

A Performance Management System Application Model for public institutions: The Case of the Regional Land Claims Commissioner, Limpopo Province

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DECLARATION

I, Mbhanyele Risenga Ernest, declare that the mini-dissertation “A Performance Management System Application Model for Public Institutions: The Case of the Regional Land Claims Commissioner, Limpopo Province” hereby submitted for the degree Master of Public Management and Governance at the Potchefstroom Campus of North-West University has not been submitted previously by me at this or any other university, and that the sources of all materials contained herein have been duly acknowledged.

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Date:.....

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ABSTRACT

Public service organisations face unprecedented pressure, not only to achieve the goals set by the government and to meet the expectations of the citizens, but also to deliver increased productivity and efficiency. To achieve this, they have adopted various private sector management techniques such as the Balanced Scorecard, Excellence Model and Six Sigma, which increasingly find application value in public institutions. A comprehensive statutory and regulatory framework was further established to facilitate the design and implementation of comprehensive performance management systems (PMS) in public institutions in all spheres of the South African Government.

Although the vast majority of public institutions in the South African Public Service have implemented performance management systems, they generally experience significant challenges with the comprehensive design and the application of these systems. The Office of the Regional Land Claims Commissioner (RLCC), Limpopo Province is no exception. A situation prevails in which employees do not fully understand their responsibilities and generally do not appreciate their respective contributions to operationalising the strategic objectives of the Office. This situation has a detrimental effect on the overall performance of the Office.

This research therefore seeks to uncover and evaluate the particular challenges associated with the implementation of the PMS in the Office of the RLCC with a view to recommending amendments and adjustments in terms of its implementation and application. From this empirical investigation it is evident that the RLCC Office is facing some significant challenges pertaining to the general management of performance.

In this study, a qualitative, case study research design was followed, utilising a descriptive approach to interpreting the phenomena under investigation. Two managers, five line managers' and 10 employees, that is, a total of 17, were selected through purposive sampling from the Office of the Regional Land Claims Commission. Semi-structured interviews were utilised for data collection purposes

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KEY WORDS:

Performance, Performance Management, Performance Management System, Regional Land Claims Commissioner, Limpopo, South African Public Service

CHAPTER 1

INTRODUCTION

1.1 ORIENTATION AND PROBLEM STATEMENT

According to Grobler, Wamech, Carrell, Elbert and Hartfield (2006:481), obtaining better performance has been a consistent theme in both public and private sector environments for many years. Perry and Wise (1990:367) are of the opinion that the past two decades have brought significant changes in the way public sector institutions approach their operations and functions. Due to contemporary governance models and approaches such as Value-for-Money, New Public Management and Network Governance, public institutions increasingly recognise the significance of performance improvement, and performance monitoring and evaluation in the workplace.

According to Brignall and Modell (2000), since the 1990s government services in countries with advanced economies such as the United Kingdom and Scandinavia have come under severe pressure to become more efficient and effective so as to reduce their demands on taxpayers while maintaining the volume and quality of services supplied to the public. To achieve this, they have adopted various private sector management techniques. Proven performance management practices and techniques utilised in the private sector such as the Balanced Scorecard, Excellence Model and Six Sigma also increasingly find application value in public institutions.

The South African Public Service is no exception to the rule; since the establishment of a Department for Performance Monitoring and Evaluation (2005) and the adoption of a comprehensive Performance Monitoring and Evaluation Framework (2007), performance management has increasingly found application value in public institutions. A comprehensive regulatory framework was further established to facilitate the design and implementation of comprehensive performance management systems in public institutions in all spheres of government. The Constitutional mandate (Section 195), the promotion of the *Batho Pele*-principles (1997) and the regulatory guidelines issued by the Department of Public Service and Administration all strongly drive the move towards promoting the performance monitoring of systems, processes and policies, as well as the monitoring of employees'

performance by means of performance management systems. It is important to understand that one of the hallmarks of a transparent and accountable Public Service is the successful application of performance management strategies (Moorhead & Griffin, 2004:200). According to the Public Service Regulations (2001), a system of performance management should have been implemented by all departments with effect from 1 April 2001 and since then almost every public institution has introduced this process. Part VIII, Section A of the Public Service Regulations (2001) states that:

Departments shall manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational efficiency and effectiveness, accountability for the use of resources and the achievement of results [...] [The] Performance management process shall link to broad and consistent plans for staff development and align with the department's strategic goals. The primary orientation of performance management shall be development but shall allow for an effective response to consistently inadequate performance and for recognising outstanding performance. Performance management procedure should minimise the administrative burden on supervisors while maintaining transparency and administrative justice.

It is generally accepted that performance management has two dimensions: a people/human resource dimension and a systems and process dimension (Van der Walddt, 2004). From a human resource perspective, performance management can be regarded as the process of creating a work environment or setting in which people are enabled to perform to the best of their abilities (Armstrong & Murtis, 1998:240). International best practice reveals that a PMS should facilitate interaction between the staff members of an institution, and should improve communication between the employees and their first line managers (i.e. supervisors).

An important element of an effective PMS is the provisioning of timely feedback regarding employee appraisal results. According to Dowling, Festing and Engle (2007:285), regular feedback is an important aspect of staff development, along with meeting targets and revising goals, to assist in the clarification of work responsibilities. From a systems and process point of view, Hale (2004:3) regards performance management as a tool to improve the effectiveness and efficiency of work. It also concerns the process of establishing a shared understanding of what is to be achieved and how it is to be achieved. From a more inclusive

perspective, covering both human resource and systems and process dimensions, Fisher (1996) argues that performance management is concerned with the total performance of the organisation and how the results achieved by individuals and teams contribute to its overall successes. It thus concerns the total performance of an organisation, inclusive of its systems, processes, procedures, methods, policies and resource utilisation.

Performance management finds its application value through the design and implementation of performance management systems (PMSs), which include systems, processes, procedures, and predetermined guidelines to focus, direct, monitor and assess the performance of employees and systems in organisations. According to Schultz, Bagraim, Potgieter, Viedge and Werner (2003:76), a PMS is a systemic process that formally documents the goals and objectives of each employee, with a “built-in” review process. A PMS usually facilitates employees’ understanding of their functions and responsibilities towards the successful execution of strategic organisational goals.

However, although the vast majority of public institutions in the South African Public Service (including provincial departments and municipalities) have implemented performance management systems, an incremental, phased process was followed. The result is that only certain steps have been taken to implement some parts of the system (PMS). Moreover, the majority of institutions experience significant challenges with the comprehensive design of and application of the system. The latter includes challenges associated with employee and labour union resistance, integration with existing institutional processes and procedures, the general absence of a performance culture, and the non-establishment of mechanisms to foster performance monitoring, assessment and reporting (see Van der Waldt, 2008:25).

In the Office of the Regional Land Claims Commissioner (RLCC), Limpopo Province, the implementation of a PMS is no exception as far as the implementation challenges highlighted above are concerned. The senior managers of the Office generally did not succeed in successfully instilling a performance culture or aligning and integrating the PMS with the Office’s normal management processes and activities. Preliminary interviews with members of the Office reveal that senior managers generally regard performance monitoring and appraisal as a once-off annual event, which needs to be concluded only towards the end of the financial year. Schultz et al. (2003:76) explicitly caution against this view and state that

managers should not regard performance management as a separate activity from the day-to-day management of people at work.

Furthermore, senior managers and supervisors seldom follow up on decisions and tasks that have been allocated to staff members. Employees generally are therefore not adequately held accountable for the execution of these management decisions. This has led to a situation in which employees do not fully understand their responsibilities and generally do not appreciate their respective contributions in terms of operationalising the strategic objectives of the Office. This situation has a detrimental effect on the overall performance of the Office. In this regard, Williams (2006:26) stresses the need to transform the Public Service through the application of performance management systems that reinforce accountability. Accountability, he argues, is a cornerstone in ensuring that public service outputs (i.e. goods and services) and outcomes (i.e. results of output) are efficient, effective and economical.

The problem, therefore, is that the Office of the RLCC, Limpopo Province, does not have a coherent application model for the successful implementation of its PMS. The aim of this research is therefore to seek to uncover and evaluate the particular challenges associated with the implementation of the PMS in the Office of the RLCC with a view to recommending amendments and adjustments in terms of its implementation and application. An application model will be suggested that could assist not only the Office of the RLCC, but also all similar public service institutions in South Africa.

1.2 RESEARCH QUESTIONS

The main questions that will be answered in this paper are as follows:

- What are the most appropriate best practice principles and theoretical models for performance management
- What are the statutory and regulatory prescripts governing performance management system design and implementation?
- What is the application value of performance management systems to improve the effectiveness and efficiency of public service institutions?

- What are the application model, characteristics and limitations of the PMS designed and implemented by the Office of the RLCC, Limpopo?
- How do employees and managers perceive the successes and failures of the current PMS?
- What are the particular implementation and application challenges associated with the PMS?
- What elements should be considered for inclusion in an improved application model when adjusting the current PMS of the Office?

1.3 RESEARCH OBJECTIVES

The primary objective of this study is to formulate the design of more coherent and effective application model for PMS implementation in the Office of the RLCC. With this primary objective in mind, the following sub-objectives are formulated:

- To identify the appropriate best practice principles and theoretical models of performance and performance management.
- To analyse the statutory and regulatory prescripts governing performance management system design and implementation in the South African Public Service.
- To evaluate the potential value of performance management systems to improve the effectiveness and efficiency of public service institutions.
- To assess the current application model, characteristics and limitations of the PMS that has been designed and implemented by the Office of the RLCC, Limpopo.
- To determine employees' and managers' perceptions regarding the successes and failures of the current PMS.
- To identify and evaluate the particular implementation and application challenges associated with the PMS.
- To determine elements that should be considered for inclusion in an improved application model to adjust the current PMS of the Office.

1.4 CENTRAL THEORETICAL STATEMENTS

The following theoretical statements serve as foundational arguments for the study:

- (i) A good performance management system could improve organisational performance when it is implemented comprehensively and remains focussed on organisational results (Chingos, 1997; Noe et al., 2000:46; Schultz et al., 2003:76; Moorhead & Griffin, 2004:195).
- (ii) Consistent feedback can improve the performance of employees (Foster & Seeker, 1997:22; Murdock & Scutt, 2003).
- (iii) A flexible performance management system that upholds the principle of law, equity and public interest improves public sector administration and promotes good governance (Mukono, 2009:1).

1.5 RESEARCH METHODOLOGY

1.5.1 Literature review

A literature review of both national and international sources will be conducted to review various theories and models for performance management, as well the application thereof in public sector settings. Other sources of information, such as institutional documentation, will be qualitatively analysed by interpreting them in their totality and examining their meaning. These can be categorised as judicial material, official documents, Acts of Parliament and administrative guidelines.

For the formulation of this proposal, various databases were consulted to ascertain the availability of material for the purpose of this research, such as:

- Catalogue of theses and dissertations of South African Universities (NEXUS) through use of the website www.nexus.co.za
- National Bureau of Economic Research, www.nber.org.

- Various universities' repositories, such as;
www.nwu.ac.za/library/theses.html; www.repository.uwc.ac.za; <http://widespace.wits.ac.za>.

Adequate material is available to conduct and conclude this study successfully.

1.5.2 Empirical investigation

A qualitative research design will be used in this study. Qualitative research springs from the interpretive and descriptive paradigm and an open relationship between theory and research (Corbetta, 2003:38). According to Worland and Manning (2005:6), a descriptive approach involves attempting to define or measure a particular phenomenon, usually by seeking to estimate the strength or intensity of behaviour or the relationship between two behaviours. The researcher often has to avoid formulating theories before fieldwork begins. Qualitative data will be collected through a case study design in order to evaluate the implementation and application of the PMS at the Office of the RLCC, and to assess perceived implementation challenges. The Office of the RLCC is thus the primary unit of analysis.

1.5.2.1 Data collection methods

Semi-structured interviews will be used for data collection purposes. Respondents will be selected from the employees of the Office of the RLCC. One head of the Office, two senior managers, five line managers and 10 employees will be selected. The respondents will be selected using the purposive sampling method. Purposive sampling enables the researcher to choose the respondents who possess the information and knowledge required for the study. In-depth face-to-face interviews will also be conducted with the head of the Office, senior managers and line managers within the Office with the intention of gaining more information on the systems in place to monitor performance in the Office.

1.5.2.2 Reliability and validity

According to Brynard and Hanekom (1997), validity refers to the potential of a design or an instrument to achieve or to measure what it is supposed to achieve or measure. In this case, validity will be ensured by designing questions that elicit information that will be relevant to

the study. Construct validity will be used as a tool to measure the information gathered. Also, the validity of the instrument will be tested for face validity by the supervisor and by establishing that the instruments can measure the appropriate construct.

Reliability pertains to the accuracy and consistency of measures (Brynard & Hanekom, 1997:41). In this study reliability will be ensured by putting questions to participants that will obtain the same results even when they are posed to a different group. The reliability of the research will also be ensured by making use of one research instrument, namely the interview schedule, for the entire group of respondents. The validity and reliability of the data measuring instruments are crucial to the scientific research results as they help to ensure the collection of accurate information.

1.6 CHAPTER LAYOUT

Chapter 1: Introduction

This chapter consists of a background that introduces the reader to the topic of performance management systems. It introduces the problem to be investigated, the research questions and objectives in order to clarify the purpose of the study. The research methodology is also outlined to show how the research will be conducted. The rationale or justification for undertaking this study is also explained.

Chapter 2: Theoretical perspectives on performance, performance management and performance management systems

In this chapter a review of the relevant literature on the theoretical underpinnings, principles and elements of performance, performance management and performance management systems will be presented.

Chapter 3: An overview of the statutory and regulatory frameworks guiding performance management in the South African Public Service

In this chapter the statutory and regulatory frameworks that guide performance management in the Public Service are analysed. A second leg of data triangulation will be provided to

compare PMS applications in the Office of RLCC with both the theoretical best practice and the statutory prescripts.

Chapter 4: The status of the performance management system in the Office of the Regional Land Claims Commissioner, Limpopo Province: Empirical findings

In this chapter will the findings of the investigation into performance management systems in the Office of the Regional Land Claims Commissioner, Limpopo will be detailed. The perceptions and understanding of performance management system by the employees within the Office of the Regional Land Claims Commissioner, Limpopo will be explored.

Chapter 5: Summary and Recommendations

This chapter will contain conclusions and recommendations that will be based on the findings of the study. This chapter will also include a description of an application model that was developed as management tool to help the RLCC Office to refine and complete the implementation of its PMS.

CHAPTER 2

THEORETICAL PERSPECTIVES ON PERFORMANCE, PERFORMANCE MANAGEMENT AND PERFORMANCE MANAGEMENT SYSTEMS

2.1 INTRODUCTION

The South African Public Service continues to endure a legacy of underdevelopment and inadequate access to basic services. Corcoran and Cotton (2010) state that in today's economic climate, public service organisations face unprecedented pressure, not only to achieve the goals set by the government and to meet the expectations of the citizens, but also to deliver increased productivity and efficiency. Effective performance management practised in public sector organisations in an integrated, interactive and sustained way could help public service institutions to overcome these challenges.

The Government of South Africa has acknowledged that the state has not performed as well as it could have since 1994 in terms of service delivery (The Presidency, 2009). The Public Service has put in place various mechanisms and measures to turn the situation around. Some of the measures include the promotion of the implementation of a performance management system in the workplace. This has been done to enhance the performance of departments, thus facilitating the improvement of service delivery. According to Artley, Ellison and Kennedy (2001), all high performance organisations, whether public or private, should be interested in developing and employing effective performance management practices and systems, since it is through such systems that they can remain productive and competitive.

Measuring the performance of processes and employees in the Public Service is regarded as a bold step to assist public institutions to achieve their strategic goals. It must be understood that the success of a department in developing its operational and strategic goals depends primarily on the ability of the employees in the department to carry out their duties efficiently and effectively. This chapter will provide theoretical perspectives on performance, performance management and performance management systems.

2.2 THEORETICAL EXPOSITION OF THE CONCEPT ‘PERFORMANCE’

Performance is generally regarded as the accomplishment of tasks that can be measured by set standards in a particular organisation. In the Public Service the term “performance” refers to an employee’s accomplishment of assigned tasks (Cascio, 1993:275). In other words, it helps employees to complete tasks that have been targeted in a certain timeframe. According to Van der Waldt (2004:37), performance is referred to as being about doing work, as well as about the results achieved. Robbins and Coulter (2003:554) also argue that performance is the end result of an activity.

According to Kay and Banfield (2008: 270), “performance” can be interpreted as expressing the relationship between a person’s capabilities and what the person actually achieves. In other words, performance is getting the job done and producing the results that employees have aimed to achieve. For Longdon (2000:13), it is the actual work that is done to ensure that an organisation achieves its mission. Rue and Byars (1995:566) emphasise that performance is the degree of accomplishment of the task that constitutes an employee’s job. It must be stressed that the performance of an employee must be reflected in the overall performance of the organisation.

Farlex (in Watson Jr, 2006:10) states that organisational performance comprises the actual output or results as measured against intended goals and objectives. According to Mahapatro (in Ratna et al), Organisational performance can also be defined as the ability of an organisation to fulfil its mission through sound management, strong governance and persistent rededication to achieving results. It involves recurring activities to establish organisational goals, monitor progress towards goals and make adjustments to achieve those goals more effectively and efficiently. Organisational performance should not be seen as being separated from the individual’s performance.

Performance is the bottom line for people at work and it is the basis of productivity. It should contribute to the accomplishment of organisational objectives. Generally speaking, when employees manage to reach their performance targets, in all likelihood that particular organisation will manage to achieve its objectives. However, if employees do not manage to reach their targets it will probably have a negative impact on the performance of the organisation as a whole. In other words, performance can be regarded as the quality and

quantity of tasks accomplished by an individual or group, which will impact on organisational performance. It is important to understand that the failure of a single employee reflects on the overall organisation.

When dealing with performance management in the Public Service, the focus should fall on both the performance of employees and on the overall performance of an organisation. Performance management is done to determine the relevance of individual and work or group performance in relation to organisational purposes, improve the effectiveness of the unit and improve the work performance of employees (Cascio, 1993:275).

The performance of individuals is typically measured by key performance areas (KPAs) and key performance indicators (KPIs). According to Knipe, Van der Waladt, Van Niekerk, Burger and Nell (2002:45), KPAs are those areas of performance that are reflected explicitly or implicitly in the vision and strategy of an organisation, while KPIs can be regarded as the individual measure for which specific numerical values can be obtained at predetermined intervals. According to Knipe et al. (2002:228), performance as defined above is also affected by a number of factors that should be taken into account when managing, measuring, modifying and rewarding performance. These factors comprise:

- Personal factor: the skills, confidence, motivation and commitment of employees.
- Leadership factor: the quality of encouragement, guidance and support provided by the manager.
- Team factor: the quality of support provided by team members.
- System factor: the system of process, resources and facilities provided by the organisation.
- Contextual (situational) factor: internal and external environmental pressure and changes in organisational activities.

It must be understood that individuals can only perform as expected if none of these factors are ignored and if managers foster an environment that is challenging and conducive to producing a high standard of work. According to Muller, Bezuidenhout and Jooste (2006:336), an individual's performance thus depends upon his/her personal job-related opportunities, ability to make the most of a situation and the willingness to work

and strive for higher goals in view of personal growth and organisational goal achievement.

2.2.1 Dimensions of performance

According to Keaney and Berman (in Van der Walddt, 2004:39) eight dimensions of performance management are evident. They are the following:

- **Modification of perception and attitude:** This is an attempt to change emotions, beliefs, values and attitudes by increasing the information flow to people, a task accomplished by explaining policies, instituting staff meetings, keeping an open door and other such communication mechanisms.
- **Modification of the authority system:** This is aimed at increasing the responsiveness of management and at improving authority relations, decision processes and the communication system. Attempts to modify the formal chain of command, clarification of authority relations, delegation, the development of policy teams and the reassignment of supervisory responsibility are examples of this.
- **Structural reorganisation:** This simply entails the reorganisation of the system or structure of the organisation. It means changing such things as the size of the unit, staffing procedures, physical arrangements or budgeting processes.
- **The process of measurement and evaluation:** This involves setting goals and objectives, measuring progress and evaluating results. It is reflected in the implementation of management by objectives, Management Information Systems, and programme planning and budgeting.
- **Modification of work methods through technology:** This entails changes in equipment, work methods, control systems and tracking devices, and work processes. It is most often reflected in attempts at automation and might include computerised placement procedures, receipt posting, case tracking and reporting processes.

- **Retraining and replacement:** This refers to people changes. Personnel might be taught new skills as a result of redefined duties, responsibilities or job qualifications.
- **Modification of the workflow:** Usually it involves rearrangement of units or jobs so that the path or sequence of workflow is altered. Such changes often modify intergroup relationships.
- **Introducing new programmes:** This is the final dimension of change to improve performance. Such innovative new programmes usually involve new products or services.

According to Van der Waldt (2004:38), the eight dimensions help one to understand a great deal about the process of improving organisational performance. It must also be understood that there should be a means by which performance can be measured, monitored and controlled. This is called “performance management” and will be explored in the next section.

2.3 UNDERSTANDING PERFORMANCE MANAGEMENT

The desire to elicit high levels of productivity and quality from employees has generated a drive to design appropriate performance measurement and management systems that stretch across the entire public sector. This has caused performance management to be more relevant in the current public service setup. According to Flynn (2007), performance management is at the heart of Government’s efforts to take central control of services. Also, the Association for Public Service Excellence (2009:1) argues that performance management within the public sector should be seen as a means to ensure the best use of limited resources. This fact has rendered performance management important in terms of promoting the accountability of an organisation and individuals, and enabling the setting of targets and monitoring them.

According to Spangenberg (1994:29), performance management can be regarded as an ongoing process that involves planning, managing, reviewing, rewarding and developing performance. The Chartered Institute of Personnel and Development (2012:3) agrees that performance management is the system through which organisations set work goals, determine performance standards, assign and evaluate work, provide performance feedback,

determine training and development needs, and distribute awards. These definitions highlight the organisational dimension of performance management.

Turning to the human dimensions of performance management, Cascio (1993:275) states that performance management should be regarded as the total process of observing an employee's performance in relation to requirements over a period. Muller, Bezuidenhout and Jooste (2006:334) add that performance management is basically concerned with measuring, monitoring and evaluating the performance of employees and then initiating steps to improve performance where it is warranted. Novis (2010) concurs and further argues that performance management can be explained as the process of monitoring tasks and people to ensure that plans are achieved. Clearly it can be seen that performance management is a tool that assists organisations in the Public Service to monitor the performance of their employees and to design appropriate measuring instruments to further improve their functioning.

As far as the relationship between people at work and the institution in which they work is concerned, the Office of Personnel Management (1999:1) argues that performance management is a process for establishing a shared understanding of what is to be achieved and how it should be achieved. Performance management is regarded as an approach to managing people that increases the probability of achieving success. Armstrong and Baron (2004) also define performance management as a process that contributes to the effective management of individuals and teams in order to achieve high levels of organisational performance.

These definitions highlight the fact that a performance orientation should be shared among all in the organisation. In support of this argument, Horne and Doherty (2002:336) state that performance management should include the communication of organisational aims and objectives to all stakeholders, and setting performance targets in order to measure the achievement of these aims and objectives. Its goal is to create a climate of shared understanding about what is to be achieved and then develop people to increase the chance that it can indeed be achieved (Armstrong & Baron, 2004).

Focusing on the more strategic dimensions of performance management, Minnaar and Bekker (2005:129) argue that performance management might be regarded as a natural extension of the strategic management process. Performance management involves having in place

systems and methods that translate the goals of strategic management into individual performance. Williams (2006:40) also argues that performance management is a system that ensures organisational performance through the alignment and interaction of all the organisational elements, such as the vision, mission, values and culture of the organisation. This requires that everything that is planned during performance management must be linked to the strategic plan of the whole organisation. In another sense, performance management is a system of evaluating employees to help them reach reasonable goals and thus ensure that the organisation performs better.

Generally, performance management is the process of creating a work environment in which people are enabled to perform to the best of their ability. So performance managements is also about establishing an organisational culture in which individuals and groups take responsibility for the continuous improvement of the performance of the organisation and their own skills, behaviour and contributions.

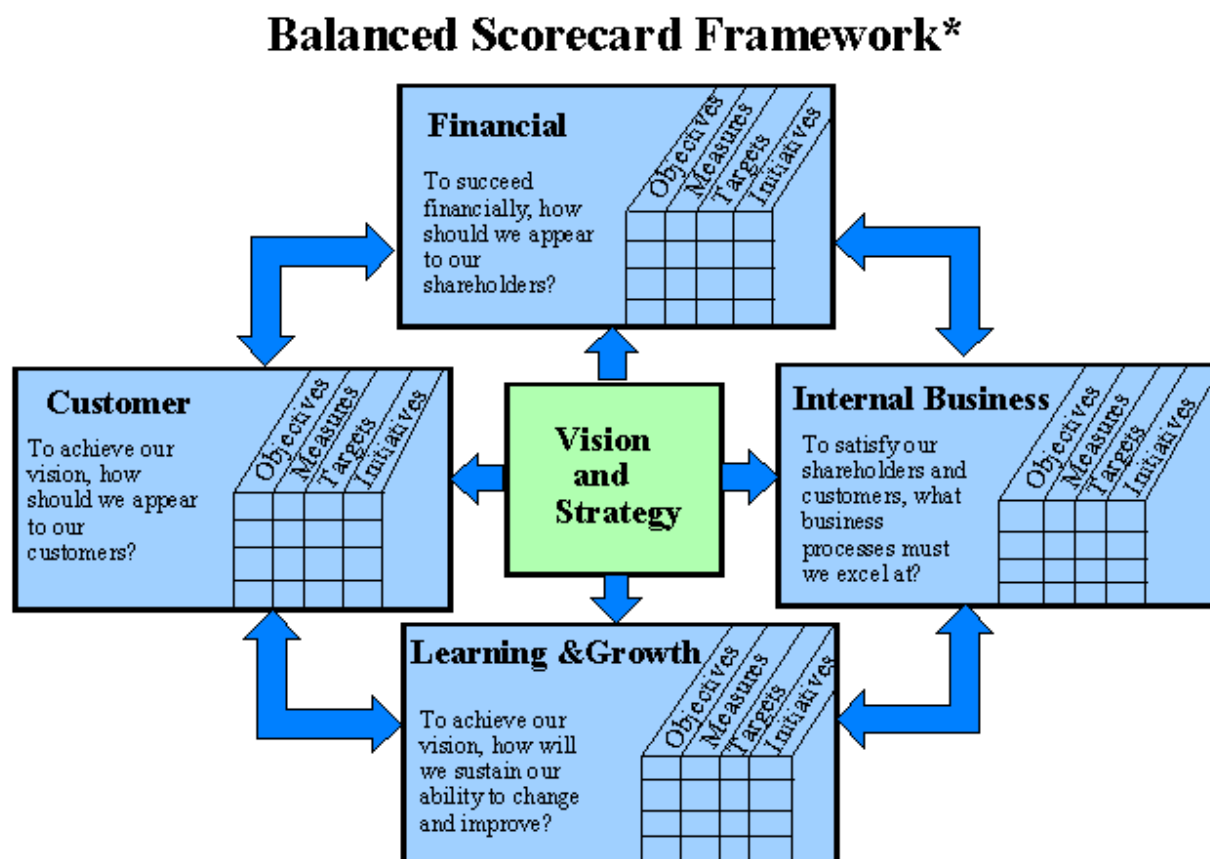
Various performance management tools linked to performance management have been explored by different authors and some of the tools will be highlighted below to operationalise the research objectives of this chapter.

2.3.1 Performance management models

Performance management tools generally help organisations to monitor the implementation of their strategic plans and thereby contribute to their organisational success. According to Gomes and Romão (2014), performance management control tools provide information that is intended to be useful to managers in performing their jobs and to assist the organisation in developing and maintaining viable patterns of behaviour. Schwella, Burger, Fox and Muller (1996:117) explain that performance management tools are also effective means to force organisations to act on the performance information they receive. The Balanced Scorecard, EFQM Excellence Model, the Servqual model, Total Quality Management model and Management-by-Objectives are some of the models that were identified for the purpose of this study and are explained as follows:

2.3.1.1 Balanced Scorecard

The Balanced Scorecard (BSC) can be regarded as a strategic planning and management system that is used extensively in business and industry, government and non-profit organisations to align business activities to the vision and strategy of the organisation, improve internal and external communications, and monitor organisations' performance against strategic goals (Balanced Scorecard Institute: 2014). Sarkissian (2014) argues that, while originally adopted by large organisations, it applies to organisations of any size or sector. BSC is usually used to integrate the performance management and control systems. The Balanced Scorecard concept involves creating a set of measurements for four strategic perspectives. These perspectives include: financial, customer, internal business process, and learning and growth. The idea is to develop between four and seven measurements for each perspective. Below is the example of the BSC as designed by Kaplan and Norton (1996).



* Adapted from Kaplan & Norton 1996. *The Balanced Scorecard*. Harvard Business School Press: 9. Original from HBR Jan/Feb 1996, p. 76.

Fig. 2.1 Kaplan and Norton's Balanced Scorecard

According to Hannabarga, Buchman and Economy (2015) the dimensions of the BSC can be explained as follows:

- a. Financial dimension: This dimension tracks financial requirements and performance. This normally refers to the benefits that were achieved during financial transactions and processes, such as cash flow, growth and the return of capital employed.
- b. Customer dimension: This measures the customers' satisfaction and their performance requirements.
- c. Internal business dimension: This includes measurements along the internal value chain for innovation, operations and post-service sales.
- d. Knowledge, Education and Growth dimensions: These focus on the development of employees, how the organisation captures knowledge and how it maintains a competitive edge.

According to Gomes and Romão (2014), the BSC is a multidimensional approach to measuring and managing performance that is specifically linked to organisational strategy. Again, Frigo and Krumwiede (in Gomes & Romão, 2014) indicate that the BSC translates strategy into operational terms as the organisation aligns its strategy, focusing on the business units and employees' role in fulfilling the organisation's mission. According to Bowen (2011), the BSC also helps organisation to manage their future growth, objectives and plans. By using this tool, organisations can be sure that any strategic action implemented matches the desired outcomes.

While there are many benefits to using the BSC, some disadvantages are also associated with using this model. BSC often makes invalid assumptions about causal relationships between performance indicators. According to Norreklit (in Gomes & Romão, 2014) the invalid assumptions might actually cause dysfunctional organisational behaviour, with negative consequences for the entity's performance. In this regard Bowen (2011) states that many organisations use metrics that are not applicable to their own situation. It is important when using the BSC to make the information being tracked applicable to specific needs.

It should be noted that while using the BSC, organisations still rely significantly on employees to perform operational tasks. The BSC should thus be cascaded down to personal scorecards to translate the organisational scorecard into tangible objectives for individual

employees. These personal scorecards should be tailored to each individual's roles and strengths. According to Bowen (2011), personal scorecards should create synergies among employees and encourage cooperation and specialisation.

2.3.1.2 *EFQM Excellence Model*

According to Michalska (2008:203), organisations and enterprises search for ways and opportunities to improve, to maximise the strengths and minimize the weaknesses of their operations. The EFQM is one such tool that is used to assist in this regard. The EFQM Excellence Model is a generic model for quality management, which is used in all types of organisations, regardless of sector, size, structure or maturity (Nabitz, Klazinga & Walburg, 2000:192). According to Michalska (2008:203), the EFQM defines the guidelines and requirements that must be fulfilled in each area of functioning in an organisation by stating the special example of excellence to which one should aim. He continues that the EFQM is a practical tool to help organisations by measuring where they are on the path of excellence. The EFQM also helps employees to understand their performance gaps and then stimulate ideas for possible solutions.

The model furthermore allows managers to understand the cause and effect relationships between what their organisation does and the results it achieves. It contains nine dimensions, namely: leadership, people, policy and strategy, partnership and resources, processes, people results, customer results, society results and key performance results. Below is an example of the Excellence Model as designed by the EFQM Institute.

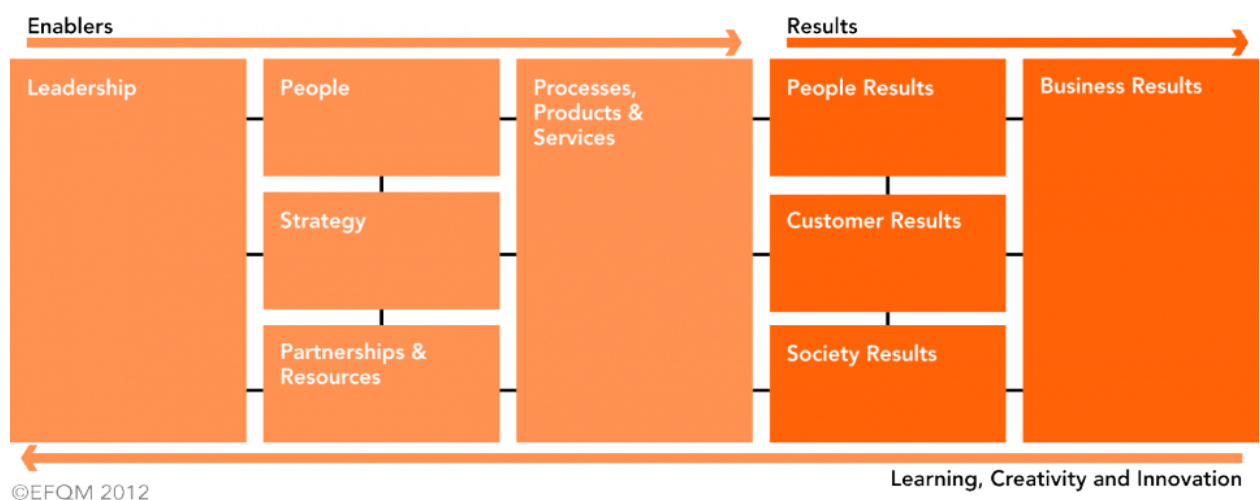


Fig. 2.2 The EFQM Excellence Model

Source: EFQM Institute (2012)

According to Nef (2015), the EFQM Excellence Model is a self-assessment framework for measuring the strengths and areas for improvement of an organisation across all of its activities. The EFQM Excellence Model supposes that for an organisation to be effective, whatever its industry, structure and size, it ought to have a decent system of management. In light of this, the EFQM model is an instrument that can be applied to structure the system of management through self-evaluation (Jones, 2014).

Excellence is achieved mainly by aligning all the activities in an organisation to the needs of the customers, the “business” and the stakeholders. This model helps organisations to assess their current performance against a quantifiable scale of excellence. The EFQM is a practical tool to help organisations determine their overall health (Gomes & Romão, 2014).

2.3.1.3 *Servqual Model*

The Servqual Model is basically a service quality framework, which was developed by Zeithaml, Parasuraman and Berry in the 1980s. It is aimed at measuring the scale of quality in the service sector (Toorawa & Naiko, 2012:26). In today’s competitive environment, quality service has become an important attribute for virtually all organisations. According to Kruger, De Wit and Rendass (2006:175), service quality has become an important global competence issue and it is imperative for South African organisations to become more competitive. This also holds true for public service departments. The main contribution of the Servqual Model lies in the analysis of the deficiencies in the services provided by an organisation with the aim of further improving it. According to Gibson (2009:8), Servqual can also be explained as a multi-scale development tool to assess customer perceptions of service quality. Below is the example of the Servqual Model:

ServQual

Source: Zeithaml, Parasuraman & Berry, Delivering Quality Service

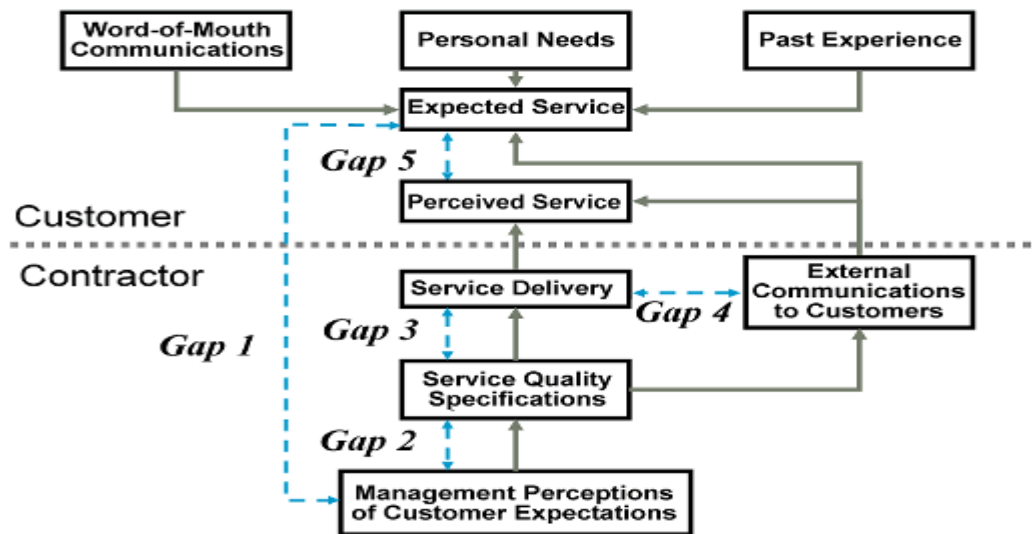


Fig. 2.3 The Servqual Model

Source: Zeithaml, Parasuraman and Berry (1985)

According to Daniel and Bernyuy (2010:32), the relevance of service quality to organisations is emphasised especially by the fact that it offers a particular advantage to organisations that strive to improve customer satisfaction. It also allows the organisation to classify or categorise its customers into different segments based on their individual Servqual scores. According to Kreitner (1995:109), service quality is judged by criteria such as responsiveness, assurance and empathy. Daniel and Bernyuy (2010:38) further highlight customer loyalty and retention in this regard. This model makes provision for the inclusion of such criteria. Kruger, De Wit and Rendass (2006:176) further explain that organisations in the public sector should know how to measure these constructs from the consumers' perspective in order to better understand their needs and hence satisfy them.

2.3.1.4 Total Quality Management Model

Quality has become an increasingly important issue in management. According to Robert (1997:24), many organisations reflect on the importance of quality by adopting a Total Quality Management (TQM) mindset. TQM can be explained as a philosophy of management that is driven by the desire for the constant attainment of customer satisfaction through the continual improvement of all organisational processes (Robbins & De Cenzo,

1998:171). Robert (1997:24) emphasises that TQM is the commonly used term for stressing quality within the organisation.

The main aim of TQM is to develop a positive attitude towards quality in all the units and branches of an organisation. It establishes a management framework to promote a customer-focussed organisation that involves all employees in continual improvement. It uses strategy, data and effective communication to integrate the quality of discipline into the culture and activities of the organisation. Below is an example of the TQM Model.



Fig. 2.4 The TQM Model

Source: Edraw Visual Solutions (2013)

According to Ivancevich (2007:427), TQM involves everyone in the organisation in developing and fine-tuning processes that are customer orientated, flexible and responsive to improving the quality of every activity and function of the organisation. TQM also increases the popularity and status of an organisation in society while saving it money and time. According to Robert (1997: 260), organisations that focus primarily on TQM place more emphasis on the continuous improvement of their products and services through their systems and processes. He believes that TQM is based on continuous innovation. According to Hellriegel, Jackson, Slocun, Stande, Amos, Klopper, Low and Oosthuizen (2008:71), TQM also requires a high level of coordination throughout the organisation.

Training, strategic planning, product design, management information systems, marketing and other key activities in TQM all play a role in assisting the organisation to meet quality goals (Hellriegel, Jackson & Slocun, 2005:56). These authors also indicate that quality control processes generally focus on measuring inputs, including customer expectations and requirements, transformation operations and outputs, and these results help managers to make decisions about service quality in an organisation. In spite of these contributions, the credibility of TQM has been generally undermined by inadequate quality planning and sometimes by non-alignment with strategic programmes (Kruger, De Wit & Rendass, 2006:242). Also, Carrell et al. (1998:292) explain that TQM programmes might allow for individual assessment, but they are generally aimed at a broader organisational assessment. Generally speaking, TQM focusses too much on the end result and customer satisfaction, which might sometimes cause a project to run into excess costs without any return on investment.

According to Hellriegel et al. (2008:71), top management could gain support from employees if they design TQM practices in such a way that it rewards employees for achieving quality goals. Robbins and De Cenzo (2001:64) add that such rewards could motivate employees to work both harder and smarter.

2.3.1.5 *Management-by-Objective (MBO)*

According to Ebert and Griffin (2007:152), MBO is the most frequently used method for setting goals. This is a system of collaborative goal setting that extends from the top of an organisation to the bottom (i.e. to operational level). According to Wikipedia (2014), Management-by-Objectives (MBO), also known as Management-by-Results (MBR), is a process of defining objectives within an organisation so that management and employees agree to the objectives and understand what they need to do in order to achieve them.

Grimsley (2014) regards MBO as a personal management technique in which managers and employees work together to set, record and monitor goals for a specific period. Daft (1991:537) confirms that MBO is a method whereby managers and employees define objectives for every department, project and person, and use them for general control. This model requires that employees set measurable personal goals based upon broader organisational strategic goals. Periodic progress reviews are important to insure that such

actions are effective. The five major processes that should occur in order for MBO to be successful are: setting organisational objectives, individual goal setting, monitoring, evaluation and the rewarding of employees. Below is an example of an MBO model that reflects these processes.



Fig. 2.5 The MBO Model

Source: Leapcomp.com (2009)

The processes illustrated above can be further explained as follows:

- **Central goal (objectives) setting:** Defining and verifying organisational objectives is the first step in the MBO process. Setting objectives is generally regarded to be the most difficult step in MBO and it looks beyond day-to-day activities to focus on what it is employees need to accomplish (Daft, 1991:537). Generally, the central management of the organisation sets these objectives, before which an extensive assessment of the available resources is usually conducted. After setting these goals it is the responsibility of management to ensure that all employees understand and pursue them.
- **Individual goal setting:** After the organisation has set broader strategic goals, managers should establish individual goals in conjunction with each employee. These employee goals should be derived from the organisational goals. Employee goals should be translated into action plans to specify the course of action required to achieve the stated objectives (Daft, 1991:538). The participation and commitment of

employees are crucial to ensure that they are motivated to achieve these goals (Erasmus et al. 2006:255). Individual goals should furthermore be very specific and short term in nature. Goals that are specific, measurable, achievable, relevant and time based increase employees' motivation and commitments to goal attainment, leading to greater performance and productivity. It is, however, important that the goals correspond with the capacities and capabilities of employees.

- **Monitoring phase:** Periodic progress reviews are important to insure that individual action plans are feasible and that employees make adequate progress (Daft, 1991:538). For this purpose, managers need to set performance standards and establish checks or control points to evaluate the progress of subordinates. Such standards and checkpoints need to be specified quantitatively (i.e. measurably) if possible and it should also be ensured that these measures are completely understood by all subordinates. Monitoring by means of performance standards and checkpoints should lead to an analysis of key results to determine whether the goals have been achieved.
- **Evaluating phase:** During the evaluation phase it should become clear whether employees are performing according to the action plan and set standards. Daft (1991:538) states that during evaluation both formal and informal performance appraisals should be conducted to periodically review the performance of subordinates. These appraisals guide modifications to work plans and interventions to further improve individual performance. This significantly increases the chances of achieving organisational goals. As stated above, these periodic performance appraisals need to be based on measurable and fair standards.
- **Reward phase:** The reward phase is the final step in the performance life cycle. Merit promotions and performance bonuses are typically utilised as instruments to reward employees for above-average or excellent performance. In the South African Public Service public employees might also get an increase in their notch (i.e. job level). This generally ensures higher levels of motivation and commitment, and helps employees to remain focused on achieving their set goals.

These phases in the performance life cycle illustrate the foundational principle of MBO, namely that employees should have a clear understanding of their roles and responsibilities and how these relate to the achievement of overall organisational goals. The MBO model further highlights the need for the entire performance system to be integrated into the organisation's overarching strategy. A well-designed performance system promotes clarity of expectations, increases trust among supervisors and employees, and increases fairness and transparency in the system (Erasmus et al., 2006:255). This in turn generally lays the foundation for the establishment of a performance culture in which employees and managers can focus on individual and organisational development. However, sometimes MBO fails because employees believe that management is insincere in their efforts to include them in strategic objective-setting endeavours (Robert, 1997:545). For the MBO performance programmes to be effective, both managers and employees should cooperate and be active participants in the objective formulation process (Ivancevich, 2007:270).

The performance models highlighted above demonstrate that performance management is a management practice which requires proactive assessment to determine what needs to be done and how it should be done. Performance models furthermore provide a general management framework for systematic planning, the setting of performance standards and expectations, the continuous monitoring of performance and the development of the necessary capacity to perform. It also guides the periodic appraisals of individual performance and the rewarding of good performance. In the next section the performance management process used in the public sector will be explored.

2.4 THE PERFORMANCE MANAGEMENT PROCESS

The performance management process is typically designed to ensure that organisations and all of their components are working together to optimise organisational goals (Bosari, 2012). Typically, organisational components include structures, employees, processes, systems and teams. The performance management process requires several ongoing activities. These include identifying and prioritising goals, defining what constitutes progress towards goals, setting standards for measuring results and tracking progress toward goals (Bosari, 2012). Various agencies and individual authors have proposed various phases in the performance management process. For purposes of operationalising the research objectives of this study, it is necessary to briefly explore some of the most commonly cited phases, which are indicated

in the table below. Based on an analysis of various authors' and agencies' contributions, the common phases are reflected in the right column.

Table 2.1 Performance management phases

Author(s)/agencies	Performance management phases	Commonalities
Resnick, HS (2007)	Phase 1: Organisational inputs Phase 2: Setting expectations Phase 3: Supporting performance Phase 4: Reviewing performance	Organisational analysis (i.e. inputs, priorities and strategy)
USF (2014)	Phase 1: Planning Phase 2: Coaching and feedback Phase 3: Performance check-in Phase 4: Review	
Cornell University (2014)	Phase: 1: Establish unit strategy and goals Phase 2: On-going feedback and assessment Phase 3: Development discussion (reviews) Phase 4: Recognise	Monitoring / reviews / self-assessment/ recording
State Performance Review System (2013)	Phase: 1: Performance planning Phase 2: Coaching and feedback Phase 3: Reviewing and appraising Phase 4: Recognising and rewarding	Developing / coaching / support
U.S Office of Personal Management. Agency (2014)	Phase: 1: Planning Phase 2: Monitoring Phase 3: Developing Phase 4: Recording/Rating Phase 5: Rewarding	Rewarding

Several authors have discussed the performance process in a similar way and for the purpose of the study the above-mentioned processes (commonalities) will be utilised. All the authors agree that performance management is a continuous process. According to the Office of Personnel Management (1998:1), the process of managing performance in an organisation is a continuous one that goes on as long as the organisation exists and involves the following activities:

- **Performance planning:** Planning is essential to any kind of management process, and the performance management process is no exception. Management needs to compile a performance management plan, which should be made available to all employees. The objectives of such a performance plan should be clearly stated, as well as why it is being introduced. This plan generally serves as a foundation for the design of a performance management system for the organisation.

Performance agreement: According to the Department of Public Service and Administration (2007:11), the performance management plan leads to performance agreements (PAs) with individual employees. The PA is generally regarded as the cornerstone of performance management at the individual level. All employees must enter into and sign performance agreements before the end of the first quarter of the new cycle. The content of the performance agreements usually include the employees' data, such as that found in the Personal and Salary System (PERSAL). In the case of the South African Public Service, the job title and level, as well as descriptions of the employee's role, with an emphasis on the main objectives, job purposes, key results areas and generic assessment factors are also included in the PA. According to Katelaar (2007:4) such agreements generally build and reinforce a positive working relationship between political heads (i.e. ministers) and senior civil servants, and serve as a means of retaining staff.

Work plan: The work plan contains the essence of the performance agreements. The criteria, based on which the performance of an employee is assessed, consist of key result areas (KRAs) and generic assessment factors, which are contained in the performance agreements. The KRAs refer to general areas of outcomes or outputs for which an employee is responsible (DPSA, 2007:12). According to the DPSA (2007:12), it captures about 80% of a work role. KRAs are further used to indicate how the performance of the outputs and activities will be measured. In the South African Public Service context, Generic Assessment Factors (GAF) are elements and standards used to describe and assess performance, taking into consideration knowledge, skills and attributes. The employee and the supervisor must agree on the number of GAFs that are deemed to be most important for effective performance in that particular job.

Personal development plan: In most cases an effective performance agreement must include a Personal Development Plan. According to the DPSA (2009:14), the Personal Development Plan (PDP) is an ongoing process through which the individual sets career goals and identifies needs. The purpose of the PDP is generally to identify any performance output shortfall in the work of the employee. The PDP should also include intervention plans such as appropriate training.

- **Managing performance:** The performance management process includes the general management of the performance plan. This involves action planning in relation to the PDP and it is important that all employees understand the plan. Furthermore, management should provide the necessary support and adequate resources to personnel, and also ensure that there is adequate alignment between organisational priorities and the respective PDPs.
- **Reviewing performance:** A further activity in the performance management process is the review of performance. It is crucial to conduct periodic reviews to ensure that the performance plan is being followed and that it is producing results. Appraisals are usually done on a bi-annual basis and are mostly used for promotions and salary increment purposes. It is sometimes also used to measure how fast an employee is learning and developing on the job and to determine if he/she needs any additional training.
- **Rewarding performance:** It is further important to recognise and reward employees who perform exceptionally well and whose skills are particularly valued in order to encourage them to maintain the high standard they have achieved. The most obvious way of reward is through incremental increases in pay (Hellriegel et al., 2005:249). Rewards generally encourage employees to work harder because they indicate that their efforts are appreciated. It also sets an example to those who did not work so hard to do the same. In the South African Public Service it is common practice to reward employees financially.

From the above it is evident that the performance management process helps to develop employees and to operationalise the strategic objectives of organisations. Below, the necessity of performance management applications in the public sector will be explored.

2.5 THE NECESSITY OF PERFORMANCE MANAGEMENT APPLICATIONS IN PUBLIC INSTITUTIONS

The public sector is expected to deliver services that are essential to the wellbeing and development of society. To achieve this they are expected to formulate strategic plans, allocate resources for the implementations of those plans, and monitor and report on the results. This is not possible without a general performance orientation in government. According to the DPSA (2007:10), the aim of performance management is to optimise every employee's output in terms of quality and quantity, thereby improving a department's overall performance and service delivery.

Performance management has a further change and transformation dimension. Performance improvement is generally aimed at enhancing people's abilities to respond to change. It is also done to create an environment for continuous improvement and develop employees in their jobs. When employees are not performing as well as they should, performance management seeks to improve their performance. According to the Chartered Institute of Management Accountants (CIMA, 2010) the current public expenditure challenges are not just a result of economic conditions and financial constraints, but were also caused by a lack of strategic leadership and poor performance management practices. This demonstrates how a lack of good governance can have a negative impact on performance in the public sector. Effective performance management is crucial to achieve sustainable and stable public finances, and to gain the public's confidence that tax revenues are being used effectively (CIMA, 2010). To this end, it is important that performance management and accountability are improved in the Public Service.

In most cases, especially in South Africa, public service institutions (i.e. state departments) have specialised units that deal with the monitoring and evaluation (M&E) of service delivery programmes and projects. These M&E units are aimed mainly at determining whether the institution has managed to achieve its strategic objectives. In this regard Mackey (1998) states that evaluation assists managers by revealing the performance of ongoing operational activities of an institution. The results of such evaluations should be used to design appropriate performance improvement interventions, as well as institutional reform processes.

According to the Centre for Social Justice (CSJ) (2011: 4), government objectives need to be cast in the form of outcomes: that is, in terms of the broader short-, medium- and long-term results that are pursued. Without an outcomes-based approach it becomes virtually impossible to align institutional processes with a shared goal, or to hold individual units and employees to account for their performance (Heinrich, 2002:712). An outcomes-based approach to performance contributes significantly to evaluation and performance improvement activities in government. Outcomes, once defined, should be measured and regularly monitored (Centre for Social Justice, 2011:9).

From the above it can be deduced that the notions of accountability of governance, performance management, and monitoring and evaluation in the form of outcomes-based or target-driven services frame the necessity for performance management applications in public institutions. An effective PMS works towards the improvement of the organisation's overall performance by managing the performances of teams and individuals with a view to ensuring the achievement of the organisation's ambitions and goals. Based on an extensive literature review, some of the most common benefits of a PMS are briefly outlined below.

- ***Working towards common goals***

Employees are often so caught up in their daily work routines that they tend to forget about their overall purpose in the organisation. According to Mpanga (2009:49), a PMS helps to align organisational activities and processes to the goals of the organisations. According to Cascio (2006:329), goal setting has a proven track record of success in improving performance in a variety of organisational settings and cultures. Working towards a common goal could guide employees and their organisations to achieve goals since they then tend to be more focussed on service delivery improvement. It is crucial, however, that everyone understands the organisation's vision and goals, how their work fits into this and how they should contribute to the accomplishment of the mission of the organisation.

- ***Clear job descriptions***

When employees and supervisors have a clear understanding of their specific job duties, they tend to focus in order to achieve the set goals of an organisation (Longdon, 2000:89). Each individual is held accountable for their own duties and responsibility. So it is important that

employees understand their job descriptions. PMSs also help employees to set up performance plans that provide for balanced, credible measures and are usually results orientated.

- ***Regular feedback about performance***

During an appraisal process a PMS helps to provide feedback essential for discussion on an employee's strengths and weaknesses, as well as on how to improve his/her performance (Snell & Bohland, 2010:362) . Most people want to improve their performance on the job, to receive constructive suggestions regarding areas they need to work on and to be commended for things that they do well (Cascio, 2006:356). Cascio (2006:356) further states that the cost of failing to provide such feedback could result in the loss of key staff, the continuation of poor performance and a general lack of commitment by all employees. Most importantly, feedback gives employees a better understanding of how their performance is being assessed and monitored. This builds employee confidence and motivates their desire to contribute further in the workplace (Mpanga, 2009:49). If employees and their supervisors do not engage during the entire appraisal period, the effectiveness of appraisals is jeopardised. Performance feedback should thus take the form of dialogue between supervisors and employees throughout the year. Flippo (1984:224) indicates in this regard that if an employee is not systematically appraised and given feedback, their development in the workplace might become slow and less effective.

- ***Advice and steps for improving performance***

A PMS can help employees to identify ways in which to improve their performance and provide the opportunity to discuss career directions and prospects (Luong, 2012:77). It presents the opportunity for employees to plan for and set objectives to further develop their careers. It also helps employees to gain any additional training or mentoring, which can act as a basis for developing future success plans. According to Walker (1992:257), a lack of clear objectives or expectations that are not linked directly to relevant organisational objectives and plans create a problem at the outset. The PMS helps to identify shortcomings and to improve their performance.

- ***Rewards for good performance***

Outstanding performance should not go unnoticed and people should be rewarded for their extra efforts (Mpanga, 2009:49). A reward system generally motivates people to adapt, adjust and meet new challenges presented by the information explosion (Schwella et al., 1996:269). Cascio (2006:331) also emphasises that rewarding employees encourages repeated good performance. When organisations reward their employees on the basis of their performance, workers tend to naturally pursue outcomes that are mutually beneficially to themselves and the organisation (Snell & Bohland, 2010:714). Currently, employees are given incentives in the workplace for a job well done. According to Walker (1992:261), incentives reinforce the efforts of employees to improve their performance. The prospect of a successful performance appraisal generally gives employees the incentive to perform well and might open doors to career advancement in the future.

In the next section the focus shifts to an exploration of the various dimensions of performance management systems as applied in the Public Service.

2.6 UNDERSTANDING PERFORMANCE MANAGEMENT SYSTEMS

A Performance Management System (PMS) can be regarded as a predetermined set of performance criteria for individuals employed by an organisation (Dowling, Festing & Engle, 2007:9). It can, furthermore, be regarded as an orderly process that properly documents the goals and objectives of each employee. Having a comprehensive PMS would mean that each employee would have clear performance goals and measures that are linked directly to organisational strategy. In this regard, the Office of the Commissioner for Public Employment (2011) proposes that a PMS should be designed to clarify objectives, assist in the management of individual employee performance, and plan relative training and development programmes. The system is used to describe the current strategic position to the employee and define the expectations for the organisation's performance. Generally, a PMS should provide employees with a clear understanding of job expectations, regular feedback about performance, advice about steps for improving performance and rewards for good performance. This is because the goal of a PMS is to help boost employee performance and also the delivery of services to the public. It also facilitates effective accountability and

enables managers to track progress, identify scope for improvement and better understand the performance-related issues involved.

Joyce (1999:25) and Armstrong (2000:67) further highlight the instrumental nature of a PMS by defining it as a tool that is implemented by management to manage the performance of individuals and teams, identify goals to be achieved and conduct regular formal reviews of progress towards the goals. It is also utilised to identify the training and development needs of individuals and to reward outstanding performance.

As far as the scope of a PMS is concerned, the DPSA (2007:7) explains that it establishes “an authoritative framework” for managing employees’ performance, which includes the policy framework and the framework relating to all aspects and elements of the performance cycle. This also includes performance planning and agreement, performance monitoring, review and control, performance appraisal and moderating, and managing the outcomes of appraisals.

Organisations furthermore utilise a PMS to reflect on past performance as a basis for making development and improvement plans. Performance and development reviews are typically utilised for this purpose. Generally, a PMS allows for the inclusion of several sources of feedback (Maila, 2006:56).

2.6.1 Prerequisites for a PMS

As indicated in the previous section, an outcomes-based, performance-driven approach in the Public Service can be maintained only if appropriate organisational systems and mechanisms are in place to support it. According to Makay (1998:56) and Michalska (2008:204), some of the essential prerequisites without which performance management systems will not function effectively include the following:

- It should attract high levels of participation from all the members concerned in an organisation. Essentially, it should be a participative process.
- Top management support and commitment is essential for building a sound performance culture in an organisation.

- Organisational vision, mission and goals should be clearly defined and understood by staff at all levels so that the efforts are directed towards the realisation of the organisational ambitions.
- There must be a clear definition of the roles for performing a given job within the organisational framework that emanates from the departmental and the organisational objectives. The system should also be able to explain the linkages between roles.
- Open and transparent communication should prevail, which will motivate the employees to participate freely and deliver high performance. Communication is an essential prerequisite for a performance management process as it clarifies expectations and enables the parties to understand the desired behaviours or expected results.
- Major performance parameters should be identified and key performance indicators should be defined.
- There must be consistency and fairness in application.
- There should be a commitment to recognise high performance. Rewards and recognitions should be built into the performance management framework.
- Proper organisational training should be provided to the staff members based on the identification of training needs from the periodic evaluation and review of performance. This will motivate the employees for a superior performance.

These prerequisites serve as valuable instruments to gauge and assess the current design of typical performance management systems in the South African Public Service, with specific reference to the Office of the Regional Land Claims Commissioner, Limpopo Province. Any recommendations for the further improvement of current systems should thus consider these prerequisites. By adhering to these requirements, public institutions could significantly improve overall organisational performance, as well as employees' motivation and commitment to performance improvement.

According to Mullins (2007:499), the underlying objective of performance management is to improve the performance of individuals, leading to improvement in the performance of the organisation as a whole. An effective PMS can play a crucial role in managing performance in an organisation. It must be taken into consideration that after carefully planning in setting goals and outcomes, employees need to be guided and judged on their performance. It also important to understand that when developing a PMS, the purpose of measuring performance

is clear and accepted. A performance appraisal system is furthermore required to evaluate employee performance. This aspect is explored in the next section.

2.7 PERFORMANCE APPRAISALS IN GOVERNMENT

Generally, in South Africa almost all public service institutions have an appraisal process through which individual contributions to organisational performance is assessed. Harrison (1993:268) states that performance appraisals have been widely recognised as forming a central element of the management of people's performance. According to Kay and Banfield (2008:281), performance appraisals can be regarded as a process that is commonly used to evaluate employees' performance and to consider how to maximise employees' future contributions. It is thus a process of reviewing the past performance of an employee, and agreeing on future objectives and developing activities. Similarly to Cole (2004:360), a performance appraisal session refers to a planned event based on performance evidence, at which an employee's progress is discussed with his or her superior, usually in light of job targets and priority.

It could be argued that performance appraisals are important instruments for developing an effective workforce in order to achieve organisational goals. In this regard, Hellriegel et al. (2005:114) argue that performance appraisals assist management to systematically evaluate each employee's job-related strengths, development needs and progress towards achieving organisational goals, and then determining ways to improve general performance. Rue and Byars (1995:482) also contribute by stating that performance appraisals are important communication tools because they engage employees in discussion about their performance and the establishment of a personal development plan.

According to Cascio (1993:275) and Starling (2010:466), one of the criticisms of performance appraisals as practised in government is that the process is periodic rather than continuous. Managers should not wait for the end of the year to inform employees that they are not performing as expected. This is because the performance appraisal is an important tool for training and development practitioners, firstly to identify shortcomings and secondly to take corrective action (Erasmus et al., 2006: 275). Positive and negative aspects pertaining to employees' performance should be discussed as and when they occur (Starling, 2010:466). According to Cole (2004:361), the reasons for the adoption of staff appraisals are to draw

attention to current performance in the job in order to reward people fairly and to identify those who have potential for promotion or transfer. It also gives the employers a chance to identify the employee's weakness or poor performance at an early stage to assist them to perform better. A comprehensive PMS should make provision for the inclusion of regular performance appraisal sessions between supervisors and employees to monitor and evaluate the overall performance of public institutions.

2.8 PERFORMANCE MANAGEMENT OUTCOMES

In this section the outcomes (i.e. short, medium and long-term results) of performance in public sector settings are explored. The outcomes of performance can be satisfactory when organisations establish clear strategic objectives and performance targets, and then guide all employees towards the effective, efficient and economical achievement thereof. Outcomes generally fall into two extremes, namely good or poor performance. These outcomes are explained in the following section. It should be noted that a PMS should establish a framework that is conducive to pursuing positive performance outcomes and to minimising the likelihood of poor performance.

2.8.1 Managing satisfactory performance

When employees manage to work according to (or above) the expectations attached to their responsibilities, they should be rewarded. According to Erasmus et al. (2005) and Nkwane (2012:29), there are three ways of giving recognition for good performance, namely, performance bonuses, pay progression and non-financial rewards. In the case of the South African Public Service, based on the employee performance management system policy, employees are generally rewarded by means of performance bonuses and a pay progression. In most cases a performance bonus is paid once-off to employees when they have achieved more than what was expected. According to Wright (2006:13), a performance bonus is a lump sum payment linked to performance or results, where a payment of a bonus is related to the achievement of the outputs of a team or a business unit. Leonard and Hilgert (2007:400) and Nkwane (2012:30) agree that a performance bonus is compensation other than a basic salary that is given to an employee for achieving employee and/or organisational goals.

2.8.2 Managing poor performance

The most worrying factor of an organisation is when an employee fails to reach the targets that were set in order to achieve organisational objectives. In other words, the employee's performance is below the set standard or expectation. In most cases, when an employee performs better by reaching the targeted goals, no steps are taken to improve the work of the employee except to reward the employee with a performance bonus or pay progression. However, if an employee did not perform as per expectation, several steps or interventions to improve performance of employees need to be considered.

According to Erasmus (2005:290) and Nkwane (2012:31), when a subordinate underperforms the supervisor should first take corrective measures such as systematic remedial or development support to provide assistance to the employee. It is very important to develop a personal development plan during the planning of the set goals to be achieved (refer to section 2.4 above). Hellriegel et al. (2005:249) explain that when performance has not matched the requirements in the work plan, the assessment should be focussed on identifying the reasons for this and on reaching mutual agreement on the steps that need to be taken to effect improvement. According to Snell and Bohland (2010:714), this action or step might lie in providing training in areas that would increase the skills or knowledge needed for effective performance.

Poor performance does not only necessitate looking at the behaviour of the employee at work, but also considers whether the work environment is conducive to good performance. Poor performance typically results in investigation, counselling and formal discussions with the employee. If performance improvement interventions do not yield the desired results (i.e. behaviour modification and better performance), dismissal might be considered.

Based on this brief exposition, the deduction could be made that performance outcomes might be positive or negative. Depending on the effective implementation of the performance management process and the utilisation of a PMS, performance management should, ideally, be highly beneficial (i.e. positive) to the organisation.

2.9 CONCLUSION

This chapter comprised an exposition of some core dimensions of performance management, performance management systems and other related topics. It should be understood that the aim of performance management is to ensure that the activities in the workplace are done in the most effective and efficiently manner. Within the organisation, performance management information is used for various decisions, including promotions, recognition of individual performance and so forth. Such information should be provided by a performance management system.

Performance management generally guides employees who are not performing at adequate levels by looking at ways that can help to improve their performance. Therefore performance management in general and a performance management system in particular should be regarded as being an integral part of an effective human resource management and development strategy. The good implementation of a performance management system should enable organisations to achieve their objectives. When employees are accountable to their jobs this can help in the delivery of quality services to the public.

The application of performance management and the design and utilisation of performance management systems have been legislated in order to improve performance management in the South African Public Service. The statutory and regulatory framework governing performance management will be explored in the next chapter. This chapter will serve as the second leg in data triangulation (the first being the theoretical dimensions as highlighted in this chapter) to evaluate the utilisation of the PMS in the case study.

CHAPTER 3

AN OVERVIEW OF THE STATUTORY AND REGULATORY FRAMEWORK GUIDING PERFORMANCE MANAGEMENT APPLICATIONS IN THE SOUTH AFRICAN PUBLIC SERVICE, WITH SPECIFIC REFERENCE TO THE OFFICE OF THE RLCC

3.1 INTRODUCTION

The Public Service in South Africa continues to experience a legacy of underdevelopment, poverty, infrastructure backlogs and inequitable access to basic services. To respond to these, the South African Government is putting in place various laws and measures to improve the performance of departments and institutions involved in the delivery of services. In the national, provincial and local spheres of Government a comprehensive and elaborate system of performance monitoring has been legislated. The Government-wide Monitoring and Evaluation System (GWM&ES) for example, is intended to continuously monitor the performance of public institutions in fulfilling their developmental mandate.

According to the African Training and Research Centre in Administration for Development (2003), since 1 July 1999, the Public Service Management Framework and hence all departmental activities, have been informed by legislation. The statutory framework for performance is essential to ensure that the principles guiding performance in the Public Service are embedded in the frontline delivery of service to communities. It must be remembered that the main aim of the Public Service is to provide the best possible services to communities. This is supported by Chapter 10, Section 195 (1) (d) of the Constitution of the Republic of South Africa, which state that services must be provided impartially, fairly, equitably and without bias to the communities.

According to Van der Waldt (2004:83), access to public services is a right enshrined in the United Nations Declaration of Human Rights, in particular article 21(2), which states that “Everyone has a right to equal access to public services”. These rights provide for the improvement of the delivery of services to the public. Thus, the statutory and regulatory framework guiding performance management applications in the South African Public

Service will be explored in this chapter. The performance management applications in the office of Regional Land Claims Commissioner will also be compared with both the theoretical best practice and the statutory prescripts.

3.2 THE STATUTORY FRAMEWORK GOVERNING PERFORMANCE MANAGEMENT IN THE SOUTH AFRICAN PUBLIC SERVICE

According to the Public Service Commission (2007:8), the primary aim of the statutory framework governing performance management is to entrench a “performance-driven culture” within the Public Service. This statutory framework is informed by the following legislation, in chronological order:

3.2.1 Public Service Act 103 of 1994

The Public Service Act (as amended) remains the principal legislation that governs public administration, as required by the Constitution. According to Van der Walddt (2004), the Public Service Act stipulates that state departments should manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational effectiveness, efficiency, and accountability in the use of resources and the achievement of results. The Act places obligations on public managers for the effective management and administration of public institutions.

According to Section 7(3) (b), a head of department shall be responsible for the efficient management and administration of his or her department, including the effective utilisation and training of staff, the maintenance of discipline, the promotion of sound labour relations and the proper use and care of state property, and he or she shall perform the functions that may be prescribed. As such, the Act places a significant premium on the establishment of an environment that is conducive to continuous performance improvement.

A sound understanding of good governance within a particular department should enable it to establish elements and standards of performance for the staff that should be measurable, understandable, verifiable, equitable and achievable. It must also be understood that employees will be held accountable for these critical elements and will need this framework to assist them in achieving this.

3.2.2 The Labour Relations Act 66 of 1995

The Labour Relations Act 66 of 1995, Schedule 8, makes provision for dealing with incapacity and poor performance by employees. In other words, management of poor performance shall be informed by the Labour Relations Act and other collective agreements. It is important to understand that if training interventions are unsuccessful and the level of competence of employees does not improve, it is then that steps to deal with poor performance can be considered.

Employees are protected in cases of perceived poor performance because the Act does not allow an employee to be fired based on poor performance without first taking prescribed remedial action to improve the employee's performance. This Act provides that people must be provided with skills in order to avoid poor performance. It must also be taken into consideration that staff competence is a key condition for performance. In this case, good performance can also be achieved with the correct implementation of the prescriptions in the Labour Relations Act.

3.2.3 The Constitution of the South African Republic, 1996

The adoption of the Constitution of the Republic of South Africa, 1996 heralds a significant new phase in the South African Public Service transition process and is regarded as the supreme law of the South African Republic. According to Van der Waldt (2004), there is no legal norm in the state higher than the Constitution and all components of the state are regulated by the Constitution and related legal norms.

According to Section 2 of the Constitution, any law or conduct inconsistent with it is not valid and the obligations stipulated by it must be fulfilled. The Public Service is one of the entities that must adhere to the principles enshrined in the Constitution. Section 197(1) of the Constitution states that there is a public service for the Republic within public administration, which must function and be structured in terms of national legislation, and which must loyally execute the lawful policies of the government of the day.

The Constitution also refers to the Public Service in Section 195(1) by stating that public administration must be governed by the democratic values and principles enshrined in the

Constitution. Section 195(1) (f) further stipulates that public administration must be accountable. According to Beaufort West Municipality (2009:3), many of the democratic values and principles in terms of Section 195 (1) of the Constitution can also be linked to the concept of performance management, with reference to the principles of, *inter alia*, the promotion of efficient, economic and effective use of resources, accountable public administration, displaying transparency by making information available, being responsive to the needs of the community and by facilitating a culture of public service and accountability among its staff.

In order to meet these constitutional prescriptions, the national government engaged in a process to develop an inclusive and consensual policy for public service departments. This has resulted in a number of publications that promote performance management in the Public Service.

3.2.4 Skills Development Act 97 of 1998

The Skills Development Act places emphasis on employee development. The key feature of performance management is that it is developmentally orientated and hence provision is made for employees to have personal development plans to help them improve on the skills that can lead them to perform better. The Act aims to develop the skills of the South African workforce in order to improve the quality of life of workers and their work prospects, and to contribute to the improvement of performance and productivity in the workplace. Performance must be managed in a consultative and supportive manner. It should be linked to training and career development. Skills must be driven by needs to support service delivery, work performance and career development.

3.2.5 Intergovernmental Relations Framework Act 13 of 2005

The Intergovernmental Relations Framework (IGR) requires that the Minister of the former Department of Provincial and Local Government (now the Dept. of Cooperative Government and Traditional Affairs (COGTA)), from time to time and when necessary, reports to both houses of Parliament regarding the activities of IGR in the country and on the incidence and settlement of intergovernmental disputes. The development of performance management systems is aimed at ensuring that COGTA continually measures performance and progress

regarding the implementation and effectiveness of the intergovernmental relations system and is able to identify areas in which targeted support is needed in order to improve the delivery of services.

It must be understood that performance management is also a system that is used to make sure that all parts of the Public Service work together to achieve the goals and targets that are set. For this to be achieved, all spheres of government must provide effective, efficient, transparent, accountable and coherent governance to secure the wellbeing of the people and the progressive realisation of their constitutional rights.

This concludes a brief overview of the most significant statutory prescripts regulating performance and performance-related issues in the South African Public Service. In the next section, the focus will shift to the regulatory framework guiding performance management applications in the Public Service. The regulatory frameworks include White Papers, official guidelines, regulations and departmental policies.

3.3 THE REGULATORY FRAMEWORK GUIDING PERFORMANCE MANAGEMENT IN THE SOUTH AFRICAN PUBLIC SERVICE

According to Maila (2006:25), the Public Service Management Framework (1999), provides for a number of regulatory documents and guidelines that make it possible to regulate the activities of government departments and other statutory bodies responsible for public service delivery. Detailed measures are provided to facilitate the management of poor performance at all levels in the Public Service. The question that this research will attempt to answer is to what extent these measures are applied in practice. The regulatory frameworks pertaining to performance management in the South African Public Service are explored in chronological order below.

3.3.1 White Paper on the Reconstruction and Development Programme, 1994

The Reconstruction and Development Programme was designed during the first phase of the democratic government to redress the imbalances of the past. In Section 5.10.2 of the White Paper on the Reconstruction and Development Programme, it states that the Public Service should be composed in such a way that it is capable of and committed to the implementation

of the policies of the Government. It should also facilitate the delivery of basic goods and service to the people of the country. It must be understood that this can be achieved through the effective implementation of performance management in the Public Service.

3.3.2 White Paper on the Transformation of the Public Service, 1995

The principle aim of the White Paper on the Transformation of the Public service (WPTPS) is to establish a policy framework to guide the introduction and implementation of new policies and legislations aimed at the transformation of the South African Public Service. This WPTPS, among other things, states that, in order to ensure that service delivery is consistently improved, national and provincial departments that are oriented to the delivery of services will be required to outline their specific targets. They will also be required to report to Parliament on their achievements.

In Part 12.3 it states that departments and provincial administration should set up effective internal and external mechanism and structures to promote availability, transparency, consultation and democratic participation. Also, appropriate performance measures and target should be set for Directors General, for which they will be held accountable both by their political heads and by parliamentary heads and provincial legislatures. The proposed Public Sector Transformation Forum also plays an important role in monitoring and evaluating progress toward a more accountable and democratic Public Service.

Part 3.1.1 (e) states that accountability within the Public Service was generally limited to bureaucratic accountability. Employees were held accountable for adherence to rules and procedures rather judged on their efficiency and productivity. Wider accountability of the service to the public was even less in evidence. However, currently employees are being held accountable based on their level of performance in terms of delivery of services to the public.

3.3.3 White Paper on Transforming Public Service Delivery (*Batho Pele*), 1997

Although much has been achieved in the public sector, there is still much to do, specifically in relation to the normal operational functionalities of the Public Service, such as having appropriate office hours, tidy waiting areas and shorter queues at lunchtime (Van der Walddt, 2004:87). The White Paper on Transforming Public Service Delivery (*Batho Pele*) 1997 was

published in order to improve the effectiveness of the South African Public Service in delivering the services that meet the basic needs of all citizens. The thrust of the *Batho Pele*-principles (meaning “putting people first”) is the improvement of service delivery in the public service.

In terms of this White Paper, improving service delivery is the ultimate goal of the Public Service Transformation Programme it proposed. Another purpose of this White Paper is to provide a policy framework and a practical implementation strategy for the transformation of the Public Service. Thus, a set of eight principles intended to regulate the behaviour of public servants and political office-bearers was formulated. These principles are primarily about how public services should be provided and specifically about improving the efficiency and effectiveness of the way in which services are delivered.

The delivery of services to the public must be part of a fundamental shift of culture whereby public servants see themselves first and foremost as “servants” of the citizens of the country. According to Van der Waldt (2004:87), the principles for transforming public service delivery contained in the policy framework must be translated into action. The eight principles are briefly described as follows:

- *Consultation*

Citizens should be consulted about the level and equality of the public services they receive and, wherever possible, should be given a choice regarding the services that are offered.

- *Service standards*

Citizens should be told what level and quality of public services they will receive so that they are aware of what to expect.

- *Access*

All citizens should have equal access to the services to which they are entitled.

- *Courtesy*

Citizens should be treated with courtesy and consideration.

- *Information*

Citizens should be given full, accurate information about the public services they are entitled to receive.

- *Openness and transparency*

Citizens should be told how national and provincial departments are run, how much they cost and who is in charge.

- *Redress*

If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response.

- *Value for money*

Public services should be provided economically and efficiently in order to give citizens the best possible value for money.

According to Gildenhuis and Knipe (2000), the *Batho Pele* principles involve creating a framework that treats citizens like customers, and enables them to hold the responsible public officials accountable for the delivery and quality of public services. It can be regarded as a framework that frees the energy and commitment of public officials to introduce more customer-focussed ways of executing their functions and their work.

Batho Pele framework could also be seen as a deliberate strategy to instil a culture of accountability and caring into public servants (Maila, 2006:27). In essence, the White Paper emphasises the needs of clients. The starting point in achieving the needs of the people is to

integrate *Batho Pele* into departmental strategic plans as the drivers of strategy. According to Rapea (in Maila, 2006:29), the best link between performance management and *Batho Pele* is the development of realistic, measurable performance indicators. This involves the allocation of responsibility to teams and individuals for the development of their performance contracts. It is also important to appreciate the benefits that come with good performance management systems in an organisation.

It must be understood that it should be the aim of any organisation in the public sector to deliver basic services to the public. This can be done only through the good performance of that organisation. As far as customers are concerned, clear performance management should enable the organisation to implement workable plans of action that can be translated into results. The *Batho Pele*, in terms of Section 6, notes that the development of a service-orientated culture requires the active participation of the wider community.

The Public Service needs constant feedback from service users if they want to improve their operations. The requirement that government should be performance-driven is found in section 4.2 of the White Paper, which stipulates that national and provincial government departments should develop performance management systems that include the setting of service delivery indicators and the measurement of performance.

3.3.4 White Paper on Human Resource Management in the Public Service, 1997

The White Paper on Human Resource Management in the Public Service (WPHRM) was published in 1997 by the Department of Public Service and Administration. The aim was to provide a policy framework to enable the Public Service to develop human resource management practices that support the development of a professional public service that is committed to and capable of achieving South Africa's democratic, economic transformation goals (Van der Waldt & Du Toit, 1999: 386).

Section 5.9.1 of the WPHRM states that the success of the Public Service in delivering its operational and developmental goals depends primarily on the efficiency and effectiveness with which employees carry out their duties. It also states that managing performance is a key human resource management tool to ensure that employees know what is expected of them, managers know whether the employees' performance is adequate to the task of achieving the

required objectives, poor performance is identified and improved, and also that good performance is recognised and rewarded.

Section 5.9.2 states that employee performance assessments should be carried out on the basis of a work plan covering a specific period, setting out clearly his or her responsibilities and the objectives to be achieved. These objectives should be explained in terms of outputs to be delivered within a given timescale and should include personal development as well as operational objectives.

This White Paper also states that because the performance of every employee contributes to the overall delivery of organisational objectives, it follows that the performance of every employee should be managed. It must be noted that the proper management of employees is crucial for service in the Public Service.

3.3.5 White Paper on the New Employment Policy in the Public Service, (2nd draft, October 1997)

According to Public Service Commission (2007:8), this White Paper laid the foundation of the framework for managing performance in the Public Service. Section 5.12 of the White Paper points out that the success of the Public Service in delivering its operational and development goals depends primarily on the efficiency and effectiveness with which public servants carry out their duties. Managing performance is therefore a key human resource management tool to ensure that:

- employees know what is expected of them;
- managers know whether the employees' performance is delivering the required objectives;
- poor performance is identified and improved; and
- good performance is recognised and rewarded

3.3.6 The White Paper on Public Service Training and Education, 1997

The White Paper on Public Service Training and Education was published by the Department of Public Service and Administration in 1997. According to Erasmus et al. (2005:179), the

main aim of this White Paper was to provide a new national strategy policy framework on training and education for public servants that contributed positively to the goals of public transformation. The objectives of the White Paper, as mentioned in Section 7.2, was also to ensure that effective systems of monitoring and evaluation were introduced and implemented in national and provincial spheres, and also to specify the roles played by different institutions in the monitoring and evaluation processes. In the Baseline Implementation Guide for Performance Management (1999:10), the DPSA specifies that training should be driven by the need to support service delivery, work performance and career development. Employees that receive regular training are likely to improve in their performance.

3.3.7 Public Service Regulation of 1999 and 2001

The Public Service Regulations were developed by the Minister of Public Service and Administration. The Public Service Regulations serve as the primary guide to departments when developing and implementing the departmental performance management systems. In so far as principles are concerned, the regulations require that departments should manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational efficiency and effectiveness, accountability and the achievements of the results (PMDS Revised Report, 2001:4).

In the Baseline Implementation Guide for Performance Management, the DPSA (1999:7) also argues that these Regulations prescribe principles and measures about the way departments must manage themselves. It also states that the regulations are minimal, enabling departments to be innovative and responsive to service delivery needs.

In Section 3(b), Part III of the Public Service Regulations, it states that a head of department shall be responsible for the efficient management and administration of his or her department, including the effective utilisation and training of staff, the maintenance of discipline, the promotion of labour relations, and the proper use and care of state property.

The Public Service Regulations also serve as a primary guide to departments in developing and implementing their departmental performance management systems. This is achieved by developing guidelines that need to be followed when dealing with performance management

in the Public Service. The Regulations also require each executing authority to determine a system for performance management and development for employees in that department.

The amended Public Service Regulations (Government Notice No. R441 of 25 May 2001), Chapter 1, Regulation VIII, deals extensively with the management of performance of the Public Service. Section A, Chapter 1, Regulation VIII, outlines the principles of managing performance in the following way:

Departments shall manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational efficiency and effectiveness, accountability for the use of resources and the achievement of results [...] the primary orientation of performance management shall be developmental, but shall allow for effective response to consistent inadequate performance and recognising outstanding performance. Performance management procedures should minimise the administrative burden on the supervisor while maintaining transparency and administrative justice.

Sections B and D of Chapter 1, Regulation VIII, also give departments powers to determine systems for managing performance that are consistent with the aforementioned principles. It also sets out various requirements in terms of those systems that include, but are not limited to, compelling the supervisor to monitor and assess performance, and notify an employee in writing if his/her performance is unsatisfactory.

3.3.8 The Baseline Implementation Guide for Performance Management, 1999

After discovering a need to improve performance management in the public sector, in June 1999 the Baseline Implementation Guide was issued to all departments by the Department of Public Service and Administration. This Guide includes a chapter on “Managing performance”. Part IV of the Guideline includes recommendations about developing performance management systems for departments, and also the process of implementing and managing performance agreements for senior managers. The Guideline gives a required approach on how to manage performance and also gives a summary of regulatory requirements when selecting performance management systems in departments.

3.3.9 Treasury Regulations, 2000

Public Service departments are expected to be compliant with National Treasury Regulations when it comes to performance management. Treasury Regulations assist departments by means of performance auditing and standards for organisational effectiveness and efficiency. Section 5.3.1, based on Section 27(4), read with 36(5) of the Public Finance Management Act 1 of 1999, states that the accounting officer of an institution must establish procedures for quarterly reporting to facilitate effective performance monitoring, evaluation and corrective action. Section 5.3.2 of the Treasury Regulations 2000 further states that the accounting officer must issue quarterly reports to the executive authority no later than 15 days after the end of each quarter.

3.3.10 Cabinet *Legotla*

The Cabinet *Legotla* is a strategic session of Cabinet to give effect to the Government's Programme of Action (PoA) and to review Government's progress in the delivery of services. In most cases, the gathering provides a platform for all key decision makers to be heard on issues of governing the country or province, and to engage and debate issues relating to how the country or the province is being run. When the Government of South Africa held its annual *Legotla* in July 2010, strategic planning issues were presented within the framework of the so-called "outcomes approach". This approach was adopted to help change the way government works to improve service delivery.

Based on the outcome of the *Legotla*, it was agreed to increase the strategic focus of government. It was further agreed to introduce a more rigorous approach to the ways in which government implements its strategic programmes and interventions. This involves identifying the key outputs and activities required to achieve the outcomes, and the appropriate indicators and targets to enable the monitoring of progress. This then becomes the basis for the performance agreements that the President enters into with Ministers at the end of April every year. However, each political heads' performance has to be translated into the overall performance of the employees in their respective departments.

3.3.11 Public Service Coordinated Collective Bargaining Council Resolutions

Collective agreements are reached through the bargaining process between the state as employer and its employees, who are represented by the various employee organisations, and these agreements need to be implemented. Some of these agreements impact on the performance of public institutions.

Resolution number 13 of 1998 sets the framework for senior managers to agree to individual performance agreements that determine their annual remuneration increments. This involves only managers who are at level 13 and above. This resolution paved the way for the assessment or appraisal of the performance of senior managers. Performance agreements have to assist senior managers in defining key responsibilities and priorities and provide measures for assessing success. This has to be done in order to enhance the performance of all Public Service departments in national and provincial spheres.

Resolution 10 of 1999, Section 4, outlines a procedure in respect of poor performance. Subsection 4.1 compels the employer to give written reasons if the employer is of the view that an employee is not performing in accordance with the job that the employee has been employed to do. The employer is also compelled to consider the employee's reasons, communicated in a meeting that may also involve an employee representative should the employee so choose. Section 4.3 also deals with processes to be followed to improve performance, including agreeing on the timeframe in which performance should have improved. It also places a duty on managers to remove or address barriers to performance. In fact, section 4.1–4.7 deals with issues that are related to performance management.

Resolution number 7 of 2000 plays an important role in establishing guidelines for the performance of public officials. This resolution provides guidelines for the pay progression system in the Public Service, which is based on good performance. This normally does not include every employee of the department, but only those who have performed to the expected standard. One of the objectives of this resolution is to pave the way for the establishment of processes to develop new, more equitable benefits, career paths and pay progressions for all employees in the Public Service.

Resolution 1 of 2003 prescribes the disciplinary procedure for the Public Service and outlines actions that are considered serious misconduct warranting formal action. Poor performance is cited as one of the transgressions on the list of misdemeanours. Therefore, it is extremely important for government to comprehend specific organisational factors that influence employee attitude and behaviour, and that may in turn influence how customers perceive service quality.

3.3.12 Senior Management Handbook, 2003

According to the Senior Management Service (SMS) handbook, departments have had the opportunity to work with performance management arrangements for SMS since the introduction of performance agreements in 1998. The Department of Public Service and Administration (DPSA) has developed a more comprehensive and integrated performance management policy framework.

This handbook was developed to promote uniformity in performance management and the development of SMS in order to foster greater consistency in assessment processes and also to impact positively on productivity and service delivery. The SMS handbook states that all members of SMS should enter into performance agreements. For instance, Chapter 4 of the handbook describes the process and requirements of performance management and development for members of the SMS. Also Sections 6.7 and 15.11 outline the approach to dealing with unsatisfactory performance by members of the SMS.

It must be taken into consideration that improved service delivery remains a fundamental priority of government. This cannot be achieved without capable, committed and strong leadership and management. The modern public service requires leaders with an array of skills, both hard and soft, in order to manage competing policy priorities and mandates. The Senior Management Service Programme was developed due to the recognition of the critical role that management plays in the effective and efficient functioning of the Public Service in order to promote performance of the individuals and organisation.

3.3.13 Employee Performance Management and Development System (EPMDS)

Service delivery imperatives aimed at improved performance in the public service have led to the policy formulation of a new unified PMDS in the national and provincial spheres of government. According to Du Plessis (2013:3), the DPSA developed broad guidelines and a statutory framework that serve as a national guide to provincial/national department in developing and ultimately implementing their own PMDS. The Employee Performance Management and Development System (EPMDS), (DPSA, April 2007) was designed as a voluntary system to assist with performance management on salary levels 1 to 12 in departments and provinces that choose to adopt the system. This system is related to ensuring accountability and service delivery in government departments.

The EPMDS has emerged as a fundamental and comprehensive tool for developing and managing employees in the public sector. According to Bacal (1999:3), the EPMDS is an authoritative framework for managing employees. It includes the policy framework as well as the framework relating to all elements of the performance cycle, including performance planning and agreement, performance monitoring, review, feedback and assessment. EPMDS also emphasises that an employee must sign a performance agreement and a performance review must be done on a quarterly basis, and an annual review must also be done. The EPMDS has also been developed within the office of the RLCC, Limpopo in order to improve accountability and performance within the office.

3.4 THE DEVELOPMENT AND IMPLEMENTATION OF A PERFORMANCE MANAGEMENT SYSTEM IN THE RLCC, LIMPOPO

As stated earlier, the need to develop and maintain a performance management system in the Public Service was first identified during the drafting of the Constitution of the Republic of South Africa in 1996 and other related acts and regulations. The combined effect of these acts and regulations obliges government departments to establish and implement a performance management system with the dual purpose of improving the performance of its staff and to deliver effective and efficient service to the public. The Office of the Regional Land Claims Commissioner, Limpopo (RLCC, L), like any other institution in the public sector, has to follow the performance management policy of the Department of Rural Development and Land Reform.

The RLCC, L is no exception when it comes to adopting the framework and guidelines, following the implementation of the Employee Performance Management Development System (EPMDS) policy within the department. The revised EPMDS policy was implemented with effect from the 1st of April 2010. The purpose of this policy is to provide a link between the legislative framework and operational institutionalisation in the department. The policy also has to provide an integrated framework for managing the performance of employees through a process of continuous improvement and development. These policies guide the way performance should be implemented in order to develop an organisation that will be efficient and effective when delivering services to the public. Based on the Public Service Regulations Notice No R441 of 2001, chapter 1, Regulation VIII, Section A, state departments should manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational effectiveness, efficiency and the accountable use of resources, and the achievement of results.

The EPMDS policy requires the department to create a strategic plan, a performance plan and a performance review for more effective and responsive governance. According to Circular 38 of 2010 of the Department of Rural Development and Land Reform (DRDLR), the targets are outlined in the departmental strategic and operational plan, which will then include the overall assessment of individual performance ratings. The success of the Department in delivering its operational and developmental goals depends primarily on the efficiency and effectiveness of employees in the Department to carry out duties. The Department embarked on a strategic planning process to ensure the alignment of its policies, programmes and activities. This strategic plan and operational plan will guide the formulation of the performance plan of an individual employee, which will be recorded in the performance agreement.

3.4.1 Performance management processes in the Office of the Regional Land Claims Commissioner, Limpopo

Performance management is an ongoing process of communication between a supervisor and an employee that occurs throughout the year, in support of accomplishing the strategic objectives of the organisation (Berkeley, 2015). This process helps to prioritise duties and provide ongoing feedback on progress made, and enable employees to appreciate how their work has contributed to the achievement of clear outcomes and organisational success. For an

effective performance management system, performance processes must be repeated annually. This section will briefly outline the performance management processes within the RLCC, L, which comprises four components.

3.4.1.1 *Performance planning*

According to Bacal (1999:27) and Nkwane (2012), performance planning is the starting point for an employer to begin the performance management process. This process involves identifying what type of performance is required and how it can be met, why it needs to be done and other specifics such as level of authority and decision making for the employees. In the case of the RLCC, organisational and individual goals and objectives are set for the performance period. Before the start of the new financial year senior managers, deputy managers and assistant managers meet to discuss the operational plan for the whole department. During this period the discussion is based on the advice from Parliament, at which a certain target was set for the number of claims to be settled for that particular year. Significant pressure is placed on the institution and its staff to achieve these targets. Moreover, meeting these targets often leads to a situation in which senior managers set unrealistic targets for employees. Targets will consequently often be set at too high a standard to achieve, causing employees to fail.

Within the office, performance planning is done on an annual basis. Once the overall performance plan was developed by senior managers, it is then cascaded down to each individual employee to determine their respective performance targets and standards. Employees are also required to identify training and development needs that will enable them to achieve the performance targets. However, even though the office has a performance development plan for employees, the Human Resource Management Directorate is generally unable to sufficiently assist employees in obtaining the skills development training they requested. Once the individual performance work plan is finalised, both the employee and the supervisor sign the performance agreement for the year.

3.4.1.2 Performance agreements

Based on EPMDS policy, it is compulsory for all employees on salary levels 1–12 to conclude and sign performance agreements not later than the 31st of May of every financial year. According to the Departmental Circular no 18 of 2014, it is the responsibility of the branch head of the Department to coordinate the signing of performance agreements by all employees and to submit them to the Human Resource Management Directorate for ratification. Within this performance agreement key performance areas (KPAs) and key performance indicators (KPIs) are developed. Moreover, these KPIs include the performance indicators, i.e. output and outcomes, which are measurable in terms of time and quality, as provided for by the indicators and targets set for each KPI. Within the office, KPI is regarded as an instrument to assess performance. A preliminary investigation among the employees reveals that the Office, when setting performance indicators, tends to disagree with the supervisors in many instances. This also becomes a challenge during the performance appraisal sessions.

The EPMDS policy indicates that those who fail to submit their agreements by the deadline will forfeit any performance incentive and disciplinary action could be taken in terms of Section 16 (a) of the Public Service Act against those who fail to comply. Preliminary interviews with members of the Office, however, reveal that due process is not always followed. Employees usually fail to submit their performance agreements within the stipulated time. This happens mainly because senior managers generally do not fully comprehend the prescripts guiding performance management.

3.4.1.3 Performance appraisals

Performance appraisal involves assessing whether or not performance is *on par* with the required standard, recognising where standards have been met and identifying areas in which performance improvement is required (refer to section 2.7 above). In terms of the employee performance management system policy, the performance appraisal must be done on a quarterly basis. Within the RLCC, quarterly reviews or appraisals are conducted between supervisors and officials.

According to Circular No 09 of 2012 of the Department, it is mandatory for officials to sign performance agreements with their supervisors at the beginning of the financial year and to finalise periodic reviews on a quarterly basis. However, during the preliminary interviews conducted by the researcher with some officials it became evident that this was done only for the sake of compliance as there is generally little or no discussion between the supervisors and the officials. Furthermore, no steps are generally taken to improve the performance of employees within that particular year. This practice contradicts Kirkpatrick's (2006:166) assertion that performance reviews are the cornerstone of the performance management process and are vital for the ongoing development of staff. Also, Schneier et al. (1987) explain that performance reviews should be held frequently as this reduces the overload of criticism of the subordinates compared to when they are held once a year. What is considered the most important in a performance management process within the office is the annual appraisal of the employees. If the quarterly reports that are done within the office were regarded as important, the employees would not have challenges in meeting their performance targets. Performance reviews are not usually done in time – they appear to happen only when the director general intervenes and sends out a circular to remind the employees about the submission. A cut-off date has also been set for the submission of the assessment, but these have never been adhered to by the senior managers within the Office. The Department has also developed a trend with respect to rewards performance when employees have managed to achieve their targets.

3.4.1.4 Rewarding performance

After the performance appraisal the employees that have performed well are rewarded by the department, usually in the form of pay progression and performance bonuses. If an employee achieves a particular score determined by the policy, then that employee is eligible for such and such a pay progression or performance bonus. For example, within the RLCC, L Office, when an official scores an overall rating of “three” it means that he or she has simply performed according to the required standard and will get only an ordinary pay progression. However, when officials score “four” or “five” they usually receive a pay progression as well as a performance bonus.

3.5 CONCLUSION

In this chapter, the focus was placed on the statutory and regulatory frameworks guiding performance management in the South African Public Service. This purpose of this focus was to compare the performance management applications (i.e. PMS) in the Office of the Regional Land Claims Commissioner with both theoretical best practice (chapter 2) and the statutory prescripts (chapter 3). These frameworks usually assist senior managements in guiding the behaviour of public employees. All national and provincial departments regularly consult these frameworks when designing their own policies, systems and initiatives to assist in the overall performance of the department. According to the Public Service Commission (2007:10), the legal framework and guidelines to manage performance in the Public Service are thorough and reflect the Public Service's intention to build a performance-driven culture. Moreover, detailed measures are provided to facilitate the management of poor performance at all levels of the Public Service. It is clear that performance management is rated highly in the public service.

The regulations highlighted above serve as the primary guide for departments when they develop and implement departmental performance management systems. The regulatory framework helps to outline the way in which performance management should be applied in the South African Public Service in the face of a continual demand to deliver more in order to address the needs of society. Furthermore, these frameworks make executive authorities accountable for the performance of their departments, as well as that of individual employees.

In the next chapter the focus will be placed on the findings of the empirical investigation into the performance management system in the Office of the Regional Land Claims Commissioner, Limpopo in order to understand the impact it has on the performance of employees.

CHAPTER 4

THE STATUS OF THE PERFORMANCE MANAGEMENT SYSTEM IN THE OFFICE OF THE REGIONAL LAND CLAIMS COMMISSIONER, LIMPOPO PROVINCE: EMPIRICAL FINDINGS

4.1 INTRODUCTION

The previous chapter explored the statutory and regulatory framework guiding performance management systems in the South African Public Service and also compared the performance management applications in the Office of Regional Land Claims Commissioner (RLCC) with both theoretical best practice (Chapter 2) and the statutory prescripts (Chapter 3). This chapter will comprise an outline of the findings of the empirical investigation into performance management systems applications, with a focus on the employees' understanding and perceptions of performance management systems within the RLCC Office in Limpopo.

The chapter will begin with a general exposition of the methodology utilised in this investigation, including sample procedures, data collection instruments and data analysis. This will be followed by a report on the findings obtained from the data collection instrument. This chapter thus serves to outline and confirm any discrepancies between the theoretical underpinnings of performance management systems and the associated statutory prescripts on the one hand, and the performance management system applications in the Office of the RLCC on the other. This could lead to strategic, tactical and operational recommendations for improvement, which is the main purpose of this study, in the next chapter.

4.2 METHODOLOGY

Research methodology can be regarded as the general research strategy that determines the way in which research is undertaken. This includes identifying the methods to be applied to a field of study. According to Leedy and Ormrod (2010:12), the research methodology frames the general approach followed and largely dictates the particular tools the researcher selects.

It encompasses concepts such as the research paradigm, theoretical models, phases, and qualitative or qualitative techniques. In this section the research methodology and design used in the study, including strategies, instruments, and data collection and analysis methods, will be outlined, and the stages and processes involved in the study, as noted in chapter 1, will be explained.

4.2.1 Research design

Cohen et al. (in Maree, 2007:33) explain that a research design is used to describe the procedure for conducting a study. In this study, a qualitative, case study research design was followed, utilising a descriptive approach to interpreting the phenomena under investigation. This kind of research helps the researcher to gain insight and understanding into the subject of the study. According to Worland and Manning (2005:6), descriptive research attempts to define or measure a particular phenomenon, usually by attempting to estimate the strength or intensity of behaviour or the relationship between two behaviours.

4.2.2 Sampling

Participants were selected from among the employees of the Office of the Regional Land Claims Commissioner, Limpopo. Two managers, five line managers and 10 employees, that is, a total of 17, were selected through purposive sampling. Purposive sampling enables the researcher to choose the participants who possess the information and knowledge required for the study. According to Du Plooy (2009), sampling can be regarded as a process of selecting units of analysis from a target or accessible population.

Before the interviews were conducted, permission was requested to conduct the interviews with the officials of the Office. Permission was granted by the Director of the Department of Rural Development and Land Reform. The necessary permission and consent were further obtained from the participants after they were informed of the purpose of the study. The participants were informed of their rights to privacy and assured that their responses would remain anonymous. The interviews were conducted in the offices of each participant. Some officials, especially female colleagues, were reluctant to participate in the study as they were of the opinion that it would take too much time, while others believed that they did not have adequate knowledge of the subject concerned. Through adequate communication and

persuasion, however, the researcher managed to obtain an adequate sample from the target population.

4.2.3 Data collection instrument

Semi-structured interviews were utilised for data collection purposes. An interview schedule was designed in the form of a questionnaire with closed- and open-ended questions to allow the researcher to ask follow-up questions for clarification. One official each from the three target groups was selected to pilot (pre-test) the measuring instrument and to identify any potential shortcomings or ambiguity in the interview questions. Before the pilot study the questions were categorised in two sections, namely a section (A) for senior managers and line managers, and a section (B) for the 10 employees.

In-depth interviews were conducted with the managers, line managers and officials at level 7-8 within the Office with the intention of obtaining information regarding current challenges associated with the implementation of the PMS. Through method- and data-triangulation (theory, statutory and regulatory guidelines, and interviews), recommendations will be made in the last chapter to further improve the successful application of performance management systems in public institutions, with specific reference to the PMS in the Office of the RLCC.

According to Brynard and Hanekom (1997), validity refers to the potential of a design or an instrument to achieve or to measure what it is supposed to achieve or measure. In this case, validity was ensured by designing questions that would elicit the information relevant to the research objectives of the study. Principles of construct validity were used as a tool to measure the information gathered. Reliability pertains to the accuracy and consistency of measures (Brynard & Hanekom, 1997:41). In this study reliability was ensured by asking the participants questions that would be likely to obtain the same results even when administered to a different group. The reliability of the research was also ensured by making use of one research instrument, namely the interview schedule for the entire target group.

4.3 RESEARCH FINDINGS

In this section the empirical findings, based on the managers' and employees' understandings and perceptions of the PMS within the RLCC Office in Limpopo, will be described.

4.3.1 Profile of participants

A total of 17 participants were selected for this study. Ten were employees at post levels 7 to 8, five were line managers at level 10, and two were managers at post level 12. The majority of the participants were male (10) and seven were female. The participants had, on average, 6–10 years' work experience in the Department. Both their profiles and experience levels placed all the participants in a favourable position to contribute meaningful and informed input to the study.

4.3.2 Responses per question

In this section, the responses to the main questions are reflected. It should be noted that not all the follow-up questions are listed below. The responses to such follow-up questions are only reflected where they further elucidate and support the main intent of the question.

Question1: What is your Level of knowledge and understanding of the PMS?

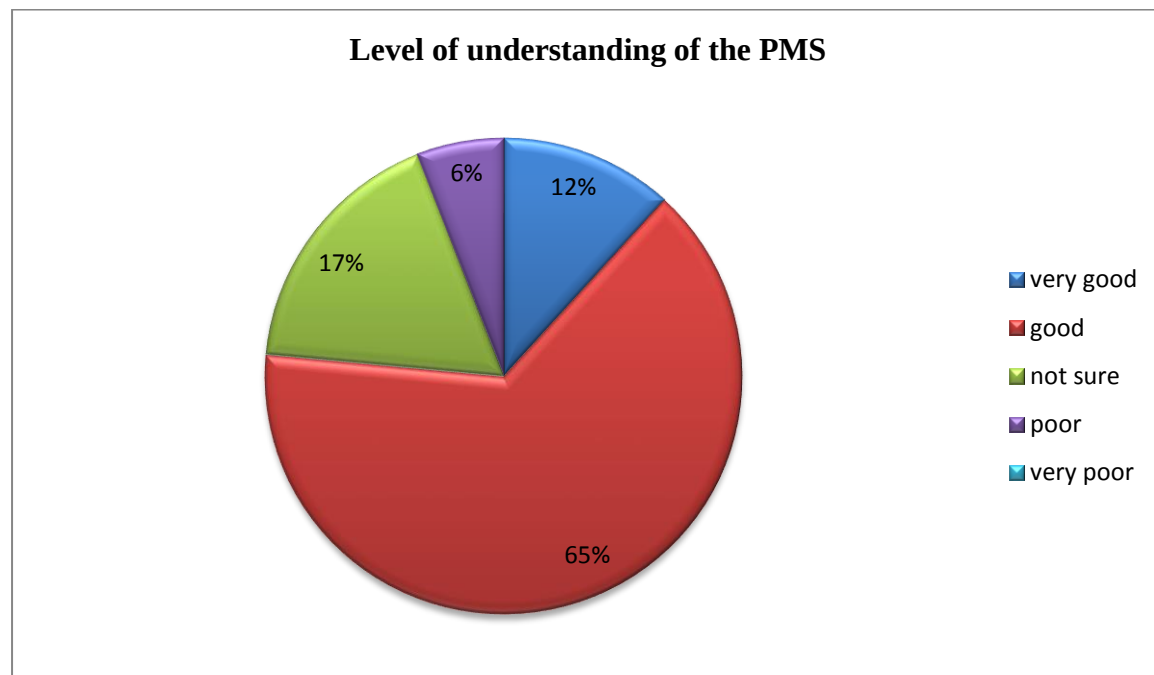


Figure 4.1: Participants' level of understanding of the PMS

This question was intended to explore the general knowledge and level of understanding of the objectives, principles, design and application of the PMS in the Office. The question not only tested the knowledge and understanding of the participants, but the researcher also

probed the level of understanding the participants thought general employees of the Office had about the PMS. As Figure 4.1 indicates, 65% of the participants of both participant groups demonstrated adequate knowledge and understanding of the System, while 6% indicated that they themselves and the employees in general did not have an adequate level of knowledge and understanding of the PMS. Most of the participants were of the view that the PMS was an essential instrument “in order to manage and monitor the performance of the employees”. According to some participants, “it is more of a supervisor and management tool of the employees”. This implies that most of the employees within the Office understand the purpose of the PMS. However, some participants explained that even though performance management was done with good intentions in the Office, it was implemented incorrectly. The employees indicated that they felt the system itself was flawed and they complained of its ineffectiveness. They indicated that the system failed to establish clear performance goals and also failed to generate honest feedback.

Question 2: Do you understand the processes associated with performance management at your office?

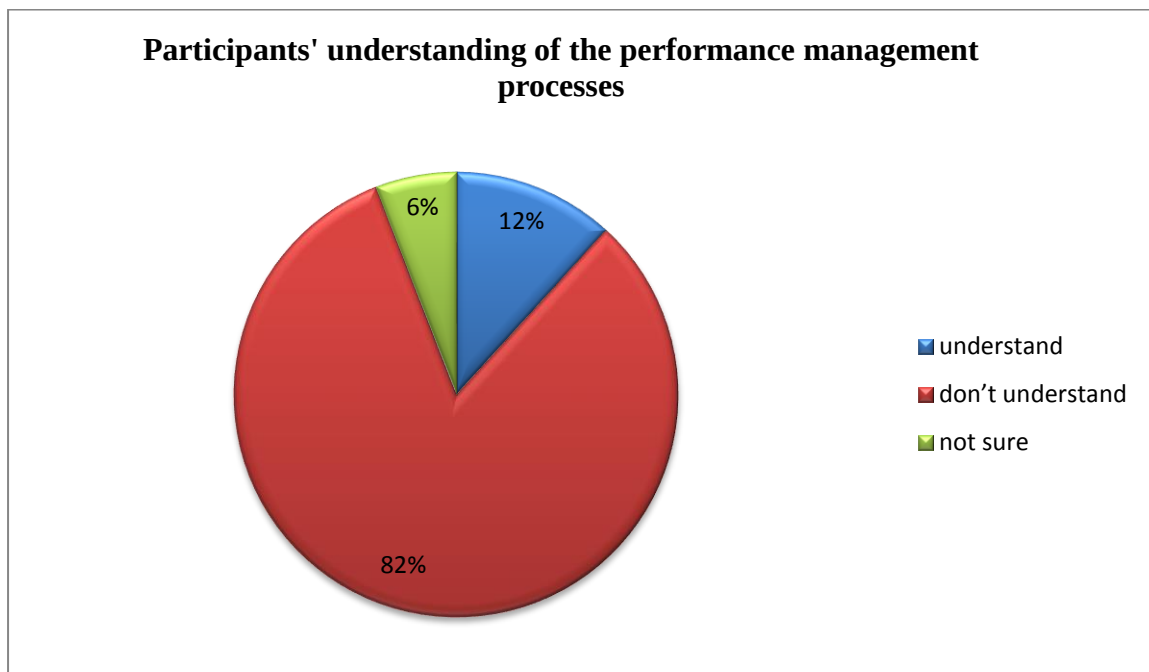


Figure 4.2: Participants understanding of performance management processes

Figure 4.2 depicts that 82% of the participants lack a clear understanding of the performance management process formulated for use within the Office, while 12%, who are at level 12 (managers) showed an adequate level of understanding. It was the participants' opinion that

in most cases employees have very limited knowledge of performance agreement and performance assessment processes, which are done on an annual basis towards the end of each year. The employees explained that they were merely told to sign an agreement. In most cases, the expected performance standards were not even explained by their supervisors. The participants at managerial level indicated that the Office had adopted a process whereby officials have to sign a performance agreement at the beginning of the financial year. This agreement indicates how many projects need to be undertaken by officials within that particular performance assessment period. This agreement is guided by the Annual Performance Plan (APP) for the Office. The participants also indicated that when officials performed *on par* or beyond the expected performance standards, they were financially rewarded. Their annual salary was usually also adjusted upward a notch. However, the managers explained that there is usually a challenge in appraising and rewarding officers due to the fact that there is very limited understanding of how the set performance standards for officials should be linked to the strategic and operational objectives of the Office.

Question 3: Do you value the utilisation of the PMS as a valuable instrument for performance appraisals?

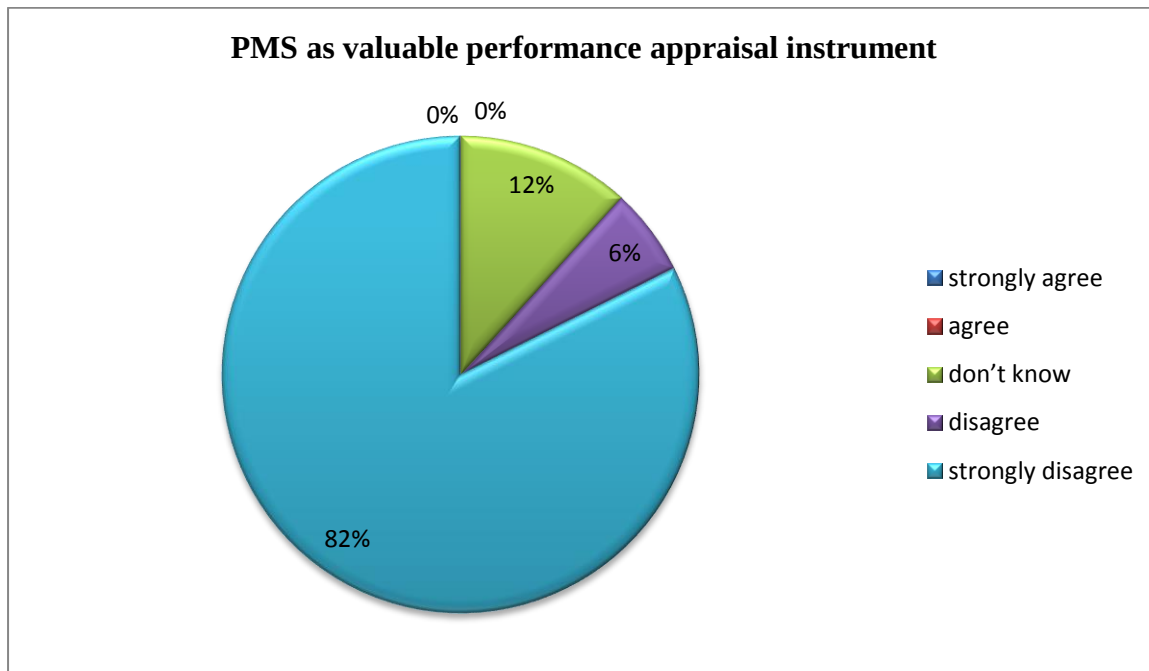


Figure 4.3: PMS as performance appraisal instrument

Figure 4.3 indicates that there is general consensus that the existing PMS used in the Office is not fully conducive or is not efficiently utilised as a performance appraisal instrument. This

includes the monitoring of employee's performance during the appraisal period. In follow-up questions it became apparent that the participants concurred that this situation was exacerbated by the fact that performance agreements were not correctly constructed, agreed upon and utilised as tool to monitor the performance of employees. As a result, the gaps between expected performance standards and actual performance could not be monitored during the course of the year. For instance, they believed that there were a number of activities that needed to be done before a research report for a claim (their main job responsibilities) could be packaged, but they were only assessed when the research report was approved. Thus, the focus was placed only on the output dimensions of performance, without considering the input dimensions. The compilation of a research report for a land claim includes screening, oral research, *in loco* inspections, claimant verification (identifying ODIs), archival research, deeds research, mapping and surveying, and also aerial photographs. There are thus a wide variety of input dimensions (i.e. activities/responsibilities) that need to be done to successfully conclude a research report. Due to the fact that only the final reports (i.e. output) were considered during performance appraisal sessions, it appears that the official responsible did not successfully execute his or her responsibilities, although most of the input dimensions were successfully completed.

The participants, as samples of the target population, believed that they needed to be assessed on the percentage completion of their activities. They also indicated that in terms of the relevant human resource policies, performance assessments should be done on a quarterly basis. This implies that the performance of officials should be properly monitored throughout the performance period to identify any deviations and to guide them towards the successful completion of their responsibilities. This, however, is not effectively done. They were strongly of the opinion that problems needed to be identified at an early stage if employees were not performing. This result is in congruence with the foundational principles of performance management, as explored in Chapter 2 of this study. The results also suggest that some of the major elements of the PMS are poorly designed and/or utilised within the Office.

Question 4: Are you familiar with the relevant policies associated with performance management at your workplace?

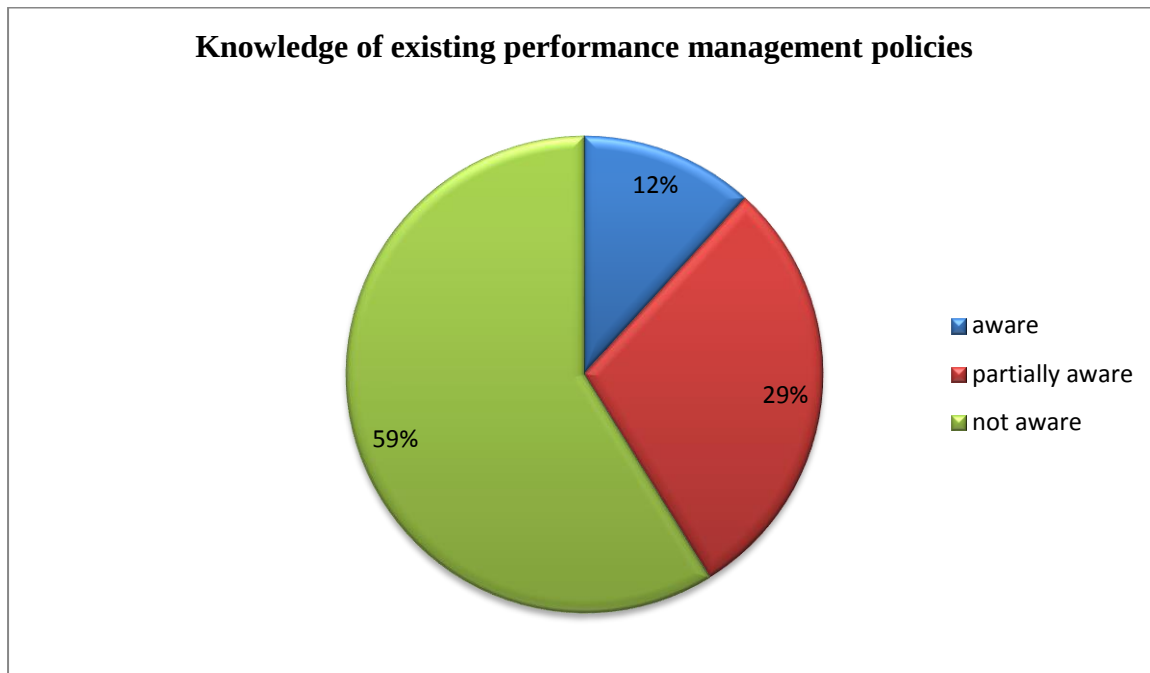


Figure 4.4: Knowledge of existing performance management policies

Fifty-nine percent of the participants on levels 7-8 indicated that they were not aware or familiar with any policy that related to performance management within the Public Service. They were also of the opinion that the employees of the Office in general were oblivious to the relevant policies. However, 29% of the participants on post level 10 were partially aware of the fact that there was an EPMDS policy for the Office. These participants indicated that they had never read it, even though it was available on the intranet of the Office. Twelve percent of the participants on level 12 indicated that they were aware of the policies related to the performance management system. It could also be deduced from the employees that there was a lack of knowledge of the policy related to performance management. This will probably make it more difficult for the Office to effectively implement the PMS in the Office and to comply with policies and regulations.

Question 5: To what extent are you aware of how performance is measured in the Office?

All the participants confirmed that they were aware of how performance was measured in the Office. They indicated that at the beginning of the financial year (i.e. March 30 to 1st April) the Officers entered into performance agreements that would inform them how they were

expected to perform during the appraisal period. The performance agreement also served as an indication of how many claims needed to be researched and settled by an officer before the end of the financial year. Based on the successful completion of these claims, the officials would be appraised and a performance score allocated based on the results. However, some participants indicated that these performance agreements were usually vague in terms of expected standards, targets and expected results. This often caused confusion and a lack of understanding of how a performance score was actually awarded.

Question 6: Have you undergone any training in performance management? If you have, what was the nature thereof and how often did you receive it?

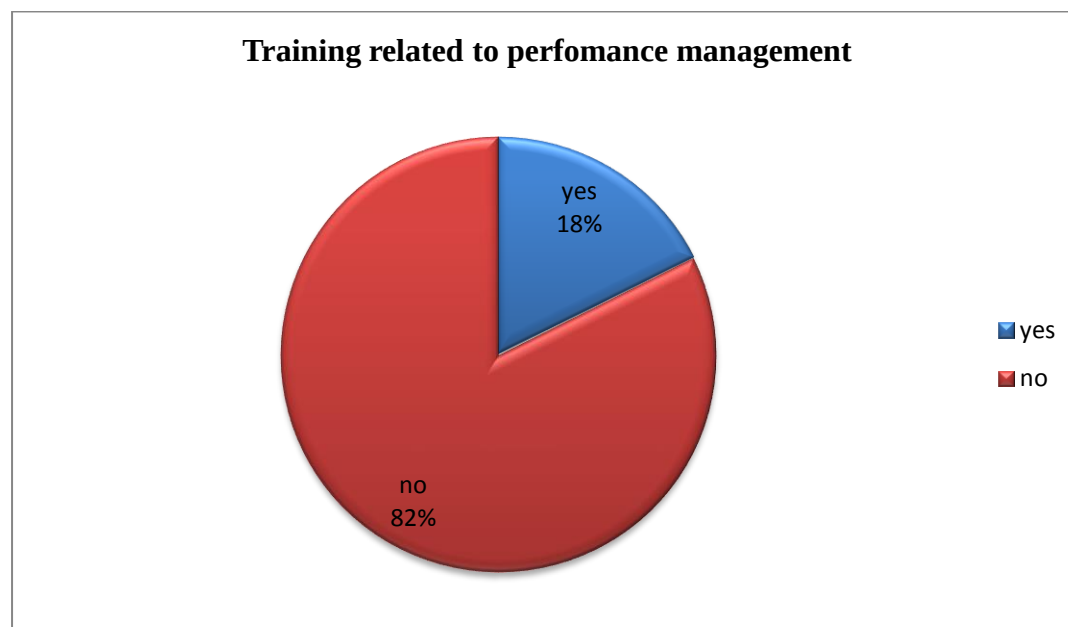


Figure 4.5: Training related to performance management

Based on the responses of both participant groups (i.e. managers and employees), Figure 4.5 demonstrates that 82% of the participants indicated that they did not undergo any training on performance management. Eighteen percent indicated that they had once attended such training. In follow-up questions it became apparent that the timing of this training, as well as the helpfulness of the content thereof, was questionable. This might pose a serious challenge to supervisors, as they have to monitor and assess the performance of the employees without having a thorough understanding of how the PMS works and how it should be utilised as an assessment instrument. As was established in the theoretical orientation, training creates a

better understanding of the goals the institution wants to accomplish and the contribution of employees in operationalising these goals.

Question 7: Do you attend training that is aimed at helping you to perform your responsibilities more effectively?

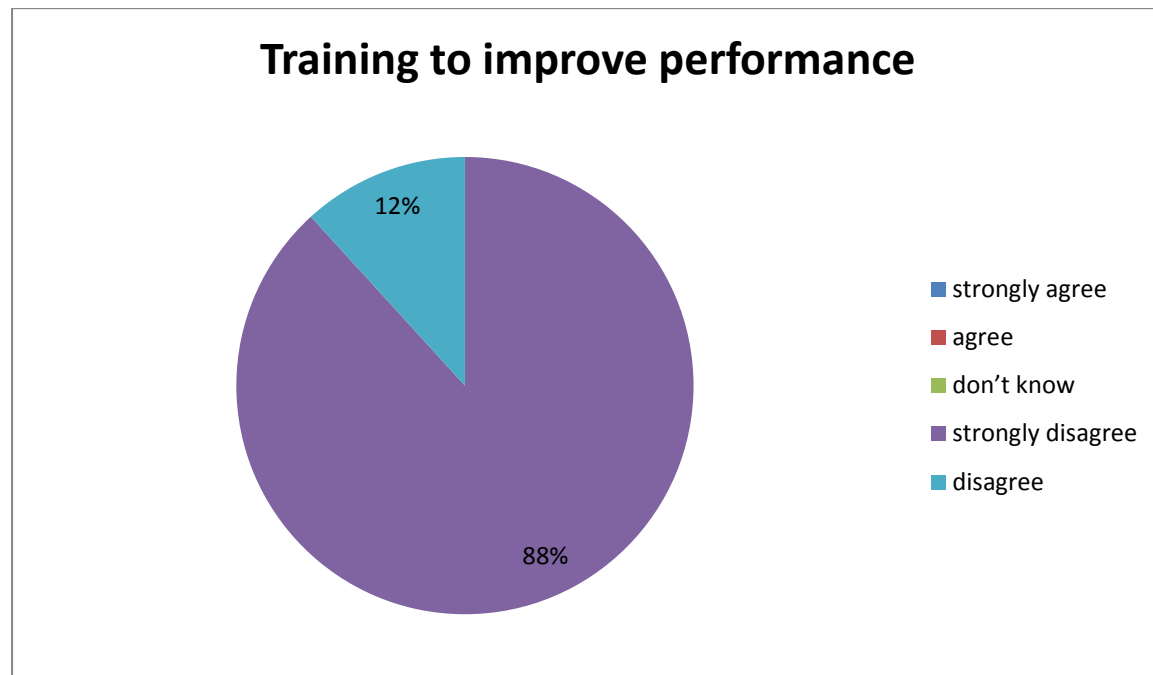


Figure 4.6: Training that helps employees to improve their performance

Figure 4.6 illustrates that 88% of all the participants believed that no training was conducted to enhance the skills and general performance of employees. They indicated that during the signing of performance agreements, they were requested to submit a performance development plan (PDP). This development plan should reflect the areas in which employees believe they need further improvement. It should also indicate the kind of training that is required to assist in the improvement of their performance. There was, however, general consensus that the kind of training reflected in the individual PDPs of employees was not provided and no reasons were given for why this training was not done. Since the establishment of the PMS, no specialist training has been made available to supervisors or employees. However, the participants indicated that they did attend training that was aimed at a better understanding the department's functioning, rather than improving their skills to improve performance. One of the employees indicated that since joining the Office, he had only attended training on conflict and general management issues. This training was,

however, of an academic or theoretical nature. Little or no practical applications or appropriate examples were made available for the employees to obtain a better understanding of their responsibilities. Furthermore, there was general agreement that it seemed performance was dealt with only to “push budget” because most of the training sessions were held only in the last quarter of the financial year. This contradicts the EPMDS policy, which indicates that “HRD shall incorporate training needs identified in the PDPs into the Workplace Skills Plan and shall monitor progress”.

Question 8: How often is your performance assessed in your department?

All of the participants agreed that assessments were conducted on a quarterly and annual basis. They indicated that every quarter they had to submit a performance report for the work that was done in that particular quarter and an annual assessment report that had to show to what extent the employee had performed in that financial year. Based on the responses obtained, it is evident that the Office does not take quarterly reports seriously and it seems that it is only done for the sake of policy compliance. In most cases, when employees did not perform adequately in some areas, no managerial interventions were made because the monitoring of their performance during the year was extremely limited.

It is further evident that the annual assessments receive priority because monetary rewards are involved. This is despite the fact that the EPMDS policy within the department states that “[...] performance monitoring, reviewing and assessments should be an ongoing interactive process between the employee and the supervisor about the employees’ performance”. In this regard, Mbombi (2012:33) states that one of the problems with annual performance reviews is that employees do not receive consistent feedback, which is considered to be critical for the maintenance of good performance. Flippo (1984:224) also indicates that if employees are not systematically appraised and provided with feedback, their development in the workplace tends to be hampered. So the lack of continuous monitoring and adequate performance feedback also has a detrimental effect on the performance of employees. In this regard, the EPMDS policy clearly stipulates that “[...] employee performance at individual level shall be continuously monitored and assessed in order to identify performance barriers, challenges, improvement areas to address and developmental needs as they arise, as well as to determine progress; identify and provide the support needed; modify objectives and targets; and ensure continuous learning and development”.

Question 9: Do you think the PMS helps to identify underperformers/best performers in your office?

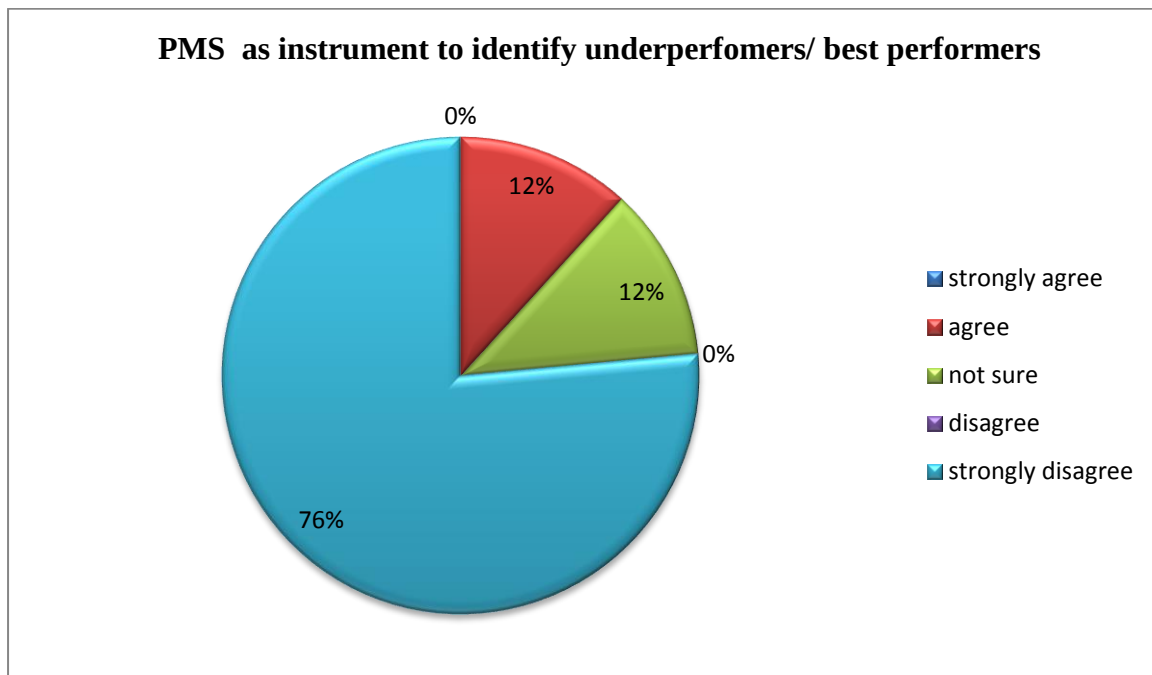


Figure 4.7: PMS as an instrument to identify underperformers/best performers

Based on the response from the employees, the PMS in the Office does not clearly assist in identifying good or poor performance by employees. Figure 4.7 indicate that 76 % strongly disagree that the systems in place really assist in identifying well and poor performing individuals. They believe that due to the lack of consistence in workload and responsibilities allocated to the employees, some can perform better since they have less responsibility. In this regard, one employee indicated that in some cases an employee will be made responsible for a land claim of only one farm, while another employee will be made responsible for a community claim with 20 or more farms. In spite of the significant difference in workload, when it comes to assessment both employees will get the same performance score. In this regard, Van der Waladt (2004:16) stated that “[...] managing performance is a key human resource tool, which ensures that employees know what is expected of them, the managers know whether the performance of the employee matches the required objectives, poor performance is identified and improved, while good performance is recognised and rewarded”. The participants firmly believed that employees should be allocated a fair amount of work, should be assessed equally and that the “equal-work-equal-pay system” should be utilised.

Question 10: Do you believe that the PMS supports the objectives of the department's strategic plan?

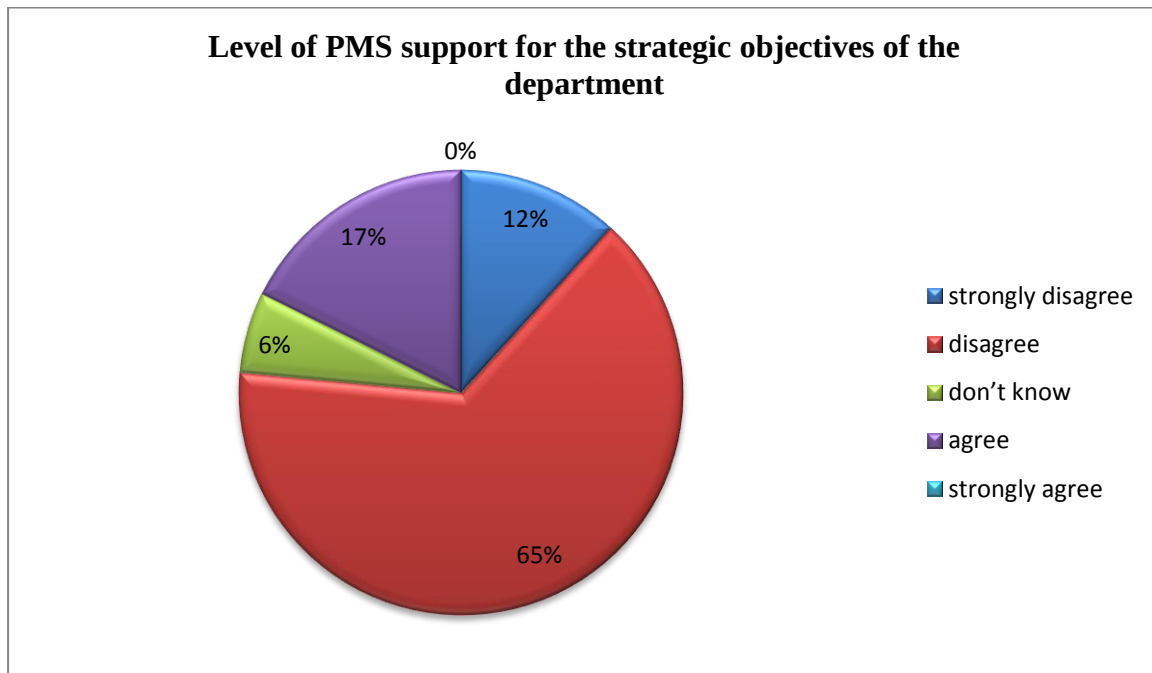


Figure 4.8: Level of PMS support for the objectives of the department's strategic plan

Figure 4.8 indicates that the majority of the participants (65%) strongly disagree that the PMS supports the objectives of the department's strategic plan. According to the participants, this is caused by the unclear standards set in the performance agreement and the lack of continuous monitoring to identify gaps during the financial year. As a result, these employees could not perform as expected in relation to their performance agreements. This situation has a detrimental effect on the overall performance of the Office. It is thus evident that due to the lack of clear standards and the lack of continuous monitoring within the Office, the employees could not adequately assist the institution effectively in terms of its objectives. This is in line with Makakane's (2007) statement that the key role of performance management is to focus on achieving results, useful products and services for customers inside and outside the organisation. For the PMS to assist in the strategic plan, participants believe that there should be a clear standard in the performance agreement and that this should also be clarified to employees. Continuous monitoring also needs to be effective and there must be a clear turnaround time for submissions, since reports pass through a number of hands before they reach the Office of the Commissioner for approval.

Question 11: With PMS as tool, are you satisfied that supervisors now have more time to monitor the performance of their staff?

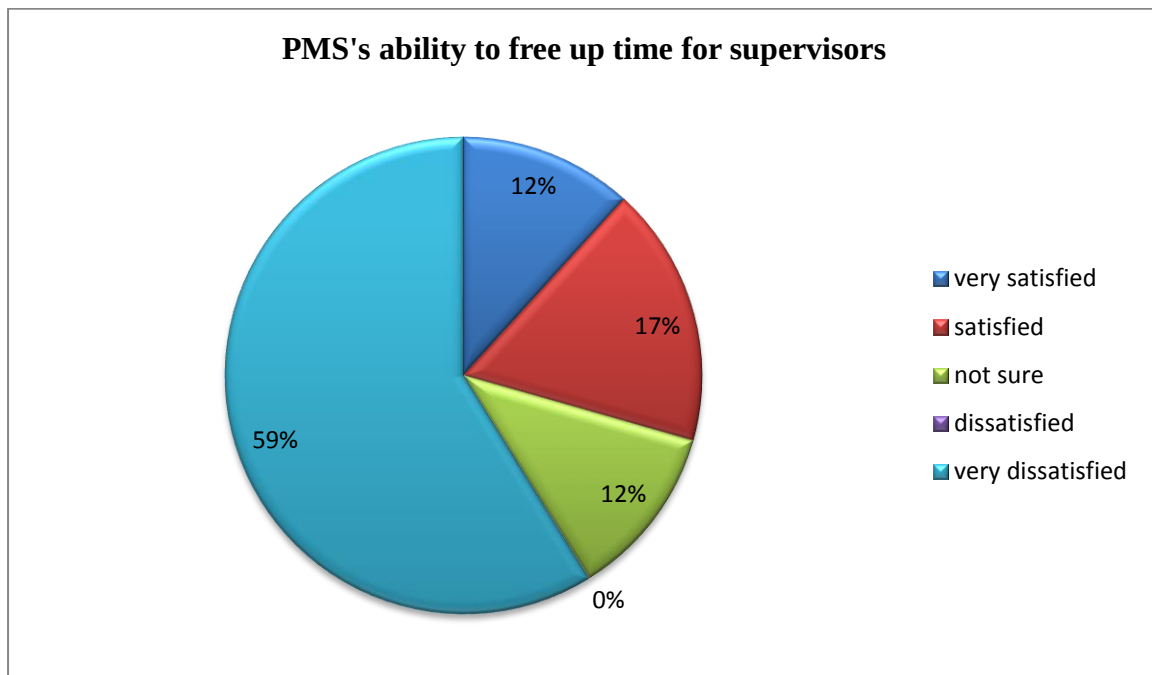


Figure 4.9: More time to monitor the performance of employees by their supervisors

Figure 4.9 indicates that 59% of the participants on levels 7-8 believed that the implementation of the PMS did not free up time for supervisors to monitor the performance of their employees. It is thus not currently an effective time-saving device due to making instruments, tools and techniques available to supervisors to better carry out their responsibilities. The employees indicated that they were only requested to submit quarterly reports for assessment and no monitoring took place. For instance, employees are expected to compile monthly plans and reports, but this is not done due to the effectiveness of the supervisors. They indicated that the supervisors would not know whether a particular employee was performing until he or she had submitted an assessment report.

Question 12: Do you believe that the supervisor is fair during performance assessments and is the discussion with your supervisor about your performance worthwhile?

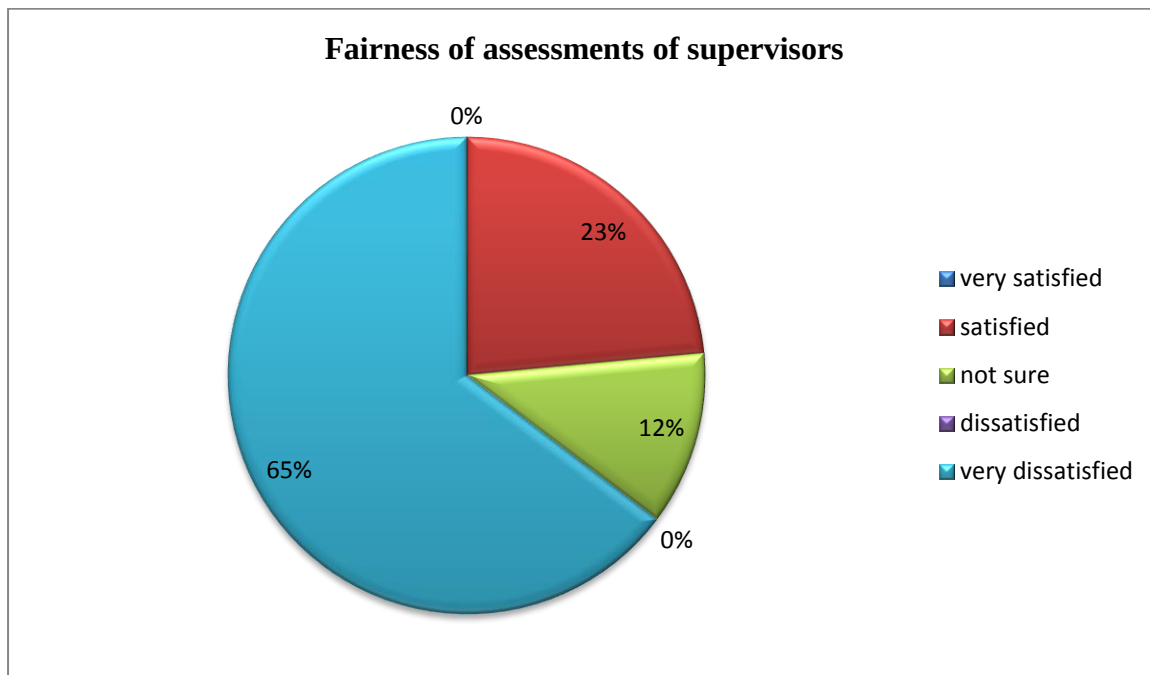


Figure 4.10: Fairness of assessments conducted by supervisors

Figure 4.10 indicates that 65% of the participants believed that their supervisors were not fair and objective during assessment sessions and 23% agreed that they were fair. However, 12% of the participants thought that they were not sure as they did not understand how they should be assessed. This result reflects on the lack of training regarding performance (see figures 4.5 and 4.6). The participants also indicated that most supervisors did not have adequate experience in managing employees. One of the managers explained that some managers used assessments as an opportunity to “settle scores” with employees and give them unfair performance scores. Some participants also indicated that there was limited or no constructive performance discussions and feedback in order to improve performance. Rather, the employee’s performance score was simply reduced or increased. According to the EPMDS, “[...] the Department shall consistently manage performance in a consultative, supportive and non-discriminatory manner in order to improve organisational efficiency, effectiveness and accountability in its use of resources and achievement of results”. It also indicates that “[...] all employees shall be treated equally, transparently and fairly during the performance assessment process”.

Question 13: How satisfied are you with the recognition you receive for good performance (i.e. high performance scores)?

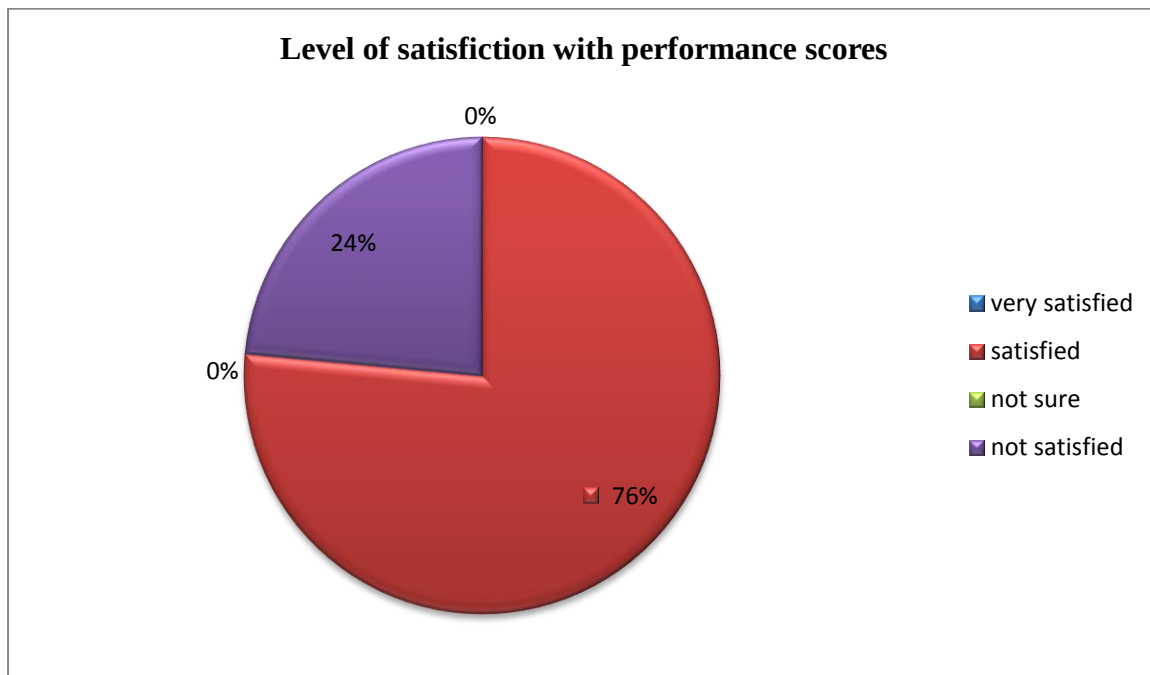


Figure 4.11: Satisfaction of performance score received

The majority of the participants (76%) confirmed that they were adequately satisfied with the reward that they get when they had performed. Only 24% indicated that they were not satisfied. The main reasons provided for their low or no satisfaction with their performance scores was that they believed their supervisors were not fair and objective in their assessments, and because workloads and responsibilities were not equally distributed (refer to fig.4.7 and fig 4.10).

Question 14: Are there any managerial interventions taken in cases where employees failed to perform according to expectations? Please elaborate.

According to the participants, employees who do not perform as per expectations in the financial year are not assisted to improve their performance. There was thus total consensus that no managerial interventions were in place or made by supervisors to improve the performance of employees. The employees indicated that there was constant failure by the employees to meet the required standard set by the employer based on the performance agreement they had signed. This demonstrates a general lack of accountability by supervisors

and managers in managing poor performance in the Office. This also indicates a constant failure by the Human Resources Section to adequately provide the necessary performance support and guidance. In cases where individuals fail to perform, they will be requested to submit a personal development plan (PDP), but then no interventions follow to remedy the situation or to respond to the content of the PDP. In this regard, the EPMDS policy states that “[...] the Department shall provide the necessary support to underperforming employees”. Also, Chapter 1, Regulation VIII, Section E, empowers and compels Departments to “[...] provide a framework to assist poorly performing employees to improve their performance and set out processes to be followed in the event that there is no or insufficient improvement in their performance”. There is an expectation by employees that when they fail to perform in certain areas that they will be closely monitored and guided by their supervisors. It is evident that this expectation is not adhered to.

Question 15: In your opinion, what have been the main challenges in the successful implementation of the PMS in the Office?

According to participants from all levels, the main challenges faced by the Office in the successful implementation of its PMS include the following:

- Managers do not agree with their subordinates about the standards set.
- Performance Agreements (PAs) often change and this creates confusion among the employees.
- PAs are not adequately discussed with the employees and sometime they do not understand what is expected of them.
- Failure of managers to understand the expectations of employees.
- Sometime employees have to perform work outside the scope of the PA.
- Lack of budget allocations, since some projects are not prioritised. In such a case most of the projects will not be processed due to the lack of funds and this hampers the performance of the employees.
- Supervisors (managers) are often subjective, in that an individual as a person is assessed rather than his or her performance. They believe that sometimes it is also used as a tool to victimise employees who often disagree with their supervisors.

- PDPs are not taken seriously as a means to capacitate the employees to improve their performance.
- There is no clear direction in order to assist the employees who are lacking certain skills to improve their performance.
- Setting unrealistic targets for the employees in line with political directives.
- Lack of resources (i.e. equipment, instruments, information, time, etc.) for the employees to perform.
- Capacity of managers or supervisors to effectively manage people and guide their performance.
- Non-compliance with EPMDS policy and other related policy frameworks.

4.4 CONCLUSION

In this chapter the focus was on the understanding and perceptions of the employees within the Office of the RLCC, Limpopo. It is clear from the participants that the RLCC Office is facing some serious challenges in terms of managing performance. There is also no indication that any interventions are in place or planned to try to improve it. The majority of participants are of the view that performance management within the Office is not done in the correct way and it has to be improved. It has also been indicated that the employees have adequate knowledge of the PMS but their main concern is the flaws and challenges associated with the implementations and utilisation thereof.

It is further evident that the employees are not adequately trained in the foundational principles of performance management in general and the PMS in particular. Even though the employees sign performance agreements, the content of these agreements is usually not discussed with the employees. Confusion over performance expectations and responsibilities usually result as a consequence thereof. The successful implementation of the PMS could help to build and maintain trust between employers and employees. It must be understood that an effective PMS is a central element of well performing organisations. The following chapter will focus on the conclusions and the recommendations based on the inputs from the participants.

CHAPTER 5

SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1 INTRODUCTION

In the previous chapter the researcher outlined the findings of the investigation into PMS applications in the Office of the Regional Land Claims Commissioner, Limpopo. The perceptions and understanding of the PMS by the employees within the Office were obtained and analysed in relation to the theoretical foundations of the study. This chapter contains the conclusion to the study, as well as core recommendations that are based on the findings of the study. These recommendations are aimed at addressing the research problem stated in Chapter 1. The chapter also contains suggestions for the design of a PMS application model for adoption in the RLCC Office in Limpopo as a management tool to improve the full implementation of its PMS. This model is based on a gap analysis between the research findings (i.e. challenges associated with the implementation of the current PMS in the Office) and the theories, principles and best practices of a PMS observed in the theoretical chapters of this study.

5.2 SUMMARY OF THE CHAPTERS

The purpose of the study was to uncover and evaluate the particular challenges associated with the implementation of the PMS in the Office of the RLCC with a view to recommending amendments and adjustments. These amendments and adjustment should generally lead to improved performance within the Office. A brief summary of the chapters of this study is given below.

Chapter 1 comprised the general contextual background to the study and introduced core concepts pertaining to performance, performance management and performance management systems. The problem to be investigated, the research questions and objectives were introduced in order to clarify the purpose of the study. The research methodology was also outlined to show how the research was to be conducted. And explanation of the rationale or justification for the study was also provided.

In Chapter 2 the theoretical underpinnings, principles and elements of performance, performance management and performance management systems were reviewed. A thorough literature survey was conducted to uncover fundamental concepts, dimensions and elements of performance in the public sector.

Comprehensive analyses of the statutory and regulatory frameworks that guide performance management in the public service were undertaken in **Chapter 3**. This analysis served as the second leg of data triangulation, with the aim of comparing PMS applications in the Office of RLCC with both the theoretical best practice and the statutory prescripts.

Chapter 4 began with a general exposition of the methodology utilised in this investigation, including sample procedures, data collection instruments and data analysis. The findings obtained from the data collection were then described. The chapter thus served to outline and confirm any discrepancies (i.e. gap analysis) between the theoretical underpinnings of performance management systems and the associated statutory prescripts on the one hand, and the performance management system applications in the Office of the RLCC on the other.

Chapter 5 contains conclusions and recommendations that are based on the findings of the study. It also includes suggestions for the development of an application model as a management tool to help the RLCC Office to refine and successfully implement its existing PMS. This model aims to more effectively utilise the PMS as a general performance improvement instrument.

5.3 ACHIEVEMENT OF THE OBJECTIVES OF THE STUDY

The purpose of this section is to determine whether the research questions were adequately answered and whether the research objectives were successfully achieved. It is imperative to ascertain the extent to which each chapter served as an instrument for these purposes.

5.3.1 Research Questions

The main research questions the study was intended to answer include the following:

- What are the appropriate best practice principles and theoretical models for performance and performance management, and what are the statutory and regulatory prescripts governing performance management system design and implementation?
- What is the application value of performance management systems in terms of improving the effectiveness and efficiency of public service institutions?
- What are the application model, characteristics and limitations of the PMS designed and implemented by the Office of the RLCC, Limpopo?
- How do employees and managers perceive the successes and failures of the current PMS?
- What are the particular implementation and application challenges associated with the PMS?
- What should be considered for inclusion in an improved application model to adjust the current PMS of the Office?

5.3.2 Research Objectives

The primary objective of this study was to investigate the design of a more coherent and effective application model for PMS implementation in the Office of the RLCC. With this primary objective in mind, the following secondary objectives were formulated:

- To identify the appropriate best practice principles and theoretical models of performance and performance management.
- To analyse the statutory and regulatory prescripts governing performance management system design and implementation in the South African Public Service.
- To evaluate the potential value of performance management systems to improve the effectiveness and efficiency of public service institutions.
- To assess the current application model, characteristics and limitations of the PMS designed by and implemented in the Office of the RLCC, Limpopo.
- To determine employees' and managers' perceptions regarding the successes and failures of the current PMS.

- To identify and evaluate the particular implementation and application challenges associated with the PMS.
- To determine elements that should be considered for inclusion in an improved application model to adjust the current PMS of the Office.

The research objectives identified above have been achieved in this study as indicated below:

Objective no 1: To identify the appropriate best practice principles and theoretical models of performance and performance management.

This research objective was addressed in chapters 2 and 3. In chapter 2, core dimensions and aspects of performance, including performance management and performance management systems, were explored. Also, based on a robust literature survey, various performance management tools linked to performance management were analysed and some of the tools were highlighted to achieve the particular research objective.

Objective no 2: To analyse the statutory and regulatory prescripts governing performance management system design and implementation in the South African Public Service.

In chapter 3, the statutory and regulatory framework guiding performance management applications in the South African Public Service were explored. It was indicated that performance management has been legislated in order to improve performance management in the workplace. The primary aim of these statutory prescripts and regulatory guidelines governing performance management is to entrench a “performance-driven culture” within the Public Service. These frameworks are intended to assist senior management in guiding the behaviour of public employees. All national and provincial departments regularly consult these frameworks when designing their own policies, systems and initiatives, which can assist in the overall performance of the departments.

Objective no 3: To evaluate the potential value of performance management systems to improve the effectiveness and efficiency of public service institutions.

This objective was/will be achieved in chapter 4 and 5. In chapter 4 the value of performance management systems was addressed from the perspectives of the participants. In this chapter, ways in which the performance management system can improve the effectiveness and efficiency of the public institution (i.e. case study) will be suggested.

Objective no 4: To assess the current application model, characteristics and limitations of the PMS designed and implemented by the Office of the RLCC, Limpopo.

This objective was achieved in chapter 3 and 4. In chapter 3 the performance management processes within the RLCC, L were briefly outlined in order to provide an understanding of the existing application model for its PMS. In chapter 4 these findings were cross-referenced with the responses from the sampled participants.

Objective no 5: To determine employees' and managers' perceptions regarding the successes and failures of the current PMS.

This objective was addressed in chapter 4. The empirical investigation was done in order to identify the perceptions and understanding of employees regarding the successes and failures associated with the implementation of the PMS within the RLCC Office.

Objective no 6: To identify and evaluate the particular implementation and application challenges associated with the PMS.

This objective was addressed in chapter 4. The empirical investigation was done in order to identify the challenges associated with the implementation of PMS within the RLCC Office. Some challenges were analysed and a way to address them will be identified below, with recommendations for further improvement.

Objective no 7: To determine elements that should be considered for inclusion in an improved application model to adjust the current PMS of the Office.

This objective will be addressed below as recommendations in light of the findings of the study. An application model for the performance management system in the RLCC Office in Limpopo as a management tool to improve the full implementation of its PMS will also be suggested for the benefit of the Office.

5.4 RECOMMENDATIONS

Based on the triangulation of the three data sets (i.e. theory, statutory prescripts and responses from participants) the researcher recommends that the following should be done to more successfully implement the PMS in the RLCC, Limpopo Office:

5.4.1 General recommendations

- The Office of the RLCC, Limpopo needs to provide training for all the employees within the Office to give them a better understanding and knowledge of the principles and aspects of the utilisation of the PMS. This kind of training should be held on a regular basis to reinforce understanding and to accommodate new entrants to the Office.
- All line managers with supervisory responsibilities need to get specialist training in order to appreciate the significant role they need to fulfil in guiding and mentoring employees. This training should include technical and behavioural training on how to work with employees in the construction of performance agreements, the appraisal of employees and guidance to further improve the performance of employees. At present those who are promoted to the job of project coordinator are not given training to understand their job level and also how to implement the performance management system. So it is important that the people at these levels be trained in the effective implementation of the performance management system in the Office. In this case training creates a better understanding of the goals the institution wants to achieve and how employees can contribute to achieving those goals.

- The PDPs requested by the employees need to be implemented in order to assist the employees in the improvement of their duties. Also, training needs to be provided in a practical way rather than an academic way, which does not help to improve the skills of the employees. Training interventions should be formulated, agreed upon and implemented.
- Most importantly performance management needs to be monitored regularly to evaluate its impact on the employees in the Office. For instance, at present the Office submits monthly plans, but there are no reviews to check whether the objectives in the plan have been achieved. It is important that these plans be monitored to see if activities that are planned are carried out. This will help to identify gaps or challenges faced by the employees at an early stage.
- Communication between the subordinates and supervisors needs to improve. It is the responsibility of the supervisor to communicate with the subordinates on an ongoing basis. This will create a medium for good working relationship between the subordinates and the supervisors and as a result the employees will be able to perform better.
- The PAs need to be improved so that they set a clear standard that can help the Office to achieve its goals. For instance, the official standard might be the submission of reports while the department counts only the projects that have been signed off. Management needs to come up with a clear way of monitoring submissions to other sections. This means that a clear turnaround time needs to be developed for projects to move fast so that employees can be assessed fairly. This will reduce the number of times employees are paid bonuses when the institution did not achieve its objectives.
- The Office has to standardise the performance standards within the nine provinces and not allow each provinces to design its own standard. This will facilitate better coordination, and integrate performance improvement endeavours and the standardisation of the implementation of the PMS. Standardisation is also necessary

to prevent some provinces setting their standards too high and focussing on non-strategic issues instead of concentrating on the standard set by the national Office.

- Human resource policies and procedure should be analysed and updated to make provision for operational guidelines for the monitoring, appraisal and further development of employees. These policies should be communicated to all employees to facilitate the more effective implementation of the PMS within the Office.
- Qualified and experienced officials need to be employed for the design of appropriate performance training interventions and for the execution of the PMS. The Office should appreciate the strategic significance of the PMS and dedicate more resources to these officials to allow them to perform their duties efficiently.

5.4.2 Proposed PMS application model

Before the proposed application model is explained, it is important to outline the current performance management cycle within the office. Within the office there are three integrated phases of the performance management cycle, which are as follows:



Source: EPMDS policy, 2015

- **Performance Planning and Agreement**

The Department is required to develop a strategic plan that must be approved by the Minister. Following the approval of the strategic plan, the branch heads execute the strategic plan by developing the operational plans that should ensure achievement of the Departmental objectives. The supervisor/manager and the employee should come to an agreement on the individual key roles and responsibilities emanating from the operational plans and job descriptions. The supervisors/managers should ensure that employees in their respective components sign PAs that are aligned to the job descriptions, strategic and operational plans.

All employees in the Department are required to enter into and sign PAs with their immediate supervisors or managers within two (2) months of the commencement of the new performance cycle starting on 1 April of each year.

- **Performance monitoring, review and assessment**

Performance monitoring, reviewing and assessments should be an ongoing interactive process between the employee and the supervisor about the employees' performance. Ongoing face-to-face communication is therefore essential. The supervisor assesses the employee's performance in line with the PA and is supplied with a PoE. However, at present employees are being assessed without a POE being submitted to the supervisor.

- **Performance recognition, rewards and performance improvement**

Employees who perform are expected to be rewarded in the form of a performance bonus and pay progression to the maximum notch/package of the salary attached to their job level. It can also be recommended that for the best performance, a Managing-by-Objective model be implemented as a tool to guide the Office in the performance management process. With this model in place, people will get to understand how they can plan for the best performance. The processes within this model are generally easy to follow and it could help the whole Office to improve its performance. An example of the adjusted Managing-by-Objective performance model to be implemented is illustrated in Figure 5.1 below. The adjusted model makes provision for the existing performance management system cycle within the Office.



Fig. 5.1: Adjusted Managing-by-Objectives model

The processes highlighted in this application model are briefly explained below.

- **Set organisational goals**

This is the first crucial stage of any performance management process, which forms the basis of performance assessment. In this stage the Office should set its organisational goals. An annual performance plan should be developed to serve as guideline for employees in setting their individual performance standards.

- **Set and align individual goals**

At this stage, the officer, together with the supervisor, has to set individual goals that should be linked to the goals of the Office as a whole. During this period the officer has to decide on the key performance area and performance targets for the assessment year. Upon completion thereof the officer should sign the performance agreement. Within this agreement there should be clear objectives that need to be achieved by the official. As was evident from the theoretical exposition in Chapter 2, these expectations need to be discussed with the

employees for them to clearly understand what is expected of them. In most cases, the challenge that employees face is that they have to sign agreements that do not have clear expectations and they thus fail to understand what the performance expectations are.

- **Monitor performance**

Monthly reviews need to take place between the employees and their supervisors. Follow-up discussions should follow on these monthly reviews and joint planning should be conducted by the supervisors and employees to further improve their results. As determined in Chapter 4, employees in the Office are usually subjected to monthly performance reviews but there is no or limited monitoring action in place to check whether they have managed to achieve the performance targets set for that particular month.

- **Evaluate performance**

Both the theoretical exposition and the empirical findings indicate that it is crucial that performance evaluations in the form of informal discussions and formal appraisal sessions be conducted. This is especially necessary to ensure that performance targets are met on a monthly basis and also to identify areas of concern (i.e. poor performance) in order to design appropriate management interventions. Supervisors need to determine whether employees have achieved the outcomes as expected on at least a quarterly basis. It is recommended that supervisors be better orientated in order to take quarterly reviews more seriously. It is evident that they do not conduct these reviews in an adequate manner. From the responses of participants it is clear that supervisors mainly conduct these reviews for compliance purposes rather than actual performance monitoring, evaluation and improvement. If this can be done and corrective measures are implemented to help the employees to improve, these employees should be able to achieve their goals.

- **Rewarding performance**

As ascertained in Chapter 2, it is important to reward officials for good performance. This generally impacts on morale, motivation and productivity. Employees who perform better as per the set target need to be rewarded and steps need to be taken to deal with poor

performance. The Office has a challenge as it normally rewards employees who have performed better, but forgets about the employees who fail to achieve in relation to the set standard. Employees should undergo regular training that can assist them to develop their skills and thereby improve performance.

5.5 CONCLUSIONS

It is evident from the participants that they are generally aware that a performance management system could act as useful instrument to monitor, appraise and reward their performance. They are also generally conscious of the fact that a PMS in Government could generally promote more effective and efficient service delivery within the South African Public Service. It is, however, evident that the implementation of the current PMS of the RLCC Office is tainted by some serious challenges. In general, employees critiqued some flaws in the design, implementation and utilisation of the instrument to monitor and appraise their performance. It is further evident that supervisors need more thorough training in their performance management responsibilities in general and in the successful utilisation of the PMS in particular.

It is important to engage the employees at a lower level for them to understand the importance of the PMS in the Office. They should not regard it as a tool to make money. In most cases the employees are not engaged with respect to the planning of the organisational goals within the Office. However, they need to sign performance agreements that are based on the goals. It must be understood that if employees are engaged, activities in the workplace will be done in a more effective and efficient manner. According to Luong (2012:36) it is important to focus on employee engagement as a driver of performance and to develop an engagement model. Performance management should be regarded as an integral part of an effective human resource management and development strategy.

What further emanated from this study was that the statutory and regulatory frameworks guiding performance management in the South African Public Service need to be incorporated in the design and execution of performance management-related functions and activities. As indicated in chapter 3, these frameworks should assist senior management in guiding the behaviour of public employees. It is important that all national and provincial departments regularly consult these frameworks when designing their own policies, systems

and initiatives that can assist in the overall performance of the department. The regulatory framework helps to outline the way in which performance management should be developed in the public sector as there is continual demand to deliver more in order to address the needs of the communities. In this regard, the researcher concurs with the Public Service Commission's (2007) recommendation that it is important for the Public Service to continually examine its performance in order to renew and improve its service delivery modalities.

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ANNEXURE A

INTERVIEW SCHEDULE

The researcher is undertaking the study to develop an understanding of the performance management system in the Office of the Regional Land Claims Commissioner, Limpopo Province, with a view to making recommendations that can assist the Office to develop or refine the delivery models in order to improve public service. The research will also contribute towards the researcher fulfilment of the master's Degree in public management and development. The topic for the study is as follows: A Performance Management System Application Model for public institutions: The case of the Regional Land Claims Commissioner, Limpopo Province.

Section 1: Biographical Data

Gender	Male			Female		
Age Group	<21	22-30	31-40	41-50	51-60	61>
What position do you hold?	Project Officer	Snr Project Officer	Project Coordinator	Manager	Snr Manager	
Numbers of years at work	0-5	6-10	11-15	16-20	21>	

Section 2

No.	Question	Answer				
1.	What is your level of knowledge and understanding of the PMS?	Very good	Good	Not sure	Poor	Very poor
2.	Do you understand the process associated with performance management at your office?	Understand	Not sure		Don't understand	

3.	Do you value the utilisation of the PMS as a valuable instrument for performance appraisal?	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
4.	Are you familiar with the relevant policies associated with performance management at your workplace?	Aware	Partially		Not aware	
5.	To what extend are you aware of how your performance is measured in the office?					
6.	Have you undergone any training in performance management? If you have, what was the nature thereof and how often did you receive it?	Yes			No	
7.	Do you normally attend training that is aimed at helping you to perform your responsibilities more effectively?	Strongly agree	Agree	Don't know	Disagree	Strongly disagree
8.	How often is your performance assessed in your department?	Every month	Every quarter		Annually	
9.	Do you think the PMS helps to identify underperformers/best performers in your office?	Strongly agree	Agree	Disagree	Strongly disagree	Don't know
10.	Do you believe that the PMS supports the objectives of the department's strategic plan?	Strongly agree	Agree	Disagree	Strongly disagree	Don't know
11.	With PMS as tool, are you satisfied that supervisors now have more time to monitor the performance of their staff?	Very satisfied	Satisfied	Not sure	Dissatisfied	Very dissatisfied

12.	Do you believe that your supervisor is fair during performance assessment and that the discussion with your supervisor about your performance is worthwhile?	Very Satisfied	Satisfied	Not sure	Dissatisfied	Very Dissatisfied
13.	How satisfied are you with the recognition you receive for good performance?	Very satisfied	Satisfied	Not sure	Dissatisfied	Very dissatisfied
14.	Are there any managerial interventions taken in cases where employees failed to perform according to expectations? Please elaborate.					
15.	In your opinion, what have been the main challenges to the successful implementation the PMS in the office?					

Thank you for your valued input.

ANNEXURE B

Permission letter



rural development
& land reform

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA

OFFICE OF THE REGIONAL LAND CLAIMS COMMISSIONER: LIMPOPO

Private Bag 9552, Polokwane, 0700, 61 Biccard Street: (015) 284 6300 Fax No:
(015) 295 7404/7403, E-mail address clientrelations@ruraldevelopment.gov.za.
Also at 96 Kagiso House Cnr. Rissik and Schoeman Street Tel: (015) 287 2600 and
Andrea_Building Tel: (015) 287 9460

TO WHOM IT MAY CONCERN

PERMISSION TO CONDUCT A RESEARCH STUDY

This letter serves to confirm that Mr RE Mbhanye has been granted permission to conduct a research study in the office of the Regional Land Claims Commission, Limpopo Province. Mr RE Mbhanye is a registered student for the degree Masters of Public Management and Governance at the Potchefstroom Campus of North-West University. The title of his research is 'A Performance Management System Application Model for public institutions: The case of the Regional Land Claims Commissioner, Limpopo Province'.

The intended study will involve one head of the Office, two senior managers, five line managers and ten employees of the RLCC: Limpopo. The student will set out appointment to conduct interviews with selected respondents for purposes of his research.

Lets give him the necessary support in order to finalise his studies.

MR. P SEKAWANE
CHIEF DIRECTOR: HRM
DATE:

