

The effect of performance appraisal system on rewards and self-efficacy beliefs in a South African utility company

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DECLARATION

I **Tebogo Joyce Mabeleng** do hereby declare that this dissertation is the result of my investigation and research and that this has not been submitted in part or full for any degree or for any other degree to any other University.

Tebogo Joyce Mabeleng

Date

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ABSTRACT

The research study was conducted to investigate the effects of a performance appraisal system, rewards and self-efficacy beliefs in a utility company in South Africa. The study was motivated by the incessant challenges raised by employees against the way performance appraisal and rewards are conducted and awarded in the utility company. The scholarship that was consulted for this study included research articles, magazines, newspapers, company reports, books, citations from reputable sources and the Internet. These sources provided the arguments for and against the areas of a performance appraisal system, rewards and self-efficacy beliefs in the knowledge economy.

A quantitative research methodology was used in this study where the questionnaire was the main data collection instrument. The quantitative research methodology was motivated by the nature and type of data collected, data collection instrument and the research paradigm. Data were collected from geographically dispersed locations and this would not have been possible to collect large volumes of data had an interview been used. The findings from the study were analysed and presented with the use of statistical packages.

The findings were discussed and presented in chapter four of the study, where it was shown that performance appraisal systems were important in organisations as they create opportunities for the supervisor to know the weaknesses or strengths of his/her subordinates. Rewards were used as part of incentives to motivate employees to perform better. The study established that employees possessing high self-efficacy were bound to perform higher than those with low self-efficacy. The study established that there was a relationship between performance appraisals, rewards and self-efficacy.

Keywords: Performance Management, Performance Appraisal, Rewards, Self-efficacy

Table of Contents

DECLARATION	II
ACKNOWLEDGEMENTS	III
ABSTRACT	IV
LIST OF TABLES	VIII
LIST OF FIGURES	X
LIST OF ACRONYMS	XI
CHAPTER 1	1
INTRODUCTION AND OVERVIEW OF THE STUDY	1
1.1. INTRODUCTION	1
1.2. PROBLEM STATEMENT	2
1.3. RESEARCH OBJECTIVES	4
1.3.1. Primary objective	4
1.3.2. Secondary objectives	4
1.4. SCOPE OF THE STUDY	5
1.4.1. Field and sector of study.....	5
1.4.2. Organisation under investigation	5
1.5. RESEARCH DESIGN AND METHODOLOGY	6
1.5.1. Literature review.....	6
1.5.2. Empirical research	6
1.5.2.1 <i>Research design</i>	7
1.5.2.2 <i>Participant and sampling</i>	7
1.5.2.3 <i>Data gathering</i>	7
1.6. LIMITATIONS OF STUDY	8
1.7. ETHICAL CONSIDERATION	9
1.8. THE LAYOUT OF THE STUDY	9
1.9. CHAPTER SUMMARY	10
CHAPTER 2	11
LITERATURE REVIEW	11
2.1. INTRODUCTION	11
2.2. THE ROLE OF THE LITERATURE REVIEW	11
2.3. PERFORMANCE MANAGEMENT	12
2.3.1. Defining performance appraisal system (PAS)	13
2.3.2. Objectives of performance appraisal system.....	13
2.3.3. The performance appraisal process	15
2.4. PERFORMANCE APPRAISAL MODELS	19
2.5. TYPES OF PERFORMANCE APPRAISAL SYSTEMS	20
2.6. COMPONENTS OF A PERFORMANCE APPRAISAL SYSTEM	23

2.7. REASONS FOR CONDUCTING PERFORMANCE APPRAISAL	24
2.7.4 Hybrid purposes of performance appraisal in a crisis – Australia	ERROR! BOOKMARK NOT DEFINED.
2.7.5 Current trends in the United States of America (USA)	ERROR! BOOKMARK NOT DEFINED.
2.8. REWARDS	25
2.8.1. Intrinsic rewards	26
2.8.2. Extrinsic rewards	26
2.9 SELF-EFFICACY BELIEFS	27
2.8.3. Sources of self-efficacy	29
2.8.4. Self-Efficacy and performance	30
2.9. EQUITY THEORY	30
2.10.1 Equity Theory-Exchange Scenarios	31
2.10. PERFORMANCE APPRAISAL SYSTEM AND SELF-EFFICACY AT THE SOUTH AFRICAN UTILITY COMPANY	31
2.10.2 Performance management processes	32
CHAPTER 3	36
RESEARCH DESIGN AND METHODOLOGY	36
3.1. INTRODUCTION	36
3.2. OVERVIEW OF THE STUDY	36
3.2.1. Population	36
3.3. PROCEDURE AND SCOPE OF THE QUANTITATIVE RESEARCH	37
3.3.1. Quantitative research	37
3.3.2. Qualitative research	38
3.4. RESEARCH DESIGN	38
3.5. SURVEY INSTRUMENT	38
3.5.1. Sampling	39
3.5.2. Convenience sampling	ERROR! BOOKMARK NOT DEFINED.
3.5.3. Ethical considerations	41
3.6. DATA QUALITY	42
3.6.1. Reliability	42
3.7. DATA PROCESSING	42
3.7.1. Statistical analysis	43
3.8. SUMMARY	43
CHAPTER 4	45
ANALYSIS AND INTERPRETATION OF RESULTS	45
4.1. INTRODUCTION	45
4.1.1 Secondary objectives	46
4.2. RESEARCH RESULTS	45
4.2.1. Exploratory factor analysis (EFA)	45

4.2.2.	Descriptive statistics	46
4.2.3.	My pay adequately rewards me for my contribution	47
4.2.4.	The pay system is clear and easy to understand.....	47
4.2.5.	It is right for staff to be rewarded according to their contribution.....	48
4.2.6.	The basis upon which my pay is determined is fair	49
4.2.7.	I am paid fairly compared to other jobs in the organisation	50
4.2.8.	Rates of pay in the company are not consistent with levels of responsibility	51
4.2.9.	My rate of pay compares favourably with rates paid outside the company	52
4.2.10.	My pay does not reflect my performance	52
4.2.11.	The current pay system encourages better performance.....	53
4.2.13	The pay system needs to be reviewed	54
4.2.14	I am clear about the standards of performance I am expected to achieve	54
4.2.15	I do not understand the competence levels I am expected to reach.....	55
4.2.16	The performance management scheme is helpful.....	55
4.2.17	I receive good feedback from my manager on my performance	56
4.2.18	My manager is not really interested on my performance.....	57
4.2.19	The process of setting objectives and reviewing achievements is fair	57
4.2.20	I am motivated by my performance review meeting	58
4.2.21	The process of setting of my performance by my manager is objective and fair	58
4.2.22	Performance management does not help me to improve my performance.....	59
4.2.23	Performance management clearly indicates areas where I can learn more about how to do my job.....	60
4.3.	SECTION C: SELF-EFFICACY	60
4.4.	REGRESSION ANALYSIS	77
4.5.	SUMMARY	77
	CHAPTER 5	78
	CONCLUSIONS AND RECOMMENDATIONS	78
5.1.	INTRODUCTION	78
5.2.	CONCLUSIONS	78
5.3.	LIMITATIONS OF THE RESEARCH	81
5.4.	RECOMMENDATIONS	81
5.5.	CHAPTER SUMMARY	82
	REFERENCES	83
	APPENDIX A: LETTER FROM LANGUAGE EDITOR	91

LIST OF TABLES

Table 2.1:	Target bonus	36
Table 3.1:	Sample characteristics	42
Table 4.1:	Descriptive statistics and correlation analysis	47
Table 4.2:	My pay adequately rewards me for my contribution	48
Table 4.3:	The pay system is clear and easy to understand	49
Table 4.4:	Rewards are commensurate to contribution	49
Table 4.5:	Criteria for determining a pay cheque is fair	51
Table 4.6:	Fair pay cheques compared to other jobs in the company	51
Table 4.7:	Pay rates are not consistent with levels of responsibility	52
Table 4.8:	Salary rates compare favourably with market rates	53
Table 4.9:	The pay cheque reflects an employee's performance	53
Table 4.10:	The current pay system encourages better performance	54
Table 4.11:	Reviewing the current system	55
Table 4.12:	Standard of performance expected	56
Table 4.13:	Competence levels	56
Table 4.14:	Performance management schemes	57
Table 4.15:	Regular feedback on performance	57
Table 4.16:	Managers are interested in employees' performances	58
Table 4.17:	Setting of objectives and reviewing achievements is fair	59
Table 4.18:	Performance review meetings	59
Table 4.19:	Performance appraisal is objective and fair	60
Table 4.20:	Performance does not help improve performance	60
Table 4.21:	Areas where one can learn more about the job	61
Table 4.22:	Unpleasant to be afraid	62
Table 4.23:	Difficult tasks	63
Table 4.24:	Determined person	63
Table 4.25:	Distraction when focusing on a task	64
Table 4.26:	Self-confidence	65

Table 4.27: Best performance when really challenged	65
Table 4.28: Shameful to give up	66
Table 4.29: Self-determination	66
Table 4.30: Sometimes things do not seem worth the effort	67
Table 4.31: Trying something one is not good at	68
Table 4.32: More fear than most people	68
Table 4.33: Difficult to take risks	69
Table 4.34: People's problems	69
Table 4.35: Success in all endeavours	70
Table 4.36: Nothing is impossible if I really put my mind to it	70
Table 4.37: Self-reliance for solutions	71
Table 4.38: Truthful to my ideas	71
Table 4.39: Belief in oneself	72
Table 4.40: There are chances to achieve goals	72
Table 4.41: Failure and retrial	73
Table 4.42: Trying harder to achieve goals	73
Table 4.43: Excelling at a few things	74
Table 4.44: Working extremely hard to meet deadlines	75
Table 4.45: Will-power	75
Table 4.46: Physical discomfort	76
Table 4.47: Nothing is worth subjecting oneself to pain	77
Table 4.48: Enduring physical discomfort in completing tasks	77
Table 4.40: Regression analysis	78

LIST OF FIGURES

Figure 2.1:	The performance appraisal process	19
Figure 2.2:	Performance appraisal process at South African Utility company	34
Figure 2.3:	Performance appraisal and incentives process	35

LIST OF ACRONYMS

- EFA : Exploratory factor analysis
- PA : Performance appraisal
- PAS : Performance appraisal system
- TCTC : Total cost to company

CHAPTER 1

INTRODUCTION AND OVERVIEW OF THE STUDY

1.1. INTRODUCTION

A performance appraisal system is a tool that the assessor, in most cases the direct manager or supervisor and employees utilise to set and assess the performance. The tool assists to guide the manager and employee to define or set clear and achievable goals of what is expected from the employee's routine job duties. In addition, the employee challenges are identified and career development solutions are agreed beforehand in the performance appraisal system. Performance appraisals are crucial for career and succession development (Jabeen, 2011:197).

At the agreed intervals, performance review is conducted for providing the employee feedback that elicits positive employee reactions to performance appraisal which in turn can motivate employees to improve performance (Selvarajan & Cloninger, 2011:626). Jabeen (2011:197) notes that performance review provides inspiration, position and conduct improvement, converse directorial aims, along with nurturing optimistic associations between supervision and employee.

In recent years, the performance appraisal system has gained momentum in organisations as a way of remunerating and promoting employees (Jabeen, 2011:197). This tool acts as motivation and self-efficacy beliefs for the employee to improve productivity. However, a performance appraisal system has a wide variety of effects on employee motivation and self-efficacy beliefs that the manager and employee must recognise and value. This study will investigate the performance appraisal system, rewards and self-efficacy beliefs in a South African utility company (Jabeen 2011:197).

According to McShane and Von Glinow (2010:45), self-efficacy refers to a person's belief that he or she has the ability, motivation, correct role perception, and favourable situation to complete a task successfully. McShane and Glinow (2010:45) purport that the higher the person's self-efficacy, the higher his or her overall self-evaluation.

1.2. PROBLEM STATEMENT

The performance appraisal system offers the employee the opportunity to discuss, set goals and review performance with the manager, whilst the manager and employee can converse and agree on training and development needs. Over the years, the performance appraisal system has undergone changes. From being a rigid evaluation system the performance appraisal system now engage more participation of the employee and internal and external stakeholders who have limited influence on the employee's job duties.

The performance appraisal system is designed for the managers to evaluate employees' work efforts and provide feedback, thus encouraging employee motivation and self-efficacy. These feedbacks are from co-workers, other supervisors, internal and sometimes external stakeholders and provide 360⁰ of the employee's performance. The existence of a performance appraisal system, in any organisation expresses the intention that the organisation is stern with the professional growth of its employees.

Although it is believed that the performance appraisal system has a positive effect on rewards and employee self-efficacy, there are also negative side effects. Overall, the effect of the performance appraisal system on employees' rewards and self-efficacy in the South African Utility Company can be either positive or negative. Furthermore, the effects of the performance appraisal system, rewards and self-efficacy in the South African Utility Company have not received adequate empirical research attention. According to Hope and Player (2012:167), people deeply dislike performance appraisals and think they are fundamentally flawed yet these are entrenched management processes in most organisations. In spite of the utility company performance appraisal system procedure 32-1067, which contains rules and regulations on how to conduct performance appraisal system and aims to manage and facilitate the performance of employees through a results-driven approach that is collaborative, transparent, and fair so far, yielded mixed results that, are ambiguous.

The Utility Company also has a Procedure for Performance Competency Management (240-42851564) which describes the maintenance of the qualifications catalogue as part of performance and competency management, throughout the company. This procedure describes the process to follow when the competencies or qualification are

identified when employees' performance are managed. These identified competencies or qualifications are continuously updated and maintained on the system.

There is also an Annual Performance Incentive Scheme for T04-T18 EE/SSE Bands Procedure (32-1068) which aims to encourage and reward employees for achieving and exceeding targeted levels of performance in terms of the company's objectives; differentiate meaningfully between performance levels; align risk and reward; drive value-adding behaviour; encourage a performance-driven culture; and support the organisation's strategic intent.

However, typical formal appraisal system occurs once a year in the utility company. This practice of performance appraisal system has embedded the employee's perception that performance appraisal system is linked to the narrow financial rewards at the year-end. Employees believed that managers attached the performance system rewards to money or a bonus when performing the performance appraisal review.

Therefore, employees believed that their performance ratings do not reflect their actual performance throughout the year and managers deprived them of the bonuses. Employees often questioned the extended time gaps of establishing goals in the beginning of the year and reviewing them at the end of the year. Employees regard the performance appraisal system flawed in the way that the performance review board has to perform score normalisation. This process envisages managers to explain to the performance review committee why an employee achieve score higher than 4 whereas employees who achieved less than 3 are not clarified to the review board. The score normalisation can take an employee's score either up or down depending on where the employee is on the salary scale.

The practice of linking performance appraisal to individual employee bonuses has compromised teamwork in the utility company. This occurs when a budgeted amount of money is distributed on a relative ranking of employee performance, putting employees in competition with one another, rather than encouraging team work. Additionally, throughout the performance appraisal review is not performed and under-performance remains unnoticed.

Employees in the utility company believed that the system is open to manipulation by management and it has become a tool management uses to settle conflicts in the workplace. The following research questions were formulated based on the above-mentioned research problem. The research questions were:

- (i) What is the perceptions of performance appraisal system, perceptions of rewards and self-efficacy beliefs?
- (ii) What is the relationship between perception of the performance appraisal system, rewards and self-efficacy beliefs, and
- (iii) What are the effects of performance appraisal system on perceptions of rewards and self-efficacy beliefs in a utility company in South Africa?

Unless a study on the link between performance appraisals, reward system and self-efficacy beliefs in the South African Utility Company is carried out, it is difficult to say anything about it with certainty. Alternatively, the link between perceptions of the performance appraisal, rewards system and self-efficacy in the South African Utility Company remains opinion based. This study further establishes if employees' self-efficacy improves or worsens as a result of their performance appraisal and rewards systems. In order to achieve this, the following objectives will guide this study.

1.3. RESEARCH OBJECTIVES

The research objectives are divided into primary and secondary objectives.

1.3.1. Primary objective

The primary objective of this study is to investigate the perception of the performance appraisal system, rewards and self-efficacy beliefs of the employee's in the South African Utility Company.

1.3.2. Secondary objectives

The specific objectives of the present study are to investigate the:

- (i) perceptions of employees of the performance appraisal system, perceptions of rewards and self-efficacy beliefs,
- (ii) relationship between employees' perception of the performance appraisal system, rewards and self-efficacy beliefs, and to

- (iii) to determine the effects of performance appraisal system on perceptions of rewards and self-efficacy beliefs in a utility company in South Africa.

1.4. SCOPE OF THE STUDY

In this section, the scope and phenomenon being investigated will be described. The first section will focus on the field and sector of study followed by the organisation under investigation.

1.4.1. Field and sector of study

The field of the study falls within the subject discipline of Human Resources and Organisational Behaviour with special reference to a performance appraisal system, rewards and self-efficacy beliefs.

1.4.2. Organisation under investigation

This study is carried out at a South African Utility company. The company has Divisions throughout South Africa but a sample was taken from Distribution division only. A convenience sample of employees would be used for the purpose of this study. The South African Utility Company was established in 1923 as the Electricity Supply Commission and, in July 2002 it was converted into a public limited liability wholly owned by state. The South African Utility is one of the top 20 utilities in the world by generation (net maximum self-generated capacity: 41 919 MW). Approximately 95% the electricity used in South Africa and 45% of the electricity used in the world is generated by South African Utility Company. South African Utility Company generates, transmits and distributes electricity to customers in the industrial, commercial, agricultural and residential sectors, and to redistributors (Eskom, 2011b:15).

The South African Utility Company is regulated under licences granted by the National Energy Regulator of South Africa (NERSA) and its operations are also subject to authorisations issued by other relevant authorities, such as the Department of Environmental affairs and provincial and local government. These are to protect public interest. South African Utility company own 46 712 kilometres of distribution lines, 308 899 kilometres of reticulation power lines and 11 081 kilometres of underground cables in South Africa, representing the largest power line system on the continent of Africa (Eskom, 2011a).

The South African Utility Company's Generation Coal and Peaking division currently maintains and operates 27 power stations throughout South Africa: 13 coal-fired power stations, 4 gas/liquid fuel turbines, 6 hydro-electric, 2 pumped-storage stations, 1 wind energy station and 1 nuclear station (Eskom, 2013a). A brief discussion on the research design and methodology for this study is presented in the next section.

1.5. RESEARCH DESIGN AND METHODOLOGY

A research design is a plan according to which we select research participants and collect information from them (Welman, Kruger & Mitchell 2005:67). The research design suggested for this paper is through the literature review as well as quantitative methods such as survey questionnaires, and company specific data collection (documents).

1.5.1. Literature review

In order to conduct a literature review various publications were sourced. Sources that will be consulted to give a complete review of the topic are: North-West University Libraries, online catalogues and databases; Web-based articles; Search engines such as EbscoHost, ScienceDirect, Jstor and Google Scholar; and Scientific journals include: SA Journal of Industrial Psychology, *Economica*, Journal of Occupational Health Psychology, Journal of Vocational Behaviour, Public Relations Review, Stress and Health, International Journal of Human Resource Management, Human Resource Management Review, Journal of Management, Journal of Economic Psychology, Information Technology for Development, Work & Stress, and Social Science and Medicine. The concepts that were investigated include: the performance appraisal system and its impacts, the process of the rewards system, self-efficacy beliefs, the impact of the performance appraisal system on employee self-efficacy and recommendations will be made on how to improve the performance appraisal system and rewards to ensure improved employee self-efficacy.

1.5.2. Empirical study

The empirical study considers the research design, participants and sampling, data gathering and measuring instruments and the statistical analysis.

1.5.2.1 Research design

Quantitative research methods entail the use of systematic and sophisticated procedures to test, prove and verify hypotheses (Hoy, 2010:34). The main focus in quantitative research was on matters pertaining to structural rather than complex issues of the process. The quantitative research approach obtained data that was statistically relevant and are usually used to answer questions such as "how many", "where from" and "how much" (Silverman, 2010:56). Researchers such as Creswell (2003:97) and Mahoney and Goertz (2006:229), opine that a quantitative approach is primarily about collecting statistical data using strategies of inquiry such as experiments and surveys. The quantitative approach was used because it involved the use of controlled questionnaires in which the response options were coded and it also allowed for large numbers of respondents to be involved (200 participants). Leedy and Ormrod (2010:187) explain that descriptive, quantitative research examines a situation as it is. Further, it involves identifying the characteristics of an observed phenomenon, which means that it does not change or modify the situation under investigation, nor does it determine the cause-effect relationship. Surveys are one of several research designs that researchers employ to gather information for a study. It is one of the most prevalent techniques that researchers employ to gather information. The study employed a survey design in the form of a questionnaire. Data will be collected from a geographically dispersed and diverse population within the utility company.

1.5.2.2 Participant and sampling

The target population for this study is the employees of a South African Utility Company, more specifically the South African Utility Company Distribution. A convenience sampling method was used to select employees to form the sample group in this study.

1.5.2.3 Data gathering

Data was gathered by distributing hard and electronic copies of the questionnaire (refer to Appendix A) to individuals identified as being part of the study population. The purpose of the study is explained as well as reassurance of confidentiality of the information provided is explained in the introduction on the questionnaires. Electronic and telephonic communications were used to follow-up on the progress of the questionnaire.

The measuring instrument consisted of items reflecting three variables and demographics, which were contained in a single questionnaire. The first section, demographics, the second section covered a reward and performance management opinion survey (Armstrong & Brown, 2006) and the third section is the General Self-Efficacy Scale (Schwarzer & Jerusalem, 1995:36). The questionnaire focused on the effect of the performance appraisal system, rewards and self-efficacy beliefs at a South African Utility Company. Descriptive statistics will be used and the study aims to investigate whether a relationship between the dependent variable and the independent variable exist. A total of two hundred (200) questionnaires were distributed.

1.5.2.4 Statistical analysis

Data collected was analysed using the Statistical Consultation Services of the North-West University. The statistical analysis was completed with the aid of the SPSS-programme (SPSS Inc., 2010). Descriptive statistics including means, standard deviations, skew and kurtosis was used to analyse the data. The Cronbach alpha coefficients were used to determine the internal consistency. When items are used to form a scale they need to have internal consistency (Bland & Altman, 1997:572). The items should all measure the same thing, in other words they should be correlated with one another. Pearson product-moment correlation coefficients were used to stipulate the practical relationship between the variables in terms of the statistical significance. A step-wise multiple regression analysis was conducted to determine the proportion of variance in the dependent variables of self-efficacy beliefs and reward systems that is predicted by independent variable of performance appraisal. The following parameters 0.10 (small effect), 0.30 (medium effect) and 0.50 (large effect) were set for practical significance of R² (Steyn, 1999). A cut-off point of 0.30 (medium effect) was set for the practical significance of correlation coefficients (Cohen, 1988). The effect size in the case of multiple regressions is given in the formula: (Steyn, 1999), to indicate whether obtained results are practically important. The following parameters 0.01 (small effect), 0.09 (medium effect) and 0.35 (large effect) were set for practical significance of (Steyn, 1999).

1.6. LIMITATIONS OF STUDY

There is limited literature that discusses the relationship between performance appraisal systems, rewards and self-efficacy in the South African context, which was a big

limitation of the study. The study focused on one strategic business unit (SBU)- Distribution Division of the South African Utility Company and therefore the findings cannot be generalised to the whole company. The population of the Distribution Division is not representative of the entire South African Utility Company's employees and therefore the opinions and views provided in the study cannot be a true reflection of all employees.

1.7. ETHICAL CONSIDERATION

Information and data provided by research participants were used for research purposes only. Assurance was given to respondents that the information they provided would be treated as confidential and that the outcome would be used for research purposes.

1.8. LAYOUT OF THE STUDY

This study comprises five chapters organised as follows:

Chapter 1: Introduction and overview of the study

The chapter consists of the opening and the scope of the study which provides the problem statement, research objectives, scope of the study and research method.

Chapter 2: Literature review

The aim of this chapter is to provide background information to the study regarding the effect of a performance appraisal system, rewards and self-efficacy beliefs. Sources used are related books, journals and South African Utility company related policies.

Chapter 3: Empirical study

This chapter consists of the research design and methodology. In this chapter the sample, research questions, the measuring instruments, data collection and data analysis are discussed.

Chapter 4: Results

This chapter consists of the results of the empirical study. Data will be analysed and proof is presented to indicate whether the information collected supports the research

questions. The research aims and objectives as discussed in Chapter 3 are investigated according to the results of the empirical study.

Chapter 5: Discussions/Conclusions, Recommendations and Limitations

This chapter consists mainly of conclusions drawn based on the findings analysed in chapter 4 as well as the researcher's recommendations. This chapter also give direction to future research in this discipline.

1.9. CHAPTER SUMMARY

In this chapter, the problem statement of and motivation for the research, aim of the research, research design, research method and the division of chapters were discussed. The introduction consists of brief insights of the performance appraisal and reward systems. It is about the role of the performance appraisal, reward systems and self-efficacy. Previous research has indicated that there are dual effects of the performance appraisal system on employee motivation and self-efficacy. It can either improve or worsen employee motivation and self-efficacy.

The problem statement indicates that performance appraisal system and rewards at the utility company has compromised self-efficacy, team work and created lack trust from the employee's point of view. However, a study has not yet been carried out to determine the link between performance appraisal, rewards systems and self-efficacy on the utility company. Therefore, the effect the performance appraisal system on rewards and self-efficacy on the utility company require investigation. The general objective of the study was investigation of the perceptions of performance appraisal, reward system and self-efficacy on the utility company.

The study employs two methods: a literature review and an empirical study. The literature review consists of approved publications on the subject of the effect of performance appraisal system, rewards and self-efficacy on the utility company. The empirical study briefly consists of the research design, participants and samples, data collection, statistical analysis, limitations and ethical considerations of the field study. Chapter 2 will focus on the literature review on the effect of a performance appraisal system, rewards and self-efficacy beliefs in a South African utility.

CHAPTER 2

LITERATURE REVIEW

2.1. INTRODUCTION

This chapter highlights the historical developments and evaluation of existing performance appraisal systems, rewards and self-efficacy concepts. Reviewing the literature helped this study to establish how other scholars investigated the same problems and what methodologies were used to arrive at findings. Various sources that include books, journals, the Internet and conference papers were consulted to investigate the effects of a performance appraisal system, rewards and self-efficacy beliefs in a South African utility company. This chapter is structured as follows: role of the literature, overview of performance management, performance appraisal systems, objectives of performance appraisal systems, performance appraisal process, types of performance appraisal systems, models and theories of performance appraisal systems, rewards systems, self-efficacy beliefs.

2.2. THE ROLE OF THE LITERATURE REVIEW

Doing reading of performance appraisal systems, rewards and self-efficacy helped to clarify the goal of the study. While the aim of a literature review is to support one's argument, it also summarised and synthesised the ideas that others have already put forward. The literature review helped to refine and shape the direction of the investigation (Mavodza & Ngulube, 2011:25). Leedy and Ormrod (2010:64) confirm that a literature review allows one to look again (review) at what others have done in areas that are similar, though not necessarily identical, to one's own area of investigation.

By reviewing various sources of literature, it was feasible to evaluate the knowledge that previous research has contributed. Reviewing studies done by distinguished scholars and academics such as Cummings and Worley (2009:426) made the study more significant and important in contributing to the body of knowledge. The study of performance appraisal and self-efficacy could be regarded as an old paradigm, but an organisation operating in the knowledge economy views it as a progressing paradigm that contributes significantly to an organisation's performance. Reviewing literature also helped to find out what methodologies, sampling procedures and research designs were used before. It was possible to compare and contrast these methodologies, research

designs and sampling procedures against the results obtained, thus enabling the researcher to avoid previous mistakes which had the potential to impede this study.

It was important to have a summary and synthesis of the literature review because a summary of the literature reviewed is a recap of the important information of the resources, and a synthesis is a re-organisation, or a reshuffling, of that information. It may end up giving a new interpretation of old material or combining new with old interpretations. Leedy and Ormrod (2010:80) suggest that, in the summary, “you gather up all that has been said and describe its importance in terms of the research problem”. In this case, it was possible to trace the intellectual progression of the field of performance appraisal systems rewards and self-efficacy including major debates. The literature review therefore acted as a handy guide, that is, a useful resource that helped guide the research process and maintain focus. An overview of performance management will be presented in the next section.

2.3. PERFORMANCE MANAGEMENT

When employees' behaviours and work ethics are defined and integrated for maximum productivity, the process is referred to as performance management (Cummings & Worley, 2009:420). Performance management also includes practices and methods for goal setting, performance appraisal, and reward systems that align member work behaviour with business strategy, employee involvement, and workplace technology. These facets of performance management help employees and the organisation achieve specific set-targets. Organisations that develop and implement effective performance management systems often outperform their competitors (Deloitte & Touche, 2012:15). There is need for managers and employees to interact and define member work behaviour and outcomes. During the goal-setting process, roles and responsibilities related to a particular job or work group are clarified by the use of strategies such as the Management by Objectives (MBO). MBO mainly attempts to align personal goals with business strategy by enhancing communications and shared perceptions between managers and employees, either individually or as a group and by resolving conflict where it exists (Punia & Garg, 2014:516). Performance appraisal systems are defined in the next section.

2.3.1. Defining performance appraisal system (PAS)

Deloitte and Touche (2012:15) define performance appraisal as a method of evaluating the behaviour of employees in the workplace normally including both the quantitative and qualitative aspects of job performance. Individual employees and managers are expected to accomplish tasks that make up an individual's job. It indicates how well an individual is fulfilling the job demands. In a knowledge economy, organisations rely heavily on their intangible assets to build value. Consequently, performance management at the individual employee level is essential and the business case for implementing a system to measure and improve employee performance is strong. The most common part of the process with which people are most familiar, is the process of the performance appraisal, or evaluation. In this chapter, the phrases performance evaluation, performance appraisal, and appraisal are used interchangeably (Punia & Garg, 2014:517).

Many companies including the utility company investigated, tie in rewards in the performance appraisal system to motivate employees to produce and reinforce behaviours and work outcomes (Cummings & Worley, 2009:434). Rewards can be compensation, incentives and other forms of recognition which are a form of acknowledgement of behaviours required to implement a particular work design or support a business strategy.

2.3.2. Objectives of performance appraisal system

Performance appraisal systems (PAS) play an important role in the organisation because they help:

To create and maintain a satisfactory level of performance: The PAS enables both employees and managers to create and maintain a satisfactory level of performance. Minimum standards and benchmarks should be met in relation to quality, quantity or performance standards (Swanepoel, Erasmus, Van Wyk & Schenk, 2008:47). Management at the utility company emphasise that the goal of adequate quality must be replaced with the objective of perfect service quality. Other issues that should be achieved by PAS include best practices and continuous improvement.

To contribute to the employee growth and development through training, self and management development programmes: Organisations aim at employee

development through performance appraisal. Employee growth and development is not peculiar to global companies alone but can be adopted and implemented at the Utility Power Company. In the absence of performance appraisal systems, it becomes difficult for management to determine and assess the skills gaps and training needs for its workforce. Managers use the PAS as a guide to employee development needs with ease (Deloitte & Touche, 2012:15).

To help the superiors to have a proper understanding about their subordinates:

Deloitte and Touche (2012:22) state that PAS are used as strategic tools by managers to assess the performance of their subordinates. After assessing the performance of subordinates, the senior managers can generate skills gaps, training needs analysis in consultation with the employees (Swanepoel *et al.*, 2008:47). Performance appraisal systems enable both employee and manager to create synergy and understanding. Managers will be better positioned to understand their subordinates' weaknesses or strengths, whilst employees will have an opportunity to understand their managers' expectations. Conflicts arise in organisations because both parties do not understand the other part's expectations.

To guide the job changes with the help to continuous ranking: When opportunities for promotion arise, managers use the PAS, because the performance of an employee can be a good source of motivation for promotion. As part of succession planning efforts, organisations are utilising job rotation and promotion to train, develop and retain employees. Lateral transfers enable managers to ascertain and assess employees' capabilities and core competences, thus the beginning of promotion efforts. This is achieved through the use of performance appraisals (Noe, Hollenbeck, Gerhart & Wright, 2011:278).

To facilitate fair and equitable compensation based on performance: The PAS is used as a source on which bonuses, rewards and other incentives are awarded to employees. Some companies conduct performance appraisals twice annually, and other companies' conduct once annually depending on the company's policies. At the South African Utility Company performance appraisal are conducted twice in May and November. Under-performing employees do not usually get very good incentives unlike their counterparts who excel in their performance. The use of performance appraisals helps managers to facilitate fair and equitable compensation to employees.

To facilitate testing and validating selection tests, interview techniques through comparing their scores with performance appraisal ranks. During the recruitment and selection process, the PAS is used to score an individual candidate and when an employee is earmarked for promotion or another position; the performance appraisal rating can be used as part of the selection process. A low rate can mean that the employee's performance is not good whilst a high rate can mean the opposite. Due care and consideration is put into place because a rate can be deceiving and therefore managers ought to use other means during selection (Noe *et al.*, 2011:279).

To provide information for decision-making regarding lay-offs, retrenchment and other strategic decisions taken by an organisation. High-flyers or outstanding performing employees are spared the chop from the organisation when management decides to retrench. Management use PAS when making retrenchment decisions in the same way the PAS are used when recruiting and selecting or promoting job candidates. The use of performance rates in retrenchment decision-making is widely used in many organisations globally (Deloitte & Touche, 2012:24). The performance appraisal process is described in the next section.

2.3.3. The performance appraisal process

Managers are encouraged to follow distinct steps when conducting a performance appraisal to ensure the appraisal is effective. Swanepoel *et al.* (2008:47) opine that six steps in the performance appraisal process help to eliminate bias and favouritism and these are:

Step 1: Evaluate current performance appraisal process. The first step is for managers to look at what type of feedback they are providing to employees. Feedback can be constructive criticism or outright criticism that may demoralise employees (Noe *et al.*, 2011:298). There is a need to determine if there is anything that should be changed or added to the evaluation itself. The evaluation criteria could be ambiguous, hence they may need to build on what already exists or to develop a new system altogether. In situations where effective performance appraisal systems are in place, management evaluates the current performance appraisal system, to ascertain its weaknesses and strengths and applicability to employees' needs. Evaluation enables

managers to take corrective action before implementing the performance appraisal system. This ensures minimum conflicts and accurate reporting is achieved.

Step 2: Identify organisational goals: Performance management systems help rally staff members around the organisation's goals because they help staff know how they are to be involved in reaching that goal. The manager should take time to clarify what goals are for the next year as company. In the process, the manager must identify processes or procedures that could be simplified or done more effectively, declare the sales goals for the next year or new products that should be developed. In the process both the managers and employees develop synergy and improve communication (Deloitte & Touche, 2012:27).

Step 3: Set performance expectations: As a manager sits down with each employee, expectations should be clearly laid down:

- Acknowledge what they are already doing well. An acknowledgement motivates and inspires employees to do better. When a manager fails to acknowledge good performance, employees get drawn back and lose confidence in their superiors.
- Sharing some weaknesses observed in employees and in their work habits helps employees to overcome poor performance. In some instances managers do not take the initiatives to engage employees to discuss areas that envisage improvement.
- Managers, who are determined for success, identify specific things expected to be accomplished over the next year, or whatever time frame works best for the managers. Discussions with employees help both parties to prioritise the expectations, thus enabling the staff member know which is most important and make sure to give them a deadline for each task.

Performance expectations should be discussed between the manager and the employee and an agreement reached. Some managers do not convene meetings to discuss performance targets, but, instead use electronic mail to communicate and set out performance targets. In the event that the employee does not understand certain issues, that room for discussion is not available. Setting performance expectations helps both the manager and employee to deploy and avail the requisite resources to carry out the tasks (Swanepoel *et al.*, 2008:489).

Step 4: Monitor and develop performance throughout the year. As employees begin to work on their performance, keep an eye on how they are doing. If employees appear to be struggling to meet performance expectations, the manager should talk to them and see if any support or coaching is required. Discussion sessions, meetings, training and development and one-on-one discussions with employees will help establish any performance related challenges.

Step 5: Evaluate employee performance: At each performance review, employees should know how they are performing. It is often helpful to assign a numeric value on scale, rating the employee from “not meeting expectations” to “meets expectations” to “exceed expectations”. Managers ought to provide feedback on employees’ performance. During the feedback session, the manager should be as specific as possible, noting key examples of when they demonstrated a certain quality. In addition, the manager should talk about the consequences or rewards of their performance. Employees are notified if they are on probation, are getting a raise in pay, changes in vacation days, or any other relevant action. Discussions during the performance appraisal process helps to identify and correct any problems they may be having (Deloitte & Touche, 2012:27).

Step 6: Set new performance expectations for the next year. The managers and employee need to re-examine goals for the upcoming year and set new performance expectations for the upcoming year. Performance should be accurately measured so employees will know where they can improve. Knowing where to improve should lead to training employees to develop new skills to improve. To be an accurate measure of performance, the measure must be valid and reliable, acceptable, feasible, specific and based on the mission and objectives of the organisation. These are discussed in the next section.

2.3.3.1 Validity and reliability of performance appraisal systems

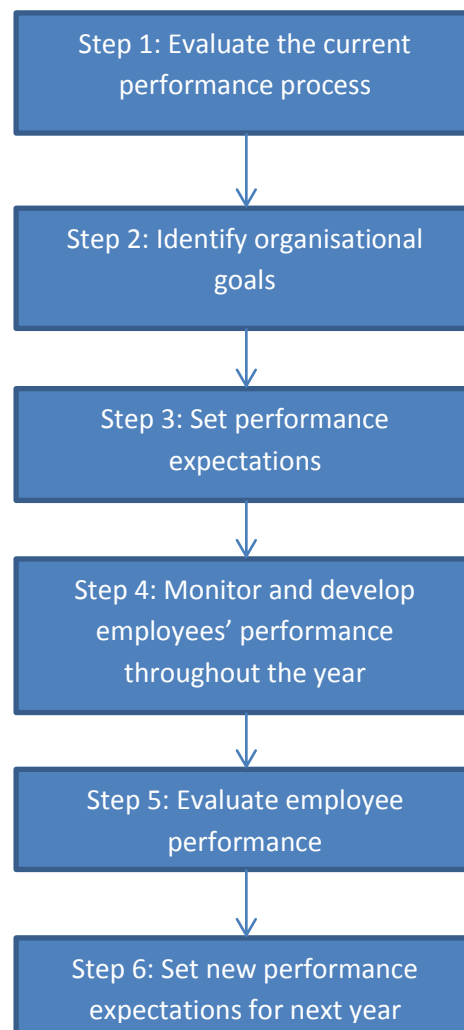
As with all areas of people management processes, the manager must make sure that all of the performance management tools are valid and reliable. OUCH stands for *Objective, Uniform in application, Consistent in effect, and has job relatedness* (Noe et al., 2011:301). The OUCH test can be used as a quick measure to ensure fairness and equity in the performance management and appraisal process. However, there is a need to analyse validity and reliability in some detail. If the method of measurement is not valid and reliable, then it makes no sense to use it. A valid measure is true and correct. When a measure has validity, it is a factual measure that measures the process

that it is intended to measure. A reliable measure is consistent; it works in generally the same way each time it is used.

Acceptable and feasible: In addition to validity and reliability, it is important to look at a couple of other characteristics of the performance measures. There is a need to analyse acceptability and feasibility. Acceptability means that the use of the measure is satisfactory or appropriate to the people who must use it. Acceptability must include whether or not the evaluation tool is feasible (Deloitte & Touche, 2012:23). Is it possible to reasonably apply the evaluation tool in a particular case? As an example, if the performance evaluation form is two or three pages long and covers the major aspects of the job that is being evaluated, and both managers and employees believe that the form truly evaluates performance measures that identify success in the job, then both parties are likely to feel that the tool is acceptable and feasible (Punia & Garg, 2014:523).

Specific: The evaluation measure should be specific enough to identify what is going well and what is not. The word *specific* means that something is explicitly identified, or defined well enough that all involved understand the issue completely (The Concise Oxford Dictionary, 2009:1329). In performance appraisal, *specific* means that the form provides enough information for everyone to understand what level of performance has been achieved by a particular employee within a well-identified job (Punia & Garg, 2014:521).

Based on the mission and objectives: Managers should ensure that the performance appraisal system leads to the accomplishment of the organisational mission and objectives. As with everything else in the organisation the human resources team needs to ensure that the performance management process guides employees toward achievement of the company's mission and objectives over time. As managers in the organisation, making sure of this connection will allow them to reinforce employee behaviour that aim at achieving organisational goals and to identify for employees things that they may be doing that actively or unintentionally harm the organisation's ability to reach those goals (Punia & Garg, 2014:519). The performance process is depicted in Figure 2.1.

Figure 2.1: The performance appraisal process

Source: Deloitte and Touché (2014:36)

2.4. PERFORMANCE APPRAISAL MODELS

Managers can use the four-phase performance appraisal model as suggested by Grote (2002:132). The phases are performance planning, performance execution, assessment and performance review.

Phase 1: Performance planning

This phase entails the employee's personal development plan. It is where the supervisor meets with the employee at the beginning of the year to discuss what the employee is expected to do the whole year, with what resources and how he/she is expected to achieve the outcomes. Performance have to be documented as a future

reference should a conflict arise. The performance plan should act as a guide for budgetary and planning purposes to both the employee and manager.

Phase 2: Performance execution

During the year, the employee works to achieve the agreed upon objectives, responsibilities and key competencies of the job. The supervisor is expected to coach and mentor the employee and to create an environment so conducive which will motivate the employee to achieve the expected outcomes. During the execution phase, the manager has to ensure the employee is supported and resourced to carry out job tasks. Clear instructions and guidelines on specific tasks can help improve performance.

Phase 3: Performance assessment

In this phase, the supervisor reflects on how the employee has performed over the course of the year. The supervisor also evaluates the employee's performance based on the appraisal criteria that was drawn at the beginning of the year. The employee has to produce evidence of his/her performance. The review form is usually reviewed and approved by the supervisor's boss and performance compensation is determined based on the appraisal rating. The supervisor and employee agree on a performance rate which is then recorded as a true reflection of the employee's output. The performance rate is used for future purposes such as promotion, salary increases, rewards or other forms of recognition from the company.

Phase 4: Performance review

This is the final phase of the performance appraisal process. The supervisor and the employee meet to discuss the review form, set up a meeting for the planning phase and the performance management process starts afresh. Various performance appraisal systems are available for selection depending on the company's objectives and structure. These PAS are discussed in the next section.

2.5. TYPES OF PERFORMANCE APPRAISAL SYSTEMS

The overall purpose of appraisal, naturally, is to provide information about work performance. Performance appraisal is also the human resources function most often criticised and whose systems carry the greatest risk of either failing, falling into disuse or degenerating towards a meaningless, paperwork exercise (Swanepoel *et al.*,

2008:374). If not properly executed, employees can blame the human resources department; hence, it is imperative to ensure an effective PAS commensurate to the organisation's needs is used. There are various performance appraisal techniques that can be used by an organisation and these are briefly highlighted below:

Ranking systems: Straight ranking entails simply the rank ordering of individuals, according to overall merit or according to other performance factors, from the best performer to the least performer (Swanepoel *et al.*, 2008:385). For instance, a manager can use yearly sales figures to rank the performance of his sales teams. The rank ordering will be done in relation to the sales figures generated by each salesperson, starting from the least to the highest sales figures. Ranking systems are commonly used in a sales environment because the supervisor can quickly pull out sales figures for comparison purposes.

Paired comparisons: The procedure requires the evaluator to compare each worker separately with each other. The eventual ranking of an individual is then determined by the number of times the employee was judged to be better than the other worker (Kaplan & Norton, 2014:17). Paired comparisons are usually done when the same categories of employees' performance have the same performance factors. Sales personnel are compared with sales personnel in another unit or people in the same department's performance factors are designed such that it becomes easier for the manager to carry-out comparisons.

Forced distribution: The evaluator is required to assign certain portions of his/her workers to each of a number specified category on each performance factor. The forced distribution chosen can specify any percentage per category and need not necessarily comply with the requirements of a normal curve (Swanepoel *et al.*, 2008:385). Usually forced distribution is applicable in project based organisations (Burke, 2011:178) where a group is allocated a task commensurate to a performance factor.

Absolute rating techniques: There are five techniques under absolute rating category namely; essay method, critical incidents, behavioural checklists, graphical rating scales and behavioural anchored rating scales. These techniques enable the evaluator to record, describe an individual employee's strengths, weaknesses, behaviour, successes, failures, and uses a Likert scale to score the overall performance of the

employee (Saunders, 2009:217). The rating score is then mathematically computed to produce a final rating for the employee.

Assessment centres: This is a procedure originally adopted to assess managerial potential. It consists of a standardised evaluation of behaviour based on multiple-raters and measures such as in-basket exercises, paper and pencil ability tests, leaderless group discussions, simulations and personality questionnaires (Swanepoel *et al.*, 2008:380). As in the case of employment selection methods, assessment centres are widely used in organisations where prospective job applicants are assessed through the application psychometric tests. The South African Utility Company uses assessment centres as part of the recruitment and selection process. Job candidates write psychometric tests.

Self-appraisal: Widely used in South African companies as pointed out by Swanepoel *et al.* (2008:380). The use of self-evaluation in performance feedback is reported to lead to more constructive evaluation interviews, less defensiveness during the appraisal process and an even higher level of commitment to organisational goals. Employees are given the opportunity to evaluate themselves and then discuss the evaluation with the superior or manager. There are chances that the employee can rate him/herself higher and when the superior revises the rate, this can be a source of conflict if there are no further discussions between the superior and the employee.

360-degree appraisal: This is a multiple rater/multiple source approach to the assessment of an individual's work performance. The employee is rated by the customer, peers or manager, hence a 360 degree feedback. Most banks in South Africa use the 360 degree performance appraisal for its thoroughness in the process because the employee is rated by a cluster of individuals who are independent of each other (Nedbank, 2013). The challenge with the 360 degree feedback system is its complex nature if the manager or appraiser is not adequately trained, the manager might not deduce the results properly. The system can produce very useful opinions and evaluations because of the parties that are involved in the whole appraisal process. The components of a performance appraisal system are described in the next section.

2.6. COMPONENTS OF A PERFORMANCE APPRAISAL SYSTEM

Putting together an effective system is not an easy task. But, it has become very important in today's times where recession has already hit industry profits and there is no future for the not-so-deserving candidates. A good appraisal system should clearly identify each employee's value in the organisation for the success of the employee as well as the organisation (Majumder, 2012:58). Majumder (2012:52-58) and Nel, Werner, Poisat, Sono, Du Plessis, Ngalo, Van Hoek and Botha (2013:471) argue that an effective performance appraisal system should entail the following elements:

Regular feedbacks: Appraisal systems should be designed in such a manner that they facilitate regular feedback for the employees. To entice good performance from employees, employees have to be regularly updated about what is expected of them, what are the things they are doing well and what needs improvement. Such regular feedback aims at continuous all-round development of employees (Nel *et al.*, 2013:471). The unfortunate part with many organisations is failure to provide regular feedbacks to employees. This failure draws the ire of employees to question the veracity and validity of the PAS.

360 degree feedback: Feedback should not be a one way thing. To be successful as a team, it is important for people to understand and support each other and help them improve. This can only happen if the appraisal system allows for 360 degree feedback. Every employee should get feedback about every aspect that affects work – from supervisors, team mates, subordinates (Majumder, 2012:55).

Strengths and improvement areas: The appraisal system should be focused on bringing the best out of the employees. The aim should not be just finding out how the employee performed but also what skills helped the performance or what weaknesses affected it. It should be able to clearly list out the strengths of the employee and how it can be put to optimum use. It should also be able to figure out the improvement areas that the employee needs to work on (Majumder, 2012:56). A PAS should have regular feedbacks as part of its strengths and recommends areas for improvement.

Support and plan: After identifying the strengths and weaknesses of the employees, the appraisal system should allow for identifying the kind of support that the employee will need to better performance. It should also help create improvement plans for the

employees to help them perform their best. For example, it can include identifying weaknesses and suggesting trainings based on them (Nel *et al.*, 2013:474).

Best fit and compensation: The appraisal system should clearly define how the employee performed against a measurable dipstick. Based on this data, an appraisal system should come up with suggestions related to where the employee best fits, does he/she deserves a promotion and the kind of salary hike the person should get (Nel *et al.*, 2013:487). The reasons for carrying out performance appraisals are highlighted in the following section.

2.7. REASONS FOR CONDUCTING PERFORMANCE APPRAISAL

If performance appraisals are done correctly, they can provide the organisation with a series of valuable results. But if incorrectly done, performance appraisal can lead to lower levels of job satisfaction and productivity. The reasons for conducting performance are briefly discussed below:

2.7.1 Communicating

Performance appraisals provide an opportunity for formal communication between management and an employee concerning how the organisation believes each employee is performing. Successful communication requires two-way interaction between people. Organisations can prevent or remedy the majority of performance problems by ensuring that two-way conversations occur between managers and employees, resulting in a complete understanding of what are required, when it is required and how the employees' contribution measures up (Nel *et al.*, 2013:517). Communication always requires that employees have an opportunity and ability to provide feedback to their superiors in order to make sure that the communication is understood. During performance appraisals, the communication process requires that managers also communicate with their employees to provide them information about how the employees are doing in their jobs. Employees should be given the opportunity to speak to their managers concerning factors inhibiting the employees' ability to successfully perform for the organisation.

If the communication process does not allow for two-way communication, managers may not know of the obstacles that employees have to overcome. So managers ought to communicate with their employees to find out when issues within their work

environment cause loss of productivity so that the problems can be fixed. Thus the two-way communication is a critical component of correcting problems through the performance appraisal process (McNamara, 2008:34).

2.7.2 Decision-making (Evaluating)

McNamara (2008:35) states that the second major purpose of performance appraisals is to allow management to make decisions about employees within the organisation. Managers need to make decisions based on information, the information they get from communication. Accurate information is necessary for management decision-making and is an absolutely critical component to allow the manager to improve organisational productivity. Information from annual performance appraisals is used to make evaluative decisions concerning the workforce including pay raises, promotions, demotions, training and development, and termination. When managers have valid and reliable information concerning each individual within their divisions or departments; this gives the managers the ability to make decisions that can enhance productivity for the firm.

2.7.3 Motivating (Developing)

The third major purpose for performance appraisal is to provide motivation to employees to improve the way they work individually for developmental purposes, which in turn will improve organisational productivity overall. What is motivation, and are performance appraisals normally motivational? Well, from a business perspective, motivation can be defined as the willingness to achieve organisational objectives (McNamara, 2008:41). Managers want to create this willingness to achieve the organisation's objectives, which in turn will increase organisational productivity. The evaluative decisions should lead to the development of employees.

2.8. REWARDS

A well designed and functional reward system is an efficient way to increase employee work motivation. The appropriate type of reward is developed in accordance to the company's reward philosophy, strategies and policy. However, it might be challenging to find the right way to combine the company's integrated policies and practices together with the employee's contribution, skill and competence (Nel *et al.*, 2013:517).

Over the years rewards systems have obviously changed and companies have come up with ways to motivate individuals. Rewards can be external (bonus, paid holiday or

leave) or internal (sense of achievement, pride in accomplishment and feelings of success). When employees achieve high levels of performance, rewards can become important encouragement for them to continue to perform at that level.

Rowland and Hall (2010:839) conducted a study on management learning, performance and reward: theory and practice revisited using various research methods such as content analysis of managers' reflections, questionnaires and surveys. It was established in their study that, performance management systems were used to determine the type of rewards awarded to employees. Monetary rewards were used to recognise achievement of what were universally perceived as unreliable and irrelevant measures and there was no consideration of wider concepts or reward. Rowland and Hall (2010:836) opine that rewards linked to personal development programmes or appraisals in the form of payments have proved to be unhelpful and often counter-productive.

2.8.1. Intrinsic rewards

Intrinsic rewards are those rewards that come from the employees; that is, an employee who is motivated intrinsically works for one's satisfaction and may value challenging work one perceives to be meaningful to the company (Nel *et al.*, 2013:489). Managers that regularly communicate with employees can learn about the employees' motivations and the manager might learn creative ways of rewarding the employees. An example of an intrinsic reward is allowing an employee to take on a task outside of their normal work duties. This allows the employee to feel like they have filled a need within the company and they will ultimately feel like they are helping the company (McNamara, 2008:49). When an employee takes on a new task, one might want to show management how capable one is of taking on new responsibilities. Managers can reward employees with letting them make choices on how they want to complete their work, allowing the employee to set short-term and long-term goals for self. Employees will be motivated by the decisions they made as they start to see how they are meeting the overall goals they set. As employees complete these goals, it is a great idea for managers to celebrate their milestones (Nel *et al.*, 2013:490).

2.8.2. Extrinsic rewards

Extrinsic rewards—usually financial—are the tangible rewards given to employees by managers, such as pay raises, bonuses, and benefits. They are called “extrinsic”

because they are external to the work itself and other people control their size and whether or not they are granted. In contrast, intrinsic rewards are psychological rewards that employees get from doing meaningful work and performing it well (Majumder, 2012:64). Extrinsic rewards played a dominant role in earlier eras, when work was generally more routine and bureaucratic, and when complying with rules and procedures were paramount. This work offered workers few intrinsic rewards, so that extrinsic rewards were often the only motivational tools available to organisations. Extrinsic rewards remain significant for workers, of course. Pay is an important consideration for most workers in accepting a job, and unfair pay can be a strong de-motivator. However, after people have taken a job and issues of unfairness have been settled, extrinsic rewards are now less important, as day-to-day motivation is more strongly driven by intrinsic rewards (Majumder, 2012:66).

Apart from rewards discussed above, scholarship points out that rewards can be in the form of learning which is seen as an end in itself because it brings happiness, a component of employee well-being (Robertson & Cooper, 2011:45). Other dimensions of employee well-being include happiness, health and relationships. Therefore it is argued that the concepts of reward go beyond the dimensions of money or a conducive working environment. Other theorists build on established models of motivation such as self-actualisation (Maslow, 1943:371). An employee can feel rewarded if the job or task characteristics related to happiness at work and concludes that happiness at work is likely to be the panacea that retains and motivates the high quality employees of the organisation.

2.9 SELF-EFFICACY BELIEFS

The General Self-efficacy Scale was developed to measure people's beliefs or expectations about their ability to perform tasks on their own across a wide range of demanding situations (Leung & Leung, 2011:1384). People with a strong sense of personal efficacy choose to perform more challenging tasks; setting higher goals and sticking to them (Bandura, 1997:79). McShane and Von Glinow (2010:45) define self-efficacy as a person's belief that he or she has the ability, motivation, correct role perception, and favourable situation to complete a task successfully. If an individual's self-efficacy is higher, then the overall evaluation should be higher. Bandura (1997) explains perceived self-efficacy as beliefs in one's capabilities to organise and execute the courses of action required to produce given attainments. However, self-efficacy's

definition has been expanded to refer to people's beliefs about their capabilities to exercise control over events that affect their lives (Bandura, 1989:1175) and their beliefs to mobilise the motivation, cognitive resources, and courses of action needed to exercise control over task demands (Bandura, 1997:76).

Therefore, self-efficacy is not concerned with the skills one has but with the judgements of what one can do with whatever skills one possess (Bandura, 1997:76). The judgements enable high performance as long as there is no error in the judgement. Bandura (1997:79) argues that people's beliefs in their efficacy have diverse effects which influence the courses of action people choose to pursue, how much effort they put in given endeavours and how much they will persevere in the face of adversity. He also said if people believe they have no power to produce results, they will not attempt to make things happen. Slocum and Hellriegel (2007:384) denote that employees with high self-efficacy believe that they have the ability needed; they are capable of the effort required and nothing to prevent them from performing at high levels.

Bandura (1997:81) argues that the concepts self-esteem and perceived self-efficacy often tends to be used interchangeably as if they represent the same phenomenon. Perceived self-efficacy refers to the judgement of personal capability whereas self-esteem refers to judgement of self-worth. There is no fixed relationship between one's beliefs about one's capabilities and whether one likes or dislikes oneself. Self-liking does not necessarily bring about performance achievement. People need more than high self-esteem to do well in given quests. Bandura (1997:82) purports that self-efficacy beliefs are not simply passive predictors of future performance as suggested by some writers.

In their study, Fitzgerald and Schutte (2009:495) used an experimental design to collect data from randomly selected participants to provide their views if transformational leadership increased through enhancing self-efficacy. A total of 118 managers participated in the study showed that greater transformational leadership was enhanced through self-efficacy. Leadership with higher emotional intelligence were more responsive to the intervention. The intervention showed that the organisation would not incur high costs when implementing a method of facilitating development of transformational leadership. The sources of self-efficacy are described in the next section.

2.9.1 Sources of self-efficacy

Bandura (1997:77) indicates that people's belief about their personal efficacy constitutes a major aspect of their self-knowledge-thus self-efficacy enhances self-confidence in the individual. Self-efficacy beliefs can be developed by four main sources of influence which are:

2.9.1.1 Enactive mastery

This is the most influential source of these beliefs because it is the interpreted results of one's purposive performance, or mastery experience purports Bandura (1994:71-81). He also said success builds a strong belief in one's self-efficacy whereas failure undermines it especially if failure occurs before a sense of efficacy is established. If people experience only easy successes they come to expect quick results and are easily discouraged by failure. A resilient sense of efficacy requires experience in overcoming obstacles through persistent effort. Some setbacks and difficulties in human pursuits serve a useful purpose in teaching that success usually requires sustained effort (Bandura, 1994).

2.9.1.2 Vicarious experience

Efficacy beliefs are reformed through transmission of competencies and comparison with the accomplishments of others (Bandura, 1997). Modelling influences do more than provide a social standard against which to judge one's own capabilities. People seek proficient models that possess the competencies to which they aspire. Observing people similar to oneself succeed by unrelenting effort raises the observer's beliefs that they too can master comparable activities required to succeed. If observers see the model fail despite high efforts, it lowers the observers' judgement of their own efficacy and undermines their efforts (Bandura, 1994:71-81).

2.9.1.3 Verbal persuasion(social persuasion)

Experimental research has shown that verbal persuasion is a moderately effective means for changing self-efficacy beliefs and it should be influenced by expertness, trustworthiness and attractiveness (Maddux, 1995:11). People feel good about when they get verbal compliments about the task they performed well and they become more determined to do more and excel in their next given tasks.

2.9.1.4 Physiological and affective states

Physiological indicators of efficacy play an influential role in health and other physical functioning. People who have high sense of efficacy are likely to view their state of affective stimulation as an energising facilitator of performance, whereas those who are have self-doubt regard their stimulation as a hindrance (Bandura, 1994). Physiological states also influence self-efficacy when people assume that aversive physiological arousal amounts to poor behavioural performance, perceived incompetence and perceived failure (Maddux, 1995:27).

2.9.2 Self-Efficacy and performance

According to Bandura (1997:43) efficacy beliefs differ on several dimensions that have important performance implications. They differ firstly in **level**. Firstly, the perceived personal efficacy beliefs; secondly, they also differ in **generality**. People judge themselves effectively across a wide range of activities or only in certain domains of function. Generality can vary on a number of different dimensions. Lastly efficacy beliefs also differ in **strength**. Bandura (1997:72) motivates strength by saying that people who have a tenacious belief in their capabilities will persevere in their efforts despite difficulties and challenges. Performance experiences are the most powerful sources of self-efficacy information (Bandura, 1997). Success at a task performed or skill strengthens self-efficacy expectancies for that task or skill whereas perception of failure reduces self-efficacy expectancy (Maddux, 1995:11).

2.10 EQUITY THEORY

Equity theory was developed by Adams (1963) and it states that people develop beliefs about what is fair reward for one's job contribution-an exchange, people compare their exchanges with their employer to exchanges with other insiders and outsiders called referents. Equity theory focuses on two sides: the input and the outcome. An employee compares his or her job's inputs with an outcomes ratio. If the employee perceives inequality, he or she he will act to correct the inequity. The employee may lower productivity or reduce the quality of their job. Many times inequities can lead to an increase in absenteeism and even resignation of an organisation (Greenberg, 1999:67). Equity theory deals with human motives and it should have wide applications in understanding organisational behaviour. Employees at the South African Utility Company provide labour in exchange for remuneration and other benefits offered by the employer. Both parties agree on the medium of exchange. If an employee believes

his/her treatment is inequitable compared to others, the employee will be motivated to do something about it by seeking justice. Justice is not sought through protest action, but through dialogue, communication and finding a lasting solution beneficial to both the employer and employee.

2.10.1 Equity Theory-Exchange Scenarios

There are scenarios of equity theory namely:

Scenario 1: Equity – the pay allocation is perceived to be fair and therefore motivation is sustained. This situation rarely occurs because employees are never satisfied with the salaries they receive.

Scenario 2: Inequity – This is denoted by underpayment of salaries. Employees often seek justice through protest action thus disrupting work motivation.

Scenario 3: Inequity – Overpayment. Employees perceive that their counterparts are overpaid due to inefficiency and in such instances employees can resort to protest action.

If the employee perceives that the employee is not fairly treated, the employee reduces effort or can try to influence the supervisor to increase outcomes. In some instances employers become too influential such that they start influencing other co-workers to engage in protest action, absenteeism or quit employment. In order to mitigate protest actions, some managers develop tools to pay employees in proportion to their contributions, let employees know who their pay referents are in the pay systems. The use of market-related salary notion helps managers to monitor pay structures and position in the labour market for consistency.

2.11 PERFORMANCE APPRAISAL SYSTEM AND SELF-EFFICACY AT THE SOUTH AFRICAN UTILITY COMPANY

The South African Utility Company uses the rating scale and self-appraisal performance appraisal systems. The aim of the performance management system is to drive organisational performance by linking the South African Utility company value drivers to individual outputs. The South African Utility Company has made it clear in its mission statement that a disciplined corporate culture is attained when leadership creates an environment that facilitates desired behaviour that supports values, beliefs and norms.

Employees are rewarded for achieving and exceeding targets. In addition the performance management system has been designed to ensure that managers and supervisors are held accountable for the performance of their subordinates; and employees take responsibility for their own performance (Eskom, 2013a). The performance management process at the South African Utility Company is described in the next section.

2.11.1 Performance management processes

Management of employees' performance is embedded in effective management processes and based on the following five processes: planning for performance, contracting, managing performance, performance appraisal, as well as developing and encouraging performance. Employees who would have been in the employment of the South African Utility Company for a period of six (6) months qualify for appraisal (Eskom, 2013b). Performance will be appraised and rated by means of the following continuous five-point scale:

- 1 = Unacceptable performance:** requires an intervention, which would be either development or redeployment.
- 2 = Meeting some expectations:** there is substantial room for improvement before all performance expectations can be met.
- 3 = Meeting expectations:** performance is aligned with expectations and requirements.
- 4 = Exceeding expectations:** performance is better than expected and planned.
- 5 = Exceptional performance:** performance which deserves an extraordinary reward.
- 9 = Not rated (neutral rating):** an employee with less than six months service or an employee without a performance contract.

A performance appraisal will take place at least twice a year, with the final appraisal being the overall rating for the year. The mid-year appraisal shall be used as the formal feedback indicator of how well the employee is performing. The mid-year appraisal may also be used as an indicator of projected year end performance. The Individual Performance Contract and Individual Development Plan are compiled annually, for the period April to March, and appraised twice a year. The final individual performance score determines the incentive bonus. The performance appraisal process is depicted in

Figure 2.2 that clearly outlines the compacting phase, appraisal phase and the actions required under each step.

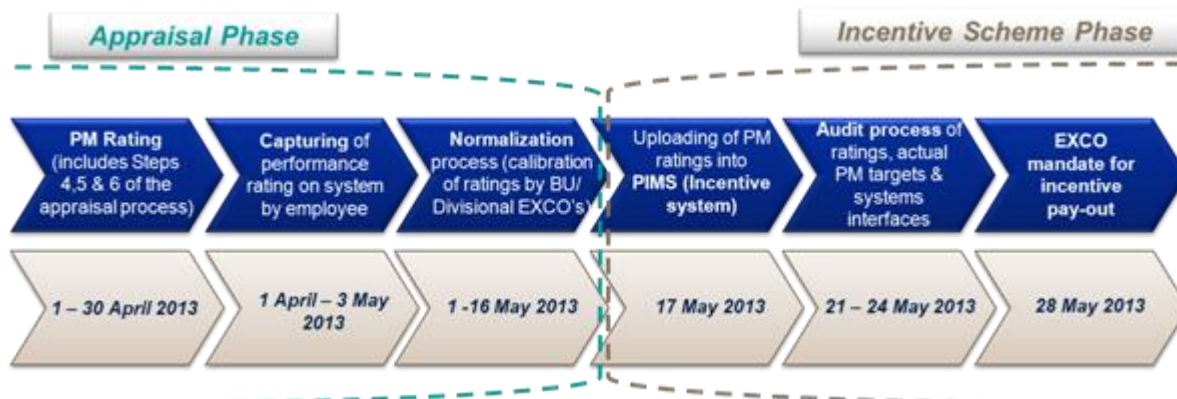
Figure 2.2: Performance appraisal process at South African Utility Company



Source: Eskom (2013a)

The compacting phase entails the managers and employees discussing, setting and agreeing on key performance indicators, key performance areas. Once agreed upon, the next step is to have the KPIs and KPAs approved. At that point in time, the employee is aware of what is expected and the targets are captured in the system. Once the manager approves the targets, the employee's targets become a binding agreement. The employee can conduct a self-appraisal which is sent to the manager for approval. As soon as the manager approves the self-appraisal, a rate/score is recorded. The performance appraisal process is completed at that stage; however, there is the incentive phase that is considered. This is depicted in Figure 2.3.

Figure 2.3: Performance appraisal and incentives process



Source: Eskom (2013a)

The appraisal rate is captured between 1-30 April of each year and this includes steps 4-6 of Figure 2.3. The employee captures the rating on the system. The normalisation/calibration of the process is done by the business unit or division executive committees (EXCOs). After ratification, the performance rates are uploaded onto the performance information management system (PIMS) or the incentive system. The auditing of rating against actual performance management targets and system interfaces is conducted over 3 or 5 days. The EXCO then authorises payment of incentives. The incentives are paid out according to the South African Utility's reward strategy described below:

Reward strategy

The average 'on-target bonus' for each participant is defined by South African Utility company's Reward Strategy and is based on the ratio of 'pay at risk' (variable pay) to the guaranteed pay (basic salary) for employees and pensionable earnings for T04 – T18 and EE/SSE Bands. The percentage of the 'on-target bonus' for each participant is structured according to job grades. The following on-target bonuses as a percentage of basic salary for T04 to T13 employees and pensionable earnings for, T14 – T18 and EE/SSE Bands are applicable. These percentages may change in future years.

Table 2.1: Target bonus

GRADE	On-target bonus (%)
T-04 to T-13	10%
T-14 to T-18	16.67%
EE/SSE Bands	25%

Source: Eskom (2013c)

There is a relationship between performance appraisal and rewards and self-efficacy in that an employee who has a high level of self-efficacy is more responsive and loyal to the organisation and such type of employees are tend to perform better than their counterparts with low self-efficacy. During performance appraisals, high performers scored higher rates than their colleagues and are rewarded according to their performance.

2.12 SUMMARY

In this chapter the researcher provided background information to the study regarding the effect of a performance appraisal system rewards and self-efficacy beliefs. Performance appraisal was defined and the process was outlined. Self-efficacy was defined and self-efficacy beliefs were outlined. Sources used are related books, journals and South African Utility company related policies. The types, objectives and steps of the performance appraisal process were described in this chapter. The performance appraisal process at the Power Utility Company was also discussed. Empirical studies on performance appraisals and self-efficacy were discussed before the summary of this chapter. The next chapter will highlight the research design and methodology that was used for this study.

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

3.1. INTRODUCTION

This chapter describes the research design and methodology that were followed in the execution of this study. The ethical considerations, target population, sampling technique, and validity and reliability issues are also discussed in this chapter. In this chapter the sample, research questions, the data collection instruments and data analysis are discussed. This study was an original investigation conducted by using a questionnaire as the primary data collection instrument because the research objectives and type of data collected envisaged an instrument that would make it possible for quantitative analysis.

3.2. OVERVIEW OF THE STUDY

This study was conducted at a South African Utility Company in Klerksdorp, North West and it was important to understand the phenomenon under investigation. This was made possible by identifying the research paradigm that helped to advance assumptions about the social world, how science should be conducted and what constituted legitimate problems and solutions in performance appraisal systems and self-efficacy in the South African Utility Company. The research paradigm used provided a philosophical framework for the study of that world (Creswell, 2009:243). Therefore, the paradigm applied in a study guided the process of inquiry and form the basis for the practice of science by directing the researcher towards appropriate research methods and methodologies. Research paradigms can be divided into positivism mostly used in the areas of statistics and mathematics and phenomenological enquiry which is based on social sciences. In this study, a positivist paradigm was used because the data were analysed and represented statistically (Saunders *et al.*, 2009:175).

3.2.1. Population

It was important to consider a group of people with the same characteristics as that made it easier to generalise the findings. The researcher was interested to learn more about performance appraisal systems, rewards and self-efficacy and this group was

selected with great care bearing in mind the selection criteria, the desired size and the parameters of the survey (Stangor, 2011:110). A population is defined as any set of persons or objects that possess at least one common characteristic or a target group, who would, in the ideal world, be the subject of the research, and about whom one is trying to say something (Chigada, 2014:118). The total population of staff at Distribution is 15 000 employees. This population was large to be considered in the study as this would have been time consuming and costly because huge volumes of data would be collected, which might not have been relevant to the study. A sample was selected to mitigate the challenges of involving the whole population.

3.3. PROCEDURE AND SCOPE OF THE QUANTITATIVE RESEARCH

Research methodology is the general approach the researcher takes in the process of conducting the research project. There are several approaches with regard to methodology, such as quantitative, qualitative and mixed methods research (MMR). The approach considered suitable for this study was quantitatively based as it involved collecting data from participants in the sample using a questionnaire (Ngulube, 2010:256). The broad research approaches are described in the following sections:

3.3.1. Quantitative research

Quantitative research methods entail the use of systematic and sophisticated procedures to test, prove and verify hypotheses (Hoy, 2010:34). The main focus in quantitative research was on matters pertaining to structural rather than complex issues of the process. The quantitative research approach obtained data that was statistically relevant and are usually used to answer questions such as "how many", "where from" and "how much" (Silverman, 2010:56). Researchers such as Creswell (2003:97) and Mahoney and Goertz (2006:229), opine that a quantitative approach is primarily about collecting statistical data using strategies of inquiry such as experiments and surveys. The quantitative approach was used because it involved the use of controlled questionnaires in which the response options were coded and it also allowed for large numbers of respondents to be involved (200 participants). Leedy and Ormrod (2010:187) explain that descriptive, quantitative research examines a situation as it is. Further, it involves identifying the characteristics of an observed phenomenon, which means that it does not change or modify the situation under investigation, nor does it determine the cause-effect relationship.

3.3.2. Qualitative research

The qualitative research approach deals with how people experience situations or how they feel about their experiences (Ramos & Ortega, 2006:101). Qualitative research is a type of research that produces findings not arrived at by means of quantification. It may refer to research about a person's life, about stories or behaviour, and it is also research that is used with regard to organisational functioning, social movements or international relationships (Strauss & Corbin, 2009:67). Thus, the qualitative approach is used when the researcher aims to understand human phenomena and when the meanings that people give to events they experience need to be investigated.

3.4. RESEARCH DESIGN

When conducting a study, the researcher can use a survey, case study or experiments where research participants are selected and information collected from them. Surveys are one of several research designs that researchers employ to gather information for a study. It is one of the most prevalent techniques that researchers employ to gather information. The study employed a survey design in the form of a questionnaire. The same data was collected from a geographically dispersed and diverse population within the utility company. Information about groups of people was collected about their characteristics, opinions and attitudes. The survey was chosen because it shortened the length of data collection which would not have been possible if a qualitative study had been done with the same population. The use of the questionnaire minimised the number of follow-ups and time spent in developing the instrument was short because the instrument was developed from an already existing instrument.

3.5. SURVEY INSTRUMENT

Data was gathered using the following procedure:

Electronic and hard copies of the questionnaires (refer to Appendix A) were distributed to individuals at the division identified as being part of the study population. The purpose of the study was explained as well as reassurance of confidentiality of the information provided in the introduction on the questionnaires. A total of two hundred (200) questionnaires were distributed and 173 were completed and returned. A period of four weeks was allowed before follow-up calls could be made to the respondents by the researcher. Electronic and telephonic communication was used to follow-up on the progress of questionnaire.

In order to collect relevant data, the length of the questionnaire comprised three sections: demographic and the rewards opinion and self-efficacy sections. The demographic section collected biographical variables of gender, marital status, population group and highest qualifications. The *Rewards opinion survey* comprised twenty questions which sought to evaluate and monitor reward practices by assessing the opinion of employees on rewards and performances. A 5-point Likert scale was used with 1 being strongly agreed and 5 being strongly disagree. The *General Self-Efficacy Scale* used in this study was uni-dimensional and consisted of 27 items. The length of the questionnaire is consistent with the assertions of Powell (2009:106) that states that a questionnaire should be as short as possible to encourage complete responses.

It was necessary to conduct a pre-test or pilot study of a questionnaire after it had been informally evaluated in order to refine the questions. From the pre-tested questionnaire, it became less complicated to create a final instrument for the actual investigation. The order of the questions was viewed as important to the way the responses would be obtained. DeMoranville, Bienstock and Judson (2008:255) suggest that researchers should 'order questionnaire items differently depending on how the results will be used and which type of measure, specific or global service quality is the focus of a questionnaire'. Web-based distribution of the questionnaire using the Survey Monkey tool was the choice of this study because every respondent had access to an e-mail address. A few questionnaires were hand delivered to some study participants.

3.5.1. Sampling

A smaller group of interest have chosen to participate in a study is defined as population (Ngulube, 20059:47). Leedy and Ormrod (2010:176) state that sampling is done to create a small group from a population that is as similar as possible to the larger population. It should be a little group that is like the big group, so the degree of resemblance and representativeness is very important. By selecting a representative group of participants, it was possible to draw valid conclusions from the larger population at the utility company's Distribution offices. The empirical study was undertaken by picking a sample of 200 conveniently and purposely selected employees within the utility company. Sample members were chosen conveniently for inclusion in the sample, with each population element being selected because of availability and

easily accessible. Non-probability sampling techniques were used in this study. Probability sampling strategies are rarely used in qualitative research because of the constraints of on-going field work, but in this case, it was ideal to use convenience sampling. Some probability sampling techniques are stratified and cluster sampling. Non-probability techniques are used when collecting qualitative and quantitative data.

3.5.2 Sample characteristics

The research was performed in a South African utility company. The Utility Company has ten divisions but the target population of this study consist of employees from Distribution division only. A convenience sampling method was used to select employees to form the sample group in this study. Two hundred questionnaires were distributed and only 173 were completed and returned back which resulted in an 86% response rate. Out of 173 questionnaires, 170 were valid and usable with regards to gender, 163 for marital status, 166 for population group and 154 were valid with regards to qualification. The demographic profile of the sample is analysed in section Table 3.1 below.

Table 3.1: Sample characteristics

Demographics	Subgroups	Percentage
Gender	Male	70.6
	Female	29.4
Marital status	Single	47.9
	Married	46.0%
	Divorced	4.3
	Widowed	1.8
	Separated	0
Population group	White	17.5
	Black	75.3
	Coloured	6.6
	Indian	0.6
	Other	0
Qualification	Grade 12	37.7
	Certificate	28.6
	Diploma	18.8
	Degree	10.4
	Post Graduate	4.5

3.5.3 Ethical considerations

Ethical considerations are an essential aspect of any research. There may be several factors that may confront researchers. In this case the researcher ensured that permission was granted by the South African Utility Distribution Company as well as North-West University Research Committee to conduct the survey. Participants in the research project were informed in advance of all aspects of the research that might influence their decision to participate (Cozby & Bates, 2012:389). All the research respondents were asked to sign informed consent forms. The participants were not coerced to partake in the study. Individuals' participation was given freely, specific and based on informed consent. Direct or indirect coercion, as well as undue inducement of people in the name of research was avoided. Participants were assured that their identity would be protected and the information exchanged during the research study remained confidential, and not be disclosed to other participants in any way.

3.6. DATA QUALITY

This section presents discussions on the validity and reliability of the data collected in this study. The extent to which research findings are believable or credible is its validity. The validity of a study refers to the strength of the inferences or conclusions that are made from the research, that is, the degree of accuracy to which a study reflects the concept(s) that the research is measuring. Ngulube (2005:132) states that the question to consider is: 'Has the research measured the phenomenon of interest in a manner that accurately reflects its characteristics? This was done by pre-testing the questionnaire to ensure data collected achieved the validity and reliability of the data collected. To ensure face validity, the researcher developed a simple but clear questionnaire to enable research participants provide relevant data and information needed in the study. If the respondents know what information being looked for, the respondents can use that "context" to help interpret the questions and provide more useful and accurate answers.

3.6.1. Reliability

When the research procedure consistently gives the same results on repeated trials, it means that it is reliable. In other words, the repeatability of the measurement determines its reliability. Hernon and Schwartz (2009:77) suggest internal consistency (a measure of the precision of the measuring instrument), pre-test (the use of individuals who are not part of the actual sample to test questions to ensure that their meanings are understood), test and retest (whether similar results are obtained when the same participants respond to the same test a second time). The questionnaire was pre-tested on a sample that was not considered for the actual study. The reliability of the Reward opinion survey is determined by means of Cronbach's Alpha coefficient. The reward opinion survey is known to measure reward effectiveness and monitors reward practices by assessing the views of employees (Armstrong, 2012:103).

3.7. DATA PROCESSING

All usable quantitative responses were analysed using the Statistical Consultation Services of the North-West University. Inductive reasoning was followed for this study since information gained from a convenience sample of employees from only one division of the South African Utility Company; the South African Utility Company was used to draw conclusions on the whole Company with regards to the effect of a performance appraisal system, rewards and self-efficacy beliefs in a South African

utility. The statistical package SPSS program (Version 22) was used to carry out the statistical analysis. Descriptive statistics used were frequencies, means and standard deviations. Cronbach's Alpha coefficient was used to calculate the internal consistency between the constructs of the questionnaire (Schmitt, 1996:350).

3.7.1. Statistical analysis

Data collected was analysed using the Statistical Consultation Services of the North-West University. The statistical analysis was completed with the aid of the SPSS-programme (IBM, 2010). Descriptive statistics including means, standard deviations, skew and kurtosis was used to analyse the data. The Cronbach alpha coefficients were used to determine the internal consistency. When items are used to form a scale they need to have internal consistency (Bland & Altman, 1997:572). The items should all measure the same thing, on other words they should be correlated with one another. Pearson product-moment correlation coefficients were used to stipulate the practical relationship between the variables in terms of the statistical significance.

A step-wise multiple regression analysis was conducted to determine the proportion of variance in the dependent variables of self-efficacy beliefs and reward systems that is predicted by the independent variable of performance appraisal. The following parameters 0.10 (small effect), 0.30 (medium effect) and 0.50 (large effect) were set for practical significance of R^2 (Steyn, 1999). A cut-off point of 0.30 (medium effect) was set for the practical significance of correlation coefficients (Cohen, 1988). The effect size in the case of multiple regressions is given in the formula (Steyn, 1999), to indicate whether obtained results are practically important. The following parameters 0.01 (small effect), 0.09 (medium effect) and 0.35 (large effect) were set for practical significance of (Steyn, 1999).

3.8. SUMMARY

This chapter focused on the research methods and the methodology in place. The population and sampling strategy used for the study were also discussed using practical examples of the importance of performance appraisal systems and self-efficacy in the South African Utility Company. The chapter also discussed the data collection instrument and how the web-administered questionnaire (Survey Monkey) tool was used. It was established that the concepts of validity and reliability research were important to ensure reliable and valid data were collected. Ethical issues that were

considered in this study were also discussed in the chapter. The interpretation and analysis of quantitative findings will be presented in chapter four.

CHAPTER 4

ANALYSIS AND INTERPRETATION OF RESULTS

4.1. INTRODUCTION

This chapter focuses on the interpretation and analysis of research findings of the empirical study. Data will be analysed and proof is presented to indicate whether the information collected supports the research questions. Quantitative data that were collected by administering questionnaires will be analysed and presented quantitatively. The sections that will be discussed in this chapter include: exploratory factor analysis, descriptive statistics, regression analysis and Cronbach's Alpha Test. The objectives of the study are restated as:

Primary objective

The primary objective of this study is to investigate the performance appraisal system, rewards and employee's self-efficacy in the South African Utility Company

Secondary objectives

The specific objectives of this research are to investigate:

- (i) the perceptions of performance appraisal system, perceptions of rewards and self-efficacy beliefs,
- (ii) the relationship between perception of the performance appraisal system, rewards and self-efficacy beliefs and to
- (iii) determine the effects of performance appraisal system on perceptions of rewards and self-efficacy beliefs in a utility company in South Africa

4.2. RESEARCH RESULTS

The results are presented based on the questionnaire in Chapter 1 and will be presented in three sections namely: Exploratory factor analysis, descriptive statistics and the correlation analysis of all the measures used in the study.

4.2.1. Exploratory factor analysis (EFA)

The results obtained from the exploratory factor analysis (EFA) indicates that the rewards and opinion scale is one-dimensional whereas the General Self-efficacy scale is multi-dimensional. The uni-factorial solutions extracted showed 50.37% variance in

Rewards, 48.05% variance in *Performance appraisal* and 32.98% variance in *Self-efficacy*.

4.2.2. Descriptive statistics

The descriptive statistics of the variables covered in the study is presented in Table 4.1 below. When giving an evaluation survey, would it not be gratifying to know that the instrument the researcher is using will always obtain a valid and dependable response even if questions were replaced with other similar questions? When there is a variable generated from such a series of questions that deliver a stable response, then the variable is said to be reliable (Schmitt, 1996:352). Cronbach's alpha is an index of reliability associated with the variation accounted for by the true score of the "underlying construct."

Alpha coefficient ranges in value from 0 to 1 and may be used to describe the reliability of factors extracted from dichotomous (that is, questions with two possible answers) and/or multipoint formatted questionnaires or scales (that is,, Rating scale: 1 = strongly agree, 5 = strongly disagree). The higher the score, the more reliable the generated scale is. Nunnally (1978 & 1994) has indicated 0.7 to be an acceptable reliability coefficient, but lower thresholds are sometimes used in the literature.

The correlation analysis discussions will follow after the table.

Table 4.1: *Descriptive statistics and correlation analysis*

Variables	α	Mean	SD	Rewards	Performance	Self-efficacy
Rewards	0.83	2.66	0.33	1		
Performance	0.82	2.52	0.44	.57**	1	
Self-efficacy	0.84	1.2	1.29	0.12	.28**	1

** . Correlation is significant at the 0.01 level (2-tailed).

The results presented in Table 4.1 above shows that the measuring instrument used in this study to measure the constructs has acceptable reliability, with all factors having a Cronbach's alpha value of above 0.7 as recommended by Nunnally & Bernstein (1994) for internal consistency. Table 4.1 also encapsulates the correlation coefficients between all the three constructs measured in the study. *A perception of the performance appraisal system is practically significantly related to both perceptions of*

rewards (large effect sizes) and *self-efficacy-beliefs* (medium effect sizes). The results also suggest that relationship between self-efficacy belief and rewards were non-significant.)

SECTION B: REWARDS OPINION SURVEY

There were twenty questions that were asked in this section to gain an insight into the participants' opinions and views regarding rewards systems at the South African Utility Company. The responses were given as follows:

4.2.3. My pay adequately rewards me for my contribution

The first question sought to establish if the salaries paid to participants were adequate rewards for the contributions made by the employees. Mixed responses were received in this case. Out of a total 167 responses received, 25 (14.5%) of the respondents strongly agreed with the statement, 50 (28.9%) of the respondents agreed, while 33 (19.1%) remained ambivalent. 28 (16.2%) of the respondents disagreed with the statement and 31 (17.9%) of the respondents strongly disagreed that the pay did not adequately reward them for their contributions. *The majority or 75 (43.4%) of the respondents agreed that the salaries received, were adequate rewards for the contributions made to the South African Utility Company.* The results are depicted in Table 4.2.

Table 4.2: My pay adequately rewards me for my contribution (N=167)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	25	14.5	15.0	15.0
	2	50	28.9	29.9	44.9
	3	33	19.1	19.8	64.7
	4	28	16.2	16.8	81.4
	5	31	17.9	18.6	100.0
Total		167	96.5	100.0	
Missing	System	6	3.5		
Total		173	100.0		

4.2.4. The pay system is clear and easy to understand

The results for question 2 were mixed. 58 (33.5%) of the respondents strongly agreed that the pay system was clear and easy to understand, 51 (29.5%) of the respondents

agreed with the statement, while 35 (20.2%) of the respondents did not provide any responses. 11 (6.4%) of the respondents disagreed with the statement and 15 (8.7%) of the respondents strongly disagreed that the pay system was clear and easy to understand. *The results showed that 109 (63%) of the respondents were comfortable with the pay system while 26 (15.1%) disagreed.* The results are shown in Table 4.3.

Table 4.3: The pay system is clear and easy to understand (N=170)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	58	33.5	34.1	34.1
	2	51	29.5	30.0	64.1
	3	35	20.2	20.6	84.7
	4	11	6.4	6.5	91.2
	5	15	8.7	8.8	100.0
	Total	170	98.3	100.0	
Missing	System	3	1.7		
Total		173	100.0		

4.2.5. It is right for staff to be rewarded according to their contribution

The third question was asked to establish if it was right for staff to be rewarded according to their contribution and the majority 121 (69.9%) of the respondents strongly agreed with the statement. A further 34 (19.7%) of the respondents also agreed with the statement. 8 (4.6%) of the respondents remained neutral, only 1 (.6%) disagreed, while 8 (4.6%) of the respondents strongly disagreed. *The results showed that it is right for staff to be rewarded according to their contributions.* The results are shown in Table 4.4.

Table 4.4: Rewards are commensurate to contribution (N=172)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	121	69.9	70.3	70.3
	2	34	19.7	19.8	90.1
	3	8	4.6	4.7	94.8
	4	1	.6	.6	95.3
	5	8	4.6	4.7	100.0
	Total	172	99.4	100.0	
Missing	System	1	.6		
Total		173	100.0		

4.2.6. The basis upon which my pay is determined is fair

Respondents were asked to indicate if their pay cheques were fair and 26 (15%) of the respondents strongly agreed that the basis upon which their salaries were determined was fair, 56 (32.4%) of the respondents agreed with the statement, 50(28.9%) of the respondents did not provide any feedback, 18 (10.4%) of the respondents disagreed with the statement and 23 (13.3%) strongly disagreed. *The results show that the majority (82%) of the respondents agreed with the statement their pay cheques were fair as depicted in Table 4.5.*

Table 4.5: Criteria for determining a pay cheque is fair (N=173)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	26	15.0	15.0	15.0
2	56	32.4	32.4	47.4
3	50	28.9	28.9	76.3
4	18	10.4	10.4	86.7
5	23	13.3	13.3	100.0
Total	173	100.0	100.0	

4.2.7. I am paid fairly compared to other jobs in the organisation

Another important question was asked to determine if participants were fairly paid compared to other jobs in the organisation and 15.6% of the respondents strongly agreed, 45 (26%) of the respondents also agreed with the statement. 41 (23.8%) of the respondents were neutral, while 24 (13.9%) of the respondents disagreed with the statement as was with 35 (20.2%) of the respondents who strongly disagreed with the statement. From the above analysis, the results revealed that 72 (41.6%) of the respondents *agreed that they were fairly paid compared to other jobs in the South African Utility Company*. Results are shown in Table 4.6.

Table 4.6: Fair pay cheques compared to other jobs in the Company (N=173)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	27	15.6	15.7	15.7
	2	45	26.0	26.2	41.9
	3	41	23.7	23.8	65.7
	4	24	13.9	14.0	79.7
	5	35	20.2	20.3	100.0
	Total	172	99.4	100.0	
Missing	System	1	.6		
Total		173	100.0		

4.2.8. Rates of pay in the company are not consistent with levels of responsibility

Employees complain about salary discrepancies with the levels of responsibilities in many instances; however, it should be noted that companies use a formula to derive at the total cost to company (TCTC) which takes into consideration the level, amount of work and commensurate pay package. Respondents provided mixed viewpoints in this instance. 17 (9.8%) of the respondents strongly agreed, 12 (6.9%) agreed while 51 (29.5%) of the respondents were ambivalent. Some 51 (29.5%) of the respondents disagreed whilst 42 (24.3%) strongly disagreed. *The results showed that 93 (43.8%) or the majority of respondents disagreed with the statement that the rate of pay in the company are not consistent with levels of responsibility.* The results are shown in the table below.

Table 4.7: Pay rates are not consistent with levels of responsibility (N=173)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	17	9.8	9.8	9.8
2	12	6.9	6.9	16.8
3	51	29.5	29.5	46.2
4	51	29.5	29.5	75.7
5	42	24.3	24.3	100.0
Total	173	100.0	100.0	

4.2.9. My rate of pay compares favourably with rates paid outside the company

A follow-up question was posed to determine if participants believed their salary rates compared favourably with market rates and 15 (8.7) of the respondents strongly agreed, 38 (22%) agreed, the majority (62 or 35.8%) of the respondents remained neutral, which could be best explained by the fact that participants might not have information regarding prevailing salary structures. 28 (16.2%) of the respondents disagreed and a further 16.2 also strongly disagreed. In this instance it was not easy to determine the true opinions of participants because *the majority of the participants were neutral*. This could be best explained by the fact that participants might not have information regarding prevailing salary structures. The results are shown in Table 4.8.

Table 4.8: Salary rates compare favourably with market rates (N=173)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	15	8.7	8.8	8.8
	2	38	22.0	22.2	31.0
	3	62	35.8	36.3	67.3
	4	28	16.2	16.4	83.6
	5	28	16.2	16.4	100.0
	Total	171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.2.10. My pay does not reflect my performance

This question was asked to get views from the participants if their salaries reflected their performances. Out of 168 responses received, 19 (11) of the respondents strongly agreed, 14 (8.1%) of the respondents agreed, while 43 (24.9%) remained neutral, 51 (29.5%) of the respondents disagreed and 41 (23.7%) strongly disagreed. *The results showed that 92 (53.2%) of the respondents disagreed that the pay did not reflect the individual employee's performance*. The results are depicted in Table 4.9.

Table 4.9: The pay cheque reflects an employee's performance (N=168)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	19	11.0	11.3	11.3
	2	14	8.1	8.3	19.6
	3	43	24.9	25.6	45.2
	4	51	29.5	30.4	75.6
	5	41	23.7	24.4	100.0
	Total	168	97.1	100.0	
Missing	System	5	2.9		
Total		173	100.0		

4.2.11. The current pay system encourages better performance

These facets of performance management help employees and the organisation achieve specific set-targets. One of the objectives of performance appraisal is to create and maintain a satisfactory level of performance. Organisations build reward and incentives to improve employee morale and ego. From a total of 169 responses received, 20 (11.6%) of the respondents strongly agreed that the current pay system encouraged better performance, 46 (26.6%) of the respondents also agreed, while a higher non-response rate (31.2%) of respondents remained neutral, 26 (15%) disagreed and 23 (13.3%) strongly disagreed. The results shown in *Table 4.10 indicated that the majority (38.2%) of the respondents agreed with the statement that the current pay system encourages better performance.*

Table 4.10: The current pay system encourages better performance (N=169)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	20	11.6	11.8	11.8
	2	46	26.6	27.2	39.1
	3	54	31.2	32.0	71.0
	4	26	15.0	15.4	86.4
	5	23	13.3	13.6	100.0
	Total	169	97.7	100.0	
Missing	System	4	2.3		
Total		173	100.0		

4.2.13 The pay system needs to be reviewed

A follow-up question was posed to establish if participants felt the need to review the current pay system. 172 responses were received of whom 11 (6.4%) of the respondents strongly agreed with statement, 16 (9.2%) also agreed, 35 (20.2%) of the respondents remained neutral, 40 (23.1%) of the respondents disagreed. A very high response rate (40.5%) of the respondents strongly disagreed with the statement. From the results presented in Table 4.11, *it was evident that the majority 110 (63.6%) of the respondents did not want the current pay system to be reviewed.*

Table 4.11: Reviewing the current pay system

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	11	6.4	6.4	6.4
	2	16	9.2	9.3	15.7
	3	35	20.2	20.3	36.0
	4	40	23.1	23.3	59.3
	5	70	40.5	40.7	100.0
Total		172	99.4	100.0	
Missing	System	1	.6		
Total		173	100.0		

4.2.14 I am clear about the standards of performance I am expected to achieve

A total of 171 responses were received of whom 74 (42.8% of the respondents strongly agreed that they were clear about the standards of performance expected of them. 61 (35.3%) agreed, 21 (12.1%) of the respondents did not provide any opinions, 7 (4%) disagreed and 8 (4.6%) strongly disagreed with the statement. The results show that 135 (78.1%) of the participants were clear about the standards of performance expected of them. This is consistent with the assertions by Swanepoel *et al.* (2008:47) that minimum standards and benchmarks should be met in relation to quality, quantity or performance standards. Results are shown in Table 4.12.

Table 4.12: Standards of performance expected (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	74	42.8	43.3	43.3
	2	61	35.3	35.7	78.9
	3	21	12.1	12.3	91.2
	4	7	4.0	4.1	95.3
	5	8	4.6	4.7	100.0
Total		171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.2.15 I do not understand the competence levels I am expected to reach

This question was asked to determine if participants knew the competence levels they were expected to reach. 172 responses were received in this instance of whom 29 (16.8%) of the respondents strongly agreed with the statement, 33(19.1%) also agreed, 47 (27.2%) remained neutral, 25 (14.5%) disagreed with the statement and 38 (22%) strongly disagreed with the statement. *From the analysis, it was evident that there was a very minor difference between respondents who agreed 35.9%) and those who disagreed (36.5%).* The results are shown in Table 4.13.

Table 4.13: Competence levels (N=172)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	29	16.8	16.9	16.9
	2	33	19.1	19.2	36.0
	3	47	27.2	27.3	63.4
	4	25	14.5	14.5	77.9
	5	38	22.0	22.1	100.0
Total		172	99.4	100.0	
Missing	System	1	.6		
Total		173	100.0		

4.2.16 The performance management scheme is helpful

A total of 171 responses were received in this instance, of whom 36 (20.8%) of the respondents strongly agreed with the statement, 49 (28.3%) of the respondents agreed, 52 (30.1%) did not provide any views, 17 (9.8%) disagreed and strongly disagreed

respectively. From the analysis, it was evident that 85 (49.1%) of the respondents agreed that the performance management scheme was helpful while 34 (19.6%) of the respondents disagreed with the statement. The results are shown in Table 4.14.

Table 4.14: Performance management scheme (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	36	20.8	21.1	21.1
	2	49	28.3	28.7	49.7
	3	52	30.1	30.4	80.1
	4	17	9.8	9.9	90.1
	5	17	9.8	9.9	100.0
Total		171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.2.17 I receive good feedback from my manager on my performance

A total of 173 responses were received indicating mixed view points and opinions. 36 (20.8%) of the respondents strongly agreed that they got feedback from their superiors regarding performance, 59 (34.1%) agreed with the statement, 30 (17.3%) remained neutral, 21 (12.1%) disagreed and 27 (15.6%) strongly disagreed. Though 47 (27.7%) of the respondents disagreed with the statement, the majority (54.9%) of the respondents agreed with the statement. This showed that employees received regular feedback which was in line with the findings of Nel *et al.* (2013:471) that good performance was enticed from employees, if employees were regularly updated about what was expected of them, what were the things they were doing well and what needed improvement. The results are shown in Table 4.15.

Table 4.15: Regular feedback on performance (N=173)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	36	20.8	20.8	20.8
	2	59	34.1	34.1	54.9
	3	30	17.3	17.3	72.3
	4	21	12.1	12.1	84.4
	5	27	15.6	15.6	100.0
Total		173	100.0	100.0	

4.2.18 My manager is not really interested on my performance

From a total of 168 responses received, 16 (9.2%) of the respondents strongly agree, 15 (8.7%) of the respondents agreed with the statement, while 47 (27.2%) of the respondents were ambivalent, 37 (21.4%) disagreed and 53 (30.6%) strongly disagreed with the statement. *The results indicated that 90 (52%), majority of the respondents felt that their managers were interested in their performance.* If managers were not interested in the performance of their subordinates, then it would be difficult to make informed decisions for the South African Utility Company. The results are depicted in Table 4.16.

Table 4.16: Managers interested in employees' performance (N=168)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	16	9.2	9.5	9.5
	2	15	8.7	8.9	18.5
	3	47	27.2	28.0	46.4
	4	37	21.4	22.0	68.5
	5	53	30.6	31.5	100.0
	Total	168	97.1	100.0	
Missing	System	5	2.9		
Total		173	100.0		

4.2.19 The process of setting objectives and reviewing achievements is fair

The participants were asked to indicate if the process of setting objectives and reviewing achievements was fair. 24 (13.9%) of the respondents strongly agreed, 59 (34.1%) agreed, while a high ambivalent response rate (30.6%) was received. 22 (12.7%) of the respondents disagreed with a further 15 (8.7%) of the respondents strongly disagreeing with the statement. *It was evident from the results shown in Table 4.17 that 83 (48%), the majority of the respondents agreed with the statement.*

Table 4.17: Setting of objectives and reviewing achievements was fair (N=173)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	24	13.9	13.9	13.9
2	59	34.1	34.1	48.0
3	53	30.6	30.6	78.6
4	22	12.7	12.7	91.3
5	15	8.7	8.7	100.0
Total	173	100.0	100.0	

4.2.20 I am motivated by my performance review meeting

Performance appraisals play an essential role in organisations and should be conducted at appropriate intervals to ensure managers are abreast with the performance of their employees. The participants were asked to indicate if they were motivated by the performance review meetings. 36 (20.8%) of the respondents strongly agreed, 58 (33.5%) of the respondents agreed, while 42 (24.3%) did not provide any feedback, 16 (9.2%) of the respondents disagreed with the statement and 19 (11%) strongly disagreed. *From the findings, it was evident that 94 (54.3%) or the majority of the respondents were motivated by the performance review meeting.*

Table 4.18: Performance review meetings (N=171)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	36	20.8	21.1	21.1
2	58	33.5	33.9	55.0
3	42	24.3	24.6	79.5
4	16	9.2	9.4	88.9
5	19	11.0	11.1	100.0
Total	171	98.8	100.0	
Missing System	2	1.2		
Total	173	100.0		

4.2.21 The process of setting of my performance by my manager is objective and fair

Another important question was asked to seek clarity if the process of setting a

performance appraisal meeting was objective and fair. A total of 171 responses were received in this instance of whom 30 (17.3%) of the respondents strongly agreed with the statement, 55 (31.8%) of the respondents agreed, while 54 (31.2%) of the respondents were ambivalent, 15 (8.7%) disagreed and 17 (9.8%) strongly disagreed. *The results showed that the majority (85) of the respondents were comfortable with the performance appraisal process.* Results are shown in Table 4.19.

Table 4.19: Performance appraisal is objective and fair (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	30	17.3	17.5	17.5
	2	55	31.8	32.2	49.7
	3	54	31.2	31.6	81.3
	4	15	8.7	8.8	90.1
	5	17	9.8	9.9	100.0
	Total	171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.2.22 Performance management does not help me to improve my performance

A total of 169 responses were received, of whom 19 (11.2%) of the respondents strongly disagreed, 30 (17.3%) of the respondents agreed. There was high non response rate of 32.4%, while 34 (19.7%) of the respondents disagreed and 30 (17.3%) strongly disagreed. Though there was a fairly large rate 56 (32.4%) of the respondents who failed to give feedback, *64 (37%) or majority of the respondents disagreed with the statement.* The results are shown in Table 4.20.

Table 4.20: Performance management does not help improve performance (N=169)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	19	11.0	11.2	11.2
	2	30	17.3	17.8	29.0
	3	56	32.4	33.1	62.1
	4	34	19.7	20.1	82.2
	5	30	17.3	17.8	100.0
	Total	169	97.7	100.0	
Missing	System	4	2.3		
Total		173	100.0		

4.2.23 Performance management clearly indicates areas where I can learn more about how to do my job

The participants were asked to indicate if performance management clearly indicated areas where one could learn about the job. A total of 171 responses were received in this instance. 38 (22%) of the respondents strongly agreed with the statement, 53 (30.6%) also agreed, while 39 (22.5%) of the respondents were ambivalent, 21 (12.1%) disagreed and 20 (11.6%) of the respondents strongly disagreed with the statement. *From the analysis, it was evident that the majority (52.6%) of the respondents agreed with the statement.* The results are depicted in Table 4.21.

Table 4.21: Areas where one can learn more about the job (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	38	22.0	22.2	22.2
	2	53	30.6	31.0	53.2
	3	39	22.5	22.8	76.0
	4	21	12.1	12.3	88.3
	5	20	11.6	11.7	100.0
	Total	171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.3. SECTION C: SELF-EFFICACY

In this section, findings from the study relating to self-efficacy will be presented and analysed. Twenty-seven questions were asked. Research participants provided mixed responses/opinions which were as follows:

4.3.1 I find it extremely unpleasant to be afraid

The first question sought to establish if the participants found it extremely unpleasant to be afraid. 61 (35.3%) of the respondents strongly agreed with the statement, 42 (24.3%) of the respondents agreed while, 45 (26%) of the respondents did not give any responses. Only 9 (5.2%) of the respondents disagreed and 11 (6.4%) of the respondents strongly disagreed with the statement. *The results depicted in Table 4.22 showed that 103 (59.6%) of the respondents agreed with the statement that it was extremely unpleasant for one to be afraid.*

Table 4.22: Unpleasant to be afraid (N=168)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	61	35.3	36.3	36.3
	2	42	24.3	25.0	61.3
	3	45	26.0	26.8	88.1
	4	9	5.2	5.4	93.5
	5	11	6.4	6.5	100.0
Total		168	97.1	100.0	
Missing	System	5	2.9		
Total		173	100.0		

4.3.2 I sometimes avoid difficult tasks

A total of 173 participants were selected but 171 responses were received in this instance of whom 11 (6.4%) of the respondents strongly agreed that they sometimes avoid difficult tasks, 18 (10.4%) agreed, while 23 (13.3%) of the respondents did not give any feedback. 45 (26%) of the respondents disagreed with the statement and a higher rate (42.8%) of the respondents strongly disagreed. *It was evident that the majority (68.8%) of the respondents disagreed that they avoided difficult tasks.* Table 4.23 depicts the results.

Table 4.23: Difficult tasks (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	11	6.4	6.4	6.4
	2	18	10.4	10.5	17.0
	3	23	13.3	13.5	30.4
	4	45	26.0	26.3	56.7
	5	74	42.8	43.3	100.0
Total		171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.3.3 I am a very determined person

Participants were asked to indicate if they possess determination and 170 of the 173 responses were received. 129 (74.6%) of the respondents strongly agreed with the statement, 34 (19.7%) also agreed, 3 (1.7) did not provide responses, while 2 (1.2%) disagreed and strongly disagreed with the statement. *The overall results showed that 163 (95.3%) or the majority of the respondents agreed that they were determined people.* These results are shown in Table 4.24.

Table 4.24: Determined person (N=170)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	129	74.6	75.9	75.9
	2	34	19.7	20.0	95.9
	3	3	1.7	1.8	97.6
	4	2	1.2	1.2	98.8
	5	2	1.2	1.2	100.0
Total		170	98.3	100.0	
Missing	System	3	1.7		
Total		173	100.0		

4.3.4 Once I set my mind to a task almost nothing can stop me

A follow-up question sought to establish if the participants were distracted when they set their focus on tasks. 111 (64.2%) of the respondents strongly agreed with the statement, 43 (24.9%) also agreed, while 12 (6.9%) of the respondents remained neutral, only 1 (0.6%) disagreed and 3 (1.7%) strongly disagreed with the statement. *From the analysis, the results showed that 154 (89.1%) or majority of the respondents agreed that once they set their mind on a task almost nothing stopped them.* The results are shown in Table 4.25.

Table 4.25: Distraction when focusing on a task (N=170)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	111	64.2	65.3	65.3
	2	43	24.9	25.3	90.6
	3	12	6.9	7.1	97.6
	4	1	.6	.6	98.2
	5	3	1.7	1.8	100.0
	Total	170	98.3	100.0	
Missing	System	3	1.7		
Total		173	100.0		

4.3.5 I have a lot of self-confidence

Self-confidence is a key characteristic that help employees to achieve some tasks. This question sought to establish if the respondents were confident and 110 (63.6%) of the respondents strongly agreed with the statement, 48 (27.7%) of the respondents also agreed, 10 (5.8%) were neutral, only 2 (1.2%) disagreed and strongly disagreed respectively with the statement. *Of the 172 responses received, 158 (91.3%) or majority of the respondents agreed with the statement that they have a lot of self-confidence as shown in Table 4.26.*

Table 4.26: Self-confidence (N=172)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	110	63.6	64.0	64.0
	2	48	27.7	27.9	91.9
	3	10	5.8	5.8	97.7
	4	2	1.2	1.2	98.8
	5	2	1.2	1.2	100.0
	Total	172	99.4	100.0	
Missing	System	1	.6		
Total		173	100.0		

4.3.6 I am at my best when I am really challenged

Research participants were asked to indicate if they performed best when really challenged. From 173 responses received, 105 (60.7%) of the respondents strongly agreed with the statement 49 (28.3%) of the respondents agreed, 14(8.1%) remained neutral, 3 (1.7%) disagreed and only 2 (1.2%) strongly disagreed. *From the analysis, it was evident that the majority (89%) or majority of the respondents agreed with the statement that they are at their best when they are really challenged.* The results are shown in Table 4.27.

Table 4.27: Best performance when really challenged (N=173)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	105	60.7	60.7	60.7
	2	49	28.3	28.3	89.0
	3	14	8.1	8.1	97.1
	4	3	1.7	1.7	98.8
	5	2	1.2	1.2	100.0
	Total	173	100.0	100.0	

4.3.7 I believe that it is shameful to give up something I started

Work situations present challenges, but it is the responsibility of the employees to remain resolute. A total of 173 responses were received of whom 106 (61.3%) of the respondents strongly agreed that it is shameful to give up something that would have been started, whilst 39 (22.5%) agreed with the statement, 14 (8.1%) did not provide any responses, 5 (2.9%) disagreed with the statement and 7 (4%) strongly disagreed

with the statement. The results showed that 145 (83.8%) or the majority of the respondents agreed that it was shameful to give up something that would have been started. Table 4.28 depicts the results.

Table 4.28: It is shameful to give up (N=173)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	106	61.3	62.0	62.0
	2	39	22.5	22.8	84.8
	3	14	8.1	8.2	93.0
	4	5	2.9	2.9	95.9
	5	7	4.0	4.1	100.0
	Total	171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.3.8 I have more than the average degree of self-determination

173 responses were received in this instance, of whom 88 (50.9%) of the respondents strongly agreed that they had an average amount of self-determination, while 64 (37%) agreed, 13 (7.5%) of the respondents remained neutral, 3 (1.7%) disagreed with the statement and 5 (2.9%) strongly disagreed. *The results presented in Table 4.29 show that 144 (87.9%) or majority of the respondents had more than average resilience or self-determination.*

Table 4.29: Self-determination (N=173)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	88	50.9	50.9	50.9
	2	64	37.0	37.0	87.9
	3	13	7.5	7.5	95.4
	4	3	1.7	1.7	97.1
	5	5	2.9	2.9	100.0
	Total	173	100.0	100.0	

4.3.9 Sometimes things just do not seem worth the effort

Participants were asked to indicate how they felt about some things they did and 172 responses were received. 31 (17.9%) of the respondents strongly agreed with the statement, 45 (26%) agreed as well, while 58 (33.5%) were ambivalent, 14 (8.1%) of the respondents disagreed with the statement and 24 (13.9%) of the respondents strongly disagreed. Though a fairly high rate (33.5%) of ambivalent responses was recorded, *the results in Table 4.30 showed 76 (43.9%) or majority of the respondents agreed that sometimes things do not seem worth the effort.*

Table 4.30: Sometimes things do not seem worth the effort (N=173)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	31	17.9	18.0	18.0
	2	45	26.0	26.2	44.2
	3	58	33.5	33.7	77.9
	4	14	8.1	8.1	86.0
	5	24	13.9	14.0	100.0
	Total	172	99.4	100.0	
Missing	System	1	.6		
Total		173	100.0		

4.3.10 I would rather not try something that I am not good at

As with question 4.5.9 above, 172 responses were also received where 29 (16.8%) of the respondents strongly agreed that they would not try something they were not good, 22 (12.7%) agreed as well, while 31 (17.9%) of the respondents did not provide any feedback, 44 (25.4%) of the respondents disagreed and 46 (26.6%) of the respondents strongly disagreed with the statement. *From the analysis it was evident that 90 (52 %) or majority of the respondents would rather try something new.* Table 4.31 depicts the results.

Table 4.31: Trying something one is not good at (N=172)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	29	16.8	16.9	16.9
	2	22	12.7	12.8	29.7
	3	31	17.9	18.0	47.7
	4	44	25.4	25.6	73.3
	5	46	26.6	26.7	100.0
Total		172	99.4	100.0	
Missing	System	1	.6		
Total		173	100.0		

4.3.11 I have more fear than most people

This question was posed to establish if the participants displayed more fear than most people in the South African Utility Company. Of the 169 responses received, 9 (5.2%) strongly agreed with the statement, 14 (8.1%) of the respondents agreed, 38 (22%) were neutral, 34 (19.7%) disagreed with the statement and 74 (42.8%) strongly disagreed that they have more fear than most people. *The results as displayed in Table 4.32 showed that 108 (62.5%) or the majority of respondents disagreed with the statement.*

Table 4.32: More fear than most people (N=169)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	9	5.2	5.3	5.3
	2	14	8.1	8.3	13.6
	3	38	22.0	22.5	36.1
	4	34	19.7	20.1	56.2
	5	74	42.8	43.8	100.0
Total		169	97.7	100.0	
Missing	System	4	2.3		
Total		173	100.0		

4.3.12 I find it difficult to take risks

Another self-efficacy element probed was to determine if research participants found it difficult to take risks. 28 (16.2%) of the respondents strongly agreed with the statement, 27 (15.6%) agreed as well, while 41 (23.7%) of the respondents did not give any

answers, 27 (15.6%) of the respondents disagreed and 46 (26.6%) strongly disagreed. *The overall results showed that 73 (42.2%) or majority of the respondents disagreed that it was not difficult to take risks.*

Table 4.33: Difficult to take risks (N=169)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	28	16.2	16.6	16.6
2	27	15.6	16.0	32.5
3	41	23.7	24.3	56.8
4	27	15.6	16.0	72.8
5	46	26.6	27.2	100.0
Total	169	97.7	100.0	
Missing System	4	2.3		
Total	173	100.0		

4.3.13 People have a lot of problems but none they will not eventually be able to solve

Challenges occur at different times and for different reasons, but it is the duty of the person facing challenges to devise strategies for dealing with those challenges. Some 20 (11.6%) of the respondents strongly agreed that people had a lot of problems but there were solutions to the problems, 31 (17.9%) agreed as well, *while the majority (80) of the respondents did not give any feedback*, 12 (6.9%) disagreed and 28 (16.2%) strongly disagreed.

Table 4.34: People's problems (N=171)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	20	11.6	11.7	11.7
2	31	17.9	18.1	29.8
3	80	46.2	46.8	76.6
4	12	6.9	7.0	83.6
5	28	16.2	16.4	100.0
Total	171	98.8	100.0	
Missing System	2	1.2		
Total	173	100.0		

4.3.14 I can succeed in almost any endeavour to which I set my mind

There were mixed responses received in this instance where the majority (96) of the respondents strongly agreed that they succeeded in all endeavours they set, 62 (35.8%) also agreed, while 8 (4.6%) of the respondents were ambivalent, 2 (1.2%) disagreed and 3 (1.7%) strongly disagreed. *It was evident that 158 (91.3%) or majority of the respondents stated that they succeeded in almost any endeavour they set.*

Table 4.35: Success in all endeavours (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	96	55.5	56.1	56.1
	2	62	35.8	36.3	92.4
	3	8	4.6	4.7	97.1
	4	2	1.2	1.2	98.2
	5	3	1.7	1.8	100.0
	Total	171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.3.15 Nothing is impossible if I really put my mind to it

A follow-up question was posed to get clarity from the participants, of whom 120 (69.4%) strongly agreed with the statement, 41 (23.7%) of the respondents agreed that nothing was impossible if one really put one's mind to it, 8 (4.6%) were ambivalent and 2 (1.2%) strongly disagreed with the statement. *The results as depicted in Table 4.36 showed that 161 (93.1%) or majority of the respondents felt that nothing was impossible.*

Table 4.36: Nothing is impossible if I really put my mind to it (N=173)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	120	69.4	70.2	70.2
	2	41	23.7	24.0	94.2
	3	8	4.6	4.7	98.8
	5	2	1.2	1.2	100.0
		Total	171	98.8	100.0
Missing	System	2	1.2		
Total		173	100.0		

4.3.16 I feel I am better off to rely on myself for a solution when things are looking bad

A total of 171 responses were received of whom 61 (35.3%) strongly agreed, 51 (29.5%) of the respondents agreed with the statement, 37 (21.4%) did not give any feedback, 12 (6.9%) of the respondents disagreed and 10 (5.8%) of the respondents strongly disagree with the statement. *The results displayed in Table 4.37 showed that 112 (64.8%) of the respondents agreed with the statement.*

Table 4.37: Self-reliance for solutions (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	61	35.3	35.7	35.7
	2	51	29.5	29.8	65.5
	3	37	21.4	21.6	87.1
	4	12	6.9	7.0	94.2
	5	10	5.8	5.8	100.0
	Total	171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.3.17 When put to the test I would remain true to my ideas

The study participants gave mixed responses where 101 (58.4%) of the respondents strongly agreed that when put to test they remained true to their ideas, 51 (29.5%) also agreed, while 15 (8.7%) remained neutral, 1 (.6%) disagreed and 2 (1.2%) strongly disagreed. *152(89%) or majority of the respondents agreed with the statement.*

Table 4.38: Truthful to my ideas (N=170)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	101	58.4	59.4	59.4
	2	51	29.5	30.0	89.4
	3	15	8.7	8.8	98.2
	4	1	.6	.6	98.8
	5	2	1.2	1.2	100.0
	Total	170	98.3	100.0	
Missing	System	3	1.7		
Total		173	100.0		

4.3.18 If a person believes in himself, he/she can make it in the world

Work situations pose challenges, but employees have to develop self-belief to accomplish task. This was evident when 131 (75.7%) of respondents strongly agreed with the statement, 32 (18.5%) of the respondents also agreed, while 2 (1.2%) did not provide any feedback, 1 (.6%) disagreed and 4 (2.3%) of the respondents strongly disagreed. The majority, 163 (96%) of the respondents agreed as shown in Table 4.39.

Table 4.39: Belief in oneself (N=170)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	131	75.7	77.1	77.1
	2	32	18.5	18.8	95.9
	3	2	1.2	1.2	97.1
	4	1	.6	.6	97.6
	5	4	2.3	2.4	100.0
	Total	170	98.3	100.0	
Missing	System	3	1.7		
Total		173	100.0		

4.3.19 I feel that the chances are very good that I can achieve my goals in life

From a total of 169 responses received, 122 (70.5%) of the respondents strongly agreed with the statement, 33 (19.1%) also agreed, 10 (5.8%) remained neutral, 2 (1.2%) disagreed and strongly disagreed respectively. *The results as shown in Table 4.40 indicated that 155 (89.6%) or majority of the respondents agreed that there were chances to achieve personal goals in life.*

Table 4.40: There are chances to achieve goals (N=169)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	122	70.5	72.2	72.2
	2	33	19.1	19.5	91.7
	3	10	5.8	5.9	97.6
	4	2	1.2	1.2	98.8
	5	2	1.2	1.2	100.0
	Total	169	97.7	100.0	
Missing	System	4	2.3		
Total		173	100.0		

4.3.20 In general, I agree that “If first I do not succeed, I’ll try again”

The question sought to establish if study participants believed in trial and error and 171 responses were received of whom 130 (75.1%) of the participants strongly agreed with the statement, 33 (19.1%) also agreed, while 4 (2.3%) did not give any feedback, 1 (.6%) disagreed and 3 (1.7%) strongly disagreed. The results in Table 4.41 show that 163 (94.2%) of the respondents agreed with the statement.

Table 4.41: Failure and retrial (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	130	75.1	76.0	76.0
	2	33	19.1	19.3	95.3
	3	4	2.3	2.3	97.7
	4	1	.6	.6	98.2
	5	3	1.7	1.8	100.0
	Total	171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.3.21 When I have difficulty getting what I want, I try harder

This was a follow-up question to the one above where 119 (68.8%) of the respondents strongly agreed that when they faced difficulties in getting what they aspired, they always tried harder, 43 (24.9%) of the respondents also agreed, 3 (1.7%) did not give any answers, 2 (1.2%) disagreed and 3 (1.7%) strongly disagreed. *The results as indicated in Table 4.42 show that 162(95%) or majority of the respondents agreed with the statement.*

Table 4.42: Trying harder to achieve goals (N=170)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	119	68.8	70.0	70.0
	2	43	24.9	25.3	95.3
	3	3	1.7	1.8	97.1
	4	2	1.2	1.2	98.2
	5	3	1.7	1.8	100.0
	Total	170	98.3	100.0	
Missing	System	3	1.7		
Total		173	100.0		

4.3.22 I excel at few things

There is always a sense of pride when one excels in accomplishing something in life, for instance, academic excellence. 171 mixed responses were received. 72 (41.6%) of the respondents strongly agreed with the statement, 42 (24.3%) also agreed, 28 (16.2%) of the respondents did not provide any answers, 14 (8.1%) disagreed and 15 (8.7%) strongly disagreed. *The results as shown in Table 4.43 show that 114 (65.9%) or majority of the respondents agreed that they excelled at few things.*

Table 4.43: Excelling at few things (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	72	41.6	42.1	42.1
	2	42	24.3	24.6	66.7
	3	28	16.2	16.4	83.0
	4	14	8.1	8.2	91.2
	5	15	8.7	8.8	100.0
	Total	171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.3.23 I have often burnt the midnight oil to finish a task before the deadline

Some work situations demand that employees meet stringent deadlines, thus compelling employees to work overtime or take some of the work home. In this instance, 82 (47.4%) of the respondents strongly agreed that they often worked throughout the night to finish assignments before deadlines, 44 (25.4%) also agreed, while 32 (18.7%) remained neutral, 5 (2.9%) disagreed and 8 (4.6%) strongly disagreed. From the analysis presented in Table 4.44, *it was evident that 126 (72.8%) or majority of the respondents often burnt the midnight oil to finish tasks before the deadline.*

Table 4.44: Working extremely hard to meet deadlines (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	82	47.4	48.0	48.0
	2	44	25.4	25.7	73.7
	3	32	18.7	18.7	92.4
	4	5	2.9	2.9	95.3
	5	8	4.6	4.7	100.0
Total		171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.3.24 I have more willpower than most people

A total of 170 responses were received of whom 53 (30.6%) of the respondents strongly agreed with the statement, 63 (36.4%) also agreed, 51 (29.5%) were neutral, 1 (.6%) disagreed and 2 (1.2%) strongly disagreed. *The results shown in Table 4.45 were that the majority (61%) of the respondents agreed that they had more willpower than most people.*

Table 4.45: Willpower (N=170)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	53	30.6	31.2	31.2
	2	63	36.4	37.1	68.2
	3	51	29.5	30.0	98.2
	4	1	.6	.6	98.8
	5	2	1.2	1.2	100.0
Total		170	98.3	100.0	
Missing	System	3	1.7		
Total		173	100.0		

4.3.25 I become frustrated when I experience physical discomfort

Respondents gave mixed viewpoints when asked to indicate how they felt when then experienced physical discomfort. 46 (26.6%) strongly agreed, 52 (30.1%) of the respondents also agreed, while 42 (24.3%) of the respondents did not give any answers, 16 (9.2%) disagreed and 14 (8.1%) strongly disagreed. *Table 4.46 shows that the 98(55.5%) or majority of the respondents agreed with the statement.*

Table 4.46: Physical discomfort (N=170)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	46	26.6	27.1	27.1
	2	52	30.1	30.6	57.6
	3	42	24.3	24.7	82.4
	4	16	9.2	9.4	91.8
	5	14	8.1	8.2	100.0
Total		170	98.3	100.0	
Missing	System	3	1.7		
Total		173	100.0		

4.3.26 Nothing is worth subjecting myself to pain for, if I can avoid it

An important self-efficacy factor related to participants subjecting themselves to pain and 48 (27.7%) of the respondents strongly agreed with the statement, 51 (29.5%) also agreed with the statement, 50 (28.9%) were ambivalent, 9 (5.2%) disagreed and 10 (5.8%) strongly disagreed. *From the above analysis, 99 (57.2%) or majority of respondents agreed with the statement.*

Table 4.47: Nothing is worth subjecting oneself to pain (N=168)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	48	27.7	28.6	28.6
	2	51	29.5	30.4	58.9
	3	50	28.9	29.8	88.7
	4	9	5.2	5.4	94.0
	5	10	5.8	6.0	100.0
Total		168	97.1	100.0	
Missing	System	5	2.9		
Total		173	100.0		

4.3.27 I would endure physical discomfort to complete a task because I just do not like to give up

The last self-efficacy characteristic focused on whether study participants endured physical discomfort when completing tasks. 62 (35.8%) of the respondents strongly agreed, 57 (32.9%) also agreed, while 35 (20.2%) did not give answers, 7(4%) disagreed and 10 (5.8%) of the respondents strongly disagreed. *From the above analysis 119 (69.6) or majority of the respondents agreed with the statement.* The results are shown in Table 4.48.

Table 4.48: Enduring physical discomfort in completing tasks (N=171)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	62	35.8	36.3	36.3
	2	57	32.9	33.3	69.6
	3	35	20.2	20.5	90.1
	4	7	4.0	4.1	94.2
	5	10	5.8	5.8	100.0
Total		171	98.8	100.0	
Missing	System	2	1.2		
Total		173	100.0		

4.4. REGRESSION ANALYSIS

The last objective of the study was to determine the effects of perceptions of the performance appraisal system on self-efficacy beliefs and perceptions of rewards. The results of the regression analysis are provided in Table 4.49.

Table 4.49: *Regression analysis*

	Self-efficacy	Rewards
	Step 1	Step 1
	Standardized β	Standardized β
Performance	0.28**	0.56**
R	0.28	0.56
R ²	0.08	0.31
F ²	0.09	0.45

F² parameters set for practical significance: .01 \geq small effect/.09 \geq medium effect/ .35 \geq large effect

** . Correlation is significant at the 0.01 level.

Inspection of Table 4.49 indicated that perceptions of the performance appraisal system ($\beta = .28$; $t = 3.80$) were a statistical significant predictor of self-efficacy belief and it predicted 8% of the variance in self-efficacy beliefs. Table 4.49 also indicates that perceptions of performance appraisal system ($\beta = .56$; $t = 8.83$) were a statistical significant predictor of perceptions of reward systems and it predicted 31% of the variance in perceptions about reward systems. This means that perceptions of performance management systems are important for self-efficacy beliefs and perceptions about rewards.

4.5. SUMMARY

This chapter focused on regression analysis, factor analysis and presented a discussion of results which were collected by administering a questionnaire. A total of 173 respondents participated in the study. One section of the findings focused on rewards systems and a total of 20 questions were asked, where participants gave mixed opinions regarding rewards systems. The other section of the findings posed 27 questions on self-efficacy. The next chapter focuses on conclusions, recommendations and areas of further study.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1. INTRODUCTION

To be able to address the objectives of the study, namely, to investigate the (i) the perceptions of performance appraisal system, perceptions of rewards and self-efficacy beliefs, (ii) the relationship between perception of the performance appraisal system, rewards and self-efficacy beliefs and to (iii) to determine the effects of performance appraisal system on perceptions of rewards and self-efficacy beliefs in South Africa, A literature review was conducted and reported on in chapter two of the study. The research design and methodology used in this study was discussed in chapter three. The findings of the study were presented in chapter four. The objective of this chapter is to presents conclusions and recommendations for the organisation where the research were conducted as well as for future research.

5.2. CONCLUSIONS

This research study focused on the effects of performance appraisal systems, rewards and self-efficacy in the South African Utility Company in South Africa. Conclusions are now formulated regarding the theoretical and empirical objectives of the study.

5.2.1. Findings from literature review

Through the literature review, a range of sources was drawn on and evaluated, thus forming the backbone of the study. The sources included journals, books, magazines, research articles, and Internet and company records. The concepts of performance appraisals, rewards and self-efficacy were investigated. It was established that performance management included practices and methods for goal setting, performance appraisal and reward systems that align with employee work behaviour with business strategy (Deloitte & Touche, 2012:15).

It was established that the objectives of the performance appraisal system were to create and maintain a satisfactory level of performance; contributing to employee growth and development; helping supervisors understand performance of their subordinates; guide the job changes with the help of continuous ranking and to facilitate fair and equitable compensation based on performance (Noe *et al.*, 2011:278). The study discussed the performance model which comprised four phases namely:

performance planning; performance execution; performance assessment and performance review (Grote, 2002:123). Furthermore, the study also discussed the various types of performance appraisal systems such as:

- ranking systems;
- paired comparisons;
- Forced distribution;
- Absolute rating techniques;
- Assessment centres;
- Self-appraisal; and
- 360-degree appraisal.

The components of an appraisal system that were identified include regular feedbacks, 360-degree feedback, strengths and improvement areas and support plans. It was noted that the performance appraisal system should allow for identifying the kind of support that an employee will need to increase performance. The reasons for conducting performance appraisals were to improve communication, decision-making and motivating employees (McNamara, 2008:35).

It was noted that a well-designed and functional rewards system was an efficient way of motivating employees. The study established that there were two categories of rewards systems: intrinsic rewards that came from the employees and extrinsic rewards that include tangible rewards given to employees such as pay raises, bonuses and benefits (Majumder, 2012:64).

The study noted that self-efficacy was not concerned with the skills one had but with the judgements of what one can do with whatever skills one possess (Bandura, 1990:316). Perceived self-efficacy refers to the judgement of personal capability whereas self-esteem refers to judgement of self-worth. The sources of self-efficacy were identified as enactive mastery, vicarious experience, verbal persuasion and psychological and affective states. Success at a task performed or skill strengthens self-efficacy expectancies for that task or skill whereas perception of failure reduces self-efficacy expectancy (Maddux, 1995:11).

The study established that equity theory was developed by Adams (1963) and it focuses on input and outcome. Equity theory deals with human motives and it should have wide

applications in understanding organisational behaviour. Employees at the South African Utility Company provide labour in exchange for remuneration and other benefits offered by the employer. It was noted that the South African Utility Company had a performance appraisal system in place where employees were appraised twice annually. Other studies that were reviewed in this study focused on the Chinese General self-efficacy scale, the hybrid of performance appraisal in Australia and the current trends in the United States of America (USA).

5.2.2 Empirical study

The first empirical aim of this study was to investigate the perceptions of performance appraisal system, perceptions of rewards and self-efficacy beliefs of the employees in the South African Utility Company. This was achieved in chapter four. Participants in this study reflected their satisfaction with the pay cheques they were receiving from the South African Utility Company with the majority at 43.4%. The employees also stated that they understood the rewards system with the 63% majority and 90.11% agreed that it was the right of the company to pay each employee a salary commensurate to the employee's contribution.

The results showed that 63.6% majority of the employees were happy and content with the performance appraisal system in place at the South African Utility Company. According to the analysis the majority of employees at 54.9% agreed that the performance appraisals were good for their development because superiors constantly provided regular feedback with 52.6% of employees agreeing with the statement.

Another objective of the study was to determine the relationship between perception of the performance appraisal system, rewards and self-efficacy beliefs. The findings seem to suggest that a perception of the performance appraisal system is practically significantly related to both perceptions of rewards and self-efficacy-beliefs. The results also suggest that relationship between self-efficacy belief and rewards were non-significant.

The last objective of the study was to determine the impact of perceptions of the performance appraisal system on perceptions about rewards and self-efficacy beliefs. The results seem to indicate that perceptions of the performance appraisal system were a statistical significant predictor of self-efficacy belief and it predicted 8% of the variance in self-efficacy beliefs. Results also seem to suggest that perceptions of performance

appraisal system were a statistical significant predictor of perceptions of the reward systems and it predicted 31% of the variance in perceptions about reward systems. This means that perceptions of performance management systems are important for self-efficacy beliefs and perceptions about rewards

5.3. LIMITATIONS OF THE RESEARCH

This research has exposed some limitations regarding the relationship between performance appraisal systems and self-efficacy. There is limited literature that discusses the relationship between performance appraisal systems, rewards and self-efficacy in the South African context.

The study focused on one strategic business unit (SBU) – Distribution Division of the South African Utility Company and therefore the findings cannot be generalised to the whole company. The population of the Distribution Division is not representative of the entire South African Utility Company's employees and therefore the opinions and views provided in the study cannot be a true reflection of all employees.

5.4. RECOMMENDATIONS

The study generated various application-oriented suggestions for further research. The following recommendations based on the results of the study can be formulated for the South African Utility Company.

The South African Utility Company can recruit and select individuals who display a high level of self-efficacy as potential employees. The recruitment and selection envisages more research on the potential candidates.

There were instances where employees indicated that the performance appraisal system at the company did not help them improve their responsibilities. The study therefore recommends that management should engage and consult employees on performance appraisals should the performance of each individual employee improve. A consultative process will contribute to the development of employees' commitment.

The study recommends that further research be conducted to investigate perceived levels of self-efficacy. Self-efficacy is pivotal to achieving the fortuitous ends envisioned by the positive psychology movement. A qualitative research can be conducted to provide more information on self-efficacy. Further research efforts should be done to

enhance the validity of the study by obtaining a larger and more representative sample.

5.5. SUMMARY

This chapter provided conclusions from the literature review and empirical studies followed by the limitations of the research. The recommendations that were suggested in the chapter were based on the findings.

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Appendix A: Letter from language editor

December 2, 2014



TO WHOM IT MAY CONCERN

Re: Letter of confirmation of language editing

The dissertation "The effect of performance appraisal system, rewards and self-efficacy beliefs in a South African utility company" by TJ Mabeleng (23060638) was language, technically and typographically edited. The sources and referencing technique applied was checked to comply with the specific Harvard technique as per North-West University prescriptions. Final corrections as suggested remain the responsibility of the student.

Antoinette Bisschoff

Officially approved language editor of the NWU since 1998
Member of SA Translators Institute (no. 100181)