 |