

**Utilising Performance Management
as a Human Resource System in a
Public Sector Department**

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requirements for the degree

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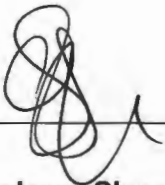
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DECLARATION

I, Musi Gomolemo Sharon declare that the research, **"Utilising performance management as a human resource system in a public sector Department"** is my original work. The study has not been submitted for any degree or examination in any other university. I further declare that any part of work or idea taken from any source is properly acknowledged in this research.



Musi Gomolemo Sharon

02 Oct 2015

Date

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- The entire staff and management of the public sector Department in the North West Province for their willingness to participate and also for granting me permission to conduct this study.

ABSTRACT

This study was conducted to investigate the effectiveness of a performance management process, utilised as a Human Resource system, in the public sector Department within the North West Province. The literature reviewed indicated key processes that must be followed by organisations and problems that have been observed and experienced by international and national organisations when implementing a performance management system.

A quantitative study was undertaken to answer the following research questions: (i) What comprises the current performance management and development system and process in the Department? (ii) Is the current utilisation of the performance management and development system and process aligned with the intended purpose stated in the performance management prescripts and guidelines? If not, what purpose does it serve and why is it not aligned to the intended purpose? (iii) What are the challenges faced by the Department when implementing the required performance management and development system?

The sample of 135, derived from employees on salary level 2–12, was requested to respond voluntarily to a survey questionnaire distributed to them. The results indicate that the Department must put more emphasis on staff development and training of the performance management system and the comprehension and competence of supervisors to successfully execute their critical role in the system. It is also important for the Department to avail themselves of resources to support the enhancing of their performance and to ensure that the system is applied in a transparent and fair manner. Recommendations are made to the Department to improve the utilisation of the performance management system.

Key words: Performance management system, Employee development, Human Resource Management, Public sector, Managerial role.

TABLE OF CONTENTS

DECLARATION	i
ACKNOWLEDGEMENT	ii
ABSTRACT	iii
ACRONYMS AND DEFINITIONS.....	vii
CHAPTER 1 INTRODUCTION	1
1.1 Background	1
1.2 The Problem Statement	3
1.3 The Purpose and Objective of the study	4
1.4 Research Questions.....	10
1.5 Research Delimitations.....	10
1.6 Research Design and Methodology	11
1.7 Overview of the Chapters	11
CHAPTER 2 LITERATURE REVIEW	13
2.1 Introduction	13
2.2 Performance Management.....	13
2.2.1 Performance Management Process	13
2.2.2 Employee and Organisational Performance Benefits.....	18
2.2.3 Key Requirements for Implementing PMS	20
2.2.4 Managerial Implications in Implementing PMS	21
2.2.5 Dealing with poor performance	22
2.3 Performance management versus Performance appraisal	24

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2.4	Performance Management - International and National Situation	29
2.4.1	International situation	30
2.4.2	National situation in South Africa	37
2.5	Problems identified with performance management	40
2.6	Conclusion.....	41
CHAPTER 3	RESEARCH DESIGN AND METHODOLOGY.....	43
3.1	Introduction	43
3.2	Quantitative research design	43
3.3	Measuring instrument.....	44
3.4	Population and sampling	46
3.5	Data Collection	47
3.6	Data analysis and interpretation	48
3.7	Ethnical Consideration	49
3.8	Conclusion.....	49
CHAPTER 4	RESULTS AND DISCUSSION OF FINDINGS.....	50
4.1	Introduction	50
4.2	Response rate and distribution of responses	51
4.3	Results and discussion of Section One of the questionnaire	52
4.4	Results and discussion of Section Two of the questionnaire.....	54
4.4.1	A snapshot of the results about PMDS as system	54
4.4.2	Discussion of questions about the management of PMDS	56
4.4.3	Discussion of questions about PMDS implementation	61

4.4.4	Discussion of questions about performance outcomes	71
4.4.5	Discussion of questions about the development aspects of PMDS	74
4.4.6	Discussion of questions about the dispute resolution	78
4.5	The respondents' opinions.....	80
4.6	Summary of the findings	81
4.7	Summary of recommendations for improvement of PMDS.....	83
4.8	Conclusion.....	83
CHAPTER 5 CONCLUSION AND RECOMMENDATION.....		84
5.1	Introduction	84
5.2	Answering the research questions	84
5.3	Summary of the Chapters	86
5.4	Recommendations	86
5.5	Limitation of the study.....	87
5.6	Final Conclusion	87
REFERENCE LIST		89
ANNEXURES		93

ACRONYMS AND DEFINITIONS

EPMDS	Employee Performance and Management and Development System
HCC	Human Capital Corporation
HOD	Heads of Departments
HPOs	High-Performance Organisations
HRM	Human Resource Management
IPMDS	Integrated Performance Management and Development System
KPA	Key Performance Areas
KRA	Key Result Areas
MPSA	Minister for Public Service and Administration
PDP	Personal Development Plan
PMDS	Performance Management and Development System
PMS	Performance Management Systems
PSCBC	Public Service Coordinating Bargaining Council
SHRM	Society of Human Resource Management
SMART	Specific, Measurable, Achievable, Resourced and Time-bound
WPHRM	White Paper on Human Resource Management
UK	United Kingdom
USA	United States of America

LIST OF TABLES

Table 1-1:	Strategic goals and objectives from the APP 2014/15	4
Table 2-1:	Implementation of PMS in different countries	31
Table 2-2:	Problems and challenges in PMS.....	40
Table 3-1:	How the research questions will be answered.....	44
Table 4-1:	Questionnaires distributed and response rate	51
Table 4-2:	Recommendations for the improvements of PMDS	80

LIST OF DIAGRAMS

Diagram 1-1:	Relationship between HRM, line managers and employees in the Department.....	6
Diagram 1-2:	Total number of employees according occupational levels	6
Diagram 2-1:	Interrelated parts of Performance management process	15
Diagram 2-2:	Performance management process flow chart.....	17
Diagram 2-3:	Poor performance management map	24
Diagram 2-4:	Process of performance appraisal.....	26
Diagram 2-5:	Performance management as a priority.....	30

LIST OF GRAPHS

Graph 4-1:	Gender	52
Graph 4-2:	Age groups.....	52
Graph 4-3:	Educational levels	53
Graph 4-4:	Years of service	54
Graph 4-5:	A snapshot of the results about PMDS as system	55
Graph 4-6:	Department has PMDS policy in place	56
Graph 4-7:	Policy was developed with inputs from staff	57
Graph 4-8:	Approved PMDS policy has been communicated to all employees.....	57
Graph 4-9:	PMDS supports the objectives of the departmental strategic plan	58
Graph 4-10:	PMDS is aligned to the operational plans of your directorate/ unit.....	59
Graph 4-11:	Employees have been trained on the implementation of PMDS	59
Graph 4-12:	Supervisors have been trained on the implementation of PMDS	60
Graph 4-13:	Staff views PMDS as a fair system to manage and assess performance.....	61
Graph 4-14:	Managers/ supervisors and their employees develop goals together.....	61

Graph 4-15:	Performance agreements are signed and submitted within specified time-frames	62
Graph 4-16:	Supervisor and employee set reasonable expectations.....	62
Graph 4-17:	Employees understand what is expected of them in PMDS.....	63
Graph 4-18:	Supervisor creates enabling environment for the employees to perform	64
Graph 4-19:	Supervisor supports employee by providing necessary equipment and facilities	64
Graph 4-20:	Supervisor provides continuous feedback	65
Graph 4-21:	Supervisor and employee create time for performance reviews	66
Graph 4-22:	Performance review is done based on what is agreed upon in the work-plan	66
Graph 4-23:	All PMDS discussions are recorded during reviews	67
Graph 4-24:	The process of performance reviews is objective	67
Graph 4-25:	Half-yearly and annual performance reviews are done within specified time-frames.....	68
Graph 4-26:	Performance of employee is monitored continuously	69
Graph 4-27:	Employees adhere to the standards as set in the work-plan when executing their duties	69
Graph 4-28:	Additional responsibilities are acknowledged and recognised in PMDS reviews.....	70
Graph 4-29:	Performance assessment outcomes are communicated in writing	71
Graph 4-30:	Employees are rewarded in line with their performance outcomes	71
Graph 4-31:	Employees are motivated by the rewards.....	72
Graph 4-32:	Supervisors put plans in place to manage poor performance	72
Graph 4-33:	PMDS improves employee morale	73
Graph 4-34:	Enough budget is allocated for payment of performance rewards	74
Graph 4-35:	Personal development plans (PDP) are linked to work-plans	74
Graph 4-36:	Personal development plans (PDP) are linked to training needs	75
Graph 4-37:	Training needs identified are incorporated in the departmental training plan	75
Graph 4-38:	Supervisors ensure that employees attend relevant training to enhance performance.....	76
Graph 4-39:	Supervisors identify developmental needs for employees	77
Graph 4-40:	Supervisors ensure transfer of skills to enhance performance	77
Graph 4-41:	Dispute resolution processes are clearly communicated to staff members.....	78
Graph 4-42:	Disputes are handled within the specified time-frames.....	79

Graph 4-43:	The outcomes of dispute process are communicated in writing.....	79
Graph 4-44:	Respondents' recommendations.....	83

CHAPTER 1: INTRODUCTION

1.1 Background

The effective management of employee performance is important for the implementation of organisational strategy and achievement of organisational goals. The purpose of an effective performance management system (PMS) in organisations is to set clear objectives that can be achieved through competent people (O' Callagan, 2005:12) and ensure that the organisation sustains its performance through motivated employees to gain competitive advantage.

The South African Constitution (South Africa, 1996:107) seeks to maximise human potential through a Public Administration which must govern, amongst others, according to the following values and principles:

- to promote and maintain high standards of professional ethics;
- efficient, economic and effective utilisation of resources; and
- cultivation of good human resource management (HRM) and career development practices.

It is required of all employers to uphold these values and principles. It is also for this reason that performance management is implemented as one of the human resource systems and career development practices. The White Paper on Human Resource Management (WPHRM) further 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"(South Africa, 1997: 25).

Prior to 2001, the South African Public Service used collective agreements (agreements between the government as the employer and the labour unions) under the Public Service Coordinating Bargaining Council (PSCBC) to regulate the management of employee performance i.e.:

- (1) "PSCBC Resolution 13 of 1998: Regulated performance agreements.
- (2) PSCBC Resolution 3 of 1999: Regulated financial rewards and incentive.

(3) PSCBC Resolution 7 of 2000: Regulated rank/leg promotions and pay progressions”
(South Africa, 2001:4).

The implementation of these collective agreements was marred with inconsistencies and unfairness in the application and resulted in performance management backlogs. In July 1999 a new management framework, based on the performance management and development system (PMDS)¹, was implemented. This system gave recognition to the integrated nature of departmental planning processes and the link between planning and performance management. It also acknowledged that each department is unique and that a uniform PMS for the Public Service as a whole is not desirable. It consequently required each department to develop their own PMDS. The initial target for implementation of departmental PMDS was 1 January 2001. This target date was later postponed to 1 April 2001. Even though this requirement was known, published and communicated, departments were not able to meet the regulatory requirements (South Africa, 2001:i-ii).

According to the report on ‘The State of Performance Management in the Public Service’, in the years preceding 2001 the South African public service had a legacy of poor performance management practice. At policy level, a uniform set of rules and procedures for employees at different levels existed. These procedures did not accommodate any link between the assessment process and the strategic objectives of departments, they also did not take into account the fact that the contexts of departments may differ. Due to the multitude of performance assessment mechanisms for staff at different levels and for different rewards/incentives, managers and supervisors had to spend most of their time completing performance assessment forms, writing up reports and attending assessment meetings. As a result, many departments have accrued considerable backlogs in their assessments and some have become involved in protracted labour disputes (South Africa, 2001:i). The findings presented in the above-mentioned report led to the development of new directives on performance management which will be discussed in the review of literature.

It is with this background, after more than a decade that problems have been reported with performance management in the public sector. This study focuses on the utilisation of a PMDS implemented by a public sector Department which will herein after be referred to as “the Department”. This chapter now goes further in describing the problem statement, purpose and objective of the study, research questions, research limitation(s) and delimitation(s), research design and methodology, and outline of the chapters.

¹ The PMS = Performance management system is the general theoretical term used in literature and the PMDS = Performance management and development system is how it is referred to within the SA Public Service

1.2 The Problem Statement

“Performance management is a systematic process for improving individual, team, and organisational performance” (Armstrong, 2012:322). The implementation of a PMS is one of the strategies that will ensure the achievement of organisational goals if it is utilised correctly. Performance management at individual level is a means of attaining improved outcomes by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements and is part of human capital or HRM (Armstrong, 2012:322).

Organisations need to square out strategies for identifying, encouraging, measuring, evaluating, improving and rewarding employees’ performance at work. It is therefore important that research be conducted in order to understand how the performance management is utilised as a system in a public sector department. According to the WPHRM (South Africa, 1997:25) managing performance is a line manager’s responsibility. However, performance management as a system is the responsibility of HRM function to ensure that:

- employees understand what is expected of them;
- managers are able to recognise when the employees’ performance is delivering the required objectives;
- poor or underperformance is identified and improved; and
- good performance is acknowledged and rewarded accordingly (South Africa, 1997:25).

The WPHRM (South Africa, 1997:26) states further that performance management is an integral part of effective HRM and development strategy. It is a continuous process, where the employer and the employee agree on objectives and strive constantly to improve the employee’s individual performance and contribution to the organisation’s objectives. Since the performance of every employee contributes to the overall delivery of the organisation’s objectives, it follows that the performance of every employee should be managed.

Performance management therefore sets expectations for employees’ performance and should motivate employees to work harder in order to achieve the goals of an organisation. This system can play an important role in rewarding employees by providing them with positive feedback and recognition for their accomplishments (Armstrong, 2012:324). In performance management, employees are encouraged by being rewarded when their contribution is recognised. Therefore according to Armstrong (2012:324) the rewards:

- provide a means of encouraging and recognising high performance,
- enhance engagement and promote positive discretionary effort; and
- persuade talented people to join and stay with the organisation.

This study investigates the efficiency and effectiveness of utilising the PMDS as stated in the reviewed literature and will thus assist in identifying the strengths and weaknesses of the system applied in the particular Department. This research will further investigate and identify areas where there are deficiencies in the application of the PMDS in the Department that need to be addressed in order to improve individual performance and ultimately ensure improved service delivery and improved organisational performance.

1.3 The purpose and objective of the study

The purpose of this research is to critically study the utilisation of performance management as a human resource system in a public sector Department. The strategic goals of the Department are displayed in Table 1.1 adapted from the Annual Performance Plan 2014/15 (South Africa, 2014:71).

Table 1.1: Strategic goals and objectives of the Department. Adapted from the Annual Performance Plan (2014/15).

Goal 1	Strategic outcome orientated	To provide an enabling environment that is conducive for optimum service delivery.
	Goal statement	Provide a compliant and enabling environment that ensures the effective execution of the mandate through the provisioning of adequate resources and support.
Goal 2	Strategic outcome orientated	To provide civilian oversight to police services and coordinate crime prevention initiatives.
	Goal statement	The coordination of targeted crime prevention initiatives, monitoring and oversight of police services within the North West Province as per the legislative mandates.
Goal 3	Strategic outcome orientated	To promote road safety through the provision of road traffic management services.

	Goal statement	Promote road safety through road user education as per the National Road Safety Strategy and to execute traffic management services in adherence with the legislative mandate for traffic and road safety services.
Goal 4	Strategic outcome orientated	To ensure a compliant, accessible, affordable, safe and integrated transport system.
	Goal statement	The main purpose of the programme is to ensure the provision of effective, efficient, accessible, affordable, safe and integrated public transport networks that are economically viable, environmentally friendly and with a rural bias.

Each and every unit and individual within the Department is informed of the strategic goals and their responsibilities, operations and performance. The responsibilities of each individual have also been clearly stated in the individual employees' job descriptions, performance agreements and work-plans. Diagram 1.1 was developed by the researcher to demonstrate the relationship between an employee and his or her supervisor, as well as the HRM unit, and also their responsibility towards the PMDS within the Department.

The Department implemented a service delivery model by using a functional structure with distinct hierarchical levels. The line of authority moves up from unskilled staff, to semi-skilled staff, to technically skilled and academically qualified staff, then to professionally qualified staff, and ultimately to senior management. The Department consists of 1507 staff members, 1243 range between salary level 2 and salary level 12. This is from unskilled and defined decision-making up to professionally qualified and mid-management level. The remaining 195 staff members include 18 senior managers plus the political head and 177 temporary workers. Diagram 1.2 indicates the total number of staff according to occupational levels in the Department.

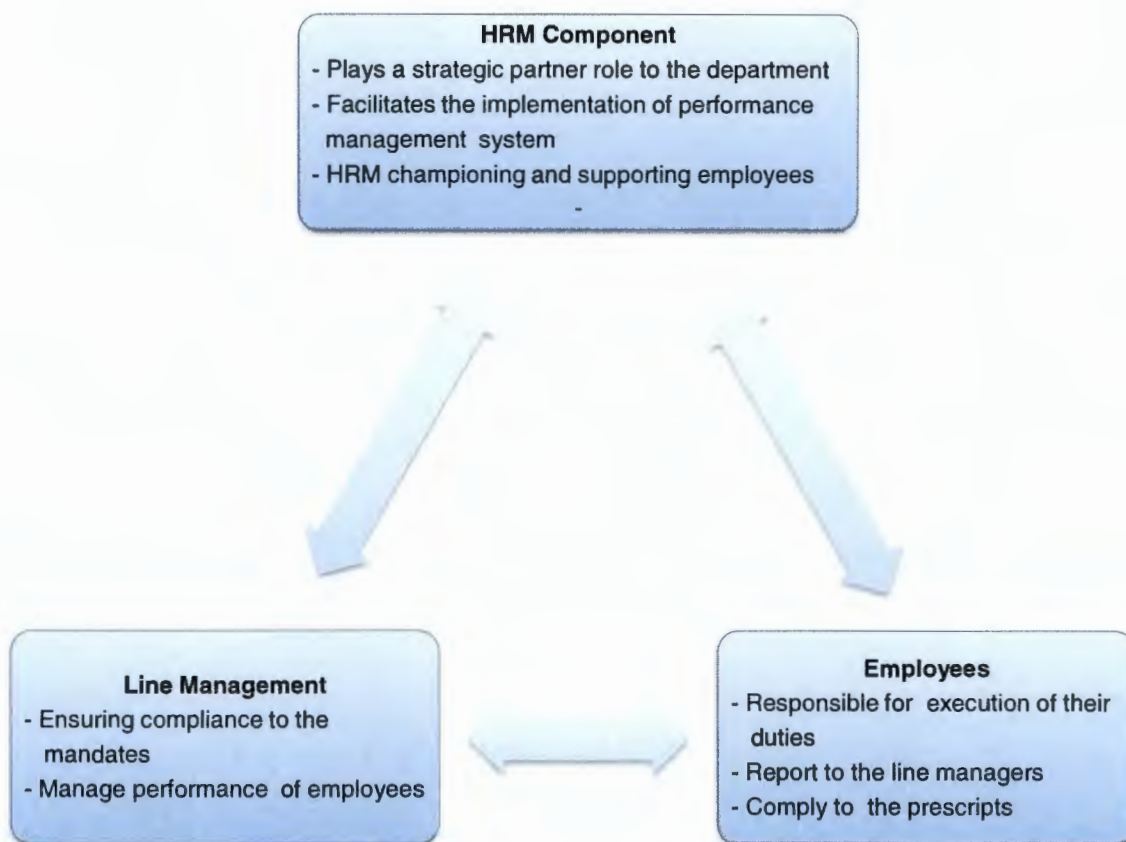


Diagram 1.1: Relationship between HRM, line managers and employees in the Department.

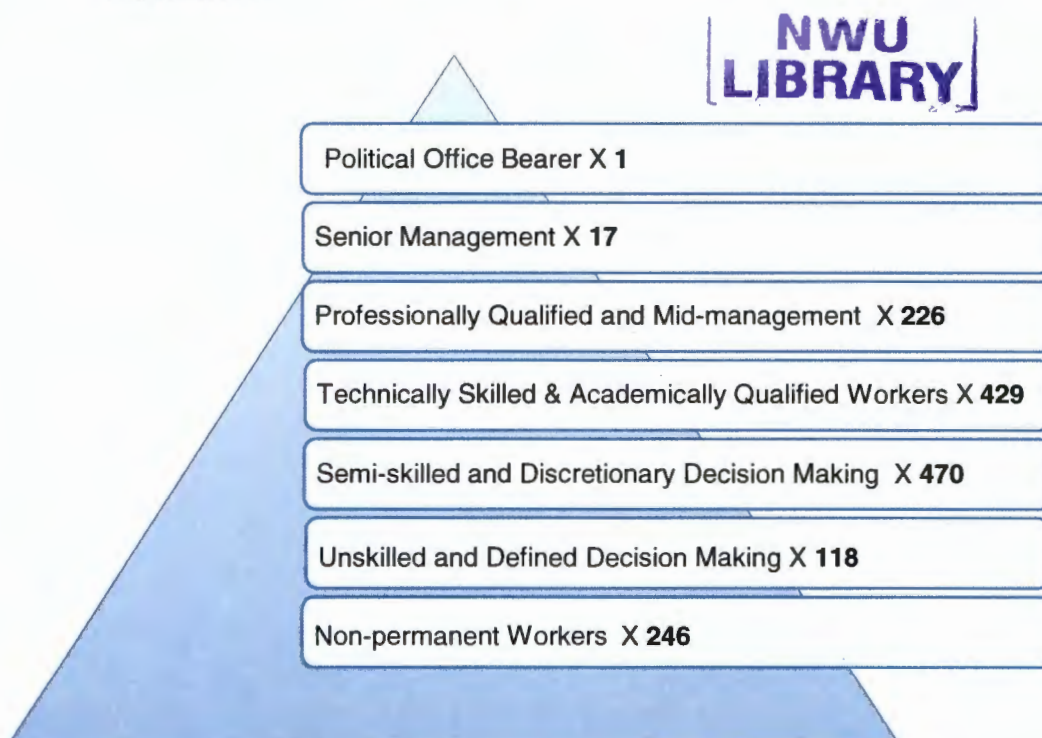


Diagram 1.2: Total number of staff according to occupational levels.

In terms of the amended Public Service Regulations, 2001 as amended (South Africa, 2012:37), each and every public sector department must develop and utilise a PMS. In this instance the Department is used as a case study to show how the system is implemented in the Public Service.

It is also appropriate to indicate that as with this case, several studies and surveys have been conducted by other researchers to understand the reasons why and how organisations are utilising PMSs including the challenges and benefits thereof.

Martinez (2005) indicated that “many organisations place strong emphasis on the adoptions and usage of broad-spectrum PMSs as opposed to traditional financially focused systems. She indicated that research carried out by the Centre for Business Performance at Cranfield School of Management in the UK shows that operations generally implement PMSs to: monitor productivity, communicate strategy, reduce costs, review their business strategy, support their compensation system and lastly, control operations”. Martinez (2005) found that organisations with integrated and practical PMSs implement the system better than others. It is further suggested that organisations must understand the effects of performance management in order to take full advantage of their benefits. In general, organisations should focus more attention to the internal effects of performance management because they directly affect the way organisations function. The organisational results e.g. profitability, reputation and productivity to mention a few are driven by the internal effects.

A study on the state of performance management in organisations (Becom, Kochanski & Insler, 2010:1) conducted by Sibson consulting in Arizona, USA, in conjunction with WorldatWork shows that there has been much written lately concerning the value that performance management brings to an organisations; some headlines have gone so far as to state, “Down with employee reviews; they don’t add value”. They indicated that whilst organisations still consider performance management as a means to achieve business objectives and differentiate high performers from low performers, there seem to be many challenges that impede an organisation’s ability to achieve effective performance management. Becom, Kochanski and Insler (2010:1) explain that the top challenges faced by organisations are:

- managers’ inability to have challenging performance discussions;
- performance management is viewed as an “HR process” rather than a business-critical process, and
- poor goal setting.

Becom and Insler (2011:29) further explain that regardless of the fact that many organisations continue to struggle with performance management, some organisations reported that they have found ways to conduct the process successfully with positive results for the company and workers. The study found that along with supporting variances in remuneration increases, companies want performance management to support greater employee accountability and better talent development. The above-mentioned authors describe the pillars of effective performance management as:

- Leadership champions – senior management must model the appropriate behaviour.
- Differentiation among high and low performers.
- Critical alignment between individual and organisational goals.

The three pillars are the most important feature of performance management which support performance conversations for effective coaching. In conclusion of their study Becom and Insler (2011:34) mention that the organisations that get the most impact from performance management are those that use it as a tool to differentiate performance, create a foundations for coaching and drive business units.

A survey conducted by the Institute for Corporate Productivity (i4cp) and reported by Stevenson (2013) has found that more than 80% of companies have some form of performance management process. However, only 55% of survey respondents from high-performance organisations (HPOs) indicated that performance management has a positive business impact on their organisations, 29% of survey respondents (companies) reported that their employees find their PMS to be fair. Some of the employees may not find the process fair because they received poor ratings, but according to Stevenson (2013) that certainly isn't true for all.

According to O' Callagan (2005:1), the Human Capital Corporation (HCC) survey conducted by Deloitte and Touche in 2001 highlighted the status of performance management in South Africa as follows:

- "85% of SA companies have a PMS.
- 95% of these companies have a strong commitment from the CEO.
- In 94% of these organisations there is a formal communication strategy regarding the PMS and Process.
- Only 51% of the surveyed companies believe employees and managers are adequately educated and trained in PMS.
- 37% use the Balanced Scorecard methodology.
- 86% allow employees to jointly set targets and objectives with the manager.

- 91% have clear PMS policies, procedures and systems in place” (O’ Callagan, 2005:1).

Most companies measure performance using hard and soft measures. Although the Deloitte and Touche HCC survey was conducted a decade ago, it might still be valid. Deloitte and Touche conducted another survey in 2010 where the findings showed that “globally 72% of organisations are increasing their focus on performance management as one of the fundamental workforce planning tools” (Deloitte, 2010:7).

A survey conducted by Watson Wyatt (Pulakos, 2004:1) shows that three out of 10 workers agree that their company’s PMS help to improve performance. Less than 40% of employees said their systems established clear performance goals, generated honest feedback or used technology to streamline the process. While these results suggest that there may be poorly designed PMSs in many organisations, it is typically not poorly developed tools and processes that cause difficulties with performance management. Rather, difficulties arise because performance management is highly personal at its core and often a threatening process for both managers and employees. The Watson Wyatt Survey showed that managers are reluctant to have open and honest discussions with their employees for fear of retaliation or damaging relationships. Employees experience their managers not to be adequately trained in discussing their performance and not effective in coaching them to develop their skills. Performance management is often blamed as inflexible and time consuming, being a cumbersome system which does not justify the added value. This often results in both managers and employees regarding performance management as an unnecessary, obligatory evil rather than an important process of individual and organisational achievement (Pulakos, 2004:1).

Pulakos (2004:2) summarises the characteristics and importance of designing a PMS as “while research and experienced practitioners have identified several characteristics that are prerequisites for effective PMSs, there are also many decisions that need to be made to design a system ideally suited for a given organisation’s needs. One such decision is what purpose the system will serve. For instance, PMS can support pay decisions, promotion decisions, employee development and reduction in force. A PMS that attempts to achieve too many objectives is likely to die of its own lack of focus and weight”. Determinations for a given PMS should take into account business needs, organisational culture and the incorporation of the system with other human resources management systems.

The above-mentioned surveys clearly demonstrate that the utilisation of performance management as a system is critical to every organisation. It is also apparent that despite the importance of performance management, most organisations still find it difficult to implement, manage and sustain PMSs and processes effectively (O’ Callagan, 2005:13). He indicated that

this is possibly one of the reasons why PMSs have evolved and changed significantly over the years – each new approach is an attempt to make it better, more effective and more acceptable to end-users.

It is therefore imperative to state that the main objective of this mini-dissertation is to investigate the utilisation of performance management as a human resource system in the Department.

1.4 Research Questions

This research study seeks to address the following questions:

- (i) What comprises the current performance management and development system and process in the Department?
- (ii) Is the current utilisation of the performance management and development system and process aligned with the intended purpose stated in the performance management prescripts and guidelines? If not, what purpose does it serve and why is it not aligned to the intended purpose?
- (iii) What are the problems faced by the Department when implementing the required performance management and development system?

The research questions will assist in successfully responding to the problem statement that seeks to investigate ‘How is performance management utilised as a human resource system in a public sector Department?’

1.5 Research Delimitations

Research delimitations highlight the scope, and also what is included and excluded in this study. This research focuses on the utilisation of performance management as a system in a public sector department and is conducted in the Department. This Department has been chosen primarily because no intensive study has previously been conducted on the utilisation of PMDS and the results will hopefully benefit the Department. This study focuses on managers and employees on salary levels 1–12 because the majority of employees are included in that group and that is where the implementation of PMS is taking place. The PMDS for senior and executive managers is applied differently.

1.6 Survey Design and Methodology

Quantitative research approach with survey design has been chosen for this study to help answer the research questions. It involves the use of structured questions where options have been predetermined and a large number of respondents are involved. It considers numbers, symbols, measurements and statistics in outlining key variables for the collection, analysis and interpretation of data. Quantitative research is ideal for this type of study which targets a large number of respondents.

A self-administered questionnaire is used to collect data from the participants. A hard copy of the questionnaire is distributed to the employees of the Department who are willing to participate voluntarily in the study. The questions are in a statement form that gives respondents choices for their answers. This type of survey questions are referred to as closed-ended questions. Fink (2008: 150) explains that the advantages of these types of questions are that their efficiency comes from being easy to use, score, and enter data. Their reliability is enhanced by the uniformity of data that results when the number of responses is limited (e.g., agree or disagree; frequently or infrequently). A letter of introduction and informed consent is attached to the research questionnaire to inform the respondents of the purpose of the study. The participants are expected to sign the consent form to indicate that they participated voluntarily. Furthermore, confidentiality is also ensured by informing the participants that all the data that would be supplied, would be used for research purpose only.

1.7 Overview of the Chapters

A brief description is provided of what will be discussed in each of the following chapters:

- **Chapter 2** reviews, analyses and discusses the **literature**. Different sources and authors whose work is relevant to this study will be reviewed thoroughly in order to understand the role of performance management as a system for HRM.
- **Chapter 3** describes in detail the **design and methodology** used to collect data and how that data is analysed.

- **Chapter 4** presents **results and discussion** around the findings. The chapter outlines the way in which the Department is utilising performance management as a system and considers whether there are deficiencies that need to be addressed.
- **Chapter 5** completes the study by providing a **conclusion and recommendations** as well as managerial implications of this study. It also highlights the limitations of the study.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

The aim of this chapter is to define and outline performance management as an important HRM system in organisations and also review critical points and areas of current knowledge and contributions to performance management processes. Several authors such as Sarma, Pulakos, Aguinis and Armstrong, have given the management of employee performance perspective by using “performance management”, “performance evaluation” and “staff evaluation” interchangeably.

2.2 Performance Management

Organisations need to use performance management as a system to enhance work results and employee job satisfaction. Osmani and Maliqi (2012:435) suggest that “performance management includes all activities that ensure that the organisation’s objectives are being met effectively”. These activities include the following aspects:

- Performance management process.
- Employee and organisational performance management benefits.
- Key requirements for implementing PMS.
- Managerial implications in implementing PMS.
- Dealing with poor performance.



2.2.1 Performance management process

According to Sarma (2008:1), performance management is basically a managerial process which consists of planning performance, managing performance through observation and feedback, appraising performance, and rewarding performance. He further indicates that the intention of performance management is to:

- identify projected performance levels;
- encourage high levels of performance;
- measure and evaluate individual performance;
- provide feedback on individual performance;
- extend necessary support for performance improvement; and
- confer reward or punishment depending upon actual performance.

An organisation's overall performance management begins with the development of organisational strategy. The organisation's direction must be articulated and communicated before any assessment of individual performance can be made (Sarma, 2008:5).

Sarma (2008:11–12) points out that “there is no single universally accepted model of performance management in use; instead the literature advances a number of separate contributions which fall under the umbrella term ‘performance management’”. These can be articulated as a performance management cycle consisting of five elements which are: setting performance objectives, measuring outcomes, feedback of results, rewards linked to outcomes, and amendments to objectives and activities. He also explains five models of performance management which are as follows:

- *Model 1* - The annual appraisal, which happens once a year.
- *Model 2* - The on-going process throughout the business cycle, where objectives are set, performance is monitored throughout the year and performance reviews are carried out at the end of the cycle.
- *Model 3* - Incorporating competencies. Through this process, an individual is mindful of what results have to be achieved and how they will be achieved.
- *Model 4* - A competency-based performance management process that is closely incorporated with other crucial processes within the organisation e.g. core values such as team leadership, customer focus, concern for quality etc.
- *Model 5* - A competency-based performance management process linked with planned culture change.

According to Aguinis (2013:2) performance management is a continuous process of identifying, measuring and developing the performance of individuals and teams, and aligning performance with the strategic goals of the organisation. This process includes interrelated components of prerequisites; performance planning; performance acquisition; performance assessment; performance review; and performance renewal and contracting. The interrelated parts are shown in the Diagram 2.1.

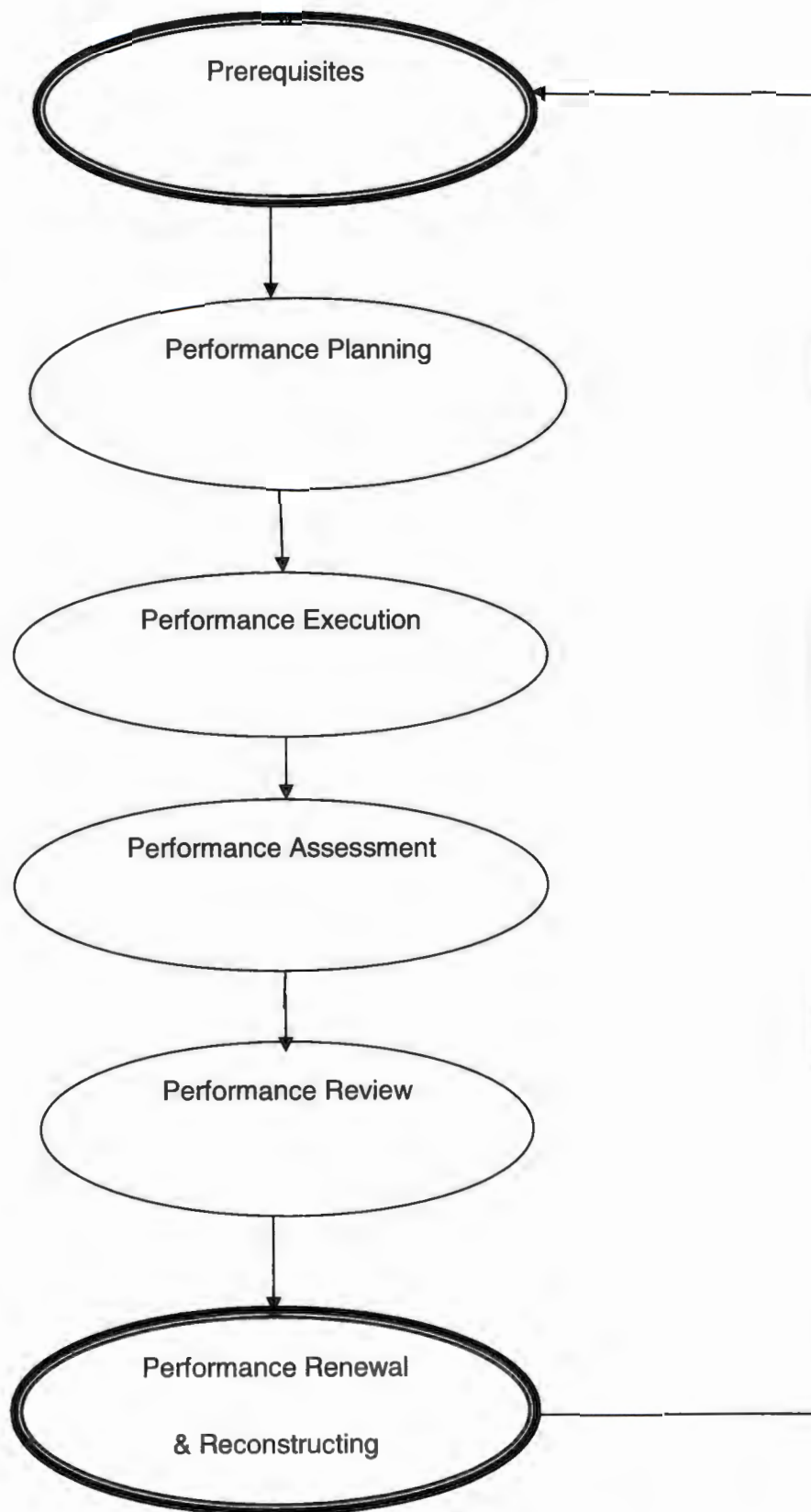


Diagram 2.1: Interrelated parts of the Performance Management Process.Adapted from Aguinis (2013:39).

Pulakos (2009:40) outlines the performance management process model as follows:

- Leaders set organisation, division, and department goals.
- Managers and employees set objectives and discuss behavioural expectations.
- Managers and employees hold on-going performance discussions.
- Employees provide input on own perceptions of performance.
- Knowledgeable rating sources provide input on employees' performance.
- Managers rate performance.
- Managers and employees hold formal review sessions.
- HR decisions are made – pay, promotions and training.

Holpp (2012:xiv) says that the performance management process ensures that businesses approach their people strategy with as much rigour as they do their business strategy. Holpp (2012:4) further indicates that the following six beliefs or assumptions are basic to successful performance management:

- Performance management is a process undertaken with employees and not done to employees.
- The planning, communicating, and evaluating of performance occur as a partnership (with the exception of usual situations that require unilateral disciplinary action).
- Most employees, once they understand what's expected of them, will make every effort to meet those requirements.
- The purpose of performance management isn't to look at the past and assign blame, but to solve performance problems as they occur and prevent them whenever possible.
- When performance deficits occur, we need to identify the real causes connected with the individual employee.
- For the most part, if the manager does his or her job in supporting employees, each employee is really the resident expert about the job he or she does and how to improve performance.

The performance management process flow chart as adapted from the Oak Ridge National Laboratory (ORNL,s.a.) affirms the performance management process as previously outlined by Aguinis (2013:39) and Pulakos (2009:40). Over and above that it also shows the performance improvement process where a manager or supervisor needs to take certain steps in order to manage poor or under performance. Diagram 2.2 indicates the performance management flow chart.

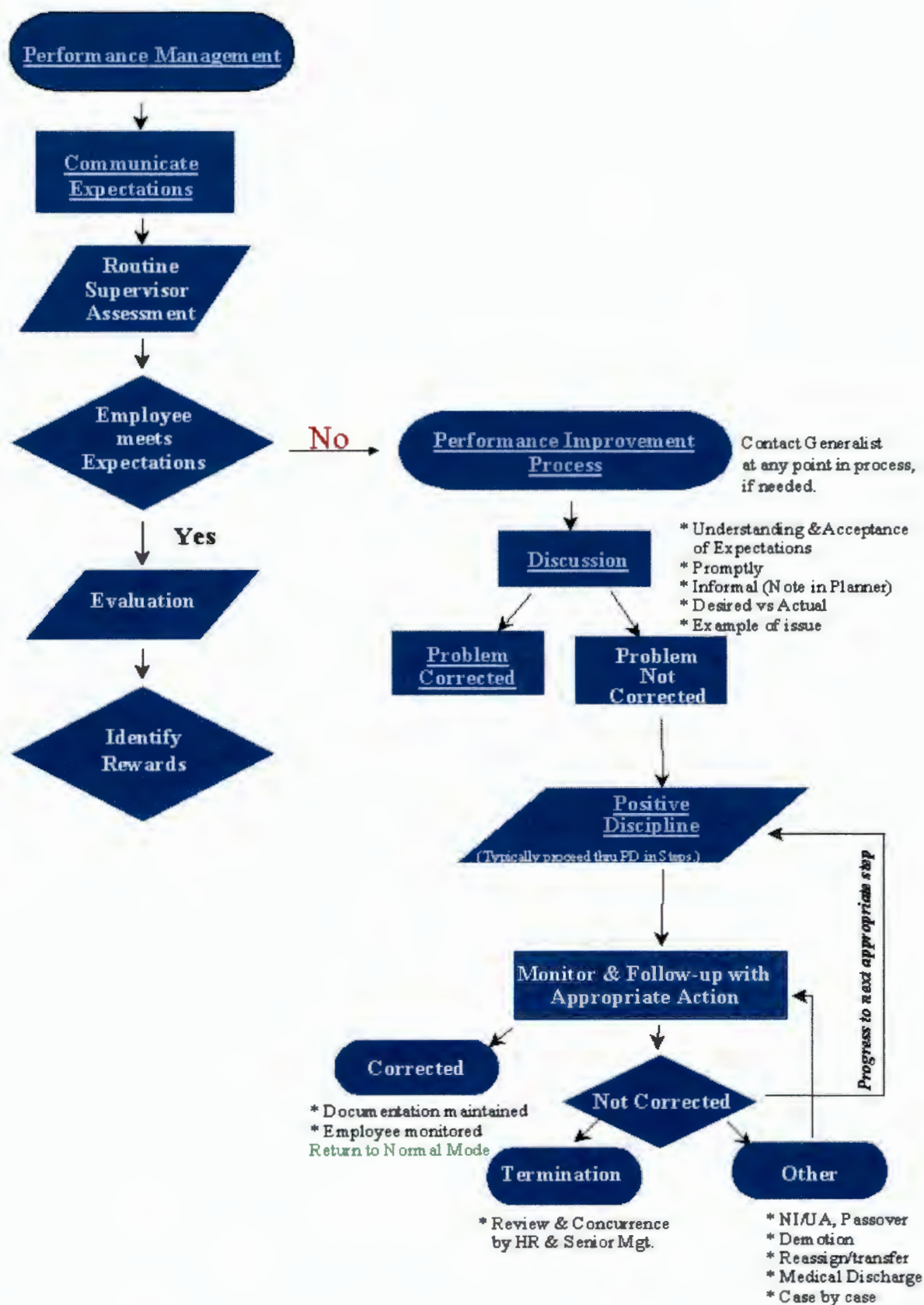


Diagram 2-2: Performance management process flowchart. Adapted from ORNL (s.a)

ORNL's performance management process flowchart, presented in Diagram 2.2 (ORNL,s.a.), describes all the steps that must be implemented by organisations:

- Managers and supervisors should communicate and set clear goals and expectations with employees by signing a performance management agreement.
- Supervisors should ensure that there is continuous assessment and monitoring of employee performance as well as regular feedback.
- Performance must be measured against the set objectives.
- A formal performance appraisal should be conducted and evaluated in line with performance agreement.
- The employee should be rewarded accordingly. If the employee does not meet the agreed upon expectations another process of performance improvement must unfold.
- Supervisors and their employees must discuss and agree on measures to correct under-performance.
- The problem can either be corrected or not.
- If not corrected positive discipline measures must be considered. This will be done by recommending employees for training and to attend employee assistance programmes.
- This step will be followed up by constant monitoring progress and follow-up with the employee to ensure that the intervention is effective.
- Lastly, if the problem is not corrected then further discipline, transfer and incapacity processes will be implemented in line with the relevant policies.

2.2.2 Employee and Organisational performance management benefits

Sarma (2008:178) indicates that the objectives of employee benefits in performance management are to: increase the commitment of employees to the organisation; demonstrate that the company cares for the needs of its employees; meet the personal security and personal needs of the employees; and ensure that benefits are cost-effective in terms of commitment and improvement in recruitment and retention rates.

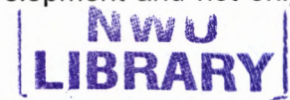
Luecke (2006:xiii) says that "everyone benefits when an organisation has effective performance management" which implies:

- Shareholders observe better results, because human assets of the organisation are top-notch and working in unison toward key goals.

- Managers are more successful because their subordinates are doing the right things well.
- Employees experience greater job security, career advancement, and fatter pay checks, due to outstanding performance.

It is evident as Luecke (2006:4) explains that performance management begins with goals, which define the results that people should aim to achieve in their organisation. Goals are yardsticks for performance planning, appraisal, rewards, and improvement. If an organisation does not have goals, time and energy would be wasted on activities that add very little to organisational success. Individual employee's goals are usually signified in the development of unit goals. The alternative is for the manager to dictate goals to subordinates, but dictated goals are unlikely to stimulate the kind of energy and creativity that produces good results. Goals that are discussed with employees and set collaboratively give those employees an important feel of goals ownership (Luecke, 2006:4).

Many organisations, as noted by Pulakos (2009:20), use their PMS as a basis for decision-making, with regards to issues such as pay, bonuses, promotions, assignment, and reduction in force. Fewer organisations use their PMSs to guide employee development. Therefore performance data and material can be useful in employee skills development and not only for evaluating their performance.



However, Woodford and Maes (2011:120) point out that although annual employee evaluations have been a staple of American human resource managers for decades, the traditional notions about evaluating employees have come under fire in recent years. They highlighted that the link between performance and rewards conveys an unambiguous message to employees of what is vital to the organisation and can be a major factor in reducing voluntary employee turnover. Woodford and Maes (2011:122) continue to argue that "employee evaluations are designed to support and advance the goals set for the organisation as a whole. The employee evaluation process can be used to ensure that each employee understands his or her individual role in the strategic plan and ensures each individual's work is moving the organisation towards its overall objectives". The performance objectives, or goals, are formulated by the employee together with the manager. This system involves employees from the onset, thus motivating employees to fulfil the goals they helped set.

2.2.3 Key requirements for implementing PMS

Aguinis (2013:27) suggests that there are ideal PMS with characteristics that could be implemented in organisations that intend to have a good PMS in place. An ideal system is rare and must be:

- *Congruent* to the unit and organisational strategy.
- *Congruent* to the organisational culture as well as the broader cultural context of the country.
- *Thorough* - they include all relevant performance dimensions.
- *Practical* - systems that are too expensive, time consuming, and convoluted will obviously not be effective.
- *Meaningful* - systems have important consequences.
- *Specific* - should provide a good detailed and concrete guidance to employees about what is expected of them and how they can meet these expectations.
- *Able to identify* effective and ineffective performance.
- *Reliable* - a good system include measures of performance that are consistent and free of error.
- *Valid* - measures are relevant, not deficient and are not contaminated.
- *Fair* - a good system is acceptable and is perceived as fair by all participants.
- *Inclusive* - a good system includes input from multiple sources on an on-going basis.
- *Open* - good systems have no secrets.
- *Correctable* - they include mechanisms through which an error can be corrected.
- *Standardisation* - performance is evaluated consistently across people and time.
- *Ethicality* - good systems comply with ethical standards (Aguinis, 2013:27).

Woodford and Maes (2011:123) also add that training on performance evaluation should include things that managers can do to ensure that evaluations have an overall positive effect on the organisation, which are:

- Managers need to learn how to create the right environment for evaluations.
- Managers should be trained on the importance of utilising self-feedback in the evaluation process. The manager and employee must have an opportunity to comment on the employee's behaviour or productivity.
- Training of managers to address performance problems as they arise should be an integral part of the training process. Problems should be addressed quickly, fairly and openly.

- Managers should be reminded that identification of unsatisfactory performance should be interspersed with positive feedback, whilst satisfactory performance should be recognised and encouraged.
- Managers should be given impartial, job-specific criteria to define employee strengths and weaknesses; and those factors, as well as the forms used to evaluate those factors, should be explained to the evaluators as part of training process.
- Managers should be trained to avoid common evaluation risks and errors.
- Finally, evaluators must understand what they should say and not say when completing an evaluation form and the legal risks to both the organisations and themselves resulting from impermissible content or inconsistent application of standards among protected groups.

2.2.4 Managerial Implications in implementing PMS.

A management consultant who has been interacting with employees for more than 25 years recommends five easy steps that will not only raise productivity of employees, but will make them feel more included in the business and take morale to high levels (Schumacher, 2011:28). He believes that managers must:

- Find out how their employees keep scores. They must identify two or three key measures of performance that employees understand and can affect through their individual efforts;
- Put those measures on graphs. Employees should be able to simply walk by the graph and see the performance trend. If they have to stop and analyse it, then they will lose interest quickly;
- Involve employees in setting goals;
- Use graphs for performance feedback. Make the measures and graphs a regular part of discussions with employees in groups and one-on-one; and
- Celebrate and recognise achievement. Give personal face-to-face recognition and praise when employees make progress towards the goal.

Armstrong (2012:336) indicates that a PMS involves some form of appraisal, which is usually carried out during or after a performance review meeting. This may be carried out by overall assessment, rating or visual assessment. He further indicated that line managers are crucial to the success of performance management, but the problem is they do not have the required

skills; do not discriminate sufficiency when assessing performance; are not committed to performance management; and are also reluctant to conduct performance management reviews.

In order to cope with these performance management problems the following actions were emphasised by respondents to the e-reward survey (Armstrong, 2012:336):

- Line managers are involved in the development and introduction of performance management.
- Each line manager is trained.
- Top management is able to stress the importance they attach to performance management.
- Keep the system simple. Do not impose a bureaucratic system.
- Accentuate whenever possible that performance management is a normal process of management and that one of the standards of evaluation for managers' performance is how well they do it.
- Does whatever can be done to convince line managers that formal performance reviews need not be stressful occasions if they are conducted properly (Armstrong, 2012:336).

2.2.5 Dealing with poor performance

Australian Government (2010:1) explains that under-performance or poor performance can be exhibited by:

- Unsatisfactory work performance, that is, a failure to perform the duties of the position or to perform them to the standard required.
- Non-compliance with workplace policies, rules or procedures.
- Unacceptable behaviour in the workplace.
- Disruptive or negative behaviour that impacts on co-workers.

In an analysis of poor performance in primary health care, Keegal (2013:31) suggests that high profile incidents reported in the media of poor performance in medical settings have heightened public awareness of the need to monitor standards. Changes in National Health Service (NHS) organisational structures have led to staff management becoming the responsibility of junior managers. These managers may not have received the training necessary to manage poor performance and initial informal stages. Lack of skills and knowledge can lead to a continuation of the poor performance and insufficiently robust documentation action plans to support the

formal capability process if required. He highlighted that staff management is important to managers in all business fields. Keegal (2013:32) then indicates that performance management can be divided into three main areas which are:

- *Feedback on performance* – This can be as simple as group or individual feedback over a cup of coffee to remind staff that standards are important. It does not have to be negative. In fact, a little praise can go a long way to maintain good standards.
- *Informal process* – If the feedback does not improve performance, further steps must be taken to create a structured action plan. The informal process consists of formal, day-to-day counselling and supervision practice by the manager, with clear objectives set for the standards of performance expected.
- *Formal capability or disciplinary process, with support from HR and senior management* – This can include verbal and written warnings all the way up to dismissal and referral to the Nursing and Midwifery Committee as appropriate.

The management of poor performing staff has repercussions for team leaders, both personally and professionally; it takes considerable time and emotional stress on top of normal workload capacity (Keegal, 2013:38). This shows that managers and whoever is given the responsibility of managing staff must be trained and understand the PMSs themselves otherwise the organisation or institution is going to end up with lots of disciplinary cases.

According to Department of Public Service and Administration directive (South Africa, 2007:24), supervisors are required to first identify and then, in line with developmental approach, deal with unacceptable performance of employees under their supervision. The departments must therefore identify and resolve unacceptable performance at an early stage. The directive states that the employee's performance rating as "not fully effective" or lower during the annual performance assessment should not be the first indication of the employee's shortcomings. Performance monitoring, including the performance reviews, provide opportunities to ensure this does not happen. The Department has outlined their map for management of poor performance in Diagram 2.3.

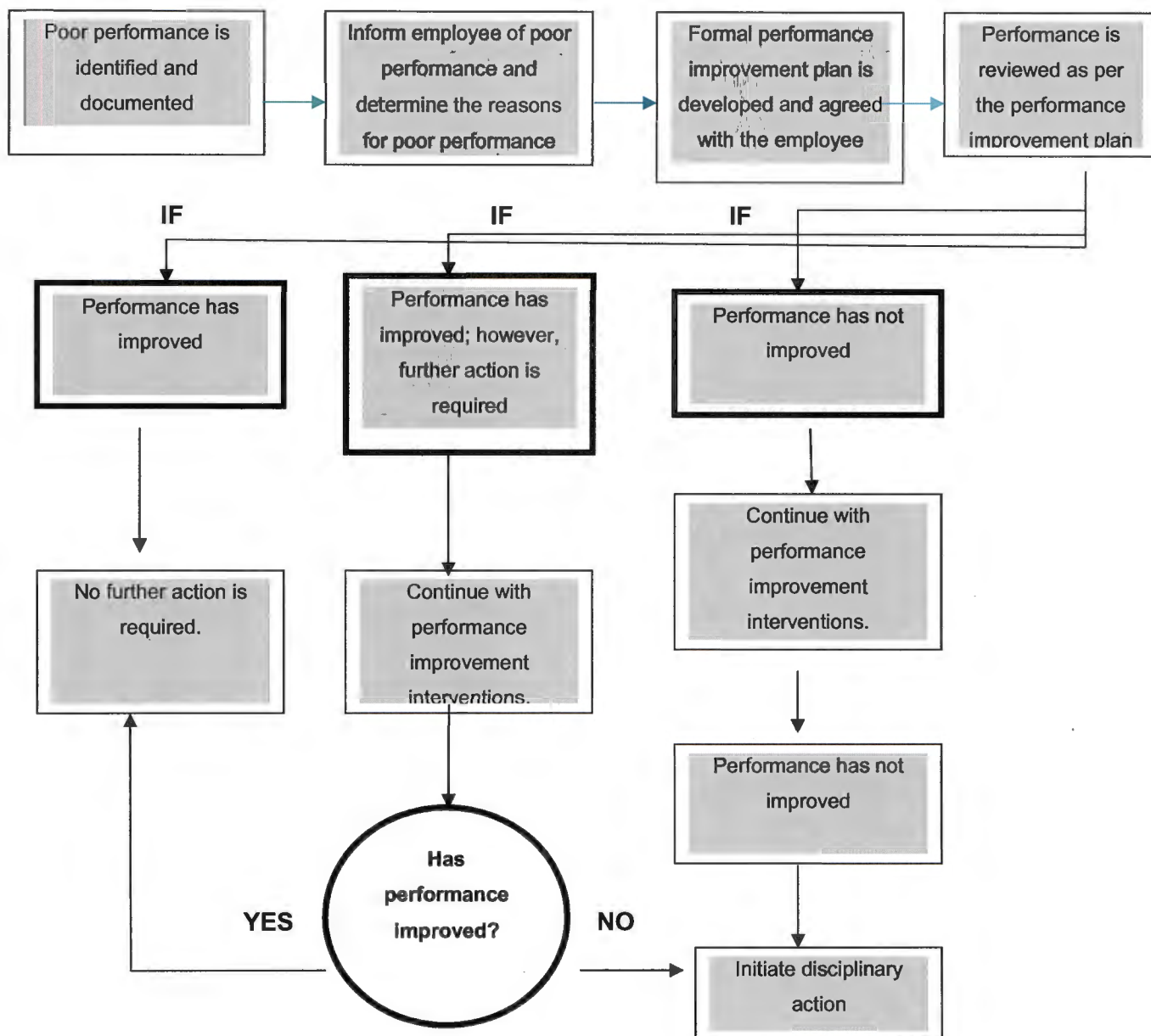


Diagram 2.3: Poor performance management map. Adapted from the Management of Poor Performance Guidelines (South Africa, 2013:10).

2.3 Performance Management versus Performance Appraisal

Viedge (2011:203) cited Basson (2000) who highlighted a common error, namely the confusion of performance appraisal with performance management. He is quoted as saying “If you believe that performance appraisal is performance management, it is just not going to work. So, we need to understand that performance management is a system, and that it must connect to the

parts of a larger system – other important parts in the organisation.” Viedge (2011:203) explains that many organisations believe that the once-a-year meeting to evaluate performance is indeed performance management. He defines performance management as the day-to-day management of people to produce desired results. It is a meeting once-or-twice a year where goals are set or performance is rated. He reiterated that performance management is the essence of business, namely delivering on the strategy so as to satisfy customer needs. He also indicated that performance appraisal is a snapshot of how the person is doing, and typically takes place once or twice a year. It is an opportunity to document performance and also an opportunity for employees to discuss development opportunities with their managers.

When discussing performance appraisal, Hunt (2010:3) highlights the fact that the purposes of staff appraisal are manifold, but the main thing is that both the employer and employee should be satisfied: the employer should be satisfied that the employees are functioning well in terms of the needs of the organisation; the employees should be satisfied that the employer and the organisation are looking after their needs. Hunt (2010:9) continues to argue that appraisal can help the organisation be more efficient, and also help the individual employees gain more job satisfaction. A satisfied employee is going to work better, a more profitable company means a happier boss. He says that appraisals are carried out for a ranges of reasons, which include: performance review, assessing training needs, determining job change (promotion or role change), and anything whereby the employee or the employee have needs relating to each other. The appraisal should be used for counselling the employee regarding performance issues, training and development issues and longer term career goals issues (Hunt 2010:10). In many organisations, it is thought that appraisal is a straight forward task that can be carried out by everyone, such as a junior member of the human resources team or a recently appointed supervisor. However, it requires a range of skills and attributes. The appraiser must have negotiating skills, counselling skills and bargaining skills. They may need to be aware of company law, of what they can offer by way of training, etc. They also need to know how to negotiate and bargain in order to get the best individual deal.

Performance appraisal is the on-going process of evaluating employee performance and includes reviews of employee performance overtime. Appraisal is just one piece of performance management (SHRM, 2010:285). The process of performance appraisal is explained in Diagram 2.4.

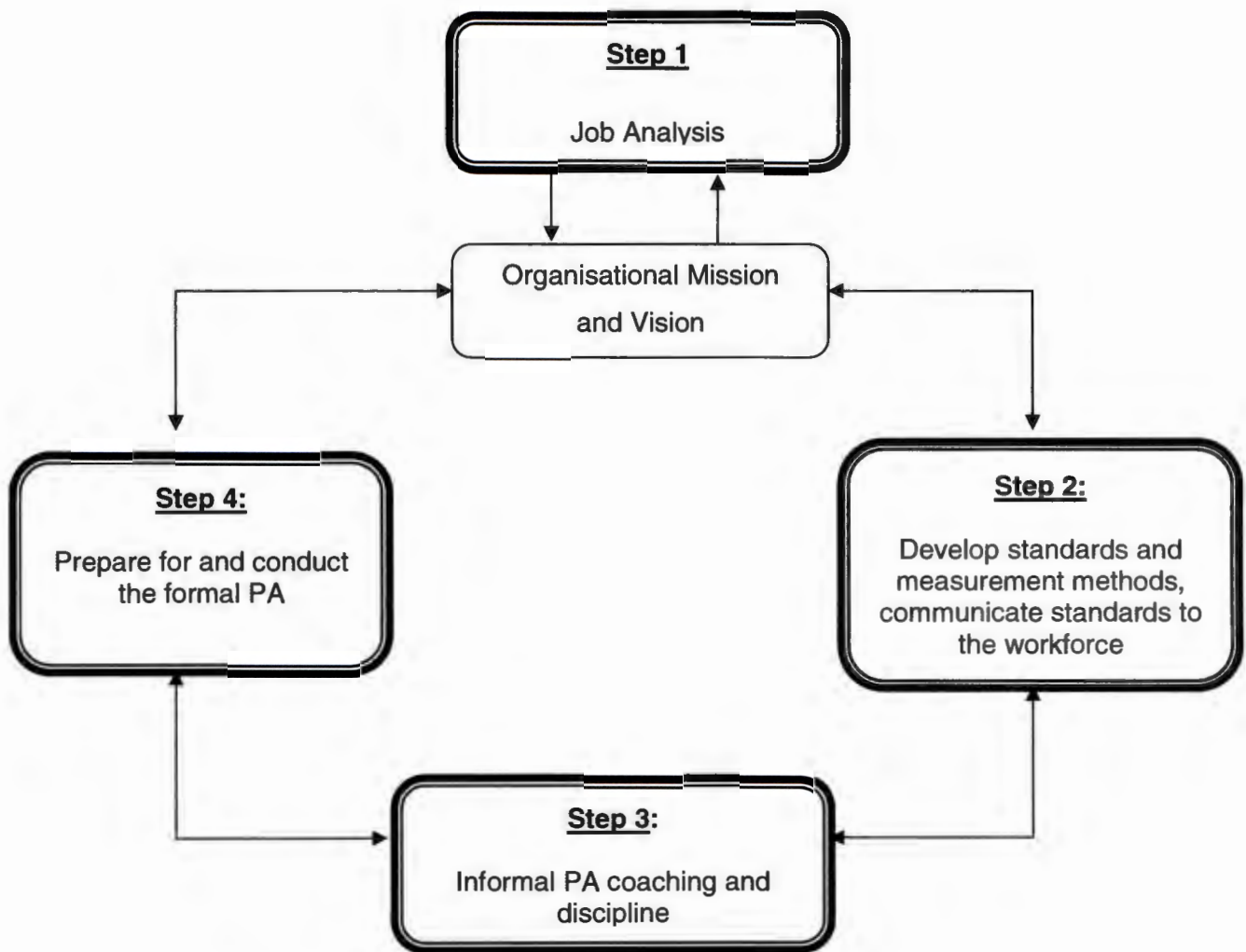


Diagram 2.4: Process of performance appraisal. Adapted from SHRM (2010:286).

SHRM (2010:286) explains the process of performance appraisal in four steps:

- *Step 1:* What a job consists of must be known and the job must also be based on the organisational mission and objectives, the department and the job itself.
- *Step 2:* The development of standards and measurement methods in order to assess performance.
- *Step 3:* Performance appraisal should not simply be a formal interview once or twice yearly. It must be an on-going process. People need regular feedback on their performance.
- *Step 4:* The common practice is to have a formal performance review with the boss once or twice a year using one or more of the measurement forms.

According to Holpp (2012:xiv), performance appraisal is not about filling out a form. It is not even about having a performance appraisal meeting. It is about managing performance. He says performance management is the larger heading under which performance appraisal falls, along with coaching, career development, compensation, feedback, objective setting, performance planning, mentor, and employee engagement. He continues to say that performance appraisals are central to performance management. Therefore, one should formally evaluate one's employees regularly, at least once a year, although every six months or even quarterly might be appropriate (Holpp, 2012:83). Performance appraisal is a formal method for assessing how well an individual employee is doing with respect to assigned goals. Its ultimate purpose is to communicate personal goals, motivate good performance, provide constructive feedback, and set the stage for an effective development plan.

Luecke (2006:78–79) argues that “performance appraisal is generally conducted annually with follow-ups as needed. Like the physical exam administered by your doctor, these annual check-ups give a manager an opportunity to spot performance problems before they become serious and to encourage the continuation of good work. An appraisal also helps the employee and manager to focus on the goals and performance expectations that affect salary merit increase, and promotions. In addition to providing insights into employee performance, appraisal sessions give the manager opportunities to accomplish other objectives such as:

- Increasing productivity by providing timely feedback.
- Helping the organisation make valid decisions about pay development and promotions.
- Protecting the organisation against lawsuits by employees who have been terminated, demoted, or denied a merit increase.

It has been argued that this process cannot be performed effectively unless the line manager or person providing feedback has the interpersonal interviewing skills to provide that feedback to people being appraised (Prowse & Prowse, 2009:70). They highlighted that the dilemma in appraisal has always been developing performance measures, and using appraisal to communicate individual performance is the significant part of the process. Appraisal can motivate staff by clarifying objectives and setting clear future objectives with provision for training and development to establish the performance objective (Prowse & Prowse, 2009:71).

“Performance appraisal may be defined as a structured formal interaction between a subordinate and a supervisor that usually takes the form of a periodic interview, annual or semi-annual, in which the work performance of the subordinate is examined and discussed, with a view to identifying weaknesses and strengths as well and opportunities for improvement and skills development. It is a process of collecting, analysing and evaluating data relative to job

behaviour and results of individuals (Pulakos, 2009:43). He further indicated that the results of appraisal are normally used for the following purposes:

- Estimate overall effectiveness of employees in performing their jobs.
- Identify strengths and weaknesses in job knowledge and skills.
- Determine whether a subordinate's responsibilities can be expanded.
- Identify future training and development needs.
- Review progress towards goals and objectives.
- Determine readiness for promotion.
- Motivate and guide growth and development.

Sarma (2008:62) also highlights the components that should be used in a performance appraisal system that they flow directly from the specific objectives of appraisal and are as follows:

- Key Performance Areas (KPA)/ Key Result Areas (KRA).
- Tasks/Targets/Objectives/Attributes/Qualities/Traits.
- Self-appraisal.
- Performance analysis.
- Performance ratings.
- Performance review, discussing or counselling.
- Identification of training/development needs.
- Rating/assessment by appraisal.
- Assessment/review by the reviewing authority.
- Potential appraisal.

'Performance appraisal' is a discrete, formal, organisationally sanctioned event, usually not occurring more frequently than once or twice a year, which has clearly stated performance dimensions and/or criteria that are used in the evaluation process (DeNisi & Pritchard, 2006:254). They further indicated that it is an evaluation process, in that quantitative scores are often assigned based on the judged level of the employee's job performance on the dimensions or criteria used, and the scores are shared with the employee being evaluated. DeNisi and Pritchard (2006:255) also asserted that 'performance management' is a broad set of activities aimed at improving employee performance. Although performance appraisal information provides input for the performance management process, performance management focuses on ways to motivate employees to improve their performance. They added that again, the goal of performance management process is performance improvement, initially at the level of the

employee, and ultimately at the level of an organisation. The ultimate goal of performance appraisal should be to provide information that will best enable managers to improve employee performance. Thus, ideally, the performance appraisal provides information to help managers manage in such a way that employee performance improves.

As he aligns himself with the other authors, Aguinis (2013:3) asserts that “there must be a distinction between performance management and performance appraisal. He says a system that involves employee evaluations once a year without an on-going effort to provide feedback is not a true PMS. Instead, this is only a performance appraisal system”. He defines performance appraisal as the systematic description of an employee's strengths and weaknesses. Thus, performance appraisal is an important component of performance management, but it is just a portion of a bigger whole because performance management is much more than just performance measurement.

As the difference between the two concepts has been clarified, a conclusion can be made by indicating that performance management is not performance appraisal. Performance management focuses on the alignment of organisational goals to employee performance. Instead performance appraisal is a step within the performance management process.

2.4 Performance management - International and National situation in South African

The application of PMS differs in the private sector and the public sector. Kanyane and Mabelane (2009:62) assert that “performance and productivity are difficult to measure in the government sector because both relate to output and not necessarily to production, which is something different”. They indicated that private sector organisations are mainly in existence for one reason and that is profit making, which is of course input based. The government sector is largely a provider of public services and not so much a producer of such goods and services. Government sector output therefore seems to be a vague issue due to the notion that it is intangible to a certain extent and cannot be easily measured. Salaries in government sector are usually not dependent upon output, i.e. performance related, but rather based on what the government can afford to pay, with insufficient resources at its disposal, whereas in the private sector the measurement of performance is the main criteria.

Turkyilmaz, Akman, Ozkan and Pastuszak (2011:675) agree that most of the processes and concepts used in the private sector such as performance management and project management have assisted in the changes in the public sector. As a result, these changes created a pressure on the public sector institutions to deliver high-finality and customer-oriented

services. As a result of this pressure, in terms of employee management, public sector organisations have shown an increased interest in HRM applications such as the utilisation of performance management, performance pay, employee and manager evaluation, and job satisfaction. It is therefore important to look at how the PMS is implemented worldwide not to get entangled by the private and public debate.

2.4.1 International situation

Talent management industry analysts, Bersin and Associates, conducted an extensive survey in three business regions, namely the EU, Middle East and Africa; the USA; and APAC. 40% of the companies listed performance management as the top priority for 2009. This interest in performance management ranks highly in assessments both by business region or company size (O' Leonard, 2009:4). The findings of this study per region and company size are displayed in Diagram 2.5.

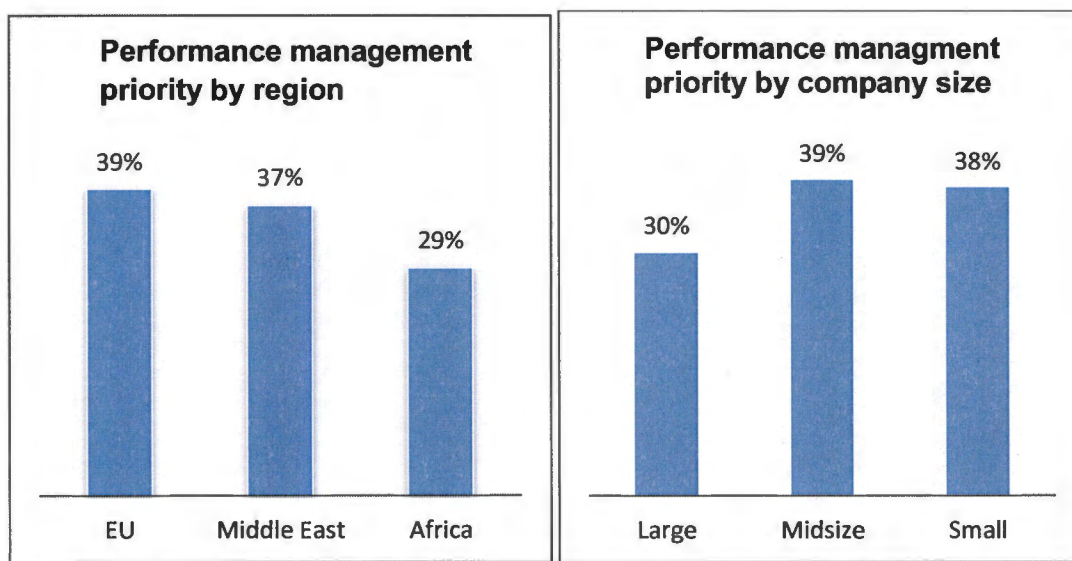


Diagram 2.5. Performance management as a priority. Adapted from O'Leonard (2009:4).

Aguinis (2013:24–26) highlighted the increasing importance of performance management globally, after conducting research on how systems are implemented in different countries. Results pertaining to 10 specific countries are reflected in Table 2.1.

Table 2.1: Implementation of PMS in different countries. Adapted from Aguinis (2013:26–26).

Country	Implementation of PMS
Mexico	- PMS are similar to those implemented in the USA. - Measurement of result is quite pervasive.
United Kingdom	- The system is affected by several factors, including cost effectiveness and developmental purpose of performance management. - Provides critical information regarding the identification of top performers which helps in allocation of rewards. - Is influenced by societal issues such as socioeconomic, political and legal trends.
France	- Faces unique contextual issues such as legal requirements to invest in employee training and development and the need to emphasize individual accountability.
Germany	- Has been affected by the long-term employment relationships. - Emphasise long-term goals and do not have a short-term focus. - Shares some similarities with France given their membership in the European Union, which provides a common legal framework for many labour-related issues.
Turkey	- 80% of firms in Turkey are using some type of system. - Challenge is the implementation of systems that ensure valid, reliable, and fair performance measurement due to personal relationships that play an important role in Turkish culture.
India	- Intense international business activity is leading to change in traditional values, at least in work environment, from more collectivistic to more individualistic and short-term. - Traditional paternalistic values do not seem to be changing, they pose a challenge for the implementation of PMS in which the supervisor serves as a coach instead of as a “boss”.
China	- The system emphasised mostly attendance and skills. - Since 1980 the view of performance management has expanded to consider broader sets of behaviours as well as relationships between performance management and other organisational systems.

	- Important issues to consider for successful implementation of PMS include respect for age and seniority and the emphasis on social harmony.
South Korea	- Work relationships are hierarchical in nature and emphasise the importance of groups over individuals. - The financial crisis led many organisations to adopt what in Korea is called Yunbongje (i.e. merit-based systems). - The current challenge is how to reconcile a merit-based approach with more traditional cultural values.
Japan	- Japanese firms are beginning to consider the importance of new knowledge acquisition. - Behaviours are emphasised to detriment results.
Australia	- Legal framework is similar to that in the USA and the UK. - PMS tend to include documentation of performance, considerations regarding equal opportunity, and due process issues.

Since the new Labour Party came to power in the UK in 1997, there has been a drive to improve the effectiveness of public services through the use of private sector principles (Radnor & McGuire, 2004:245). This has also sought to bring transparency in the performance of public services through the introduction of targets. This in turn has led to the introduction of performance targets in all areas of the public sector from local, central government to education, health and community care. They stated that in assessing the broad reasons to explain why organisations have PMS in general, no grounds can be found to indicate that these reasons are not equally applicable to public sector organisations. In articulating the need for PMSs to be used in order to modernise government services, the Audit Commission emphasised two key reasons, namely, the need:

- To improve public services (through increased economy, efficiency and effectiveness in the service delivery); and
- To reinforce accountability, so that organisations are clearly held to account for the resources they use, and the outcomes achieved (Radnor & McGuire, 2004:245).

Radnor and McGuire (2004:247) also highlight that within organisations, a new PMS can also create performance management tensions (as well as benefits) in its own right. Therefore, it is vital that organisations simply do not automatically add an extra PMS to their portfolio as soon as performance management issues/needs become apparent. They indicated that when implementing performance management, the measures needs to be SMART (specific, measurable, achievable, resourced and time-bound) and linked throughout the organisations. There also needs to be ownership for every target either individually or collectively. The targets and delivery of them must also be regularly and rigorously reviewed. Finally, success in delivering targeted performance should result in reinforcement through incentives.

Radnor and McGuire (2004:257) add that performance management is not going to go away and to a certain extent can be argued as being important for most organisations. However, currently in the public sector and under its present conditions, it will be difficult for any of the measures and targets to be achieved. They said that employees need to be trained to understand the objective and impact of performance management as they should also be involved in creating and managing performance management; then PMS can become something which creates improvement rather than just a judgement or blaming tool. They concluded that if a clear strategy is developed it will give way to a generation of a clear purpose through which performance can be assessed or the current skills and motivation of people within the organisation are understood. Finally, there is a need for the processes and systems within the organisation to be clearly defined and the relationships between various sub-processes and systems understood so that meaningful feedback, targets and performance are measured and rewarded.

‘GeorgiaGain’ is a comprehensive PMS that was introduced in the State of Georgia, USA. Here, Kellough and Nigro (2006:117–118) found that, for many government officials, pay for performance is an attractive idea. It is grounded in the notion that superior performance should be recognised and rewarded. It takes a variety of forms, depending on whether the performance of individuals, work-groups, or organisational units is measured and whether financial incentives tied to performance are distributed as increases to base pay, as one-time bonuses, or as some combination of the two. The typical approach links individual employee performance ratings to an increase in annual salary. This is commonly known as “merit pay”. The underlying logic is that the prospect of financial reward will lead to increased employee effort and productivity. Proponents suggest that consistently and differentially rewarding higher and lower levels of performance will raise the job satisfaction of productive workers, that making pay contingent on performance will encourage marginal performers to improve their work effort, and that the

absence of or the presence of minimal pay raises will drive out poor performers who are not able or willing to improve.

The GeorgiaGain was designed to increase employee motivation and productivity by providing the state's supervisors with what were considered to be the state-of-the-art performance management tools. Throughout the state bureaucracy, pay increases were to be keyed to performance ratings. A new performance appraisals process tied to job-related performance standards was put into place. Written performance goals, expectations, and performance plans were required. New job descriptions were developed and information systems to permit the constant updating of those descriptions were installed. Kellough and Nigro (2006:124) indicate that previous research on pay-for-performance systems in the public sector has revealed that employee job satisfaction, confidence and trust in agency management, and feelings about working for the government in question are important factors associated with the degree to which these systems are accepted by employees and the supervisors who must implement them. In this regard, a stated goal of the GeorgiaGain initiative was to create working conditions that would improve state employees' confidence in the fairness and equity of the HRM system and its administration across all state agencies and on all levels of responsibility. In GeorgiaGain, emphasis was placed on developing and applying consistent, clearly defined performance standards to all state jobs. The system was also intended to encourage effective two way communication between supervisors and subordinates about job-related goals and expectations.

While studying the PMS of the State of Virginia, USA, Kiedrowski and Collins (2010:1) discovered that the current PMS has been operational since 1995 and is composed of four components, each providing essential information to policy makers, legislators and taxpayers. These four components are:

- Strategic Planning.
- Performance Measurement.
- Program evaluation.
- Performance Budgeting.

The implementation of this system was successful because the legislation that implemented PMS was created over several years and dictated that state agencies participate in the above outlined performance management activities, and submit the required documentation to officers such as auditors, the performance management committee as well as to the legislative budgeting committee officials. However, Kiedrowski and Collins (2010:11–12) also explain that

the performance management literature and Virginia's experience have arguably missed two other critical components for a complete PMS:

- *Employee objective and learning* - In order for strategic planning and performance budgeting to be implemented, it is essential that employee objectives and learning be aligned with the goals and priorities articulated during the strategic planning. The goals and priorities should drive the pursuit of organisational performance, including how human capital decisions are made. They emphasised that it is important that an effective PMS includes "individual outcome, output, and efficiency measures" to align the employees with the mission and strategy of the organisation. These employees, if aligned, will use performance measures to manage their activities and support the overall performance management effort.
- *Citizen input* – Fundamental to the success of any organisation is the understanding of its customers and their needs and levels of satisfaction with the goods and services provided. (Kiedrowski & Collins, 2010:11–12).

The Jamaican Government also published a 'Guideline system and reference manual for Performance Management and Appraisal System for the Civil Service' in 2006. According to the message of the Cabinet Secretary, Dr David, as stated in the guideline, the public sector faces many challenges in meeting the expectations of the society for increased efficiency, accountability, and transparency in respect of the services provided by the public sector. All have to be achieved in a more globalised environment (with all its manifestations) and limited financial resources to meet the demands. He emphasised that the introduction of a performance management and appraisal system which is a high priority for the Cabinet, is another step in the objective of achieving the ends of a better public sector which is customer-focused, result-oriented and accountable (Civil Service of Jamaica, 2006:ii).

The guideline explained that it is an attempt to move away from a system which is somewhat subjective, with a focus on employee characteristics and attributes, to one which measures outputs and results, and which rewards good performance and applies appropriate sanctions for poor performance (Civil Service of Jamaica, 2006:ii). The characteristics of this system are indicated as follows:

- Well-developed, results-oriented corporate and operational plans, driving the goals and objectives of the organisation and individuals' activities towards their achievement.

- Discussed and agreed individual performance targets that are aligned to the organisational goals and objectives.
- SMART performance targets – specific, measurable, achievable, resourced and time-bound.
- Performance measures designed to track achievement of targets.
- Regular reviews, feedback on performance and adjustment where required.
- Training and development needs identified and addresses.
- Rewards and sanctions applied fairly and equitably (Civil Service of Jamaica, 2006:1).

The guideline showed an illustration of how the performance management and appraisal cycle must be implemented by the Jamaican public service, that is:

- Step 1 – March/April – Supervisor and employee develop and agree on performance objectives/targets for the financial year.
- Step 2 – June/July – Review performance in relation to targets and agree on appropriate adjustments/action.
- Step 3 – September/October – Review performance in relation to targets and agree on appropriate adjustments/ action.
- Step 4 – December /January – Review performance in relation to targets and agree on appropriate adjustments/action.
- Step 5 – March/April – Formal appraisal and identification of learning and development needs and appropriate decisions (Civil Service of Jamaica, 2006:2).

The Cabinet Secretary for Jamaica, in his closing remarks, indicated that the system will be continuously monitored and assessed over time and adjustments made as they learn from their experiences. He added that the development of a strong performance management culture in the public sector is a major task and will take some time for the rewards to be fully realised (Civil Service of Jamaica, 2006:ii).

Thus the conclusion from the international studies on PMS in organisations is that performance management as a system is commonly implemented in different countries. Even though long-term goal alignment and employee motivation are important factors in their PMSs, the socio-economic and political factors in the different countries have an influence on how performance management is implemented.

2.4.2 National situation in South African

According to Manyaka and Sebola (2012:300), since the democratic breakthrough in 1994 the South African government has adopted performance management as a system to achieve effective service delivery. However, it is worth noting that even though there has been an adoption of the PMS in order to speed up service delivery and transformation, performance management still remains a major challenge in the Public Service, with negative impact on service delivery. Makamu and Mello (2014:106) pointed out that “prior and after 1994, employee performance rewards were based on incidents. This implies that employees had to meticulously keep records of instances where they make a significant contribution to the employer’s goals”. This could for instance be a number of days on which an employee has worked overtime or taken urgent work home for completion. The weakness of this system was that it was not linked to the training and development of employees and it was subsequently substituted by PMS, which places training and development at the heart of the system.

The Public Service Regulations, 2001 as amended (South Africa, 2012:37), Chapter 1, Part VIII states that Departments should manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational efficiency and effectiveness, accountability for use of resources and the achievement of results. Performance management processes should link to broad and consistent plans for staff development and align with the departments’ strategic goals. The primary orientation of performance management should be developmental, but should allow for effective response to consistent inadequate performance and for recognising outstanding performance. Furthermore, performance management procedures should minimise the administrative burden on supervisors, while maintaining transparency and administrative justice. The Executing Authorities (political heads of government departments) are therefore given powers to determine a system for performance management and development for employees in their department; to establish performance assessment instruments for different occupational categories or levels of work; communicate the outcome and assessment results; manage unsatisfactory performance; and establish a departmental financial incentive scheme to incentivise good performance (South Africa, 2001:37).

Even though the Public Service regulations are clear on what needs to be done, it was realised that departments still do not have a fully functional PMDS for employees on salary level 1–12, especially that the Senior Management Service (SMS) had their own PMDS outlined in their SMS Handbook. Then a directive from DPSA signed by the Minister for the adoption of Integrated Performance Management and Development System (IPMDS) was issued. This

directive came into effect in 2003. IPMDS focused on three levels of performance management which are:

- *Organisational level* – where the Executing Authorities and the Heads of Departments (HOD) determine the strategic priorities and overall key results areas of the department, while objectives are identified for the priorities and assigned to components within the department;
- *Component level* – where components undertake the execution of projects and activities that lead to the achievement of the integrated business plans; and
- *Employee level* – where each employee develops a performance agreement jointly with her or his supervisor. IPMDS incorporated the SMS PMDS and also provided for the differences that are unique to SMS, middle management and production level employees (South Africa, 2003:1).

In 2006, the Governance and Administration Cabinet Cluster Committee identified the need to simplify and ensure the proper implementation of PMDS in departments. The Minister for Public Service and Administration (MPSA) also realised that IPMDS proved to be cumbersome and complicated to use, and this led to the development and the directive for the departments to adopt the new Employee Performance and Management and Development System (EPMDS) for salary level 1–12. However, the MPSA's directive still indicated that EPMDS can be adopted by the departments which do not have a functional performance management and development system for salary level 1–12, in other words, the system is still voluntary (South Africa, 2006:1).

In 2007, the EPMDS came into effect in line with the Public Service Regulations, 2001 as amended (South Africa, 2007: 9). It was developed to assist with management of performance on salary level 1–12. As an employee PMS, the EPMDS is not applicable to departmental, component or team performance management or assessment.

According to EPMDS, performance management at the employee level is an on-going interactive process between an employee and supervisor about the employee's performance. Face-to-face on-going communication is an essential requirement of the process and covers the full performance cycle. For effectiveness of operations the cycle is divided into integrated phases or elements of -:

- *Performance planning and agreement* – All employees must enter into and sign performance agreements before the end of the quarter of the new cycle. This includes the signing of a work-plan and personal development plan (PDP).

- *Performance monitoring, developing and control* – Performance at the individual level must be continuously monitored to enable the identification of performance barriers and changes, and to address development and improvement needs as they arise.
- *Performance assessment or appraisal* – Performance reviews are done half-yearly and annually. The review meetings are an integral part of the monitoring process. The supervisor should use all opportunities to discuss the employee's performance, including components meetings, report backs, and informal discussions.
- *Managing the outcomes of assessment*- This stage involves communicating the outcome of the performance assessment, rewards for outstanding are implemented and poor performance is being managed (South Africa, 2007:11).

Summary of the legislative prescripts and changes that were implemented are as follows:

- Prior to 2001, the government relied on three resolutions (13 of 1998, 3 of 1999 and 7 of 2000) to manage performance of employees in the departments – where there was lot of inconsistency with regard to the implementation.
- In 1999, the minister introduced a new PMDS framework – even though it was communicated, departments did not comply.
- Public Service Regulations, 2001 as amended came into effect and gave the Executing Authorities power to develop their own PMSs – still the departments did not adhere to the requirements of PMS.
- In 2003, the minister introduced IPMDS – which was later declared to be cumbersome and complicated to use.
- In 2007, the minister introduced EPMDS – for the departments to be use, however the adoption of EPMDS by the departments is voluntary.

It is evident from the above discussion and summary that the government has been going back and forth in changing the PMS and does not seem to win as there are still challenges. It is also clear that MPSA is unable to impose certain measures that will force the departments to comply because all the powers to develop and implement PMSs have been given to the Executing Authorities, hence all these frameworks that were introduced were voluntary. It was up to the Executing Authorities to ensure that their departments adopt the performance management frameworks. This is also supported by Kagaari, Munene and Ntayi (2010:507) who contend that “the effectiveness of performance management practices in the public sector organisations are affected by institutional factors with the results suggesting that behavioural effects of

performance management practices are as important as the economic effects in public sector organisations”.

It now comes to light that in as much as the government is issuing performance management legislations and directives to influence the utilisation of performance management as a human resource system in the public sector, it is also the government’s responsibility to ensure that all those prescripts are monitored and enforced. Non-compliance to the prescripts by public sector organisations can be detrimental, as the results can lead to a lack of organisational effectiveness and efficiency as well as lack of accountability in the use of government resources. The same applies to the private sector organisations as employee performance and productivity are the keys to organisational effectiveness and efficiency.

2.5 Problems identified with performance management

Literature has also shown that there are deficiencies in organisations when implementing the PMS, as no system can be implemented without problems. These problems affect employee performance and influence employee behaviour. Table 2.2 summarises the problems and challenges of PMS as identified by different authors.

Table 2.2: Problems and challenges in PMS.

Hunt (2010:13)	SHRM (2010:306)	Makamu and Mello (2014:107–108)
- Providing conflicting messages to employees - Poor or inappropriate system - Inadequate training of participants - Failure to implement the system properly - Conflicting aims of the appraisal interview - Failure to get people on board - Takes too much time	- Bias - Stereotyping - Halo error - Distributional errors - Similarity error - Proximity error - Recency error - Contrast error - Attribution error	- Use of technology - Performance management feedback and fear to account - Linking compensation and rewards with performance - Measuring and evaluation performance - Rater’s problem - Organisational fear

- Takes too little time - Poor follow-up (e.g. providing promised training) - No validation of the system.		
Manyaka and Sebola (2012:305-306)	Aguinis (2013:8-9)	Luecke (2006:24)
- Lack of managerial commitment - Lack of performance feedback - Pass-one-pass all approach to rating - Lack of clear goals and objectives - Lack of resources to perform	- Increased turnover - Use of misleading information - Lowered self esteem - Wasted time and money - Damaging relationships - Decreased motivation to perform - Employee burnout and job dissatisfaction - Increased risk of litigation - Unjustified demands on managers' and employees' resources - Varying and unfair standards and ratings - Emerging biases - Unclear rating system	- Uncontrollability problem - Alignment problem - Interdependency problem

2.6 Conclusion

In this chapter the literature indicating the perspectives of different authors were highlighted, showing the key processes that must be followed by organisations and the problems that have been observed and experienced by different organisations internationally and nationally, when implementing PMS. It is clear that performance management processes have the same intent and follow a near similar process in all organisations. It is also apparent that the South African Public Service has taken into cognisance the problems and challenges that might arise when

implementing this system and therefore ensured that effective performance management is underpinned by the following five key principles (South Africa, 2007: 10):

- Performance shall be managed in a consultative, supportive, and unbiased approach to enhance organisational proficiency and effectiveness, accountability for the resources and achievement of results.
- Its processes will link to comprehensive and consistent staff development plans and align with the departmental goals.
- Its processes shall be developmental and shall permit recognition of fully effective performance, and for an effective response to performance that is consistently not fully effective or poor.
- Its procedures should minimise the administrative burden on supervisors, while upholding transparency and administrative justice.



CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter provides detailed information on how this study has been conducted. It elaborates on the research design and the methods employed in order to answer the research questions, as well as to ensure that issues of validity, reliability and credibility of the results and findings are addressed. Research methodology refers to the approach or paradigm that underpins the research (Blaxter, Hughes & Tight, 2010:58). They also indicated that new researchers are introduced to the most common approaches, which are termed qualitative and quantitative methods. These offer a basic framework for dividing up knowledge into camps. Yet, within these broad camps there are debates about how social research should proceed, and about what forms of knowledge are perceived to be valid and invalid. Barbie and Mouton (2005:104) also explain that a research design is different from research methodology in a sense that research methodology refers to methods, techniques, and procedures that are employed in the process of implementing the research design or research plan. On the other hand, research design is the structure of research. The structure consists of the intervention or programme that is to be compared to an alternative, participants who are assigned to be part of the new programme or of the alternative, and a schedule of measurements (Fink, 2008:348).

3.2 Quantitative Research design

Quantitative research approach with a survey design has been chosen for this study as the research questions ask for quantification. According to Blaxter, Hughes and Tight (2010:64) quantitative research tends to involve relatively large-scale and representative set of data, and is often, falsely presented or perceived as being about the gathering of 'facts'. This type of research has been chosen because the questions that need to be answered seek the following:

- The facts or causes for social phenomena.
- It is an obtrusive and controlled measurement.
- It is objective and verification oriented.
- It is outcome oriented.
- It is reliable, generalisable and particularistic.
- It assumes a stable reality (Blaxter, Hughes & Tight, 2010:64).

As a result, the research questions in this study will be answered as demonstrated in Table 3.1.

Table 3.1: How the research questions will be answered.

Research Question	The research question will be answered through the following :
(i) What comprises the current performance management and development system and process in the Department?	Literature review.
(ii) Is the current utilisation of the performance management and development system and process aligned with the intended purpose stated in the performance management prescripts and guidelines? If not, what purpose does it serve and why is it not aligned to the intended purpose?	The instrument which is the survey questionnaire.
(iii) What are the problems faced by the Department when implementing the required performance management and development system?	The instrument which is the survey questionnaire

Webb and Auriacombe (2006:592) also agree that “the strengths of a quantitative research paradigm are that its methods produce quantifiable, reliable data that are usually generalisable to the target population”.

Quantitative research as described by Blaxter, Hughes and Tight (2010:64) involves the use of structured questions where options have been predetermined and a large number of respondents are involved. It considers numbers, symbols, measurements and statistics in outlining key variables for the collection, analysis and interpretation of data. This form of research is therefore ideal for this type of study which targets a large number of respondents.

3.3 Measuring Instrument

Cooper and Schindler (2003:251) affirm that a survey can be used, with a questionnaire as an instrument, if the researcher is interested in how satisfied employees are with various

government practices. In order to obtain relevant data on the utilisation of performance management as a human resource system in the Department, the appropriate instrument is a questionnaire based on the literature that will be administered to gather data.

Lutabingwa and Auriacombe (2007:530) highlight that the best advice is that the researcher should develop a questionnaire with almost all questions being closed-ended. They indicated that, "Of course, to develop good close-ended questions require of researchers to invest a significant amount of time in reviewing the literature. Researchers will find that the invested time in reviewing the literature is well worth it". The questions in the survey are structured in a statement form that gives respondents choices for their answers. This type of survey questions are closed-ended questions and were developed by the researcher after reviewing the literature on PMSs. According to Fink (2008: 150) the advantages of close-ended questions are that: their efficiency comes from being easy to use, score, and enter data. Their reliability is enhanced by the uniformity of data that results when the number of responses is limited (e.g., agree or disagree; frequently or infrequently; and so on). The researcher further piloted the survey questionnaire using a small sample of eight respondents from the target population to ensure the appropriateness of the questions, check its correctness and whether the respondents will be able to follow the instructions. Furthermore, in order to determine validity of the measuring instrument the researcher ensured that all factors and dimensions that are fundamental in PMDS are adequately addressed in the questionnaire. This is content validity which is described by Cooper and Schindler (2003:231) as "the degree to which the measuring instrument provides sufficient coverage of the probing questions guiding the study".

The questionnaire consists of two sections that cover and address the following areas:

- *Section One* – Biographical data. The section consists of categorical data where values can be arranged into groups or categories. Cooper and Schindler (2003:251) explain that categorisation requests the respondents to place themselves in clusters or classifications, for example, the questionnaire required the respondents to indicate if they are males or females.
- *Section Two* – PMDS as a system. It consists of statements which are clustered according to five key components in PMDS, which are: the general management of PMDS, PMDS implementation, performance outcomes, developmental aspect of PMDS, and dispute resolution. The researcher used the Likert scale which is described by Cooper and Schindler (2003:253) as a commonly used variation of the summated rating scale which comprises of statements that express any favourable or unfavourable attitude about the item of interest. This rating scale allows the respondents to choose

one of five levels of agreement. The statements or questions in the measuring instrument require the respondents to respond by choosing from one of the following levels: Strongly Agree, Agree, Not Sure, Disagree or Strongly Disagree. The respondents were instructed to place a tick next to their choice.

- The participants are also given an opportunity to give their opinion on the implementation of the PMDS system within the Department, which is an open question.

3.4 Population and Sampling

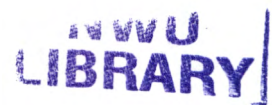
The population for this study was drawn from the PERSAL system (HR Information system) and is categorised into different salary levels, therefore the sampling strategy that is being used is stratified sampling which falls under probability sampling. Teddlie and Yu (2007:77) explain that probability samples aim to achieve representativeness, which is the degree to which the sample accurately represents the entire population. It is used to ensure that equal number of participants with characteristics that have an influence on the response to the study will be allocated to each comparison group. They indicated that if a researcher is interested in drawing a random sample, then she or he typically wants the sample to be representative of the population on some characteristics of interest (e.g., achievement scores). The situation becomes more complicated when the researcher uses stratified random sampling, which combines systematic sampling with simple random sampling (Teddlie & Yu, 2007:79). Burger and Silima (2006:660) add that the population is divided into recognisable, non-overlapping sub-populations which differ from each other on the basis of the variable required for investigation.

For the purpose of this study, employees were categorised according to the following salary levels:

- Salary level 2 – 3.
- Salary level 4 – 6.
- Salary level 7 – 8 (supervisory level).
- Salary level 9 – 12 (middle management level).

According to Onwuegbuzie and Collins (2007:288), the size of the sample should be informed primarily by the research objective, research question(s) and, subsequently, the research design. Taking into consideration the total number of staff on salary level 2–12, which is 1243 and also factors that could influence the sampling size, 125 questionnaires were distributed to prospective respondents in order to cover 10% of the targeted population. Strydom (2005:195)

contends that in most cases a 10% sample should be sufficient for controlling of sampling error. This is supported by Burger and Silima (2006:666) who explain sampling error as the difference between the results obtained from the sample and results obtained if the entire population had responded. They indicated that in the final analysis, sample size is a function of the error that can be tolerated in generalising sample results back to the population and therefore as far as survey research is concerned, they would advise anyone selecting a sample not to choose less than 100–150 cases in order to be able to use descriptive statistics correctly. For the purpose of this study an additional 10 questionnaires were also distributed to control the sampling error.



3.5 Data Collection

According to Botti and Endacott (2006:132), the fundamental principles guiding data collection in quantitative research are that data are derived in a manner that is independent of the expectations of the observer and that the data are true representation of a phenomenon. Quantitative data collection is guided by four major objectives:

- *Empiricism*: Observation measurement that can be duplicated by others.
- *Measurement*: Careful and explicit description of the tools (scales or questionnaires) or devices used to measure phenomena.
- *Replicability*: Ensuring that if the study is repeated by other investigators the same results can be obtained.
- *Objectivity*: Seeking to remove any biases in the way data are collected and interpreted so that conclusions reflect the correct facts about a phenomenon (Botti & Endacott, 2006:132).

A questionnaire developed by the researcher was used to collect data from participants. Distribution was done personally within the head office and also e-mailed to the district offices for employees based at the districts. The head office for the Department is based in Mafikeng and the Department has four district offices where the questionnaires could be distributed and collected. The researcher is based at the head office, which facilitated the distribution of the questionnaires and the collection of data. Questionnaires were distributed to all the identified sample groups and collected or sent back to the researcher within two weeks of distribution. The researcher numbered all the questionnaires during distribution to track the response and also to ensure that each respondent handed in only one questionnaire.

3.6 Data Analysis and Interpretation

Data analysis follows the collection and processing of data. Lutabingwa and Auriacombe (2007:528) explain that “at an early stage of data analysis, the researcher usually begins by examining and describing in summary fashion the data that has been collected”. They further indicated that knowing how to convey information by graph is important in the presentation of statistical data. Welch and Commer (1988:113) as cited in (Lutabingwa & Auriacombe, 2007:528) recommended some general rules to keep in mind when preparing graphs:

- A clear title identifying what data is presented.
- A clear label for columns and rows.
- Applicable categories, each one of them with some entries, yet categories; should not be so large to obscure the range and variations in data.
- Be simple and not too cluttered.
- Show data without altering the data’s message.
- Clearly show any trend or variations in the data.
- The graphs must be accurate in a visual sense (e.g. if one chart value is 10 and another 20, then 20 should appear to be twice the size of 10).

Botti and Endacott (2006:134) assert that “the interpretation of data in quantitative research requires the use of statistics. Descriptive statistics include the principles for organising and summarising raw data. The first phase of descriptive statistics is to organise, summarise and present numerical data. In some descriptive studies this may be the full extent of the analysis of data”. This is applied practically in this study; charts, graphs and numerical summaries are used in this regard to analyse and interpret the data that has been collected.

After collection of data, the researcher manually counted the frequency of the responses for each question according to the categorised salary levels or strata and recorded them on a paper sheet. The total number of frequencies was then divided by the total number of staff per category. This categorised data was then captured into a computer program and the results were illustrated in bar-charts. The bar-charts were used to compare the frequency between categories. The researcher used the Microsoft Excel programme that is readily available and applicable for this purpose. The data is also used to present the findings and final report on the outcome of this study.

3.7 Ethical Consideration

A study conducted with human participants raises ethical concerns because people agree to take risks and experience inconvenience in order to contribute new knowledge and provide benefits to others. Research consumers are not accountable for ensuring that research has been conducted in an unethical manner, but they benefit greatly if they understand the characteristics of ethical research. Consumers are responsible for the use of research results, so it is important for them to learn about the ethical consequences of applying evidence-based research (Fink, 2008:292). Therefore, to conduct this study required the researcher to source data from employees within the Department through survey questionnaires and this implied that the researcher completed an ethical clearance form and obtained permission in writing from the HOD to conduct the research. All these were submitted to the Ethics committee of the North-West University for approval. Furthermore, a letter of introduction and informed consent was attached to the research questionnaire to inform the respondents of the purpose of the study. The participants were assured of the confidentiality of all the data that would be supplied and applied purely to inform this research and the data would only be used for research purpose. The researcher ensured that she collected the completed questionnaires personally from the participants. She also availed her email address for the participants that were at the districts.

3.8 Conclusion

This chapter discussed the research design and methodology that was used for this study. The researcher has ensured that all the steps in quantitative research are followed. The following chapter provides the research findings and their interpretations.

CHAPTER 4: RESULTS AND DISCUSSION

4.1 Introduction

The previous chapter discussed the research design and methodology as well as the methods of data collection. The objective and focus of this chapter is to present the results of the study and assist in answering the research questions. The results and discussion will follow the order of the sections as presented in the survey:

- **Section One – Biographical data**

This section of the survey focused on the demographic profile of the respondents. The respondents had to indicate their gender, age group, salary level, educational level and their years of experience. This helped the researcher to understand the respondent's perspective and background experience with PMDS.

- **Section Two – PMDS as a system**

This section categorises five aspects which cover important stages in the performance management process, namely:

- *Management of PMDS* – this aspect consisted of eight closed-ended questions which focused on the alignment of PMDS with other levels of performance management i.e. operational plans of the directorate or unit, and strategic plans of the organisation. It was important for the researcher to know if there is a policy in place and whether that policy was communicated to all the staff members.
- *PMDS implementation* – this aspect consisted of fifteen closed-ended questions which focused on the implementation of the system itself. This included setting of goals, performance reviews, support from supervisors and execution of planned activities.
- *Performance outcomes* – this aspect consisted of six close-ended questions which focused on how the respondents perceived management of performance outcomes and feedback.
- *Developmental aspect of PMDS* – the aspect consisted of six closed-ended questions which focused on the alignment of the system to training needs and whether supervisors are playing their part in ensuring that the employees are trained to enhance their performance.

- *Dispute resolution* – this aspect consisted of three closed-ended questions which focused on employees' prior knowledge of the dispute resolution in PMDS and where they could register their dissatisfaction about the PMDS process.

- **The Respondents' opinion on the improvement of PMDS**

This was an open-ended question where the researcher allowed the respondents an opportunity to submit their recommendations on how to improve the PMDS within the department.

4.2 Response rate and distribution of responses

The survey questionnaires were distributed to the target population and the response rate is indicated in Table 4.1.

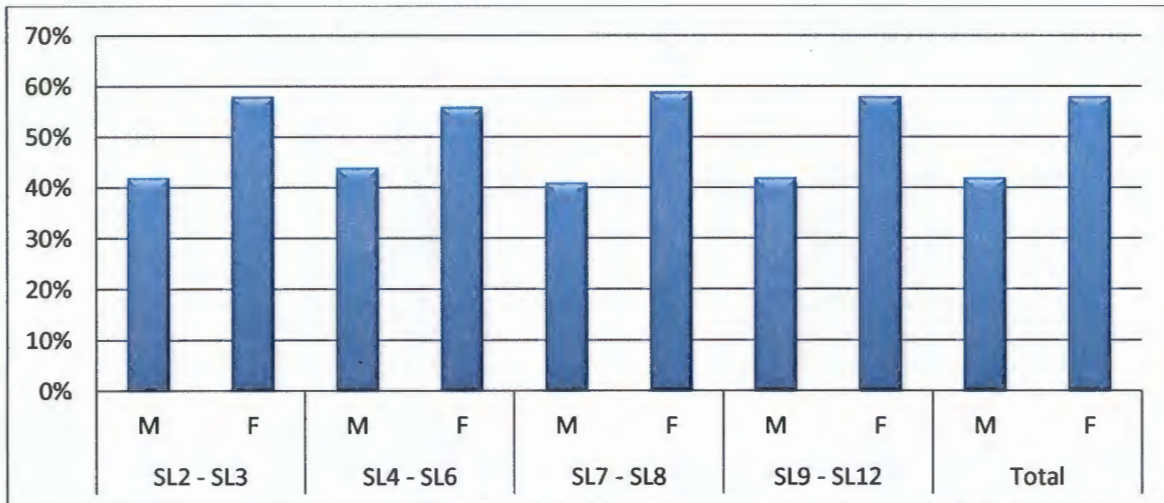
Table 4.1: Questionnaires distributed and response rate.

Survey Questionnaires distributed					Response	
Salary level	Target Population	10% Sample	Additional	Total distributed	Returned	%
SI2 – SI3	118	12	3	15	12	80%
SI4 – SI6	470	47	3	50	41	82%
SI7 – SI8	429	43	2	45	39	87%
SI9 – SI12	226	23	2	25	19	76%
Total	1243	125	10	135	111	81%

Table 4.1 indicates that only 111 questionnaires out of 135 were returned. This gives 81% response rate, which indicates that employees are interested in giving their opinion on the PMDS.

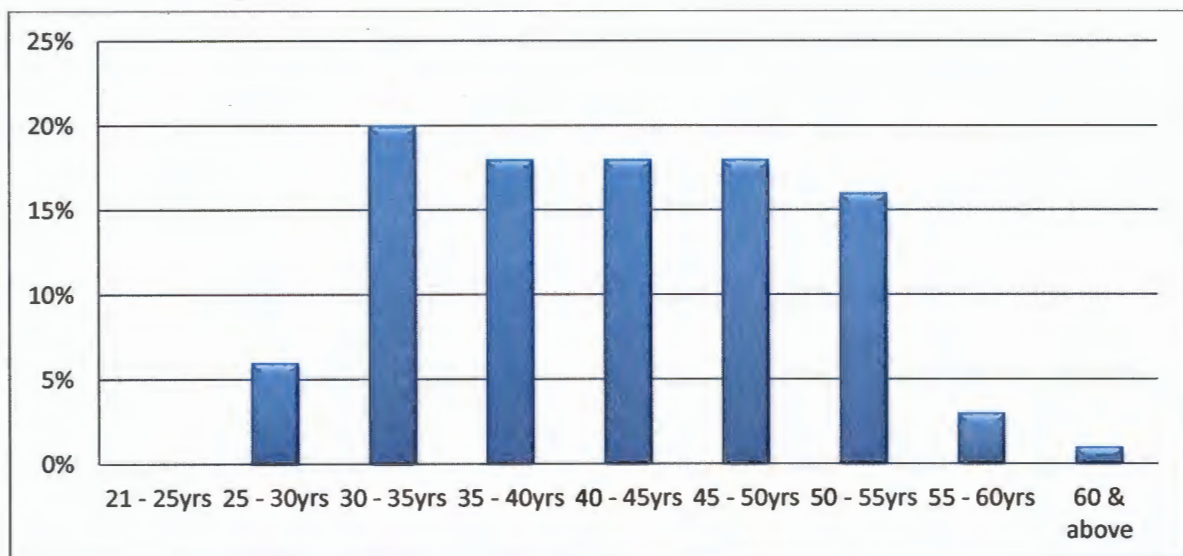
4.3 Results and discussion of Section One of the questionnaire

This section will describe the biographical data of the respondents is indicated in Graph 4.1 to 4.4.



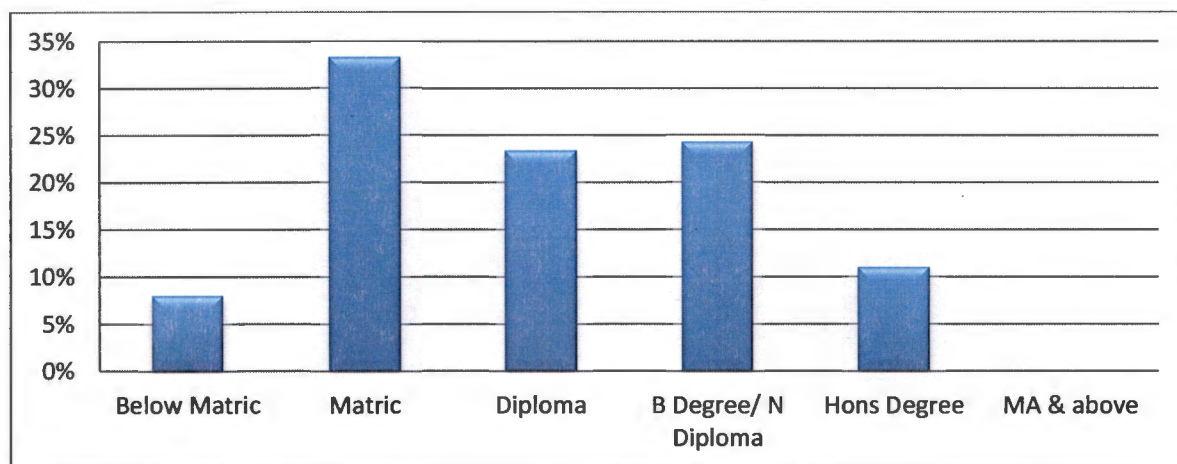
Graph 4 - 1: Gender

Female respondents ranged between 50% and 60%, whilst their male counterparts ranged between 40% and 50%. An inference can be made that in all the salary levels, more females than males were willing to participate in this study.



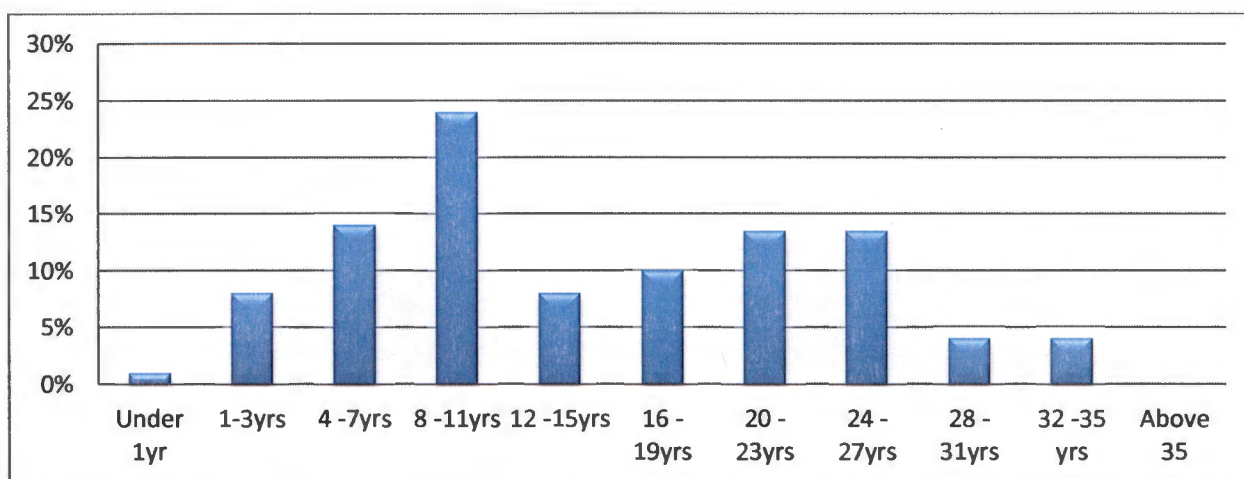
Graph 4 - 2: Age groups

All the age groups participated in this study. The graph shows that the majority of employees in the Department are between the age of 25 and 60 years. There is also the likelihood that the Department have fewer employees between the ages of 21 and 25 and less than 5% of the respondents were above 55 years of age. Most employees are in mid-career.



Graph 4 - 3: Educational levels

The results show the difference in the educational level of the respondents. Most have matric as their highest level of qualification. This emphasises why the development aspect of PMDS is vital. If their training and development needs are not fully supported, then respondents are not going to be satisfied with the PMDS system. 25% of respondents have B Degree/National diploma, followed by Diploma, and Honours degree, and the lowest is those that have qualifications below matric. Having a qualification that is below matric also indicates the Department has employees that have low literacy level which can impact negatively on performance. The response also indicated that none of the respondents have studied further than honours degree.



Graph 4 - 4: Years of service

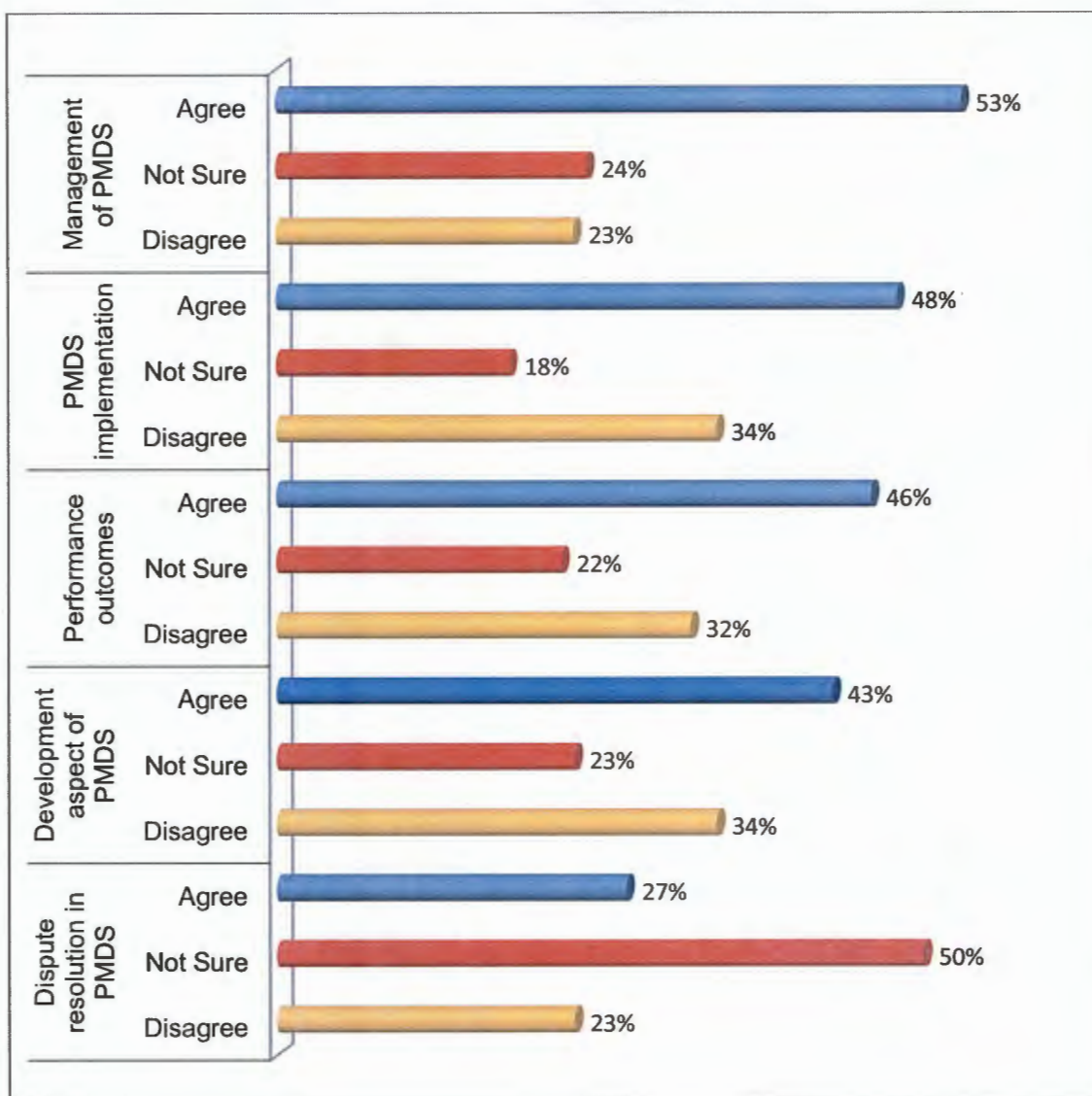
The results illustrated in Graph 4.4 indicate that less than 5% of respondents have less than one year in service. This could have a negative impact on how they responded to the questions as they are new in the Department and have little experience with PMDS system. The highest percentage of the respondents had between 8–11 years in service. There are also employees who have been in the Public Service for up to 35 years. These employees have been through different PMSs that were introduced by the government and could add valuable judgement to this study based on their experiences. No respondent had more than 35 years in service.

4.4. Results and discussion of Section Two of the questionnaire



4.4.1 A snapshot of the results about PMDS as a system

Boone and Boone (2012:4) advise that if a researcher has created a Likert scale by designing a series of questions that measure a particular trait when combined, then, the researcher must use the average (mean) as a measure of central tendency to describe the scale. The results on each of the traits are indicated in graphs and discussed to show the average responses to the statements about the PMDS as a system. In this summary, the researcher has also reduced the level of agreement to three. This is supported by Allen and Seaman (2007) who affirm that the responses can be condensed for the purpose of analysis.



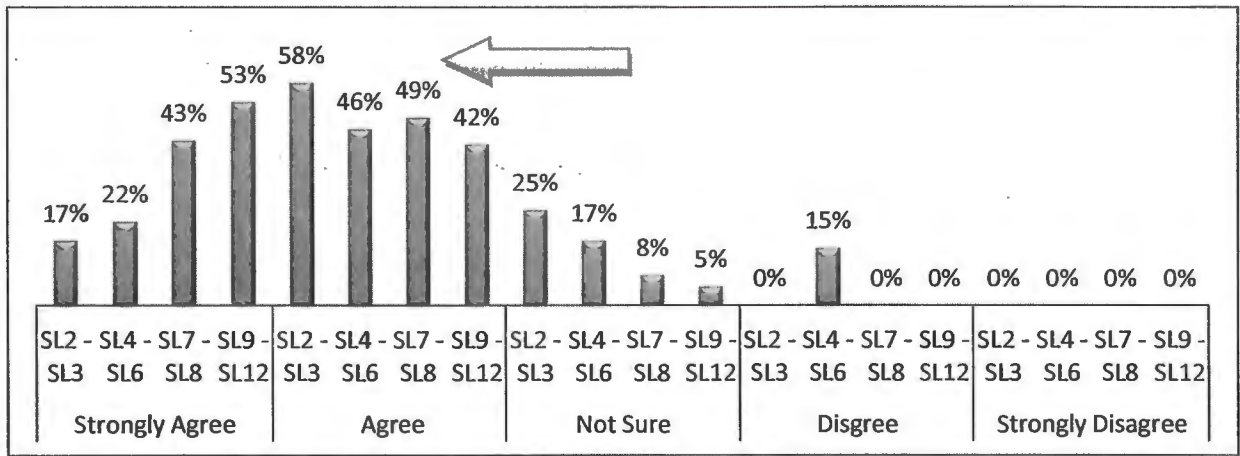
Graph 4-5: A snapshot of the results about PMDS as system

- Based on the average of responses, it is clear that more than half of the respondents (53%) agreed with the statements relating to the management of the PMDS system within the Department. It can be concluded that there is a still a need to improve the management of PMDS within the Department as 23% disagreed and 24% could not give their opinion.
- Based on the average of responses, it is clear that almost half of the respondents (48%) agreed with the statements relating to the PMDS implementation within Department. Though the Department is implementing PMDS, there is an indication that 34% of the staff is still not happy with how the system is being implemented, whilst 18% could not state their opinion.
- Based on the average of responses (46%) which is less than half of the respondents agreed with the statements relating to the manner in which performance outcomes are managed and perceived within Department. 32% disagreed and 22% were not sure. This is not good

as it could mean that the Department needs to improve their implementation of performance outcomes.

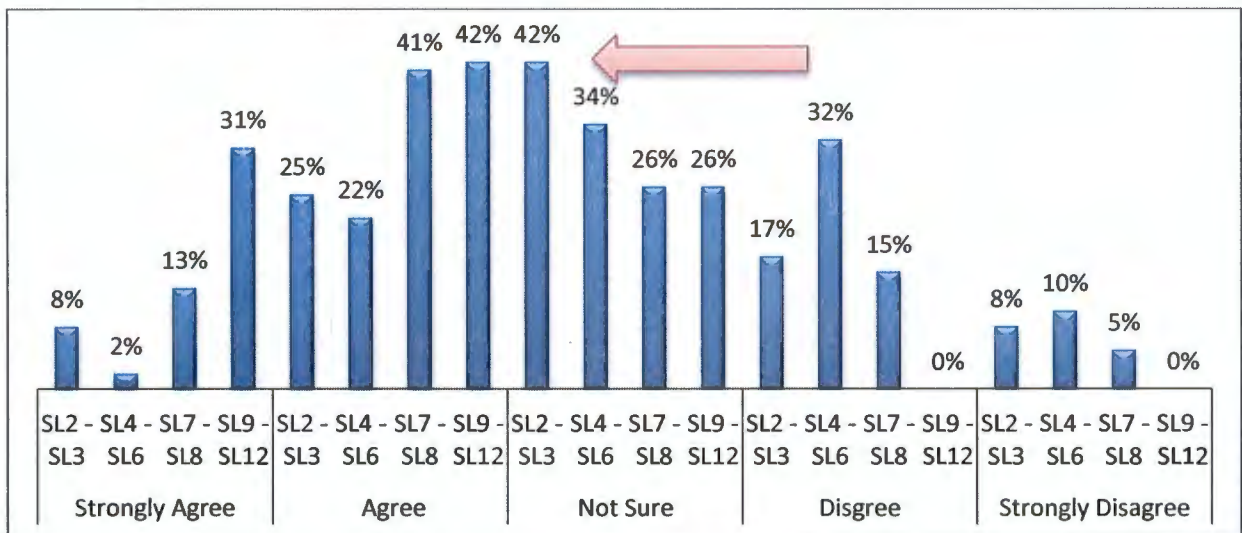
- Based on the average of responses, it is clear that less than half of the respondents (43%) agreed with the statements relating to the development aspect of PMDS in Department. 34% disagreed and 23% could not give their opinion. An inference can be made that employees are not happy with training and development is not properly managed in order to ensure that it enhances performance.
- Based on the average of responses, it is clear that a very low percentage of the respondents (27%) agreed with the statements relating to dispute resolution in PMDS. 23% disagreed and 50% could not give their opinion. It can therefore be concluded that most of the staff members do not know the processes of dispute resolution.

4.4.2 Discussion of questions about the Management of PMDS



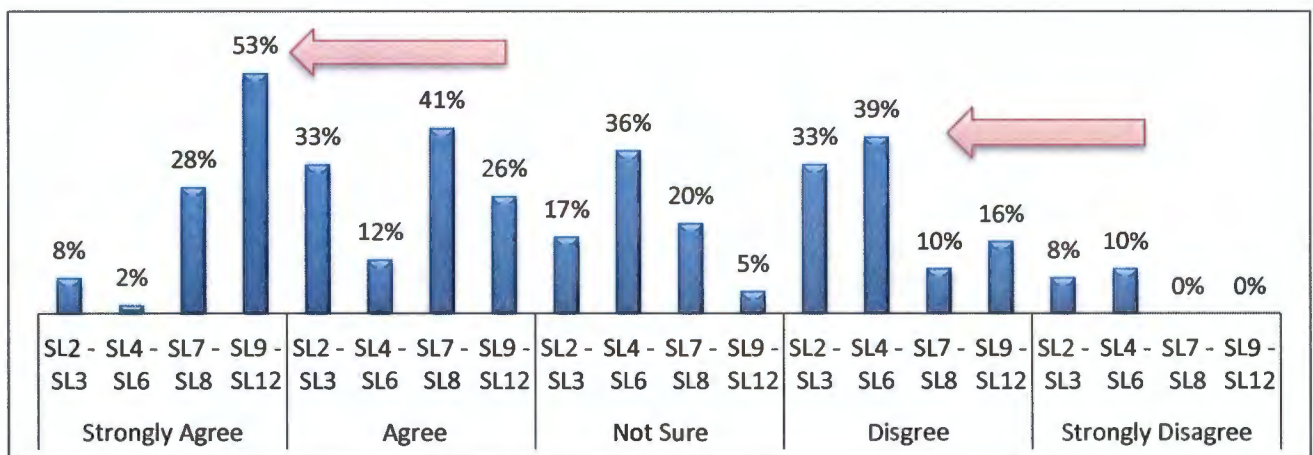
Graph 4-6: Department has PMDS policy in place

The chart shows that the percentages of the respondents who either agree or strongly agree that the Department has PMDS policy in place are high in all salary levels. This is a clear indication that most of the employees can confirm that the policy is in place and implemented. It can also be concluded that the Department is complying with the legislative requirements.



Graph 4 - 7: Policy was developed with inputs from staff

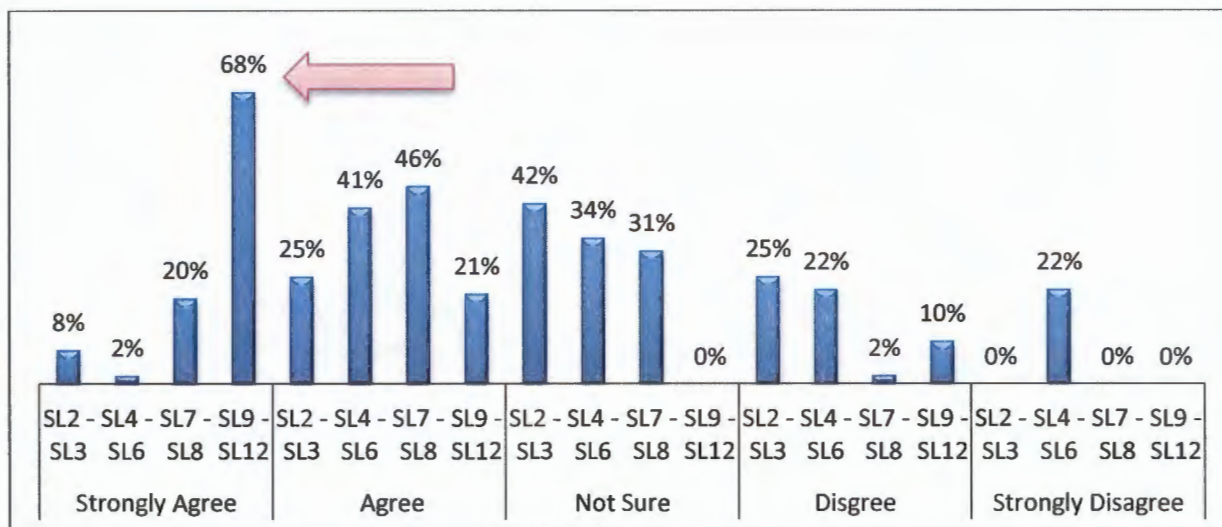
31% of the respondents on sl9–12 strongly agree with the statement that the policy was developed with the inputs from staff. They are followed by those on sl7–8 at 13%, then sl2–3 at 8% and those on sl4–6 constituting only 2%. The graph also shows that respondents on sl7–8 and sl9–12 agree with the statement as they constitute 41% and 42% respectively. This is an indication only supervisors on salary level 7 and above were consulted when the policy was developed; hence the percentages of other salary levels are very low.



Graph 4 - 8: Approved PMDS policy has been communicated to all employees

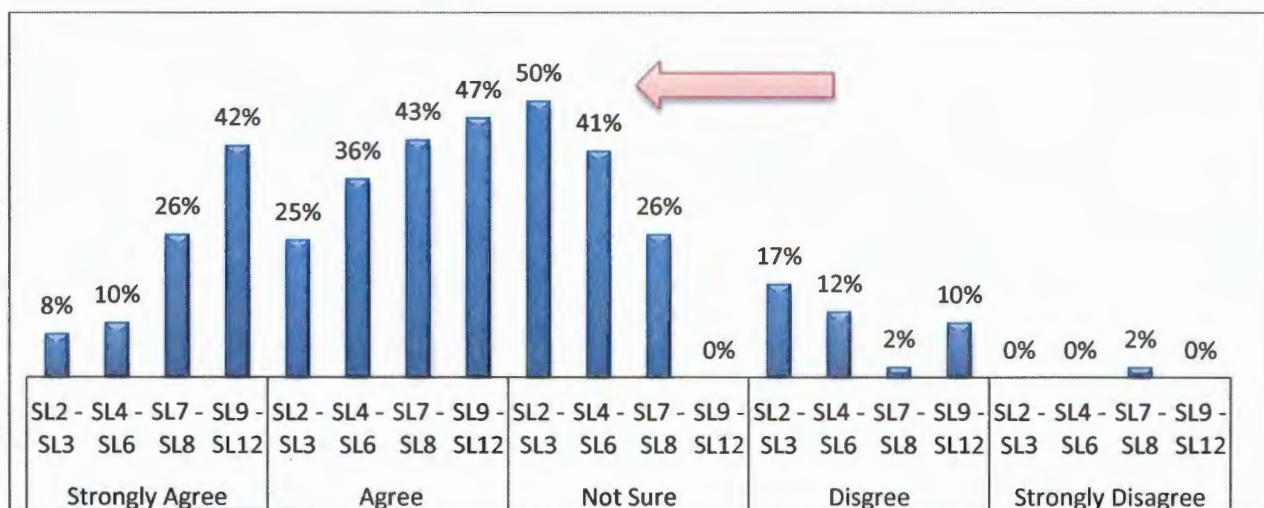
The results show that the highest percentage of respondents on sl7–8 and sl9–12 strongly agree with the statement that the approved policy has been communicated to all employees, as they constituted 28% and 53% of their total samples respectively, whereas the staff on sl2–3

and sl4–6 disagrees with the said statement and constituted 33% and 39% of their total samples respectively. This could be that respondents on salary level 7 to 12 strongly agree because it is their responsibility as supervisors to ensure that they disseminate this policy to their subordinates. However, on the other hand the lower categories are saying the policy was never communicated to them. It is clear that the respondents on sl7-8 and sl9-12 are somehow protecting themselves as the negative results will reflect badly on them.



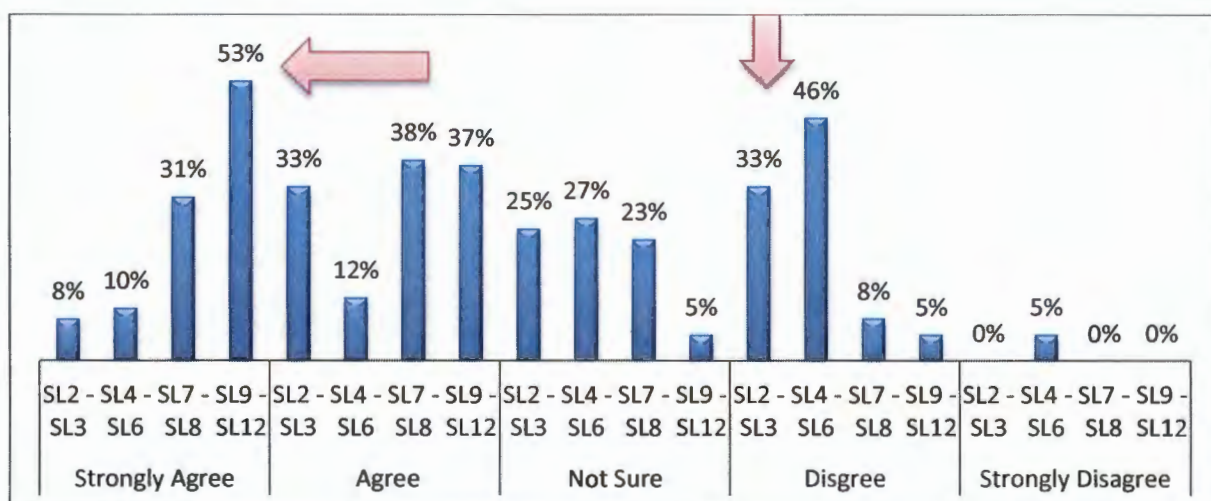
Graph 4 - 9: PMDS supports the objectives of the departmental strategic plan

The respondents on sl9–12 strongly agree with the statement that PMDS supports the objectives of the departmental strategic plan as they constitute 68% of their total sample. The employees on sl9–12 are on middle management level, therefore it is not surprising that they strongly agree with the statement as they are familiar with the strategic plan processes of the Department and can confirm that its objectives are supported by PMDS. But this also shows a big gap as the results show that the employees on sl2-3 and sl4-6 disagree and do not know how PMDS supports the objectives of the departmental strategic plan.



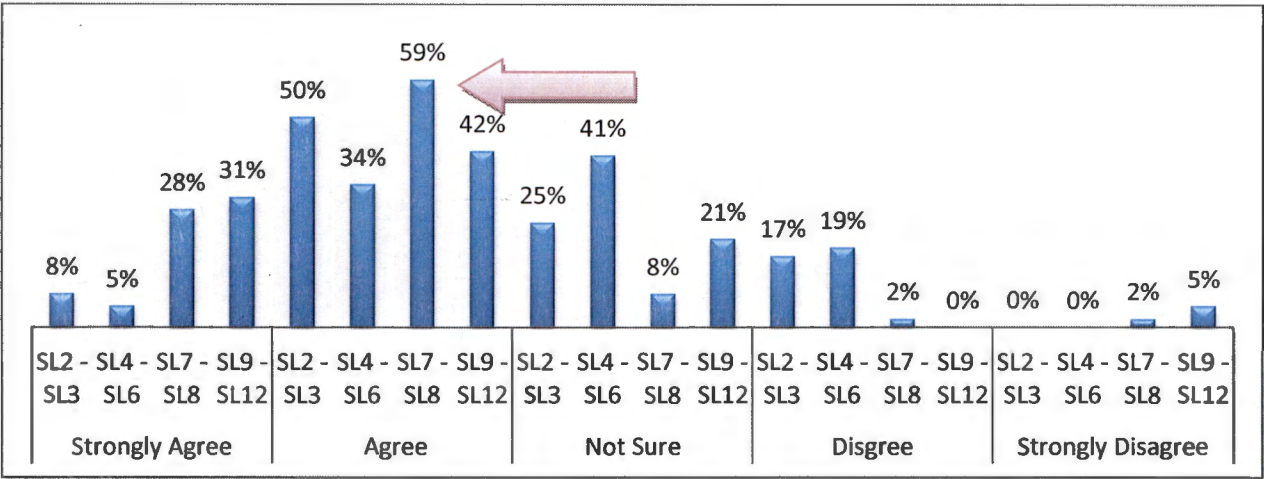
Graph 4 - 10: PMDS is aligned to the operational plans of your directorate/ unit

The results show that the perception of employees about the statement that PMDS is aligned to the operational plans of their directorates and units differs. 42%, 26%, 10% and 8% of total sample on sl9–12, sl7–8, sl4–6 and sl2–3 respectively strongly agree with the statement. The same descending order goes for the percentage of employees that agrees with the statement. It can also be concluded that the percentages of employees on sl2-3 and sl4-6 are lower than the other salary levels because they do not know if there is any alignment of PMDS to their units' operational plans, only those with supervisory responsibilities can confirm this. That is the reason why the graph also shows that the percentage is high where they are not sure.



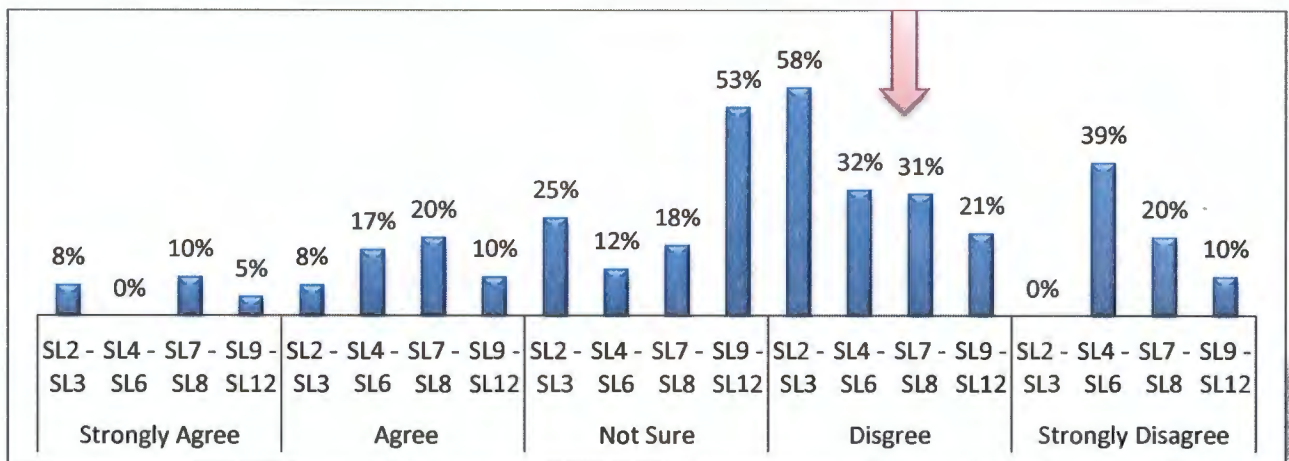
Graph 4 - 11: Employees have been trained on the implementation of PMDS

The graph shows that 53% and 31% of respondents on sl9–12 and sl7-8 respectively, strongly agree with the statement that employees have been trained on the implementation of PMDS. However, the graph also reflects that a significant percentage of employees on sl2-3 and sl4-6 do not agree with the statement. It is evident from the results that only employees on salary level 7 to 12 were trained, or that the respondents are trying to cover themselves for not training their subordinates, who have also indicated that employees have not been trained on the implementation of PMDS.



Graph 4 - 12: Supervisors have been trained on the implementation of PMDS

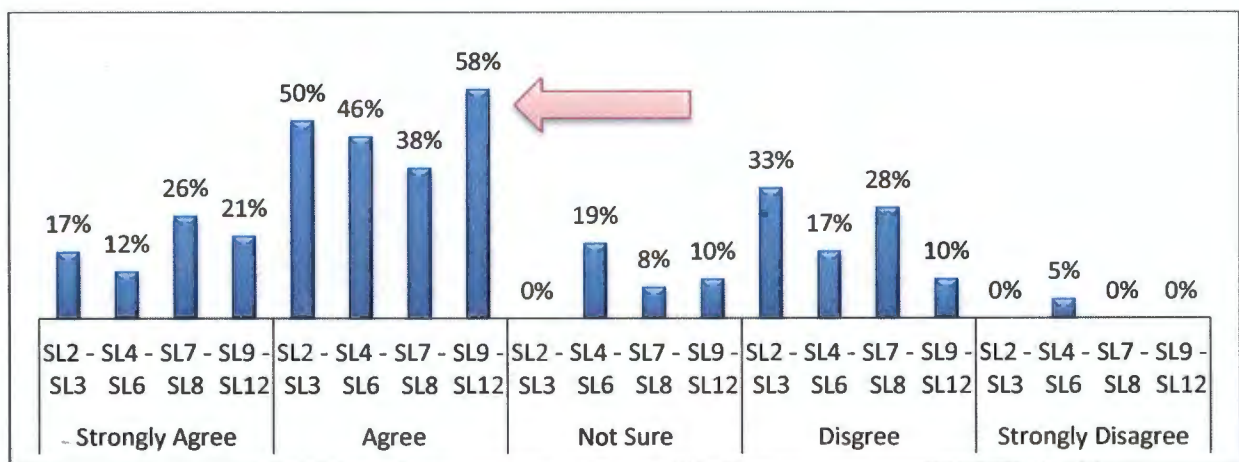
It is clear from the results that all the salary levels agree that supervisors have been trained on the implementation of PMDS. The percentages range from 34% to 59%. This is a good confirmation that employees believe their supervisors have been trained and therefore expects that supervisors implement this system correctly.



Graph 4 - 13: Staff views PMDS as a fair system to manage and assess performance

The graph shows that the majority of respondents disagree with the PMDS being a fair system to manage and assess performance. This shows that employees in the Department are not happy with this system and this is contrary to what the literature is saying, that the PMDS must be an open, transparent and objective system.

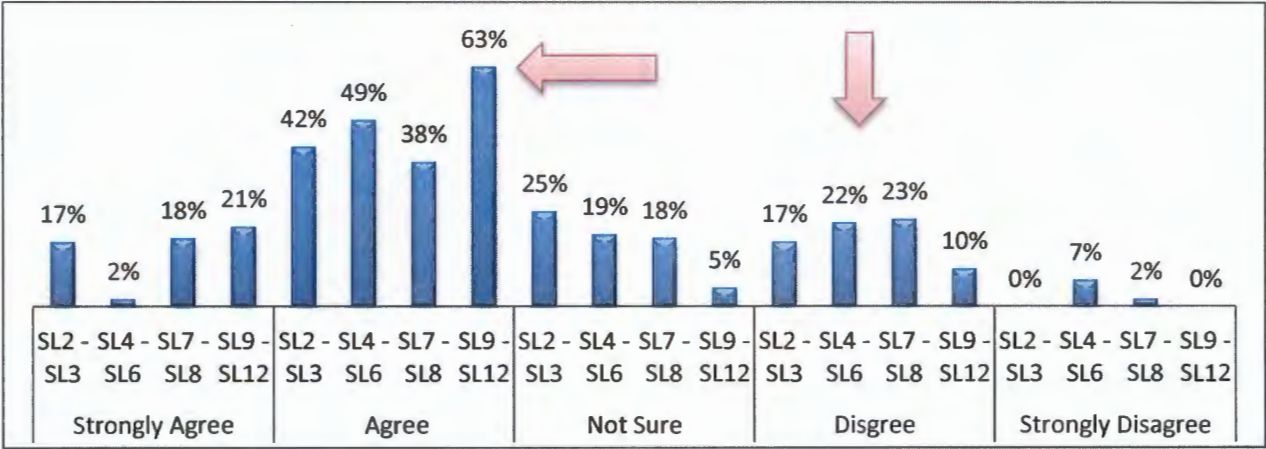
4.4.3 Discussion of questions about PMDS implementation



Graph 4 - 14: Managers/supervisors and their employees develop goals together

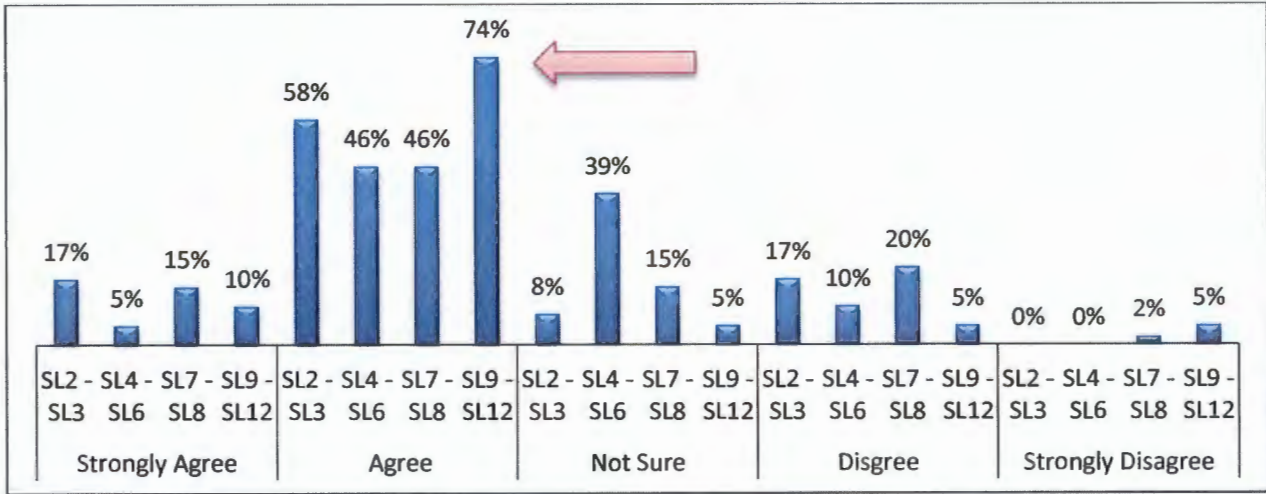
The graph shows that high percentages of the total sample of employees which are 50%, 46%, 38% and 58% for sl2–3, sl4–6, sl7–8 and sl9–12 respectively indicate that the employees agree with the statement that managers/supervisors and their employees develop goals together. It is a clear confirmation that in this Department, managers, supervisors and employees develop

goals together. It also shows that they understand what is expected of them in terms of the PMDS processes.



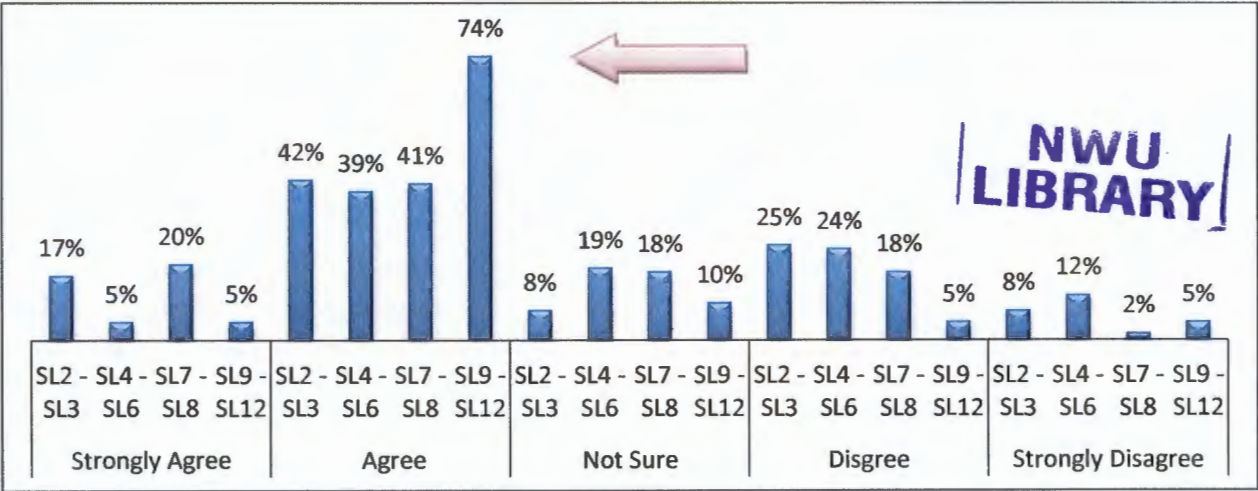
Graph 4 -15: Performance agreements are signed and submitted within the specified time frames

The graph shows that the highest percentages of the total sample of employees which are 42%, 49%, 38% and 63% for sl2-3, sl4-6, sl7-8 and sl9-12 respectively indicate that they agree with the statement that performance agreements are signed and submitted within the specified time frames. This shows that the Department is ensuring compliance to what is stated in their policy. The percentage of staff who does not agree ranges from 10% to 23%. This is a clear indication that even-though the majority of employees are trying to adhere to the time frames, there are still employees who do not comply and this is a gap that needs to be addressed.



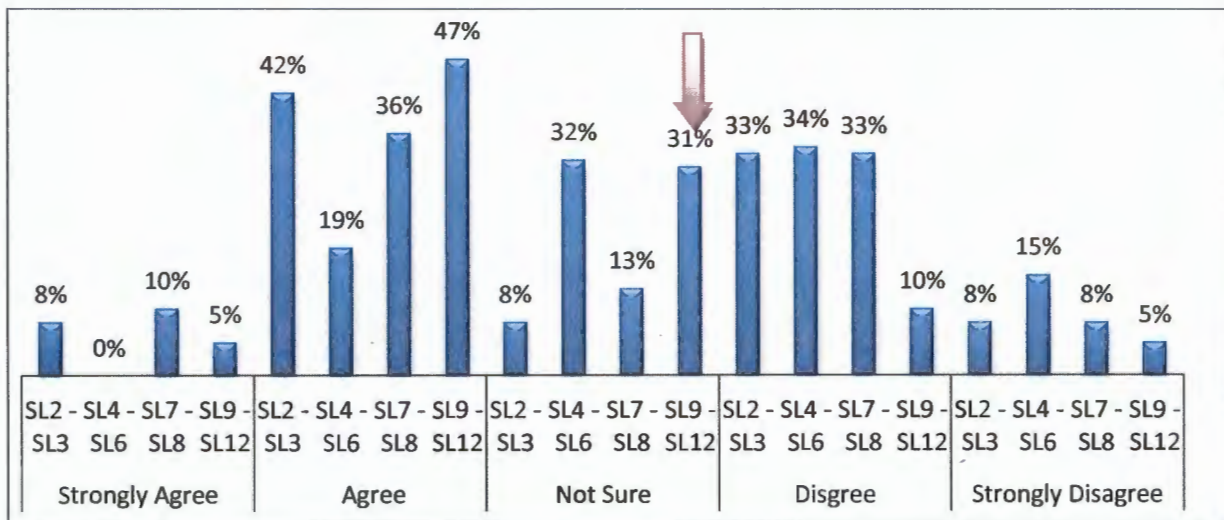
Graph 4 - 16: Supervisor and employee set reasonable expectations

The chart shows that the highest percentages of respondents, which are 58%, 46%, 46% and 74% for sl2–3, sl4–6, sl7–8 and sl9–12 respectively, indicate that they agree with the statement that supervisors and employee set reasonable expectations. This indicates that there is high percentage of compliance to the PMDS. There are few employees who disagree with this statement and it can be concluded that even-though the supervisors and employees set expectations, employees feel those expectations are not reasonable.



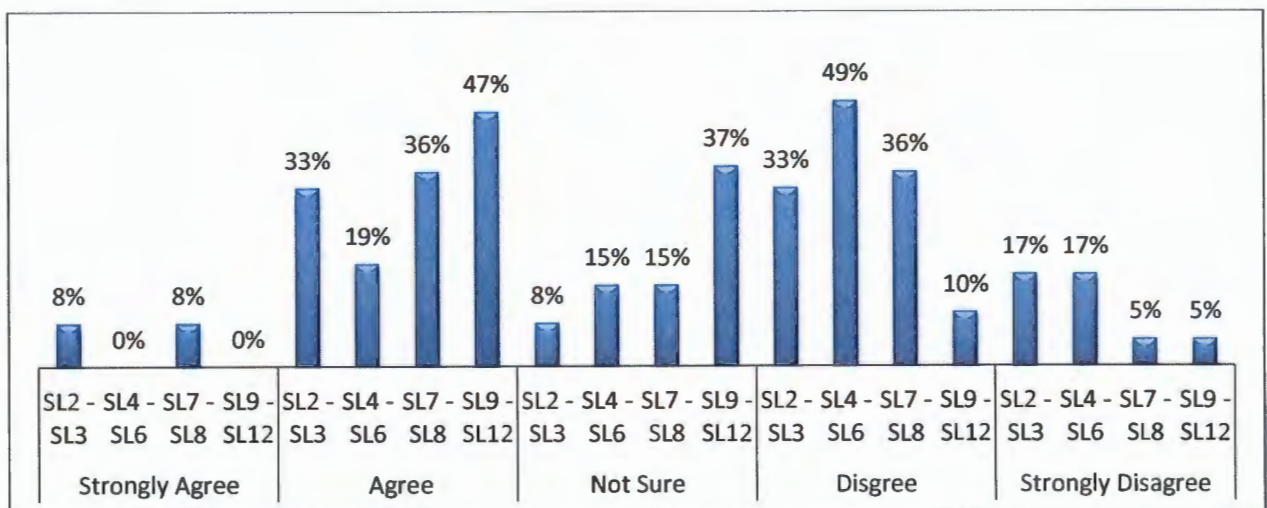
Graph 4-17: Employees understand what is expected of them in PMDS

The chart shows that the highest percentages of the total sample which are 42%, 39%, 41% and 74% for sl2–3, sl4–6, sl7–8 and sl9–12 respectively, indicate that the respondents agree with the statement that employees understand what is expected of them in PMDS. However, there is no vast difference between percentages of respondents on sl9-12 and other salary levels. This clearly shows that most of the employees do not really know what is expected of them and only conform to the PMDS policy for the sake of compliance.



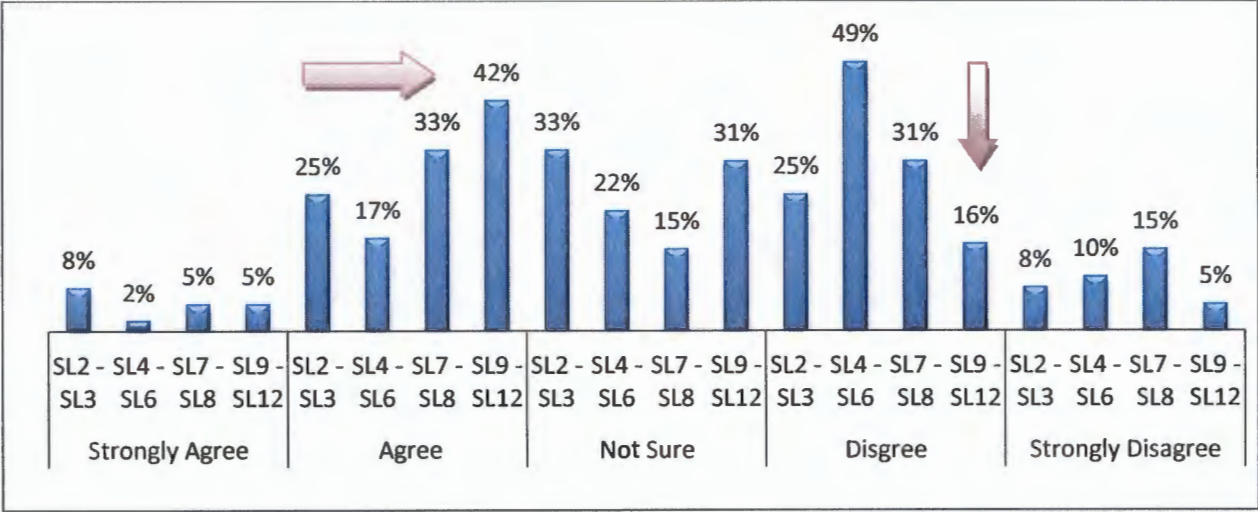
Graph 4 - 18: Supervisor creates enabling environment for the employees to perform

The results show that the perception of respondents about the statement that the supervisor creates enabling environment for the employees to perform varies. 47%, 36%, 19% and 42% of respondents on sl9-12, sl7-8, sl4-6 and sl2-3 respectively agree with the statement. The percentages of employees on sl2-3, sl4-6 and sl7-8 who disagree with the statement range between 33% and 34%. This is evident that not all employees agree that the supervisors are doing their work by creating enabling environment. It also raises a concern to see that 31% of respondents on sl9-12 are not sure about this statement. This implies that even-though they are on middle management level, they do not know how to create enabling environment to their employees to perform.



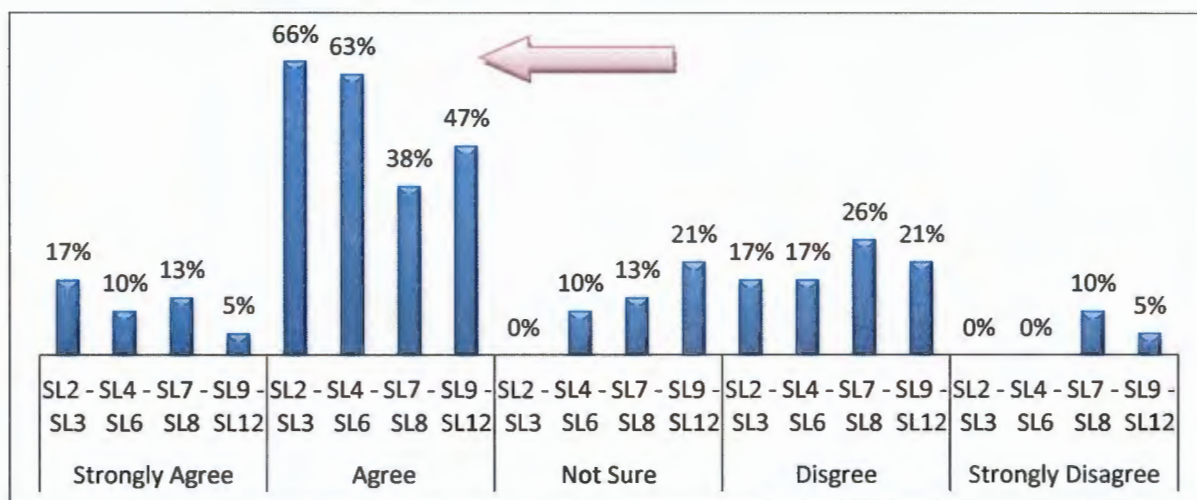
Graph 4-19: Supervisor supports employee by providing the necessary equipment and facilities

The results show that the perception of respondents about the statement that the supervisor supports employee by providing the necessary equipment and facilities varies. The percentages have increased as 33%, 49% and 36% of employees on sl2–3, sl4–6 and sl7–8 disagree with the statement. However, there is a big inconsistency where 37% of employees on SI9–12 show that they are not sure of this statement. It is expected of supervisors to support employees by providing the necessary equipment and facilities. This is an indication that some supervisors do not understand their roles and responsibilities as supervisors and managers when implementing PMDS.



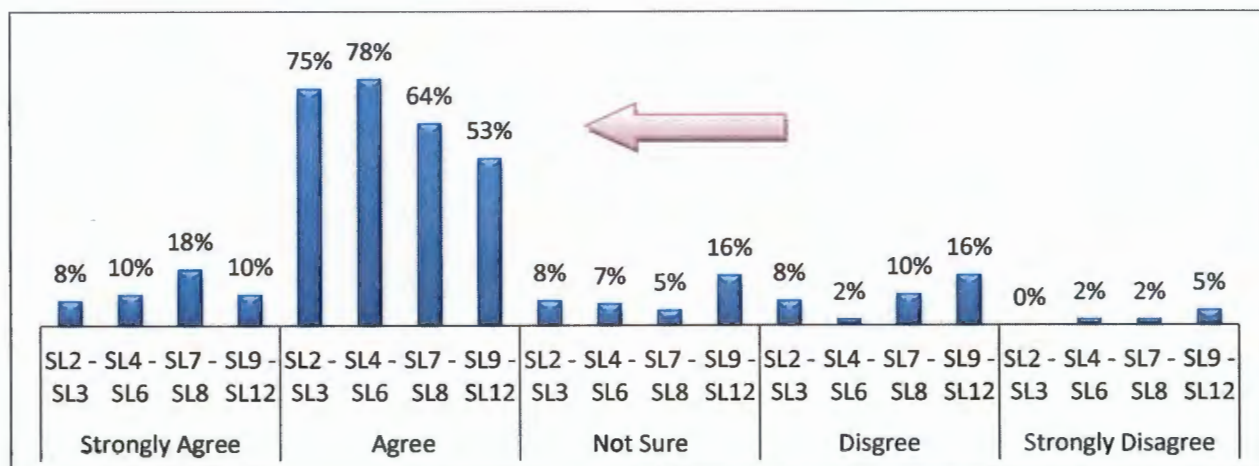
Graph 4 - 20: Supervisor provides continuous feedback

The results show that the perception of respondents about the statement that the supervisor provides continuous feedback varies. The percentage of employees who strongly agree with this statement is very low. 42% of employees on sl9-12 agree, whilst 16% disagrees with the statement. This could mean that not all supervisors, including those on sl9-12, provide continuous feedback to their employees. It is also calls for a concern when 31% of employees on sl9-12 are not sure about this statement as this means that they do not understand their role at work.



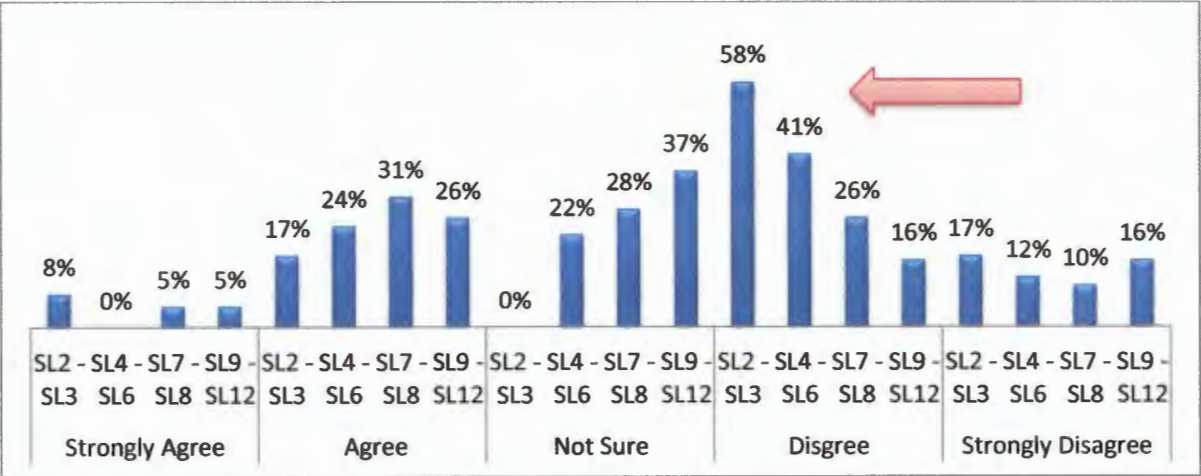
Graph 4 - 21: Supervisor and employee create time for performance reviews

The chart shows that the highest percentages of the total sample which are 66%, 63%, 38% and 47% for sl2-3, sl4-6, sl7-8 and sl9-12 respectively indicate that the employees agree with the statement that supervisors and employees create time for performance reviews. The graph shows that employees on sl2-6 attest that their supervisors do set time aside for performance reviews. There is also a discrepancy where it is shown that the percentages of employees on sl7-8 and sl9-12 are higher than that of the other salary levels in the categories where they are not sure, disagrees or strongly disagrees with the statement. It can be concluded that even though they are setting time aside for performance reviews of their subordinates, they are not getting the same benefit and treatment from their own managers.



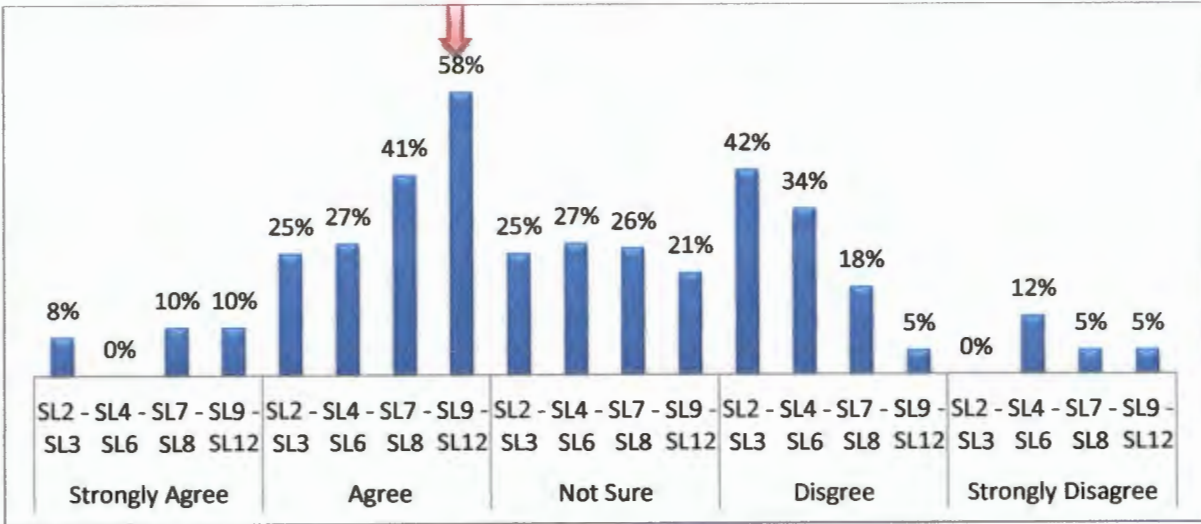
Graph 4 - 22: Performance review is done based on what is agreed upon in the work-plan

The chart shows that the highest percentages of total sample of 75%, 78%, 64% and 53% for sl2–3, sl4–6, sl7–8 and sl9–12 respectively, indicate that the employees are in agreement with the statement that performance review is done based on what is agreed upon in the work-plan. This confirms that in this Department performance reviews are done based on the set expectations. It also means that there is very little deviation from the policy by supervisors.



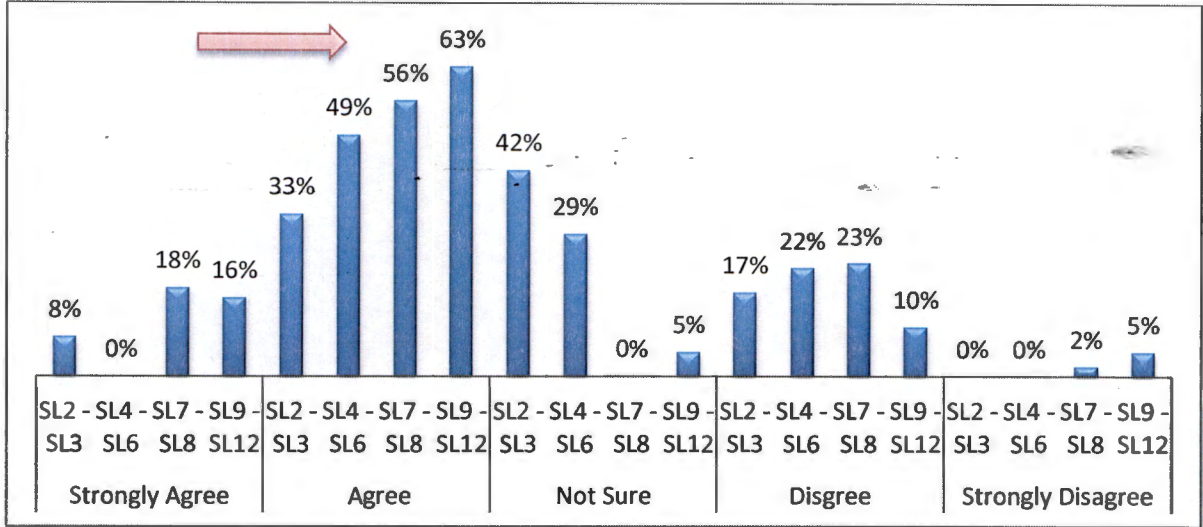
Graph 4 - 23: All PMDS discussions are recorded during reviews

The chart indicates that most employees disagree with the statement that all PMDS discussions are recorded during reviews. The percentages are high for sl2–3 and sl4–5 and this could imply that supervisors are not open and transparent enough to put all PMDS discussions in writing.



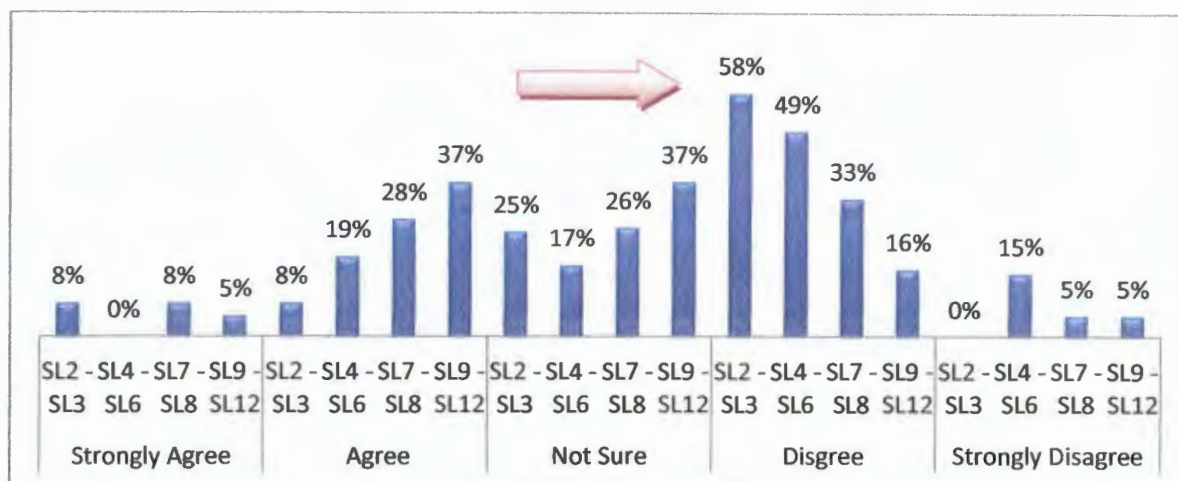
Graph 4 - 24: The process of performance reviews is objective

The results show that the perception of respondents about the statement that the process of performance reviews is objective varies. 58%, 41%, 27% and 25% of the total sample on sl9–12, sl7–8, sl4–6 and sl2–3 respectively agree with the statement. The percentage of employees on lower salary levels shows that they do not agree that the system is objective. It can be concluded that even-though performance management is implemented in the Department, but there are employees who feel that there is biasness on the part of supervisors during the process of performance reviews.



Graph 4 - 25: Half yearly and annual performance reviews are done within the specified time frame

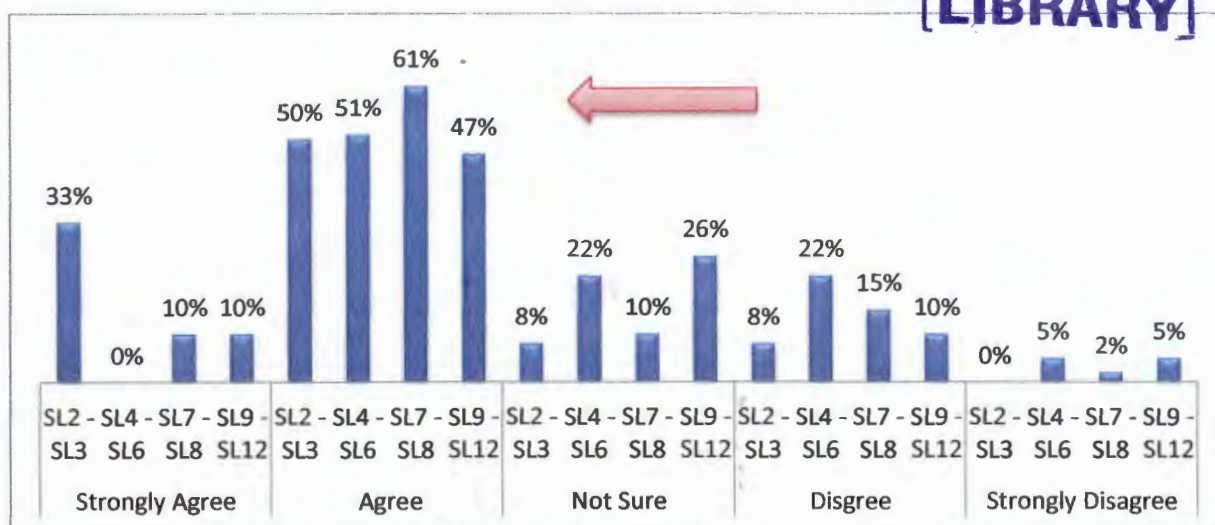
The chart shows that the highest percentages of respondents who are 33%, 49%, 56% and 63% for sl2–3, sl4–6, sl7–8 and sl9–12 respectively indicate that the employees agree with the statement that half-yearly and annual performance reviews are done within the specified time frame. This is a clear indication that most of the employees within the Department are aware of what is expected of them in terms of the PMDS time frames. However, very few employees do not adhere to the time frames, hence other employees do not agree with the statement.



Graph 4 - 26: Performance of employee is monitored continuously

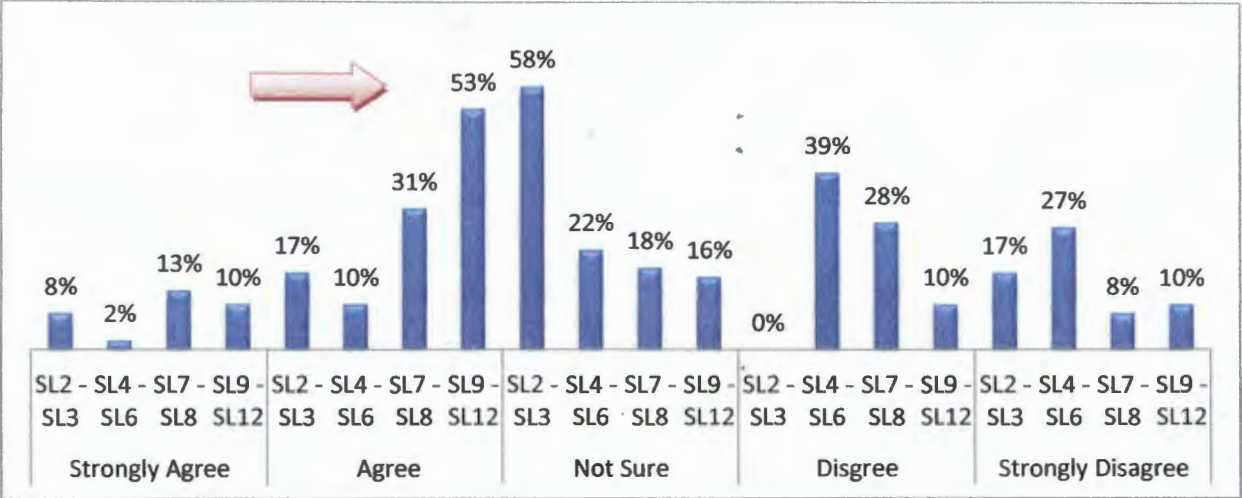
The graph indicates that the percentage of the employees that disagree that performance of employees is monitored continuously ranges from 16% to 58%. The employees on sl2-3 and sl4-6 do not support this statement hence their percentages were higher than the other salary levels and other categories. This is a clear indication that performance of employees is not continuously monitored as expected in the Department. The graph also shows that unlike other salary levels, some of the employees on sl7-8 and sl9-12 agree with the statement because they know that as supervisors they have to monitor performance of employees continuously. Disagreeing with the statement could mean that they don't do their work.

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Graph 4 - 27: Employees adhere to the standards as set in the work plan when executing their duties

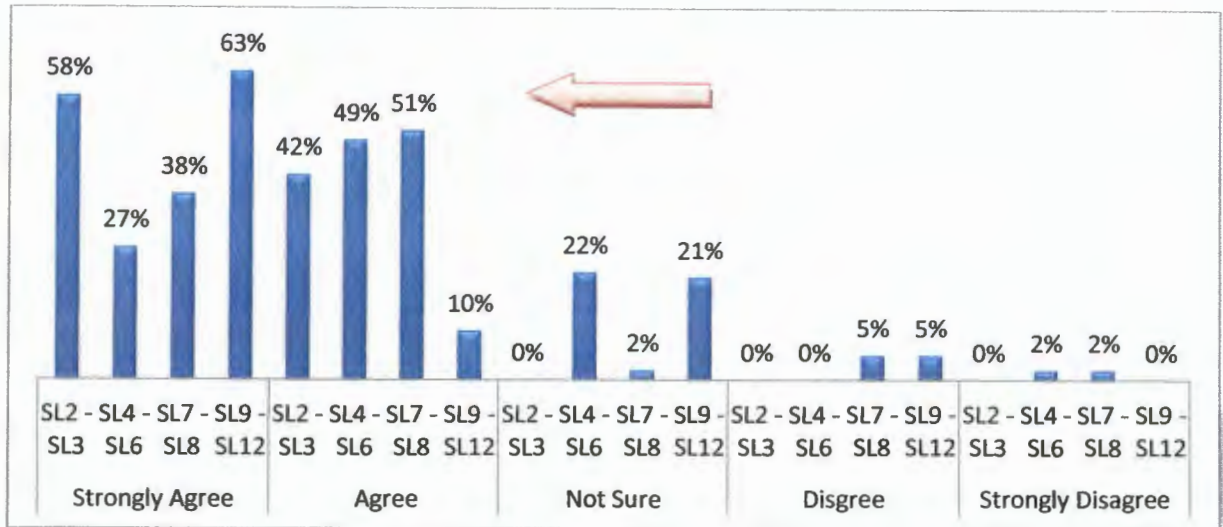
The chart shows that the highest percentages are 50%, 51%, 61% and 47% for sl23, sl4–6, sl7–8 and sl9–12 respectively indicate that the employees agrees with the statement that the employees adhere to the standards as set in the work-plan when executing their duties. It is evident from this graph that the employees know exactly what is expected of them when performing their duties. This makes it easy for the supervisors to measure performance of employees.



Graph 4 - 28: Additional responsibilities are acknowledged and recognised in the PMDS reviews

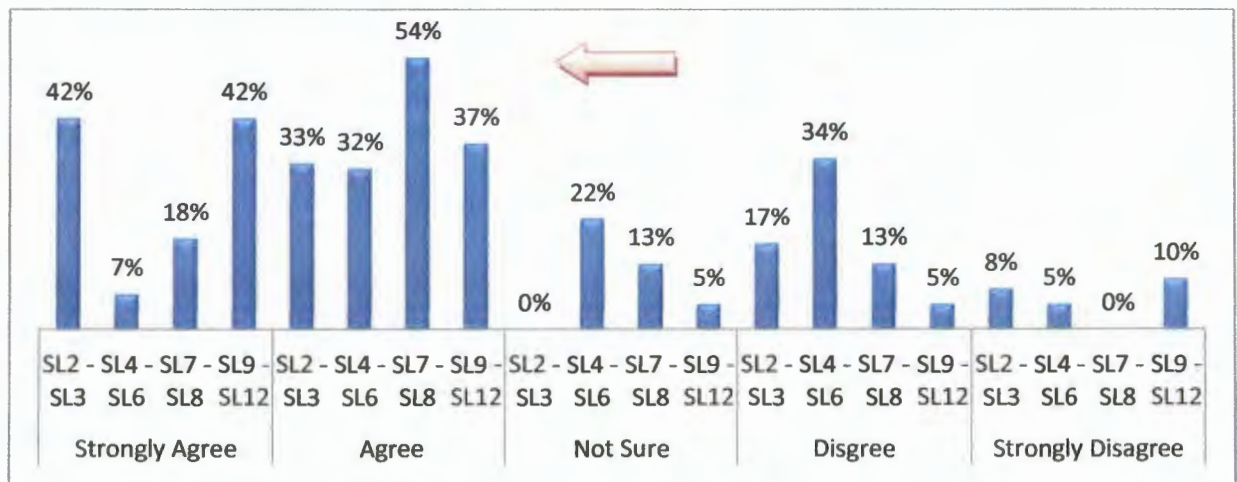
The results show that the perception of respondents that additional responsibilities are acknowledge and recognised in the PMDS reviews varies. 53% and 31% of employees on sl9–12 and sl7–8 respectively agree with the statement. The percentages of other salary levels are low even-though they agree and this shows that they do not entirely agree with the statement. This means that additional responsibilities of employees on lower levels are recognised to a lesser extent during PMDS reviews. The high percentage of respondents on sl2-3 also indicates that they are not sure about this statement. This implies that additional responsibilities are never part of discussion during reviews. It is clear from the graph that only supervisors align themselves with this statement.

4.4.4 Discussion of questions about Performance outcomes



Graph 4 - 29: Performance assessment outcomes are communicated in writing

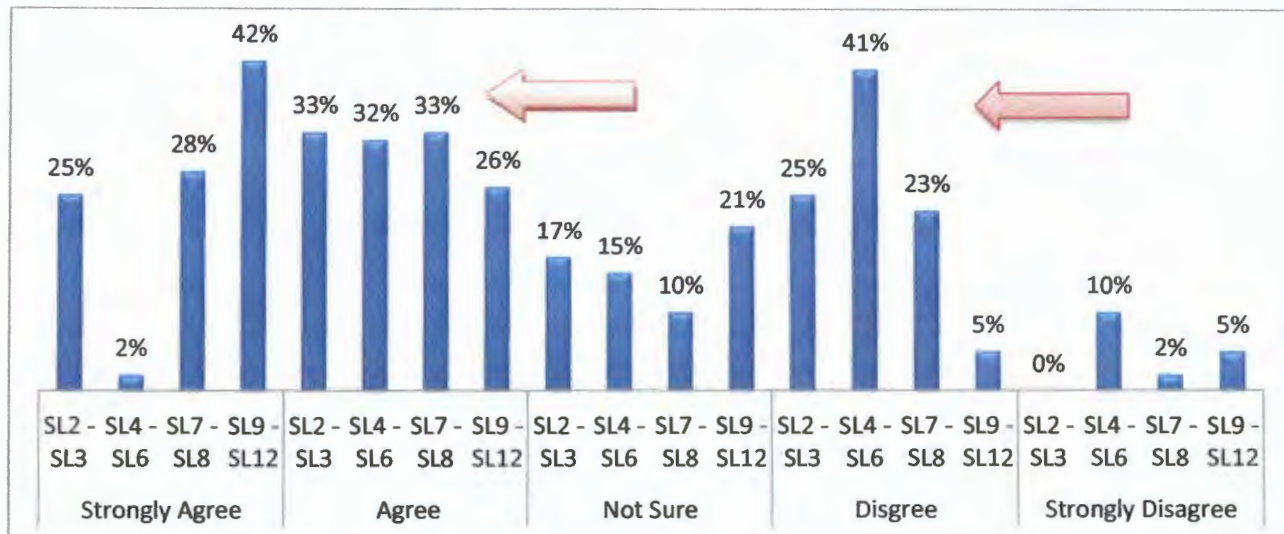
The high percentages of total sample in all salary levels indicate that the respondents either strongly agree or agree that performance assessment outcomes are communicated in writing. It can be concluded that supervisors are doing what is required of them in terms of giving feedback to their employees.



Graph 4 - 30: Employees are rewarded in line with their performance outcomes

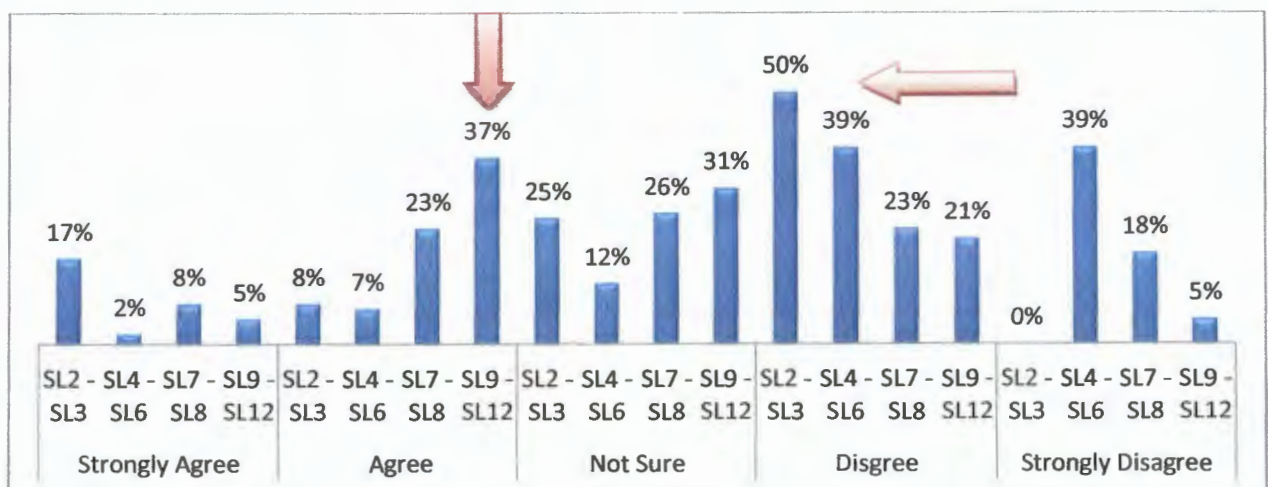
The chart shows that the highest percentages for the employees that agree are 33%, 32%, 54% and 37% for sl2-3, sl4-6, sl7-8 and sl9-12 respectively. This indicates that the respondents

agree that employees are rewarded in line with their performance outcomes. It also means that most of the employees are happy as they are rewarded accordingly. Although the graph shows that there are very few employees that disagree with this statement, this must be corrected by the Department as it will lead to dissatisfaction and unhappy employees.



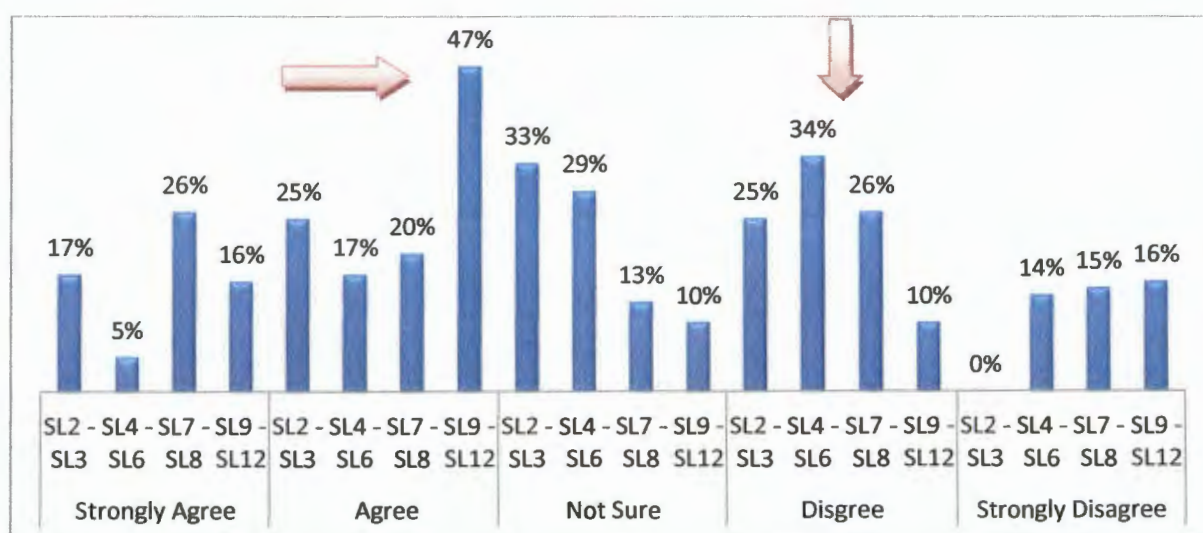
Graph 4 - 31: Employees are motivated by the rewards

The graph shows that there is a discrepancy in the perception of employees who agree and disagree that the employees are motivated by the rewards. It is evident that though most of the employees are motivated by rewards, there are still few who are disgruntled as they are not rewarded as expected.



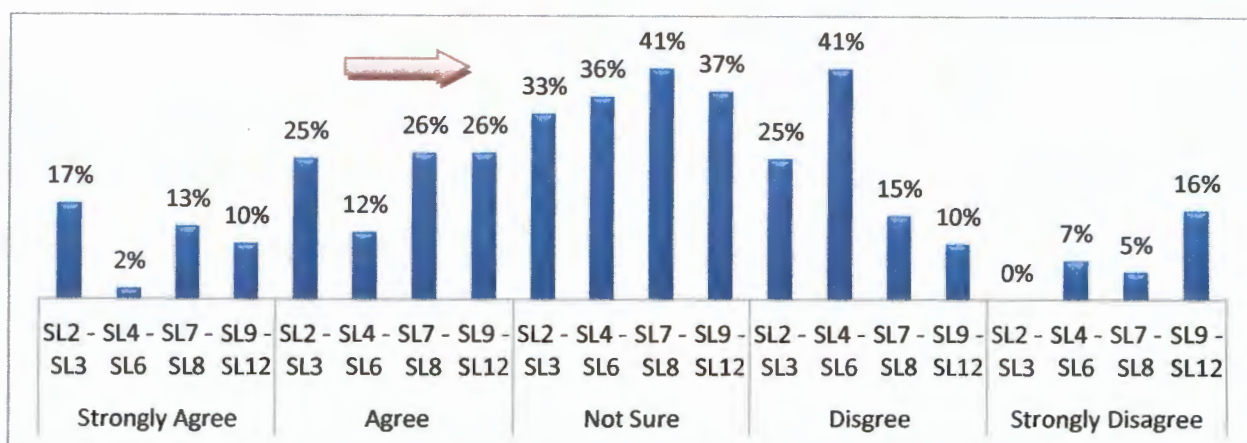
Graph 4 - 32: Supervisors put plans in place to manage poor performance

The results show the varying perception of the employees that the supervisors put plans in place to manage poor performance. The percentages of respondents who strongly agree and agree with this statement are very low. The only percentages that are high are of the supervisors on sl7-8 and sl9-12. This shows that there is a problem in the Department as the percentage of those in sl2-4 and sl4-6 indicate that they do not agree that supervisors put plans in place to manage poor performance. Though the department has indicated that they have guidelines in place to manage poor performance it is clear from the graph that supervisors are not doing enough to manage poor performance.



Graph 4 - 33: PMDS improves employee morale

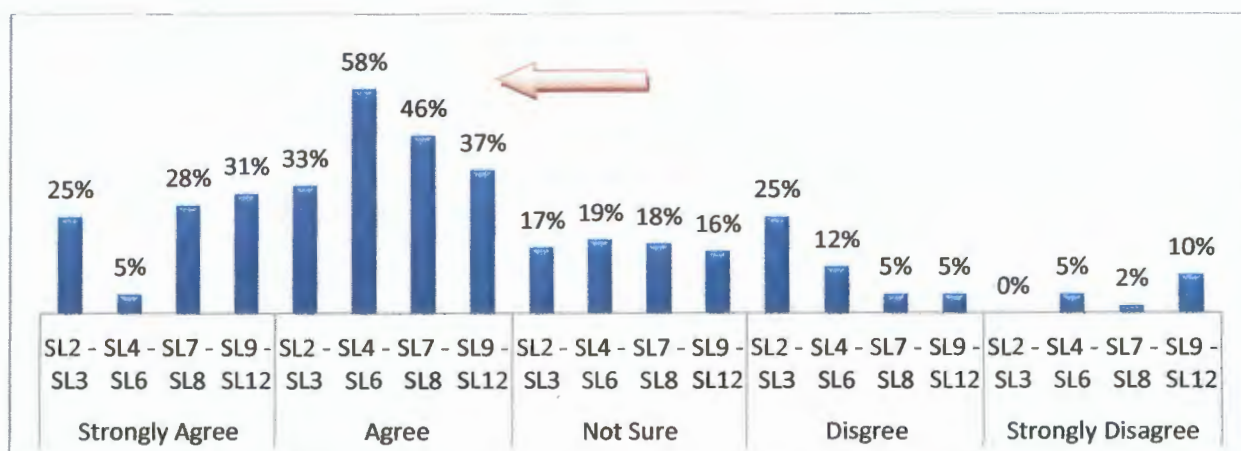
The results show that 47%, 20%, 17% and 25% of respondents on sl9-12, sl7-8, sl4-6 and sl2-3 respectively agree that PMDS improve employee morale. However there is a large margin between employees on sl9-12 and other salary levels, which could mean that even-though the other levels agree with the statement, not all employees' morale is high. This is supported by those that do not agree, as their percentage is higher than that of employees on sl9-12. The implication of this is that the department needs to implement the PMDS system in such a way that the morale of all employees is improved.



Graph 4 - 34: Enough budgets is allocated for payment of performance rewards

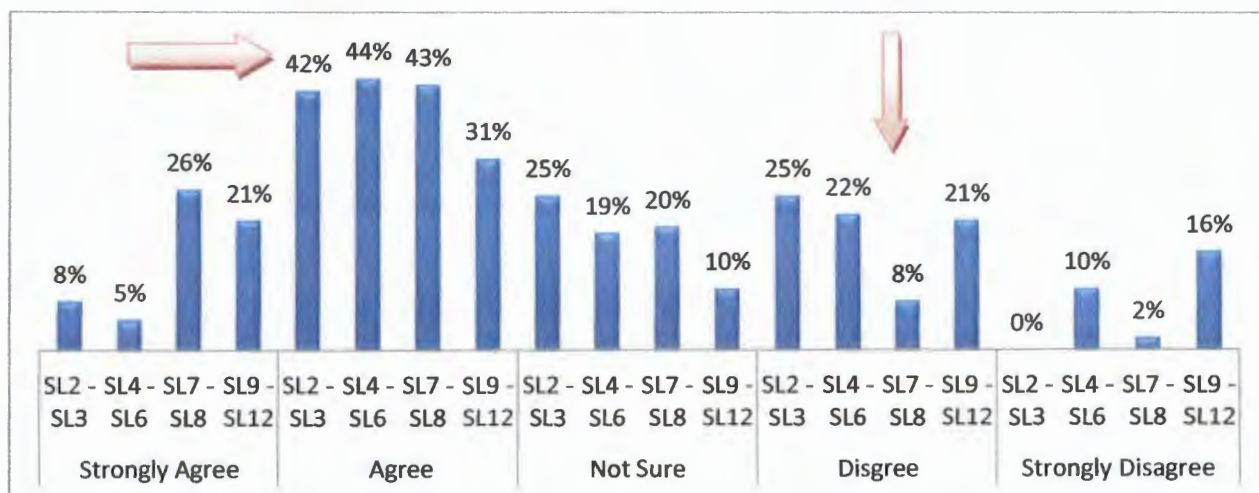
The results show that the perception of employees that enough budget is allocated for payment of performance rewards differs, but the margin between salary levels is very small. High percentage of employees on sl2–3, sl4–6, sl7–8 and sl9–12 shows that they are not sure that enough budget is allocated for payment of performance rewards. This is a worrying factor as it clearly indicates that employees and supervisors never take financial implications into account when implementing PMDS hence they are not sure whether the budget is allocated or not. It is important for the Department to ensure that employees are aware of the link between performance rewards and budget. This will minimise any dispute that may arise due to allocation of insufficient budget.

4.4.5 Discussion of questions about the development aspect of PMDS



Graph 4 - 35: Personal development plans (PDPs) are linked to the work-plans

The graph shows that a significant percentage of the employees agree that personal development plans are linked to the work-plans. It means the Department is developing the PDPs in line with the policy. This will also ensure that the skills and competencies that are required will be enhanced through training.



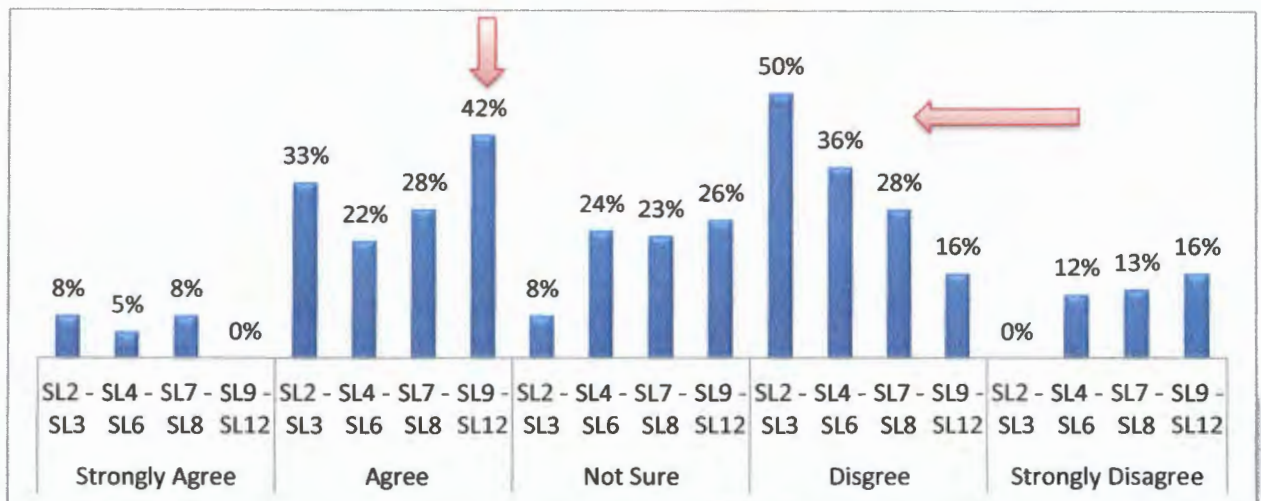
Graph 4 - 36: Personal development plans are linked to the training needs

The chart shows that the highest percentages of employees, which are 42%, 44%, 43% and 31% for sl2-3, sl4-6, sl7-8 and sl9-12 respectively, indicate that the employees agree that personal development plans are linked to the training needs. However, there are few employees who are in disagreement. This could mean that they do not see PDPs assisting them in identifying and prioritising for their training needs.



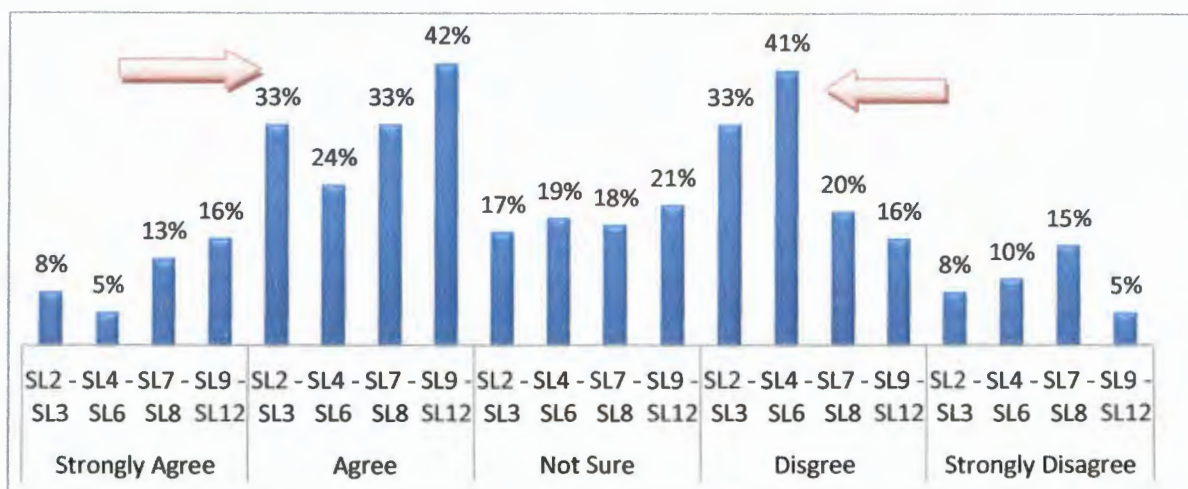
Graph 4 - 37: Training needs identified are incorporated in the departmental training plan

The results show that the perception of respondents about the statement that identified training needs are incorporated in the departmental training plan varies. This is a clear indication that not all the training needs are incorporated in the departmental training plan. It can be concluded that the Department does not do enough to ensure that training needs as identified in the PDPs are included in the training plan.



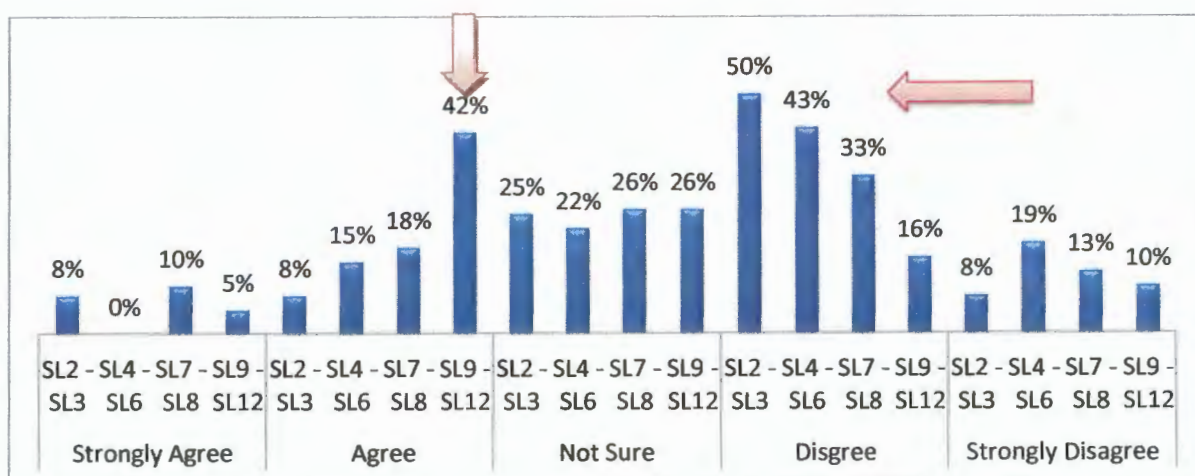
Graph 4-38: Supervisors ensure that employees attend relevant training to enhance performance

The results show that the perception of respondents about the statement which says supervisors ensure that employees attend relevant training to enhance performance varies. High percentages of employees on sl2-3, sl4-6, sl7-8 show that they disagree with the statement however the high percentage of employees on sl9-12 agrees. If most of the employees on lower levels do not agree, then it means the employees benefit unequally when it comes to attendance of relevant training. This does not reflect well on the role that supervisors are supposed to play.



Graph 4 - 39: Supervisors identify development needs for the employees

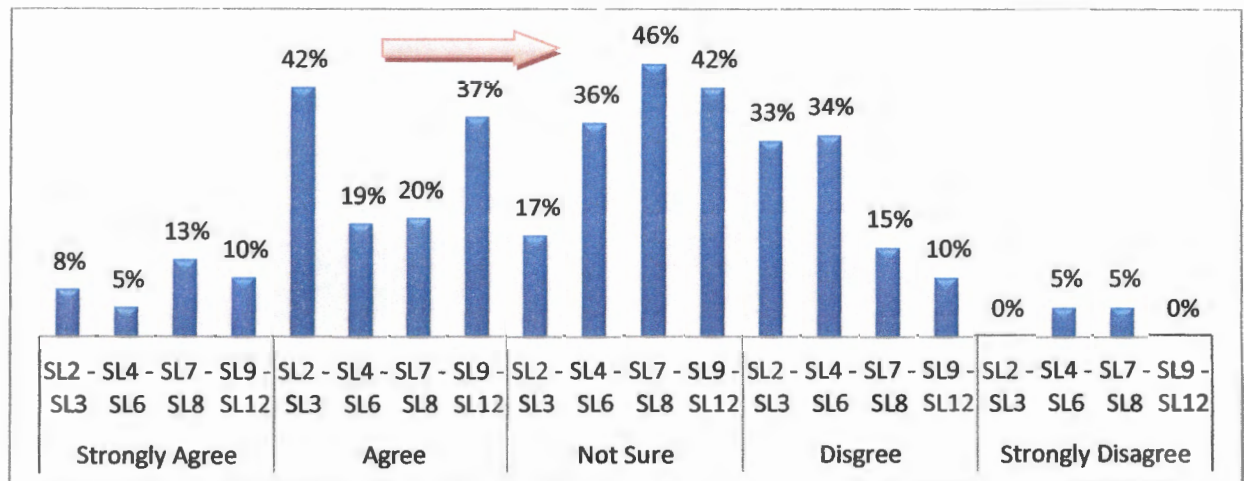
The percentage of respondents in different salary levels indicates that there is a variance to the statement that says supervisors identify development needs for the employees. A significant percentage of respondents on lower levels also show disagreement to this statement. This is evident that the lower categories are not getting any satisfaction from the role that the supervisors are playing.



Graph 4 - 40: Supervisor ensure transfer of skills to enhance performance

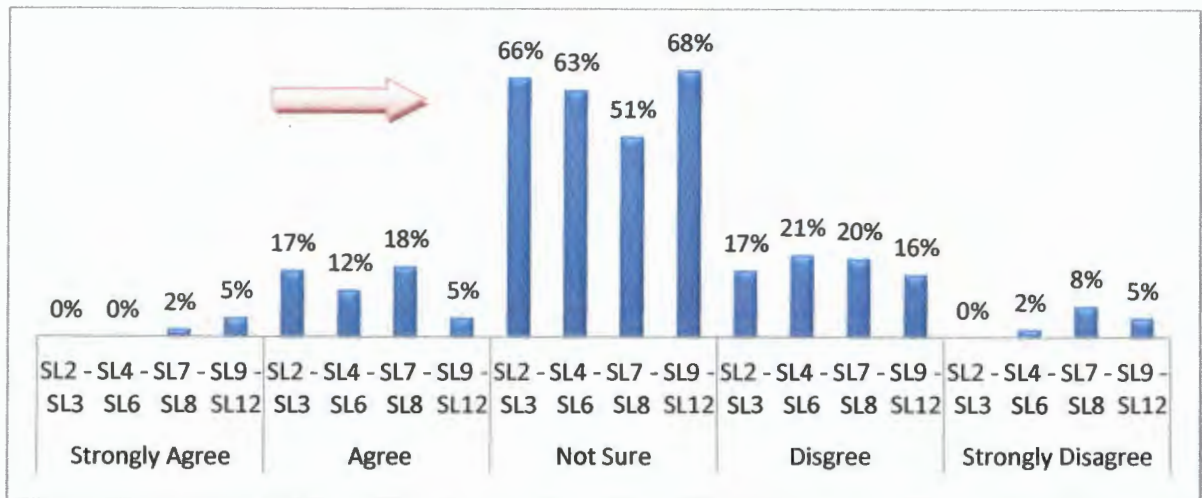
The highest percentage of employees in different salary levels disagree that supervisors ensure transfer of skills to enhance performance. It is only employees on SL9-12 who highly agree with the statement possibly because they are also responsible for ensuring transfer of skills to enhance performance. The supervisors are shielding themselves for not doing their job properly.

4.4.6 Discussion of questions about dispute resolution



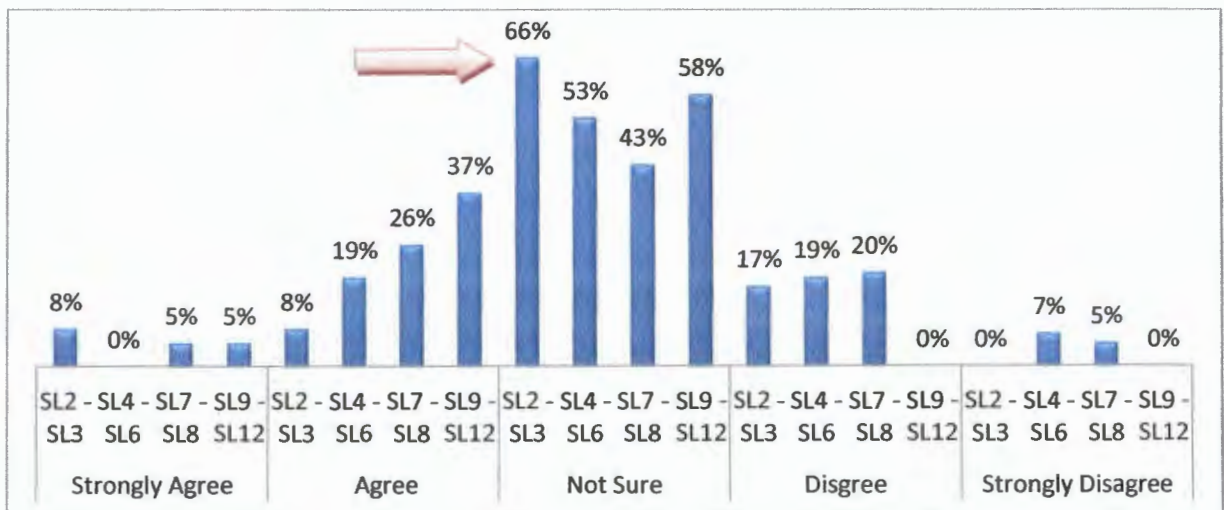
Graph 4 - 41: Dispute resolution processes are clearly outlined and communicated to all staff members

The results show that the perception of employees that dispute resolution processes are clearly outlined and communicated to all employees differs. Only the employees on SL2-3 and those on SL9-12 showed significant percentage in agreeing with the statement. This implies that the dispute resolution processes were spelt-out to the lower levels as they are unskilled and most of them won't be able to read and interpret the application of the processes. It could also be that the employees on SL9-12 are also covering themselves as they have the responsibility to communicate the dispute resolution processes to their subordinates. It is also important to highlight that a high percentage of employees also show that they are not sure about communication of dispute resolution processes to the staff. It can be concluded that employees do not care about these processes; they only concentrate on getting their rewards.



Graph 4 - 42: Disputes are handled within the specified time frames

The results show that high percentages of respondents are not sure about the specified time frames for handling disputes. It is clear that most members never lodge dispute even if they are aggrieved. This is what demotivates employees and lowers their morale as disputes are never resolved amicably.



Graph 4 - 43: The outcome of a dispute process is communicated in writing

The results show that high percentage of employees in all salary levels are not sure as to whether the outcome of the dispute process is communicated in writing. It can be concluded that most of the staff know very little about how the outcome of dispute is communicated as they have never lodged a dispute themselves.

4.5 The respondents' opinion

In your own opinion, how can this department improve the implementation of PMDS?

The recommendations for improvement of the PMDS system hereunder were made by those who responded to the open-ended questions. The data provided was analysed in terms of common themes.

Table 4.2: Recommendations for the improvement of PMDS

Recommendation of respondents on Salary Level 2–3	%
Training of supervisors	8%
Training of all employees	25%
Reduction of PMDS documentation	8%
Moderating committee must agree with the ratings	17%
Recommendation of respondents on Salary Level 4–6	%
Training of all employees	5%
Maintain the standards as PMDS system is well implemented	5%
Openness, fairness and objectivity	2%
A new system be implemented	2%
Interventions for underperformance be implemented	2%
HOD review implementation of system for lower levels	2%
Employee be well resourced in order to perform as expected	2%
Employees be given the opportunity to present themselves before the moderating committee	2%
Recommendations of respondents on Salary Level 7–8	%
Training of employees	36%
PDPs be given a priority	2%
Supervisors to identify training needs for employees	2%
PMDS system is well implemented	7%
Allocation of sufficient budget	3%
Set reasonable goals	2%
PMDS must not be used as a punitive measure	5%

Supervisors to create enabling environment	2%
Equipment	5%
Improve communication	2%
HOD review implementation of system for lower levels	2%
Recommendations of respondents on Salary Level 9–12	%
PMDS be phased out	5%
PDPs be taken seriously by supervisors and Training unit	25%
Training of employees	31%
Continuous engagement and communication with staff	10%
Resources be provided	25%
Maintenance as the PMDS system is well implemented	5%
Allocation of sufficient budget	10%
Employees must accompany supervisors to the moderating committee	5%
Same rewards be implemented across the board	5%
Openness, fairness and objectivity	25%

4.6 Summary of the findings

The data was captured and consolidated in Microsoft Excel tables and then converted into charts for easy interpretation. The charts were explained further in a narrative form. The results and findings are therefore summarised as follows:

▪ Section One – Biographical data

- More females than males participated in the study. This shows that there are more females than males in this Department and females were willing to participate.
- The respondents were between the ages of 25 to 60 years.
- Respondents have acquired different levels of educational qualifications and none of them has studied beyond honours level.
- The years of service of the respondents ranged from under 1 year to 35 years.

▪ **Section Two – PMDS as a system**

1. *Management of PMDS* - The responses varied according to different questions:

- Most of the responses ranged from being not sure to being in agreement (Agree and strongly agree) with the statements.
- The percentages of those who did not agree were very low.
- The response to the question about PMDS being a fair system to manage and assess performance showed that there is a negative perception about the system.

2. *PMDS Implementation* - Different perceptions were displayed.

- The responses from strongly agreed to strongly disagree was evenly distributed.
- However, the majority of respondents disagreed with the statement about the supervisor providing support and equipment to enable the employee to perform.
- A high percentage of the employees in all salary levels agree that the supervisor creates time for performance review and that reviews are based fairly on what was agreed upon in the work-plan.

3. *Performance outcome* – Different responses were received:

- The employees at all salary levels assert that performance outcomes are communicated in writing.
- However, their responses differed when coming to rewarding of employees in line with their performance outcomes.
- They are not unanimous that employees are motivated by rewards. Some were not sure and some disagreed.
- The negative perceptions out-weigh the positive ones on whether supervisors put plans in place to manage poor performance.
- The response on whether the PMDS improves employee morale is distributed equitably across the scale.
- The response of all the salary levels to the allocation of budget was high in the middle of the scale as employees agreed to the statement.

4. *Development aspect of PMDS* – The response was as follows:

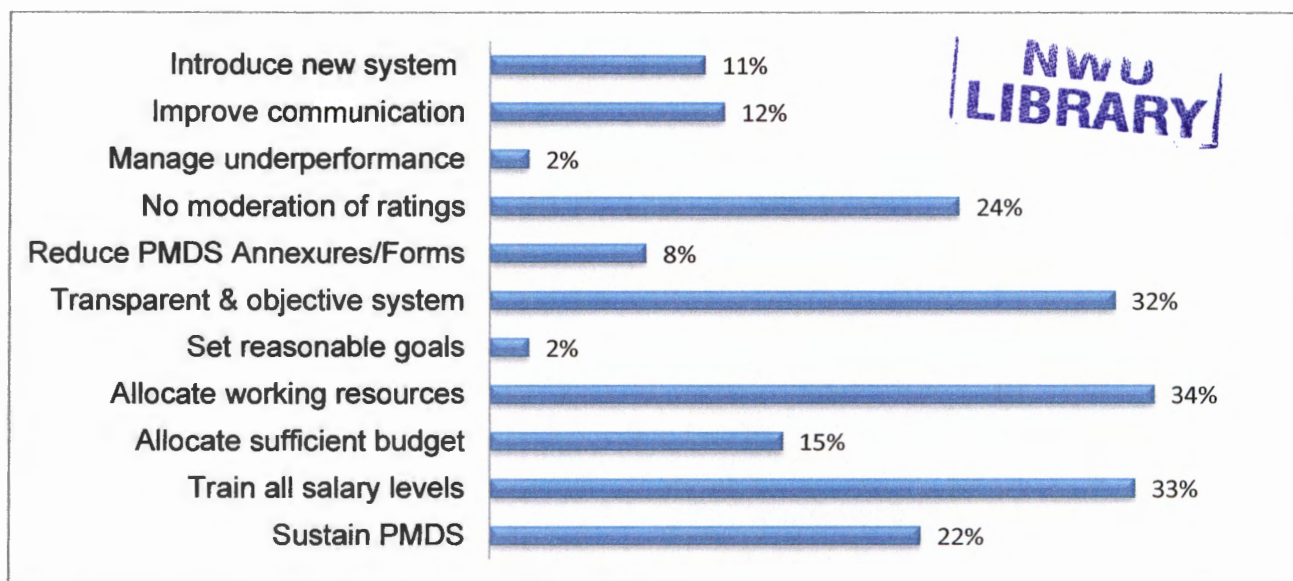
- The respondents in all salary levels asserted that PDPs are linked to the work-plan and to the training needs.
- However, the percentages moved to the middle of the scale as the respondents considered whether the training needs identified are incorporated in the departmental training plan.

- The response from all the salary levels to the role of supervisors in the identification of training needs and transfer of skills differed across the scale.

5. Dispute resolution in PMDS – The perception was as follows:

- The percentages moved to the middle of the scale as the responses differed with regard to the communication of dispute resolution processes to all the staff members.
- The percentages moved to the middle of the scale as the responses differed on whether the disputes were handled within the specified time-frames and whether the outcome of the dispute process was done in writing, but even here it was still clear that most of the employees were not sure about processes of dispute resolution.

4.7 Summary of the recommendations for improvement of PMDS



Graph 4 – 44: Respondents' recommendations

4.8 Conclusion

The results of this study portrayed a good picture of the perception of employees on salary level 2–12 on the implementation of PMDS as a human resource system in the Department. Through responses received from the respondents the researcher was able to identify how the Department is currently implementing PMDS, and shows that the Department needs to strengthen the implementation of PMDS and create an enabling environment for the employees.

CHAPTER 5: CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The aim of this chapter is to draw conclusions about this study and to make relevant recommendations to the Department on how it can improve its utilisation of PMS to manage performance of its employees. It is also important for the researcher to indicate if the research objectives and questions were met and indicate any limitations to the study and possible further research.

5.2 Answering the research questions

A summary on the answers to the research questions will be provided per research question as stated in Chapter 1:

- *What comprises the current performance management and development system and process in the Department?*

This was answered in the literature Chapter 2 and it can be concluded that the PDMS compares favourably with the theoretical models on performance management as it comprise all the steps and addresses all the principles of a sound PMS. Thus the system as it is stated in the policy document is sound.

- *Is the current utilisation of the performance management and development system and process aligned with the intended purpose stated in the performance management prescripts and guidelines? If not, what purpose does it serve and why is it not aligned to the intended purpose?*

The results of the findings showed that the Department developed and implements its PMDS policy and guidelines on poor performance management in line with the following prescripts:

- The Constitution of South Africa.
- White Paper on Human Resource Management.
- Public Service Regulations 2001, as amended.
- Employee Performance Management and Development System.

This implies that the PMDS policy and guidelines have been aligned with the intended purpose as they conform to the principles and objectives of these prescripts. This is good stride as it shows that the Department ensures that its employees are motivated and competent so as to improve delivery of its services and also achieve organisational goals. Even-though there are challenges identified, it is clear that the Department has good intentions, but will have to compel its managers and supervisors to monitor and ensure correct implementation by avoiding deviations to the PMDS policy and guidelines for the management of poor performance.

- *What are the problems faced by the Department when implementing the required Performance Management and Development System?*

An inference can be made from the results and findings presented in Chapter 4 that the Department has the following problems:

- PMDS is not applied fairly to manage and assess performance of employees.
- Supervisors are not providing support and necessary equipment to enable the employees to perform.
- Employees are not rewarded in line with the outcome of their performance.
- Employees are not motivated by rewards.
- Supervisors do not put plans in place to manage poor performance.
- Enough budgets are not allocated.
- Training needs identified are not incorporated in the departmental training plan.
- Employees do not know dispute resolution processes and specified time-frames

These findings relate to what the literature has highlighted in Chapter 2, table 2.2. It concurs with the deficiencies in organisations when implementing PMS and that there are inconsistencies in the application of PMDS in all sectors. The literature indicates problems such as failure to implement the system properly, lack of objectivity, not linking performance to rewards as well as lack of managerial commitment and performance feedback. The literature has also shown that due to lack of support and resources to perform, employees become demotivated which eventually leads to low employee morale and job dissatisfaction. As a result, it is clear that the above findings are not new or unique, but rather, the Department has to come up with appropriate strategies, measures and remedial actions by management for their specific environment.

5.3 Summary of the chapters

- *Chapter 1* highlighted the purpose and objectives of the study. It outlined the research question, design and methodology of this study. A brief background about the Department was also provided.
- *Chapter 2* examined the available literature on performance management in order to give this research a frame and perspective. Different authors gave their understanding and perspectives on performance management, and also identified problems associated with the system. The researcher also compared application of performance management internationally and nationally, as well as in the public sector.
- *Chapter 3* provided insight into research methodology and design applied in this study. The survey questionnaire was also discussed.
- *Chapter 4* presented the analysis and interpretation of the findings. It focused on the responses and perceptions of target population to the questions on a survey questionnaire. The summary of the recommendation for improvement was also reflected.

The target population was categorised as follows:

- Salary level 2–3
- Salary level 4–6
- Salary level 7–8
- Salary level 9–12

5.4 Recommendations

Kanyane and Mabelane (2009:67) state that “performance management should not be seen as a once off event, but as a process aimed at ensuring that an organisation performs up to its maximum, and that the employees’ performances are in line with organisational objectives, mission and vision. This is possible if the organisation is equipped with adequate skill capacities”. They further indicated that employees’ performance should be monitored, evaluated, appraised and feedback should be provided to the employees. This would give employees a feeling of belonging to the organisation, and the reward system would also encourage the employees to perform and contribute more to the achievement of organisational objectives. By setting clear targets, performance indicators, measurable objectives, output and outcomes the employees would know exactly what is expected of them. Lastly, all employees must be informed about the results of good or poor performance. It is therefore vital that the

Department work harder and put more effort in order to achieve what Kanyane and Mabelane (2009:67) are emphasising.

The implementation of the following recommendations will enable the Department to improve its utilisation of performance management as a human resource system:

- Continuous training of staff on PMDS.
- Allocation of sufficient budget for the implementation of rewards.
- Supervisors must understand their role in the implementation of the PMDS.
- Continuous performance feedback and monitoring.
- Linking of personal development plans to the departmental training plan.
- Distribute and communicate policy to all staff members.
- Link performance outcomes to rewards.
- Provide necessary working tools to enhance performance.

It must be emphasised that the Department needs to put more energy and emphasis on ensuring that all employees understand the goal of PMDS and its implementation, and how this system is aligned to the strategic plan and operational plan of the Department. This will enlighten employees of all the processes involved in PMDS including adherence to time frames, dispute resolution and management of under-performance to mention few. The recommendations will also assist the Department in ensuring and promoting the culture of performance within the Department.

5.5 Limitation of the study

The study used an approach of a survey design. It focused on a limited number of people in a specific section of the public sector and as a result, the response rate limited the statistical methods to be used. This also implies that it cannot be generalised.

5.6 Final Conclusion

Generally this study provided a glimpse of performance management in the public service, but does not rule out the fact that performance management is the same whether in private or public sector and whether internationally or nationally. The same principles of employee

motivation, employee development, increased productivity and profit to mention, but a few still apply.

Based on this study, it is apparent that there are a number of limitations that hinder the successful application of PMDS. Literature has also shown that the unsatisfactory results can be attributed to either the implementation or execution, resulting in line managers and employees not taking ownership of the process and handling PMDS as a compliance activity rather than as a prospect to develop and improve performance. Employees need feedback, and real performance management has to be a continuing discussion in the workplace. It is clear that managers must focus less on telling employees how to get things completed and more on offering best guidance about how to accomplish goals.

The perceptions of respondents have evidently highlighted some favourable and unfavourable practices on how PMDS is implemented. It is now important for the Department to ensure that managers take time to cultivate a relationship of trust amongst their subordinates, as this may add value in terms of employee performance and the levels of achievement. There is also a need for HR support function to improve their relationship with line managers and employees as described in Chapter 1, by taking ownership of facilitating and monitoring the utilisation of PMDS as a human resource system. Both the support of HR and the manager's role are crucial to the successful implementation of this system. The Department needs to ensure effective implementation of PMDS in order to overcome the challenges, and will only achieve this through committed and competent managers and leadership.

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ANNEXURES

**ANNEXURE A APPROVAL TO CONDUCT RESEARCH WITHIN THE DEPARTMENT OF
COMMUNITY SAFETY AND TRANSPORT MANAGEMENT**

ANNEXURE B RESEARCH QUESTIONNAIRE

ANNEXURE C ETHICAL CLEARANCE

ANNEXURE D PROOF READING AND EDITING CERTIFICATE



dcs&tm

Department:
Community Safety & Transport Management
North West Provincial Government
REPUBLIC OF SOUTH AFRICA



HUMAN RESOURCE MANAGEMENT

Safety House 31-34 Molopo Road
Mafikeng, 2746
P/Bag X 19 Mmabatho 2735
Tel: +27 (18) 388 1245

MS GS Musi
Ext. 388 2440

TO : HEAD OF DEPARTMENT

**FROM : GOMOLEMO SHARON MUSI
DEPUTY DIRECTOR HR ORGANISATIONAL STRATEGY AND PLANNING**

SUBJECT : REQUEST TO CONDUCT RESEARCH IN THE DEPARTMENT

DATE : 08 JULY 2014

1. PURPOSE

To request permission to conduct research in the Department

2. DISCUSSION

I, Gomolemo Sharon Musi, am currently studying Masters in Business Administration (MBA) with the North West University (NWU). My speciality is in Human Resource Management. I am also required to do research and produce a Dissertation in this regard. My research topic is "Utilising Performance Management as a System in a Public Sector Department". This research will take a case study approach where the Department of Community Safety and Transport Management will be used as an example of a Public Sector Department that utilises Performance Management System.

Once permission is granted I will be able to interact with employees and supervisors on issues of Performance management, in order to address 3 Questions that are central to this research, which are as follows:

- What does the current performance management and development system and process in the Department comprise of?
- Is the current utilisation of the Performance management and development system and process aligned with the intended purpose? If not, where not and why not?



"Working together we can do more"



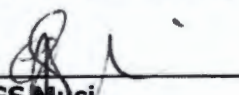
SUBJECT : REQUEST TO CONDUCT RESEARCH IN THE DEPARTMENT

- What are the challenges faced by the Department of Community Safety and Transport Management when implementing the required Performance Management and Development System (PMDS)?

Approval of this request will enable me to conduct research and submit the required dissertation; furthermore the findings and outcomes of the research will assist the department in implementing appropriate remedies in areas where there are identified deficiencies.

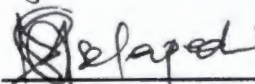
3. RECOMMENDATION

In light of the above, it is requested that permission be granted for Ms GS Musi to conduct research on Utilisation of Performance Management as a system in the Department.


Ms GS Musi
Deputy Director: HR Org Strategy and Planning

08 July 2014
Date:

Supported/ Not Supported : Supported to assist the official in completing her studies


MS MS Tselapedi
Director: Human Resource Management

2014/07/10
Date:

Paragraph 3 Approved/ Not approved: Personal information and other confidential ones may not be used for the purpose.


Mr BT Mahlakoleng
Head of the Department

15/07/2014
Date :



NORTH-WEST UNIVERSITY
YUNIBESITHI YA BOKONE-BOPHIRIMA
NOORDWES-UNIVERSITEIT
MAFIKENG CAMPUS

Faculty of Commerce & Administration

Letter of Introduction and Informed Consent

Graduate School of Business and Government Leadership

Title of the study

Utilising Performance Management as a Human Resource
System in a Public Sector Department

Research conducted by

Ms GS MUSI -16184807
Cell: 082 362 2099

Dear Participant

You are invited to participate in an academic research study conducted by Gomolemo Sharon Musi, MBA Student from the Graduate School of Business and Government Leadership at the North - West University, Mafikeng Campus.

The purpose of the study is to investigate the utilisation of performance management and development system (PMDS) in the Department of Community Safety and Transport Management

Please note the following:

- This is an anonymous study survey as your name will not appear on the questionnaire. The answers you give will be treated as strictly confidential as you cannot be identified in person based on the answers you give.
- Your participation in this study is very important to me. You may, however, choose not to participate and you may also stop participating at any time without any negative consequences.
- Please answer the questions in the attached questionnaire as completely and honestly as possible. This should not take more than 45 minutes of your time
- The results of the study will be used for academic purposes only and may be published in an academic journal. We will provide you with a summary of our findings on request.
- Please contact my study leader, Professor Yvonne Du Plessis at yvonne.duplessis@nwu.ac.za or at 018 389 2021 if you have any questions or comments regarding the study.

Please sign the form to indicate that:

- You have read and understand the information provided above.
- You give your consent to participate in the study on a voluntary basis. (Please tick)

YES

Participant's signature

Date

SECTION 1

A. BIOGRAPHICAL DATA

Please place a cross (X) in the circle next to your chosen response. To change your answer, cross over the incorrect answer and then place a cross (X) on the appropriate answer.

1. What is your gender?

- ☐ Female
- ☐ Male

2. What is your age group?

- ☐ 21 – 25
- ☐ 25 – 30
- ☐ 30 – 35
- ☐ 35 – 40
- ☐ 40 – 45
- ☐ 45 – 50
- ☐ 50 – 55
- ☐ 55 – 60
- ☐ 60 and above

3. What is your current job level?

- ☐ SL2 – SL3
- ☐ SL4 – SL6
- ☐ SL7 – SL8
- ☐ SL9 – SL12

4. What is your current educational level?

- ☐ Below matric (grade 12)
- ☐ Matric
- ☐ Diploma
- ☐ Bachelor's degree/ National Diploma
- ☐ Honours degree
- ☐ Masters degree and above

5. How many years of service do you have?

- ☐ Under 1 year
- ☐ 1 – 3 years
- ☐ 4 – 7 years
- ☐ 8 – 11 years
- ☐ 12 – 15 years
- ☐ 16 – 19 years
- ☐ 20 – 23 years
- ☐ 24 – 27 years
- ☐ 28 – 31 years
- ☐ 32 – 35 years
- ☐ More than 35 years

SECTION 2

B. INSTRUCTIONS

Listed below are statements that represent possible opinions that you may have about performance management system in the department. Please indicate the degree of your agreement or disagreement with each statement by crossing the numbers on the column that most closely reflects your view about PMDS in your workplace.

Please answer each statement

MANAGEMENT OF PMDS

NO	Statement	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
1.	Department has PMDS policy in place					
2.	Policy was developed with inputs from staff					
3.	Approved PMDS policy has been communicated to all employees					
4.	PMDS supports the objectives of the departmental strategic plan					
5.	PMDS is aligned to the operational plans of your directorate/ unit					
6.	Employees have been trained on the implementation of PMDS					
7.	Supervisors have been trained on the implementation of PMDS					
8.	Staff view PMDS as a fair system to manage and asses performance					

PMDS IMPLEMENTATION

No	Statements	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
9.	Managers/supervisors and their employees develop goals together					
10.	Performance agreements are signed and submitted within the specified time frames					
11.	Supervisor and employee set reasonable expectations					
12.	Employees understand what is expected of them in PMDS					

13.	Supervisor creates enabling environment for the employees to perform					
14.	Supervisor support employee by providing necessary equipment and facilities					
15.	Supervisor provides continuous feedback					
16.	Supervisor and employee create time for performance reviews					
17.	Performance review is done based on what is agreed upon in the work plan					
18.	All PMDS discussions are recorded during reviews					
19.	The process of performance reviews is objective					
20.	Half yearly and annual performance reviews are done within the specified time frame					
21.	Performance of employee is monitored continuously					
22.	Employees adhere to the standards as set in the work plan when executing their duties					
23.	Additional responsibilities are acknowledged and recognised in the PMDS reviews					

PERFORMANCE OUTCOMES

No.	Statement	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
24.	Performance assessment outcomes are communicated in writing					
25.	Employees are rewarded in line with their performance outcomes					
26.	Employees are motivated by the rewards					
27.	Supervisors put plans in place to manage poor performance					
28.	PMDS improves employee morale					
29.	Enough budget is allocated for payment of performance rewards					

DEVELOPMENT ASPECT OF PMDS

No	Statement	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
30.	Personal development plans (PDPs) are linked to the work-plans					
31.	Personal development plans are linked to the training needs					
32.	Training needs identified are incorporated in the departmental training plan					
33.	Supervisors ensure that employees attend relevant training to enhance performance					
34.	Supervisors identify development needs for the employee					
35.	Supervisors ensure transfer of skills to enhance performance					

DISPUTE RESOLUTION IN PMDS

No	Statement	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
36.	Dispute resolution processes are clearly outlined and communicated to all staff members					
37.	Disputes are handled within the specified time frames					
38.	The outcome of a dispute process is communicated in writing					

In your own opinion, how can this department improve the implementation of PMDS?

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Thank you for participating.

From: "Estie Emtoch" <Estie.Emtoch@nwu.ac.za>
To: Ismail.Haffejee@nwu.ac.za
CC: GMusi@nwpg.gov.za
Date: 2014/10/30 11:29 AM
Subject: Ethics Application
Attachments: GS Musi.docx

Good day

It is a pleasure to inform you that the Ethics applications for Mrs GS Musi - 16184807 has been approved, and the student may proceed with her research.

The Ethical Clearance number will follow.

Kind regards

Estie Emtoch
ext: 892873

BRENDA LOMBARD

PROOF READING AND EDITING

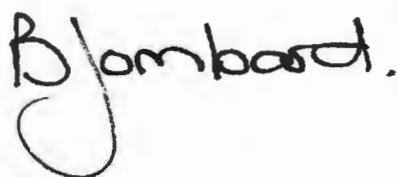
Associate member of Professional Editor's Group

February 2015

To whom it may concern,

This is to confirm that the Dissertation submitted by Gomolemo Sharon Musi (Student No. 16184807) has been edited according to the requirements specified for the degree *Master of Business Administration* at the Graduate School of Business and Government Leadership of the North West University.

Yours sincerely,

A handwritten signature in black ink that reads "B Lombard." The letter "B" is large and stylized, with a long vertical stroke that loops around. The rest of the name is written in a cursive, flowing style.

Brenda Lombard