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**AN EVALUATION OF THE IMPLEMENTATION OF THE PROVINCIAL
PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM POLICY IN
THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM**

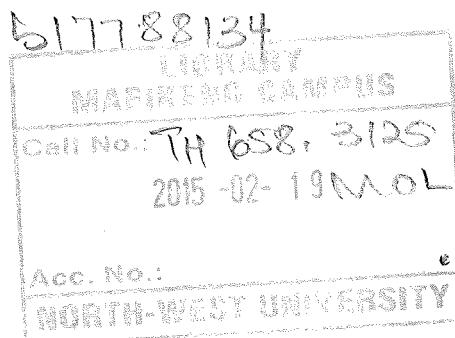
BY

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**SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR
THE MASTERS IN BUSINESS ADMINISTRATION (MBA) IN THE
GRADUATE SCHOOL OF BUSINESS AND GOVERNMENT LEADERSHIP, AT
THE NORTH WEST UNIVERSITY, MAFIKENG CAMPUS.**

CO-SUPERVISOR : PROF. P.L.S. ACKREMAN

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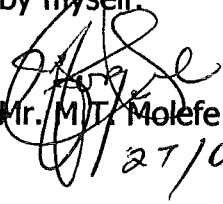


DECLARATION

I Morgen Thuthugang Molefe hereby declare that the research was carried and completed by myself.

I, further, declare that all the ethical considerations with regard to research were observed throughout the process.

The implication emanating from the process and this declaration are understood by myself.


Mr. M/T. Molefe
27/06/2007

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ABSTRACT

The Public service has devoted time and resources establishing policies and regulations, as tools, to facilitate the implementation and management strategic objectives towards effective, efficient, economic and accountable service delivery. The implementation of these policies can have negative effects on the employees if the implementation thereof is not well implemented and monitored. One such policy is the North West Province Performance Management and Development System (PMDS). The Office of the Premier (Directorate of Transformation) have conducted training on PMDS. The province introduced a guide for the implementation of the PMDS policy. It becomes necessary to pose and assess the effectiveness of the management of the implementation of this policy.

The study focused in the Department of Economic Development and Tourism, based in Mafikeng. Data was collected by means of questionnaires from employees in the department and were analyzed by the use of Statistical Package for Social Sciences (SPSS).

The study revealed that there is a dire need for empowering employees on PMDS to ease the problems and shortcoming that were revealed by the study. Respective line managers see performance assessment as somebody else's job. There is also a need for senior managers to take a lead in the management of the PMDS policy.

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Questionnaire

Correspondence with Mr. Stuart Vaughan who editing of the document.

Confirmation of editing by Mr. Stuart Vaughan.

1.1 Introduction

This chapter deals with the objectives of the study, its scope, the importance of the study, the study environment and clarification of concepts. The plan of the study is also spelled out.

Organisations are created for specific reasons. They plan ways of achieving their goals. Resources, including human resources, play an important role in the attainment of these goals. Reciprocal obligations and expectations, written or unwritten, are communicated between the employer and the employee. These include assigning of specific responsibilities, performance of tasks, and provision of feedback, supporting, coaching and rewarding performance (Anderson, 1994: Xi).

The private and public sectors have embarked on major reform programmes, approaches and restructuring, which include a range of management reform models. These reforms are geared towards improving the lives of South African communities. Service delivery can only be achieved through people management programmes (Jorm, Hunt, & Manning, 1996:1).

Organisations, including the public service, constantly strive to improve the management of the behavior and results of all employees towards gaining competitive advantage (Noe et al, 2003:326). Management of employees' performance becomes an integral part to ensure effective and efficient service delivery to the majority of the populace. Effective and efficient service delivery hinges on effective performance.

The North West Province introduced the Performance Management and Development System (PMDS) in response to challenges relating to efficiency and people management (NW PMDS Guide 12/2004:33). The PMDS covers all aspects of the public service and its employees. It incorporates the Departmental Strategic Plan, which translates into the operational plans for each programme. Individual employees are required to establish personal work plans, with clear goals and targets, together with their respective supervisors.

Supervisors are then required to constantly monitor performance of individual employees and teams, and provide support, coaching, training, development and resources to employees to enable them to perform. Periodic performance reviews need to take place and developmental interventions identified, culminating in adjustment of the work plans where necessary (Public Service Regulations, 2001, Part 111 Chapter 1). Annual performance assessments are to be carried out by supervisors at the end of the financial year. Deserving employees are then rewarded according to the PMDS Rating Scale, as contained in the PMDS policy.

The Department of Economic Development and Tourism started implementing the PMDS in the 2003/2004 financial year assessment period.

1.2 Objectives of the study

The line managers, together with the supervisee, are expected to develop personal work plans evolving from the strategic plan, and get the work plans agreed upon and signed. The signing of the work plans needs to be done well before the beginning of each quarter. These work plans need to have clear key performance areas, tasks to be performed, related

performance standards or indicators, and competencies required by the incumbent for efficient and effective performance of these tasks, with specific expected outputs and due dates for completion of the tasks.

Line managers are expected to continuously monitor performance of respective employees and support them where necessary. At the end of each quarter they are expected to evaluate the performance of each supervisee, and develop the work plans for the following quarter. Performance improvement plans have to be established arising from the performance gap identified during the quarterly performance reviews. Performance management has been reduced to a quick box-ticking method, because data collected is never used (Davis, 2006:20).

Often personal work plans are not developed at the beginning of the quarter as expected. Departmental strategic plans are sometimes disregarded when work plans are drawn. The performance indicators are sometimes not specific, measurable, attainable, or realistic and time-bound, as expected. Quarterly performance reviews are not conducted as required. Performance improvement plans are not clear, and no follow-up for the implementation of the improvement plans are made. It is imperative to ensure that everything goes smoothly on any project (Portny, 2001:198), including performance management.

Often this *ad hoc* implementation of the PMDS results in conflicts, backlogs, disagreements and disgruntlement. Performance assessment, in itself, has the potential for conflicts. It is subjective, contentious and debatable. Managers tend to discuss at the formal assessment issues that could have been discussed during the performance period, because it provides them with a fence to duck behind (Davis, 2006:19).

The study has the following objectives:

- ❖ To determine how effectively the PMDS is operating in the public sector.
- ❖ To evaluate the implementation of the PMDS in the Department of Economic Development and Tourism.

1.3 The scope of the study.

The study focuses on the implementation of the PMDS for the financial year 2004/05 and part of 2005/06 (i.e. April 2005 to 30 October 2005 assessment period). The sample is drawn from employees in the Department of Economic Development and Tourism in the North West Province. The study excludes members of Senior Management Services because they have a separate performance management system. It does, however, include the Directors, as line managers responsible for assessing performance of employees reporting to them.

1.4 The importance of the study

The introduction of the PMDS has been seen as a step in the right direction. It is seen as a system that would remove problems and limitations identified in the previous assessment policies, where employees were required to write a personal account of their own performance (Personal Profile). It is seen as an objective and fair way of recognising and rewarding the input of the employee towards the attainment of the organisational goal and objectives. It is envisaged that PMDS might reduce the conflicts that are normally associated with the evaluation of performance. It is expected to reduce the grievances and complaints. It is also expected to ensure that

quarterly performance reviews are carried out, thus reducing the backlog in the personnel assessment of employees.

Many assessment systems are not only useless but can actually harm productivity and the relationship between employers and employees. They are seen as getting in the way of managing performance, and also seen as form-filling appraisal processes that make little if any contribution to delivery strategy. It is, therefore, imperative to evaluate performance assessment systems (Cornelius, 2001:182).

However, performance assessment has a high probability of complaints, unfairness, and non-review of the work plans, backlog, no quarterly performance review, unclear performance standards, etc. The study is necessary to circumvent problems associated with assessment of performance that may be experienced in the implementation of the PMDS policy in the Department since its implementation from 2003/2004 financial year assessment period.

1.5 Clarification of concepts

Department means the Department of Economic Development and Tourism established at the end of August 2005, as the result of reconfiguration of provincial departments and reshuffling of the Members of the Executive Councils (MECs). It consists of Administration (Finance, Communications and Corporate Services), made up of officials from the Department of Safety and Liaison, Chief Directorate: Economic Development from the Department of Finance and Economic Development, and the Tourism wing of the Department of Agriculture, Conservation and Tourism.

Performance Improvement Plan is an objective training need or other variable identified during the quarterly reviews that has impacted adversely on the performance of the employee.

Personal Work Plan is a plan of agreed individual or group objectives and performance targets for an assessment period. It includes personal data; main objectives; tasks, standards and performance indicators, rating scales as well as the performance improvement plan (NW PMDS Guide 12/2004:14). Work plan is a performance contract agreed upon between the employee and the line manager.

Performance Management and Development System is the process of measuring the performance required to meet strategic goals, convert them into team and individual goals, and manage them through reward and recognition. The specific objective is to ensure achievement, relevance and consistency with overall strategy and necessary changes of action.

The NW PPMDS Guide defines performance management and development system as "a systematic means of getting better results from the organisations, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements" (Krieg M, 2006:18). Noe, et al, define performance management as a process through which managers ensure that employees' activities and outputs are congruent with the organisational goals (2003:327).

Key performance indicators are areas of the job in which performance is critical for making an effective contribution to the achievement of departmental strategies, goals and objectives. The key performance

indicators have to be specific, which is the extent to which a performance measure gives detailed guidance to employees about what is expected of them, and how they can meet these expectations (Noe, et al., 2003:335).

Line Manager is a manager who is responsible for people involved with the primary purpose of the organisation. Managing performance and motivating employees is the line managers' role. The line manager is an employee who has other employee(s) reporting to him.

1.6 Plan of the study

The study is divided into seven chapters. Chapter one deals with the introduction, objectives, importance and scope of the study, and clarification of concepts. In Chapter two the theoretical foundation of the study is given. Survey of the literature is dealt with in Chapter three. In Chapter four the problem statement is given. Chapter five deals with the population, sample, and the measuring instruments used for data collection and the data analysis techniques. In Chapter six the results of the study are given with the use of tables, graphs and other applicable presentation methods. The outcome of the study is discussed in Chapter seven. Conclusions and recommendations are also presented in this chapter.

CHAPTER 2: THEORETICAL FOUNDATION OF THE STUDY

2.1 Introduction

This chapter deals with the theoretical foundation that underpins performance management. It defines and briefly gives the principles and functions of management and components of performance management.

2.2 Management functions

Management is responsible for planning and setting goals for employees. It is responsible for organising resources to enable well coordinated machinery and team work towards achievement of the organisational strategic objectives. The manager should lead, motivate and provide feedback to employees on performance (Nicholas, 2004:19).

Development policies and framework, such as performance management, employee development and reward systems is the responsibility of management (Armstrong, 2003:12). It is not enough to develop policies and not monitor and assess the effectiveness of such frameworks. Controlling to ensuring compliance to frameworks and reporting is a critical function of management that is usually relegated to the human resource department, if not neglected altogether.

Management operates within the workplace. It is, therefore, the responsibility of management to create a favorable environment and corporate culture that will assist the organisation to yield good results. Management has to develop an organisational culture that allows creativity

assesses and rewards performance, and that encourages learning. It must also assist organisations to gain added competitive advantage towards retaining performing employees over other organisations that do not strive to create a positive culture (Bohlander & Snell, 2004:2).

2.3 Human resources management functions.

Human resources management is a strategic and coherent approach to the management of an organisation's most valued assets; employees, who individually and collectively contribute to the achievement of organisational objectives (Armstrong, 2003:1).

The Human Resources Management function includes a variety of activities, and key among them is deciding what staffing needs one has, and recruiting, utilizing, motivating, and training the employees. Setting systems and policies on human resources are also the responsibilities of the human resources (Armstrong, 2003:10). These functions are geared towards attracting, maintaining and retaining performing employees.

2.4 Human resources development.

Organisations like to keep productive employees. Knowledgeable and skilled employees are able to adapt and take rational and independent decisions in the interest of the employer. The Skills Development Act requires departments to determine training needs, using various techniques, and establish the Workplace Skills Plan. The quarterly performance review is one

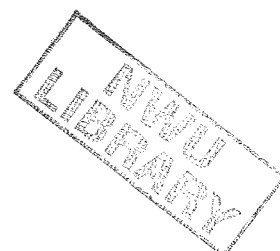
of the tools that could become imperative, therefore, in determining performance gaps that could be closed by various training interventions (Greer, 2001:239).

Any organisation that strives for world-class performance must ensure that employees are provided with accurate feedback on their performance and are motivated to continue performing better. Training increases managers' capability to observe, evaluate and give feedback to employees (Kruger, Smit & Le Roux, 1996:250).

2.5 Role of line managers.

Managing employees is a major undertaking. The line manager must, therefore, be equal to the task. Human resources management may be the most misunderstood of all corporate departments, but it's also the most necessary. Most organisations relegate this function to the human resources management division, which are usually understaffed. Line managers must also be good judges of morale, and realise when morale boosting incentives are needed. It's up to them to make sure all employees are comfortable with their surroundings and working under acceptable, if not above-average, conditions (Hersey, Blanchard & Johnson, 1996:382-457).

Activities of line managers include managing employees' service conditions, employee benefits; allocating tasks; maintaining constant feedback on performance; determining and ensuring implementation of training needs of employees; keeping performance records on employees; maintaining



discipline at the workplace; motivating employees; and implementing and managing of personnel policies. These roles are geared towards getting the best employees and ensuring employees are high performers towards service delivery (Daft, 2000:470).

2.6 Motivating employees.

There are various theories on motivation. Most of these theories emphasise that motivated employees are the most productive ones. Theories of motivation emphasise stimuli towards positive behavior of employees (Robbins, 2003:373). The stimuli to motivation are; role clarification, conducive working environment, job satisfaction, training and development, feedback to employees on their performance and employee participation (Robbins, 2003:424).

2.7 Components of performance management.

Managers are expected to have the knowledge, skills and attitudes required to effectively determine performance agreements, provide support and evaluate employees' achievements (PMDS Guide, 2003:62).

2.7.1 Planning of performance.

This is the process of setting objectives and directions to followers at the beginning of a planning period, and developing plans for achieving those objectives. The performance planning process is a joint decision process; however, managers may plan and communicate plans to employees (Hersey, et. al., 1996:394). Effective performance planning requires

employees and the supervisors to work together to set performance expectations and plan for the future. These plans are the basis for, and contribute to, the departmental strategic plans. Strategic plans are legal documents prescribed by the Treasury Regulation 2005, as amended, (Parts 3, section 5.1.1).

2.7.2 Defining the Key Performance Indicators and Setting of Goals and Targets.

The key performance indicators are elements of the performance planning that would enable those involved to know if the person is doing the job well. These serve as signposts along the way towards achieving the organisational objectives (Hersey, et al., 1996:511). They are those factors that will indicate the successful execution of a particular task. They consist of standards of performance that are specific, and measurable in terms of quality, quantity, time, cost, and whether attainable and realistic (PMDS Guide, 2003:7).

This is the process of listing most of the tasks that you want the employee to accomplish over a specified period. According to Hersey, et al. (1996:405), good goals are SMART Goals. SMART is an acronym for the most important factors in setting quality goals; namely, specific, measurable, attainable, and realistic and time-bound goals. Goal and target-setting theory, according to Locke, assumes that motivation is enhanced when individuals work toward specific and targeted goals (Mello, 2002:307). Planning of performance facilitates legal compliance against claims for unfair claims on adverse ratings (Mello, 2002:299).

2.7.3 Allocate tasks and managing performance.

Organisations that provide their employees the resources required to perform particular tasks gain competitive advantages over those that do not. Line managers must ensure that there is constant monitoring of individual and group performance, and performance must be recorded (Robbins, 2003:387).

Other intervention and support, such as planning of performer development, job instructions and guidance, training, counseling, confronting, coaching and mentoring must be introduced. Employees must be stimulated to perform better by providing timely feedback (Hersey, 1996:395).

Carr says that organisations and individuals who set goals and are motivated to achieve those goals will attempt to achieve them regardless of any other factor (Hersey, et al 1996:385).

2.7.4 Reviewing and assessing performance.

Performance assessment is a deliberate process of objective assessment of employees' performance against predetermined performance goals. The assessment is geared towards forming an objective image of the employees' interests, characteristics, motivation, capabilities, and aspects related to service delivery. The process provides data on which to base training and

other developmental intervention to improve performance, and also data on which to base rewards (Cherrington, 1989:211).

Performance review is a formal process of assessing performance, at least twice in the course of the year in which achievement is assessed, problems identified and performance agreements amended. It may also refer to the continuous process of feedback and problem solving that occurs more informally (PMDS Guide, 2004:12).

Line managers must be trained in to assessing employees' performance. Performance reviews take the following form as according to the PMDS Guide:

- ❖ Formally assesses what has been achieved over the year in terms of the performance agreement and intended results;
- ❖ Reviews achievement in terms of the employee's personal development plan;
- ❖ Identifies issues that need to be taken forward into the next performance agreement;
- ❖ Records the comments and agreement or lack of agreement of both employee and supervisor;
- ❖ Lays the basis for decisions on probation, rewards, promotion, capacity building needs, and measures to deal with consistent inadequate performance;
- ❖ Lays the basis for learning and development that would enable improved performance in the next cycle (2004:148).

2.7.5 Rewarding of good performance.

This refers to any type of incentive and recognition based on the actual performance of individual employee or groups. Its aim is to reward performance and to motivate employees to perform better (www.opm.gov/perform/reward.asp). The rewards must be predetermined and communicated to employees.

Layton defines performance management as the systematic, data-oriented approach to manage people at work that relies on positive reinforcement as the major way to maximize performance (SDR. Vol. 1 No.2, 2002:27).

2.8 Characteristics of effective performance assessment.

There must be a policy that has been consulted and negotiated with all stakeholders. The policy should be understood by all the employees affected. It must clarify the intention of the organization. The policy must focus on service delivery.

The performance assessment system must support team initiatives. Organisational effectiveness depends on team work rather than on individual performance (Greer, 2001:236).

The system must be able to identify areas where employee needs to improve, and must be able to detect causes of performance problems, such as systems, training or processes and other support, such as counseling and coaching. It must be able to monitor the implementation of these success barriers, once identified.

Performance management procedures should minimise the administrative burden on supervisors, while maintaining transparency and administrative justice (Public Service Regulations, Part VIII A).

The system must be able to avoid and or detect bias in the judgment managers, such as prejudice, leniency or strictness. Good objectives (targets and tasks) should have the characteristics established in SMART principles. The acronym, stand for specific, measurable, achievable, relevant and time-bound, in which the objectives should be defined (Armstrong, 2003:488), and form the bases for assessment. The performance standards should promote self-management.

The system must be based on participative, collaborative and joint goal setting and identification of criteria and standards of performance. It should thus be customer-driven.

The system should be able to track performance and provide operational feedback. It should identify root causes of performance problems.

It should facilitate organisational learning. It should provide actionable data, and should not just be a once-off event. The system should focus on continuous improvement rather than just compliance and control.

Noe, et al., said that the performance system that complies with most of the above characteristics has the potential of being accepted and being believed (2003:334).

2.9 Pitfalls of performance management.

Meyer and Botha outlined the following as pitfalls of performance management (2004:361):

- ❖ Performance goals or targets are unclear. Performance standards are non-existent, vague or difficult to measure.
- ❖ There is no link between the performance management system and the overall goals of the organisations.
- ❖ Line management does not take ownership of performance management.
- ❖ Poor performance is tolerated, which creates a situation in which employees are not encouraged to correct their under-performance.
- ❖ Managers are not trained in performance management, and therefore do not know how to conduct performance reviews and discussions.
- ❖ Managers commit typical rating errors such as bias, subjectivity and central tendency.
- ❖ There is a lack of monitoring and follow-up by the HR department and management, which means that performance management is only treated as a paper exercise.
- ❖ There is often a lack of integration of different human resources functions to make performance management work, for example, training and development, career management, recruitment and selection (2004:361).

2.10 Conclusion.

The goals of human resource management are to achieve high performance through people, enhancing motivation, commitment and job engagement. The other aim of human resources management is to increase the

capabilities and potential of people by providing learning and continuous development opportunities. If these are achieved employee-employer relations are improved, thereby creating a climate in which a productive and harmonious relationship is maintained through partnerships between management and employees.

The theories, approaches and models that enhance efficiency and effectiveness in service delivery are discussed in Chapter 3.

CHAPTER 3; LITERATURE REVIEW

3.1 Introduction

This chapter discusses various approaches, theories and models to performance assessment, current practices relating to performance management, its objectives and benefits to the organization. It also gives a brief account of the importance of training for effective implementation of performance assessment. Problems associated with performance assessment and current performance assessment practices in the public service are also discussed.

3.2 Performance management.

Performance Management is a conscious, systematic and objective process of allocating tasks to individuals and/or teams towards the achievement of the organisational strategic objectives. It includes providing ongoing feedback, coaching and support, and measuring performance in accordance with the agreed performance standards (Mello, 2002:298). It is a means of getting better results from the organisation, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements.

Performance management is viewed as central to good human resources management (Towers, 1992:187). It constitutes all those processes designed to manage performance, supported by effective, developmentally focused systems which are aligned to the vision, strategic goals and objectives of the organisation. Performance assessment involves an analysis of past performance, with the aim of planning for the future.

It is an organisational approach to improve performance by aligning planning and management. It links corporate planning and budgetary cycles and plans to division, team and individual planning, training, reward and recognition activities (Greer, 2001:226).

3.3 Approaches to performance management.

There are different approaches to performance assessment that have evolved over time. A few of the approaches are discussed below:

3.3.1 Forced-ranking system.

Noe, et al., (2003:325) define the forced-ranking system as a performance assessment approach where a determination is made at the beginning of the performance period to the effect that certain percentage of employees will be classified as above average, average and below average over the performance period. A determination could be made that 10% of employees should be rated above average, while 60% and 30% are to be rated average and below average respectively. The below average will either not receive bonuses, be demoted or their continued employment could be investigated.

This approach has a negative impact on morale and destroys team work, since it forces line managers to rate a certain predetermined percentage of employees as poor performers, irrespective of their good performance.

3.3.2 The Attributive Approach.

This approach focuses on employee's attributes and the extents to which these attributes or personality or skills are desirable for company success. The performance dimensions such as problem solving, leadership and teamwork are used. The approach commonly uses assessment techniques such as the Graphic Rating Scale and Mixed Standard Scale (Noe, et al., 2003:339).

While this approach is easy to use, it falls short of defining/mapping performance standards such as on teamwork or problem solving. The standards are thus vague, and hence low on validity and reliability of the result.

3.3.3 Comparative Approach.

The Comparative Approach in performance management requires the raters to compare an individual's performance with that of others. Techniques of this approach are ranking, forced distribution and Paired Comparison. The validity and reliability of the performance assessment outcome depend on the raters, (Noe, et al., 2003:337), since issues such as bias and strictness based on relationships are human elements associated with assessments.

The approach has the potential to discourage teamwork and affect the morale of employees. The line manager may be impressed by particular behavior of employees because it conforms to his/her norm and paradigm on life in general. Those whose behavior is seen as deviant to the line manager's would be unfairly prejudiced.

3.3.4 Management by Objectives.

van Niekerk, (1988:46) defines Management by Objectives (MBO) as a management technique aimed at involving the individual worker by means of an interactive process of goal setting, participation in decision-making and performance feedback. The technique is useful for task allocation and controlling tasks objectively and evaluating workers, deciding on the remuneration and developmental aspects.

The technique has four elements, namely; total management, time strategy, participation and motivation and the planning of goals.

The MBO process, namely, establishment of goals, confirming and goals, executing tasks in order to achieve the goals, controlling the achievements of goals, evaluating planned performance and goal determination, is depicted in figure 3.1.

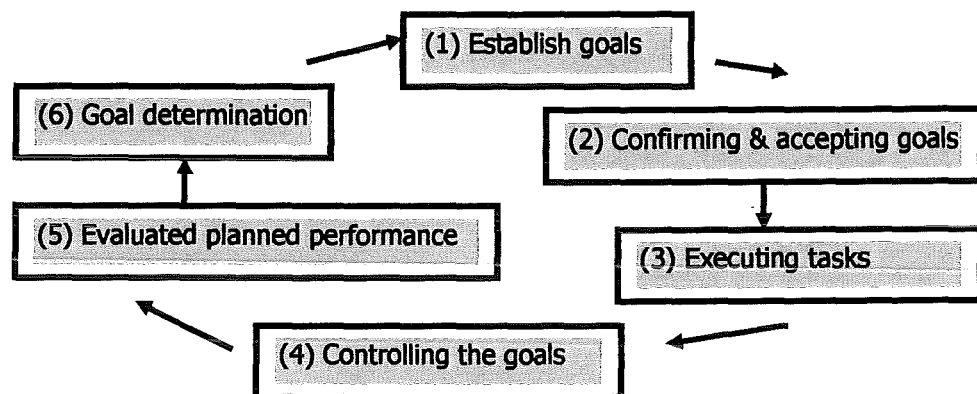


Figure 3.1: Management by Objectives

Mello (2002:307) identified the following advantages of M.B.O.

M.B.O. improves the potential for increasing output, stimulating cooperation between divisions and stimulating participation in decision making process. It improves time management, eliminates vague work standards, improves communication between workers and employees, and it eliminates frustrations, since the employees are made aware of what is expected from them at the beginning.

It creates serious problems when it is not properly understood and/or not supported by top management (van Niekerk, 1988:50). It automatically necessitates change, as it requires certain organisational cultures, systems and processes to change. New methods and procedures are normally opposed and resisted by managers and workers. Joint determination of work plans and quarterly performance reviews requires good interpersonal and conflict resolution skills.

It is also difficult to set objectives that subscribe to SMART principles. These skills are often lacking, leading to conflict. Ambiguous performance indicators have the potential for conflict at the time of performance reviews. Management by objectives functions better when supported by regular feedback to workers.

3.3.5 Merit rating technique.

The merit rating technique, also known as performance appraisal, is used to evaluate a worker's achievement over a certain period in terms of certain criteria for a particular post. It measures knowledge of work, attitude towards subordinates, personal appearance, cooperation, reliability, career consciousness, dedication, accuracy, responsibility, initiative, behaviour,

ability to communicate, time management, punctuality, trust, tact, loyalty and other leadership characteristics (van Niekerk, 1988:117).

These approaches emphasis the need to have performance expectations agreed upon between the line manager and the employee, at the beginning of each assessment period.

3.4 Relationship between human resources management and organisational performance.

The goal of human resources management is to achieve high performance through people, enhancing motivation, commitment and job engagement. The other aim is to increase the capabilities and potential of people by providing learning and continuous development opportunities. It also aims at fostering employee relations, thereby creating a climate in which productive and harmonious relationships can be maintained through partnerships between management and employees (Bohlander & Snell, 2004:3).

Armstrong (2003:13), outlines the outcomes of research studies relating to the impact of effective human resources management and organisational performance. The outcomes of these researches identify a positive relationship between effective human resources management and improved organisational performance. Armstrong (2003:22) asserted that the human resources cycle consists of four generic processes or functions, performed in all organisations illustrated in the schematic representation in figure 3.2.

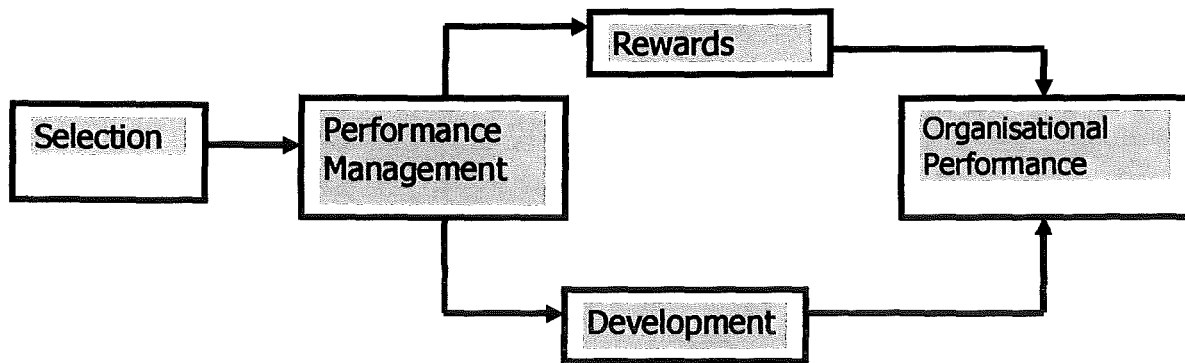


Figure 3.2: Human resources generic processes or functions in organisations.

3.5 Use of performance management in organisations.

Performance assessments provide strategic information used to link employee activities with organisational goals (Noe et al., 2003:330). Integration of human resources planning and coordination of other personnel functions emanate from the performance assessment results. It also provides for a centralised record of performance for each employee, resulting in increased management control over work and results.

Administrative actions, such as personnel actions, counseling, promotion and transfers are taken on the basis of performance assessment results (Cherrington, 1989:212). Decisions on employees' compensation are also based on information derived from performance assessments. Strategies to remedy poor performance, solve individual performance problems in a constructive manner and reward good performance are established on the basis of performance assessment results. Administrative decisions, such as salary administration and recognition of employee performance, are taken on the basis of the outcome of the performance assessment results.

Performance management also promotes and establishes a performance contract between an employee and employer. It also instills and sustains performance culture within the public service. Alignments of the activities of each employee with the strategic objective of the organisation become possible when performance assessments are carried out effectively. Performance management also enhances communication. This is due to the fact that an effective performance management system requires the supervisor to consult with the employee when setting performance standards and when conducting periodic performance assessment reviews.

Performance improvement interventions, such as changing the processes, systems or training decisions are determined on the results of performance assessments (Anderson, 1994:13). Individual employees are able to take charge of their own developmental goals. Performance assessment also ensures a continuous cycle of planning and capacity building.

Towers (1992:189) conducted a study to determine the usefulness of performance assessment to organisations. Table 3.1 reflects the results from the study.

Table 3.1: Uses of performance assessment results by organisations

Organisation uses performance assessments for	Percentage
To review past performance	98%
To assess training	97%
To improve current performance	97%
To set performance objective	81%
To assess career planning decisions	75%
To assess future potential	71%
To assess salary increases	40%

The study suggests that it is not advisable to attach salary increments to performance assessment system.

3.6 Benefits of performance management to the organisation.

Performance management provides organisation with information that is indispensable to planning and informed decision making. It is a management tool that could effectively be used to attract, retain and maintain a skilled, satisfied and productive group of employees. This would benefit the costly employee replacement process which takes a lot of time to complete.

The development of work plans facilitates cascading of responsibilities to other members of the organization towards common objectives. Clearly defined job expectations with SMART performance standards are communicated to employees. This accelerates the service delivery process. Rewards are clearly linked to performance, and save the department from unnecessary legal action and labor disputes because it provides factual data for performance reviews.

Performance assessments encourage development and commitment, and identify individual training and developmental needs. Towers (1992:188) say that some of the motivational strategies such as feedback, setting objectives, team building and problem solving are linked to performance assessment. It benefits the organization, the manager and the employee (Derven, 1990:112).

3.7 Role of line managers in performance management.

Performance appraisal viewed as the primary means for managing employee performance is the responsibility of the human resources management division (Armstrong, 2003:77-79). Line managers play a pivotal role in that they are responsible for implementing human resources policies, by ensuring that sufficient information about the performance management system has been given to all employees. They should facilitate

the development of work plans for the employees and discuss functions, key performance areas and activities in an open and ongoing manner.

Anderson said failing to make clear the criteria or measures to be used in assessing employees' performance leads to problems such as disagreements and acrimony during performance interview. Often instructions and tasks not congruent with the work plan are allocated to employees (1994:60). However, at the end of the quarter focus is only on those that are on the work plan.

3.8 Role of the human resources management division.

The human resources department must make assessments to identify patterns that suggest bias or over- or under-evaluation. Managers must be evaluated on how they evaluate their employees, to prevent managers having complete power over the employees reporting to them. They must provide training for managers in performance management to reduce the emotional anguish associated with performance appraisal.

Line managers have to give ongoing feedback to employees on their performance. Skill in this function is imperative (Towers, 1992:198).

3.9 Errors and pitfalls associated with performance management.

Performance assessment is not only associated with conflict. There are other barriers and errors that affect performance assessment. There are organisational barriers where employees are penalised because the deadline was not achieved. There are other organisational factors, such as systems and processes problems (Casio, 1998:59) that may have impacted on the

failure to meet the deadline; it might not necessarily be due to poor performance.

Managerial shortcomings are common factors in most of the performance problems. Office politics also play a role in performance assessment.

There are Most Preferred Employees (MPE) who are favored, supported and always protected, while the Least Preferred Employees (LPE) are always prejudiced. Irresponsible managers often use the performance management system as a human relations tool rather than what it purports to stand for (Grobler, et al., 2002:292). Employees may select behavior that needs to be adapted or improved, based on their assessment of what their line managers consider most important when assessing performance, rather than genuinely improving overall performance.

Management style may be an asset or hindrance to the success of programs and systems. Understanding leadership would assist managers to adapt their managerial style to particular situations. Communication skills also impact on the performance assessment interviews. It is common cause that individuals with high self-esteem and good interpersonal skills and who are emotionally stable would under normal circumstances give an accurate account of individual's performance (Luthans, 1998: 379).

3.9.1 Errors associated with performance assessment are:

Recency Error: This is a tendency where managers rate the employee on the basis of recent events. This may adversely impact of the overall assessment of the excellent performer. Keeping and maintaining

performance records can be used to overcome this problem (Grobler, et al., 2002:292).

Halo Effect: The general impression of the employee (good/bad) influences other ratings. This is where the rater assigns scores to the employee on the basis of a general impression of the employee (Luthans, 1998:120).

Central Tendency: Managers have a tendency of rating most of the employees averagely. This is common where managers do not have facts to defend over/under rating of employees when required to do so (Coopers & Schindler, 2001:235).

Error of Strictness or Leniency: Some managers are by nature hard to please. These are managers who are task-oriented and seek perfection. Other managers are more easygoing. These managers might confuse achieving output with relationship (Coopers & Schindler, 2001:235).

3.9.2 Pitfalls of performance management.

Meyer and Botha outlined the following as pitfalls of performance management (2004:361):

- ❖ Performance goals or targets are unclear.
- ❖ Performance standards are non-existent, vague or difficult to measure.
- ❖ There is no link between the performance management system and the overall goals of the organisation.
- ❖ Line management does not take ownership of performance management.
- ❖ Poor performance is tolerated, which creates a situation in which employees are not encouraged to correct their under-performance.
- ❖ Managers are not trained in performance management, and therefore do not know how to conduct performance reviews and discussions.

- ❖ Managers commit typical rating errors such as bias, subjectivity and the central tendency.
- ❖ There is lack of monitoring and follow-up by the HR department and management, which means that performance management is only treated as a paper exercise.
- ❖ There is often lack of integration of different human resources functions to make performance management work, for example, training and development, career management and recruitment and selection (2004:361).

Table 3.2 accounts for managers intentionally inflating or lower ratings. Grobler, et al., (2002:292) have cited some scaring reasons why managers intentionally inflate or lower the ratings of employees.

Table 3.2: Reasons why managers intentionally inflate or lower ratings.

Reasons why managers intentionally inflate ratings	Reasons why managers intentionally lower ratings
Belief that accurate ratings would have damaging effect on the employees' motivation	To scare an employee into better performance.
Desire to improve eligibility for merit rating	To punish a difficult or rebellious employees
Desire to reward employees displaying great effort even when the results are relatively low	To encourage a problem employee to quit
Desire to protect good performers, whose performance decreased due to systems, processes, and other problems that could be attributed to the manager	To comply with the organizational culture that discourages managers to give high ratings
Need to avoid confrontation with hard-to-manage employees	To minimize the amount of the merit reward increase

3.10 Sources of Authority for Public Service Performance Management.

The South African Public Service Performance Management and Development System has its legislative framework from Chapter 10 of the Constitution of the Republic of South Africa, 1996. This chapter sets out principles, among which is the maximization of human potential through good human resources management and career development practices (The Constitution of the Republic of South Africa, 1996:107).

The White Paper on the Public Service Transformation and the White Paper on Transformation of the Service Delivery emphasizes performance management and rewarding employees relating to provision of customer service. The other framework is provided by the White Paper on Human Resources Management, which recommends rewarding those who are dedicated and perform well in the public service. It also emphasizes the need to identify, train and develop interventions needed to deal with poor performance. On the other hand, the Public Service Laws Amendment Act clearly devolves powers to manage performance to executive authority, who may delegate it to the Head of Departments (Provincial PMDS Guide 2003:7).

The Department of Public Service and Administration, through the Public Service Regulations, holds national departments and respective provinces responsible for management of performance, thus enabling them to develop own performance management policies (DPSA: Baseline, 1999:10). It sets out principles for the PMDS which must be implemented in the Public Service. The principles include that the performance management procedure should minimise administrative burden on supervisors.

3.11 The North West PMDS policy

In response to the national policy on the performance management and development system, which requires provinces to develop their performance assessment system, the North West Provincial Administration engaged in consultation process with respective stakeholders including the labour movements? This process culminated in the approval of the PMDS policy by the North West Provincial Administration.

3.12 The PMDS process.

Performance management, in this view, will therefore involve very detailed planning processes, and tight specification of areas of responsibility for tasks arising from these plans. It will involve detailed costing and the direct linking of budgets to plans. Managers will then be allocated budgets in relation to specific tasks, and held accountable for achieving the results related to their specific budgetary allocation. Managers will then break down the result they are responsible for achieving into separate tasks, and allocate these among the staff who report to them. If this staffs are managers or supervisors, the process will be repeated until the allocation of responsibilities goes right down through the organisation. All staff will be allocated distinct responsibility for achieving specific results, which are clear, measurable, and within their control to achieve. The assumption is that, once the separate results have been achieved at each level, this will add up to the achievement of the specific result for which the manager is responsible and so on, up the organisation, until the overall goals of the organisation are met (PMDS Guide, 2003:56).

3.13 The North West Provincial Performance Management and Development System model.

The PMDS incorporates the Departmental Strategic Plan, which translates into the operational plans for each programme. Individual employees are then required to establish personal work plans together with their respective line managers. The work plans must provide clear key performance indicators with goals and targets.

Line managers are then required to constantly monitor the performance of individual employees and teams and to provide support and coaching. There are quarterly performance reviews that need to take place and developmental needs identified during the review process. Work plans for the following quarter are to be established and signed jointly by the line manager and the employee. Circumstances may dictate that the work plan be adjusted during the performance review period.

Annual Performance Assessments are to be completed at the end of the financial year. Deserving employees are then rewarded accordingly. The PMDS is, in practice, linked to salary adjustments and performance bonus.

The North West Provincial Performance Management and Development System model is depicted in figure 3.3.

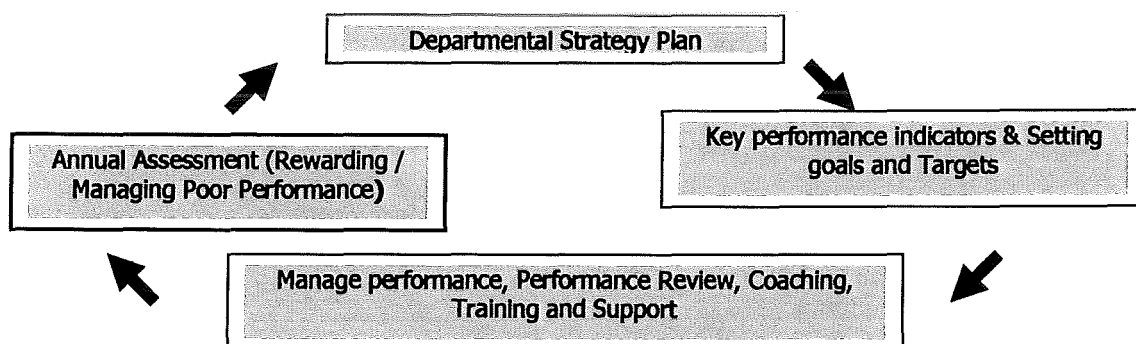


Figure 3.3: North West Provincial Performance Management and Development System model

3.14 Conclusion

Armstrong (2003:33) states that human resources management is much more of an integrated line management activity, and emphasizes the importance of senior management being involved in the management of culture, and not to attempt to influence line management. The success of human resources policies and systems depends on how the policies and practices are implemented by respective line managers.

The history of the performance assessment system is one of confrontation and conflict, of poisoned relationships and frustrated hope. This has led to dissatisfaction, low morale and high labor turnover (Towers, 1992:187). According to Armstrong it is imperative for senior management to follow up and evaluate the results of the initiatives and not to take things for granted (2003:127). The policy should also be monitored and reviewed to align it with changes in the environment.

CHAPTER 4: PROBLEM STATEMENT

4.1 Introduction.

In Chapter four the general statement of the problem, based on theory and the literature review, is given. Research questions and two propositions are also stated.

The private and public sector have, since the new dispensation, embarked on major reform programmes, approaches and restructuring, which includes a range of management reform models. The public service introduced the White Paper on the Public Service Transformation; the Public Service Regulations; the White Paper on Human Resources Management in the Public Service; the Skills Development Act and the Human Resources Development Strategy for the Public Sector. These reforms are geared towards improving the lives of South African communities. Service delivery can only be achieved through people management programmes (Noe, et al., 2003:326). Effective and efficient service delivery hinges on effective performance.

Often these transformational documents are not understood by those who are expected to implement let alone reading them. It is imperative for organizations to always monitor and evaluate the implementation and the impact of programmes introduced (Bohlander & Snell 2004:264).

4.2 Statement of the problem.

The Public sector also introduced the performance measurement system. The measurement tool used is called the Performance Management and

Development System (PMDS). The PMDS is seen as a management tool to deal with challenges relating to efficiency and people management. It is a system or a business process to maximize all kinds of performance and the behavior that drive performance. It is a process of managing the execution of the organisational strategy (Robbins, 2003:321).

Effective implementation of any system depends on understanding the system and its intention. Often these are not read by members of organizations. Management commitment is also imperative for creating an environment for the implementation programmes, which includes monitoring the implementation thereof.

Ad hoc implementation of the PMDS has adverse consequences to the strategic goals of the organization that compromises service delivery. Employee morale, positive relationships and employees' willingness to work could be reduced. There is also a backlog that impacts on the budget of the subsequent financial year.

Managers have the responsibility to plan on how to achieve their goals. If you are not measuring, you are not managing. Management is a process through which you act to make something happen. Performance measurements are the tools to evaluate progress in the strategic plan. If you cannot recognize failure you cannot correct it, and what gets measured gets done. Managers are known to be reluctant to carry appraisals (Towers, 1992:187).

The study attempts to determine how effectively the PMDS is operating in the public sector, and to implement the PMDS in the Department of Economic Development and Tourism with regard to the process as outlined in the provincial policy.

4.3 Research questions.

More specifically, the study has the following research questions:

- 4.3.1 To determine how effectively the PMDS is operating in the public sector.
- 4.3.2 To evaluate the implementation of the PMDS in the Department of Economic Development and Tourism.

4.4 Propositions

Proposition 1: The Department of Economic Development and Tourism implements the Performance Management and Development System according to the dictates of the PMDS policy.

Proposition 2: Employees of the Department of Economic Development and Tourism has the capacity to implement the Performance Management and Development System.

4.5 Rationale for proposition.

The study intends to obtain information in the PMDS, and would ask pertinent questions, as listed below:

4.5.1 How is planning of performance done?

Departments are required to develop strategic plans. This is the process by which top management determines the overall strategic direction, priorities,

organisational purpose and objectives. The process has to determine how these would be achieved. The end product of the strategic planning is the strategic plan, which outlines the mission statement, environmental analysis, organisational self-assessment of resources and management systems. Goals and objectives are also developed on the basis of founded/established assumptions (Mello, 2002:63). The strategic plans can be medium or long-term.

4.5.2 Are there clear key performance indicators for employees? Are there goals and target enhancing motivations for employees to work towards?

Key performance indicators are those factors that indicate the successful execution of a particular task. They consist of standards of performance that are specific, measurable in terms of quality, quantity, time and cost, attainability, and realism (PMDS Guide, 2003:7). These serve as signposts along the way towards achieving the organisational objectives (Hersey, et al., 1996:511).

Effective performance planning requires employees and supervisors to work together to set performance expectations and plan for the future. Planning of performance facilitates legal compliance against claims for unfair claims on adverse ratings (Mello, 2002:299).

Setting goals and targets is the process of listing most of the activities that you want the employee to accomplish over a specified period of time. Goals and target setting theory, according to Locke assumes that motivation is enhanced when individuals work toward specific and targeted goals (Mello, 2002:307).

4.5.3 How is the performance of the employees managed? What is the frequency of performance review and assessed?

Organisations that provide its employees the resources required to perform respective tasks gain competitive advantage over those that do not. Line managers must ensure that there is constant monitoring of individual and group performance, and performance must be recorded (Grobler, et al., 2002:265). Other intervention and support, such as planning of performer development, job instructions and guidance, training, counseling, confronting, coaching and mentoring must be introduced (Hersey, et al., 1996:395). Employees must be stimulated to perform more by providing timely feedback (Grobler, et al., 2002:324).

Performance assessment is a deliberate process of objective assessment of employees' performance against predetermined performance goals. The process provides data on which to base training and other developmental interventions to improve performance, and also data on which to base rewards (Cherrington, 1989:211). It may also refer to the continuous process of feedback and problem solving that occurs more informally (PMDS Guide, 2004:12). Performance reviews should be conducted at least twice in a year.

4.5.4 How is performance of employees rewarded?

This refers to any type of incentive or recognition that is based on the actual performance of individual employee or groups. Its aim is to reward performance and to motivate employees to perform better (www.opm.gov/perform/reward.asp). Grobler, et al., asserted that performance-based pay intends to link rewards and incentives to

employees' performance (2002:399). The timing of the rewards is therefore important, and should not be delayed, so that employees must be able to link rewards to performance.

4.6 Conclusion.

Chapter 4 dealt with the problem statement. First it was stated in general terms, followed by a series of research questions and two propositions. In the next chapter an exposition of the research design and analysis is given.

CHAPTER 5: RESEARCH DESIGN

5.1 Introduction

In the previous chapter the research problem, a proposition and six research questions were formulated. This chapter deals with the population sample, the instruments used for the collection of data and the data analysis techniques used to process and analyse the data.

5.2 Population.

The population is the employees of the Department of Economic Development and Tourism in the North West province at Mmabatho. The department has just been configured by the Premier of the North West. It is constituted by former Administration (Finance, Communications and Corporate Services) employees from the Department of Safety and Liaison, employees from Chief Directorate from the Department of Finance and Economic Development and employees in the Directorate Tourism from the Department of Agriculture, Conservation and Tourism.

This department has a total staff complement of seventy eight (78) members in the establishment at the Head Office. The sample will be drawn from this population. Table 5.1 shows the population classification per salary levels.

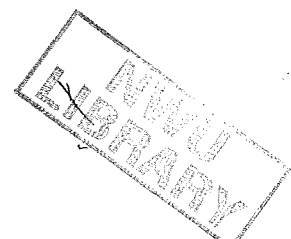


Table 5.1: The population classification per salary levels

Salary level	Total employees	Total employees (%)
01 – 05 (Elementary)	10	12.82%
06 – 08 (Junior managers)	35	44.87%
09 – 12 (Middle managers)	22	28.21%
13 & above (Directors & above)	11	14.10%
Total	78	100%

5.3 Measuring instrument.

There are various techniques that could be used to collect data. Techniques include Delphi techniques, brainstorming, nominal group techniques, observation, survey, interviews, questionnaires, and others. Each technique has advantages and disadvantages with regard to cost, time, quality of information received, validity and reliability, and relevance to the nature of the problem. The nature of the problem determines the nature of the techniques to be used (Cooper & Schindler, 2001:135).

A good measurement tool is one that is able to provide the researcher with consistent output, and should measure what it purports to measure (Cooper & Schindler, 2001:210). Content validity, criterion-related validity and construct validity were considered in the construction of the measuring instrument.

To ensure reliability of the measuring instrument, which could be achieved by test-retest, parallel form or split-half method (Cooper & Schindler, 2001:216), the researcher used colleagues with knowledge of the subject to



assess the reliability of the measuring instrument used for this study. Time factor and cost implications informed this approach.

The assessments with regard to the appropriate data-gathering tool yielded the questionnaire as most relevant and appropriate tool to use. Issues such as relevance, validity and reliability, and time-saving, costs, ability to cover a large geographical area were considered. Other considerations were the capability of the questionnaire to gather first-hand information from respondents, since they complete the questionnaire in their own time, and do not have to provide their names.

A good questionnaire contains both open-ended and closed questions (Reaves, 1992:109) and (Brynard & Hanekom, 1997:38). The questions were a mixture of forced choice, multiple choice and open-ended questions (Cooper & Schindler, 2001:362). It is on this basis that both forms of questions were included in the questionnaire for this study.

5.4 Sampling method.

A research sample represents the target population that is evaluated. A sample can be drawn in either a probability or non-probability way (Cooper & Schindler, 2001:185). For this study a stratified random sampling method was used (Thomas, 2004:107). The aim was to increase sample statistical efficiency and to draw conclusions about characteristics of different subgroups. It also became possible to control the sample size in strata (Cooper & Schindler, 2001:185). Cost effectiveness of the method and the time needed were also considered. The population was categorised according to parameters (salary levels). It was divided into mutually exclusive subpopulations as per salary level. All levels/elements of the

population were included in the sample. The subjects/possible respondents were then randomly chosen within each subgroup. The questionnaires were then distributed randomly to sample elements per subpopulation, equal to the predetermined sample sizes.

The sample size was pitched at fifty percent (50%) of the population. This was done to ensure maximum credibility of the research, and to minimise the error. This was also made possible by the availability of the sample elements (Reaves, 1992: 99).

5.5 Ethical considerations.

It is also imperative for the respondents to feel free to express their opinion without fear (Reaves, 1992:93). To this end the respondents were assured, in the statement to the questionnaire, that:

- The questionnaire is structured in such a way that it could not be traced back to them
- Views expressed in the questionnaires will be treated with maximum confidentiality
- The questionnaire will be used only for academic purposes

The distribution of the questionnaire should be such that it encourages participants to respond voluntarily because they are assured that the responses would not be traced back to them.

5.6 Data analysis.

The Statistical Package for the Social Science (SPSS), which contains a comprehensive set of procedures for organizing, transforming and analyzing quantitative data, was used to analyse data (Thomas, 2004:227).

5.7 Descriptive statistics.

Descriptive statistics were used to analyse and summaries data. This method is relevant when describing situations and events (Babbie, 1995:85) in the present. Tables, pie charts, graphs, frequencies and percentages were used to present quantitative descriptions in a manageable form, such as describing single variables and describing associations that connect one variable with another (Cooper & Schindler, 2001:441 & Babbie, 1995:416).

5.8 Conclusion.

In this chapter an exposition of the investigation was given. In the next chapter the results of the study are presented.

CHAPTER 6: RESEARCH RESULTS

6.1 Introduction

Chapter 5 covered the research design and analysis. In Chapter 6 the results of the study are presented and interpreted in line with the objectives of the research, as spelled out in Chapter 1.

6.2 Demographics of respondents.

Table 6.1 reflects the population, distribution of questionnaires and return rate, classified according to the salary levels. The department consists of seventy-eight (78) employees. A total of forty (40) questionnaires were distributed to members of the department. A total of twenty-nine (29) were returned.

Table 6.1: Population, distribution and response rate classified according to salary level.

Total employees (Population)	Received per Salary Level	Questionnaire Issued	Questionnaire received
10	level 1-5	5	1
35	level 6-8	17	9
22	level 9-12	12	9
11	level 13 and above	6	3
	Did not indicate salary levels		4
	Response rate is 29 (73%)	40	26 (65%)
	Discarded		3
78	Total		29

Figure 6.1 shows the number of years that respondents have been in the Public Service. Sixty-eight percent (68%) of the respondents have been in the public service for seven years or more, while thirty-one percent (31%) of the respondents have been in the public service between four and six (4-6) years. four percent (4%) have been in the public service for less than four years.

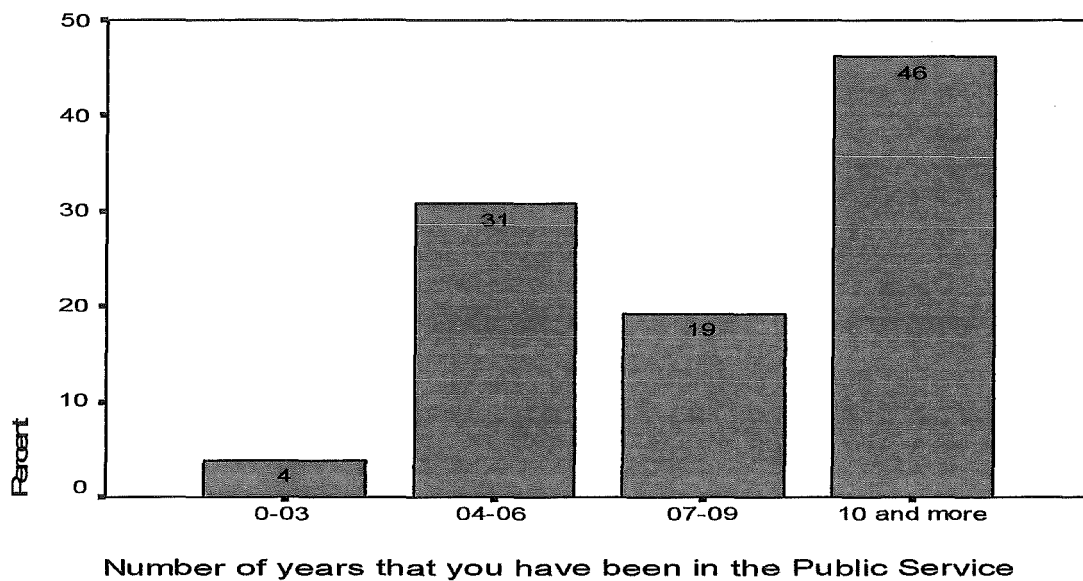


Figure 6.1 Number of years that respondents have been in the Public Service

Figure 6.2 represents salary levels of the respondents. Eighty-two percent (82%) of those who responded on their salary level are on levels of line management ranging from salary level 6 to 13 and above, while only eighteen percent (18%) are on salary level 1-5.

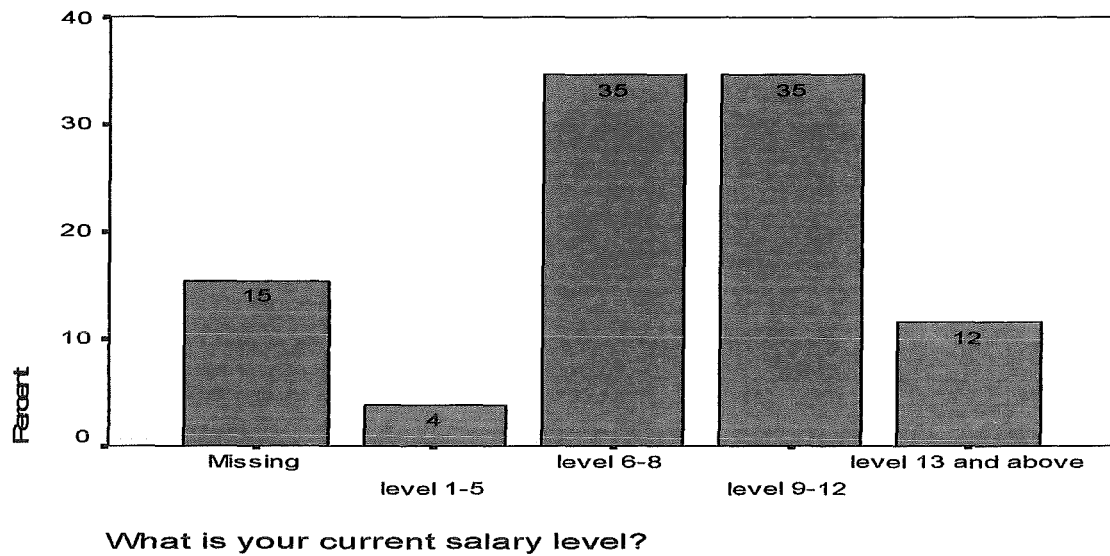


Figure 6.2 Salary levels of respondents

As to whether PMDS is practiced in the department, eighty-nine percent (89%) of the respondents said that it is, and eleven percent (11%) said they are not sure whether PMDS is practiced in the department or not practiced.

Sixty-two percent (62%) of respondents have been subjected to performance appraisals for a period less than 3 years, while thirty-eight percent (38 %) of the respondents have been subjected to performance appraisals for a period between 4 to 6 years.

As to the respondents' response on their experience on performance appraisals, 38% of the respondents said their experience has been good, and an equal number said their experience was bad. 19% were not sure of their feelings towards the performance appraisals.

6.2.1 Research question 1: How is planning of performance for employees done?

Eighty-one percent (81%) of the respondents said they have work plans developed, while nineteen percent (19%) did not have work plans for the performance period.

Figure 6.3 shows that period within the performance period when the work plans are developed. Thirty-five percent (35%) of the respondents said work plans are usually developed at the beginning of each quarter, and twenty-three percent (23%) were not sure, or else the development is not systematic. Nineteen percent (19%) said they are developed at the end of the performance. Twelve percent (12%) said they are developed just before the annual performance assessments are carried out, while four percent (4%) of the respondents said the work plans are developed just before the quarterly performance reviews are conducted. Seven percent (7%) did not respond on when work plans are usually developed.

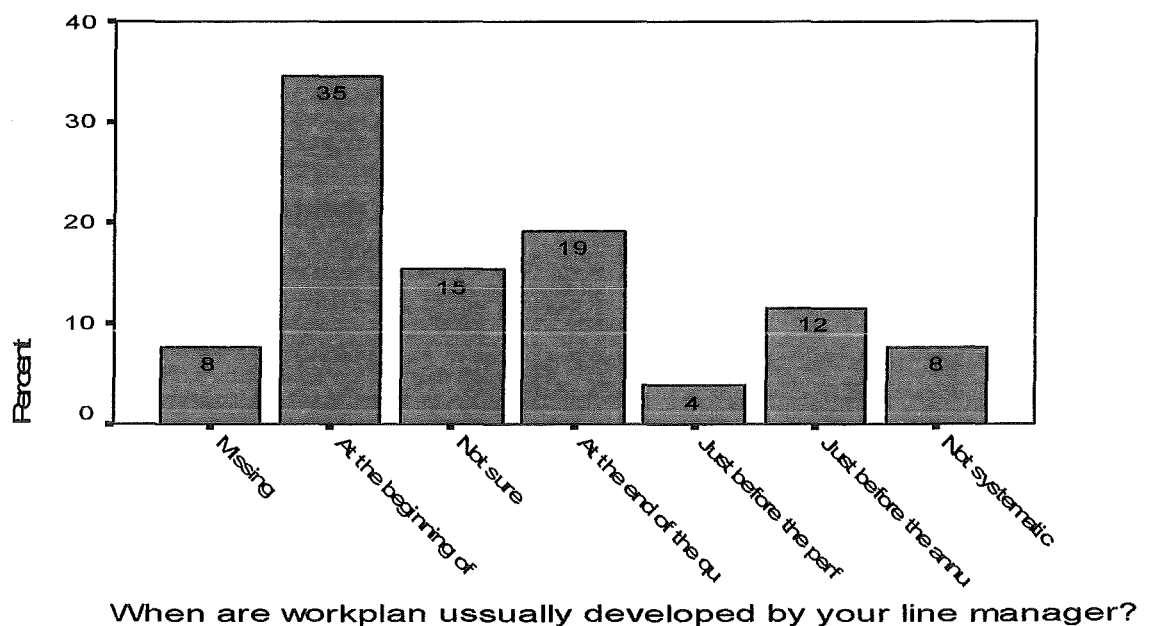


Figure 6.3: When are work plans developed?

As to the process(es) followed in the development of the work plan prior the signing thereof, fifty-five percent (55%) of the respondents said the work plans were developed by themselves, with the supervisor often make changes, twenty-seven percent (27%) of the respondents said the work plan development was a consultative process between employees and line managers, and eighteen percent (18%) of the respondents said their line managers developed the work plans on their own.

6.2.2 Research question 2: How are key performance indicators set?

Asked to respond on the key performance indicators set on work plans, twenty-eight percent (28%) of the respondents said that they have different interpretations during the quarterly performance reviews. Twenty percent (20%) said key performance indicators are not used during performance reviews, and seventeen percent (17%) said that those set on the work plans are ambiguous. Fifteen percent (15%) of the respondents said setting of key performance indicators are merely an academic exercise. Eight percent (8%) said that they provide direction for their performance, and the same percentage said they were not sure of their impact on the work plans. Five percent (5%) said clear key performance indicators are set on their work plans.

Fifty-eight percent (58%) of the respondents said the quarterly work plan does not cover all the activities carried during the quarter, while thirty-five percent (35%) said that it does. Seven percent (7%) did not respond to this question.

6.2.3 Research question 3: How is personnel performance managed? What are the performance management processes?

With regard to the frequency of discussion on performance with the line managers, except for the formal quarterly reviews, four percent (4%) of the respondents said there are frequent discussions with their line managers on performance, while twenty-seven percent (27%) said discussion on performance is sometimes carried out with their line managers. Thirty-five percent (35%) said discussions on performance are rarely held. The same percentage (35%) said discussions on performance are never held.

Figure 6.4 shows the frequency of discussion between employees and their managers:

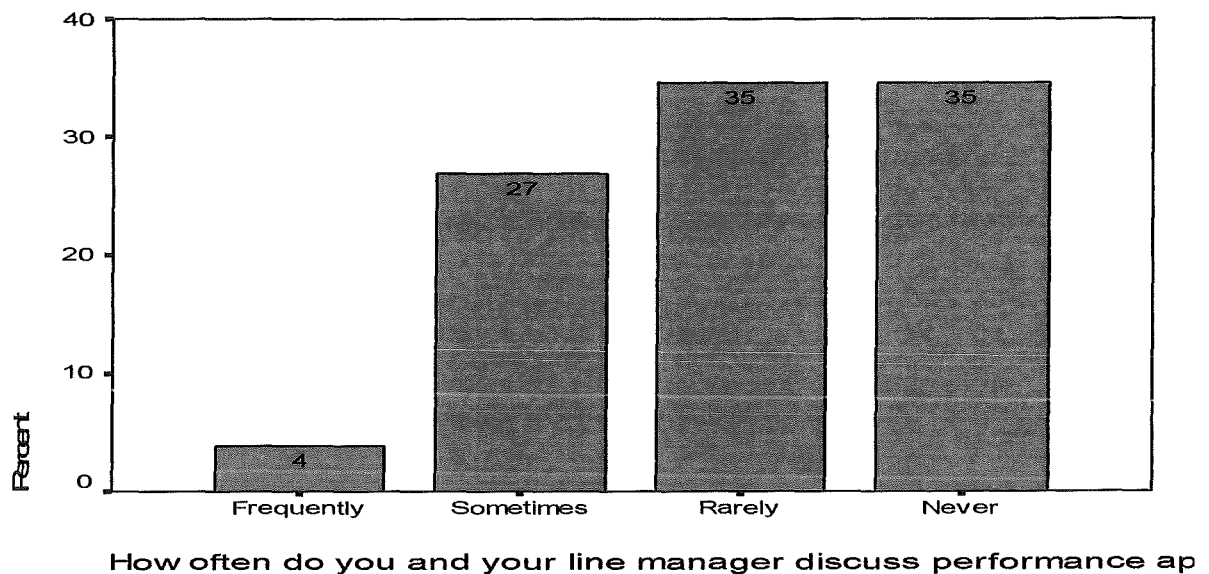


Figure 6.4 Frequency of discussion on performance with line managers

Thirty-eight percent (38%) of the respondents said they had conducted performance reviews for the 1st and 2nd quarter of 2005/06 assessment period. Fifty-four percent (54%) of the respondents said they have not conducted done so. Eight percent (8%) of the respondents did not respond to this question.

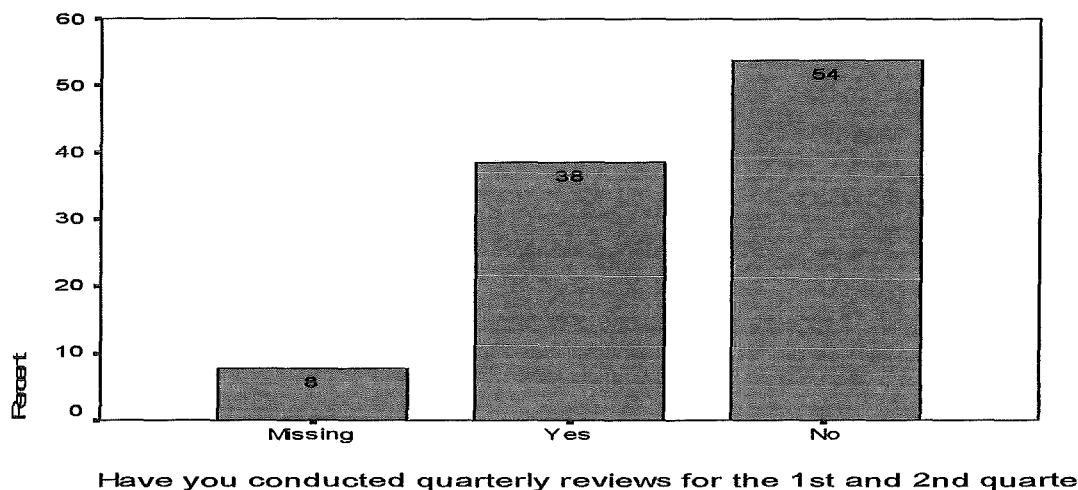


Figure 6.5: Completed performance reviews for 1st and 2nd quarter 2005/06

Reasons advanced for having not conducted performance reviews for the period were as follows:

- ❖ To great a workload
- ❖ Quarterly assessments unnecessary, (coaching and support and annual assessment are enough and appropriate)
- ❖ Crisis management
- ❖ Decided to do it annually
- ❖ Senior management do not care, so no monitoring is being carried out
- ❖ Reconfiguration of departments derailed the process.

Figure 6.6 reflects on the attitude of line managers during performance reviews. Thirty-eight percent (38%) said the line manager's attitude is highly supportive during performance reviews. Fifteen percent (15%) said the line managers are slightly supportive, while the same percentage was neutral. Nineteen percent (19%) said their line manager's attitude during quarterly performance reviews is highly negative, and fifteen percent (15%) said the attitude is slightly negative. Four percent (4%) did not respond to the question on the attitude of line managers during quarterly performance assessment. This is summarised as follows:

Forty-six percent (46%) of the respondents said their line managers' attitude during the quarterly performance assessment was positive. Thirty-four percent (34%) of the respondents said their line managers' attitude was negative. Nineteen percent (19%) of the respondents were either neutral or did not respond to the question

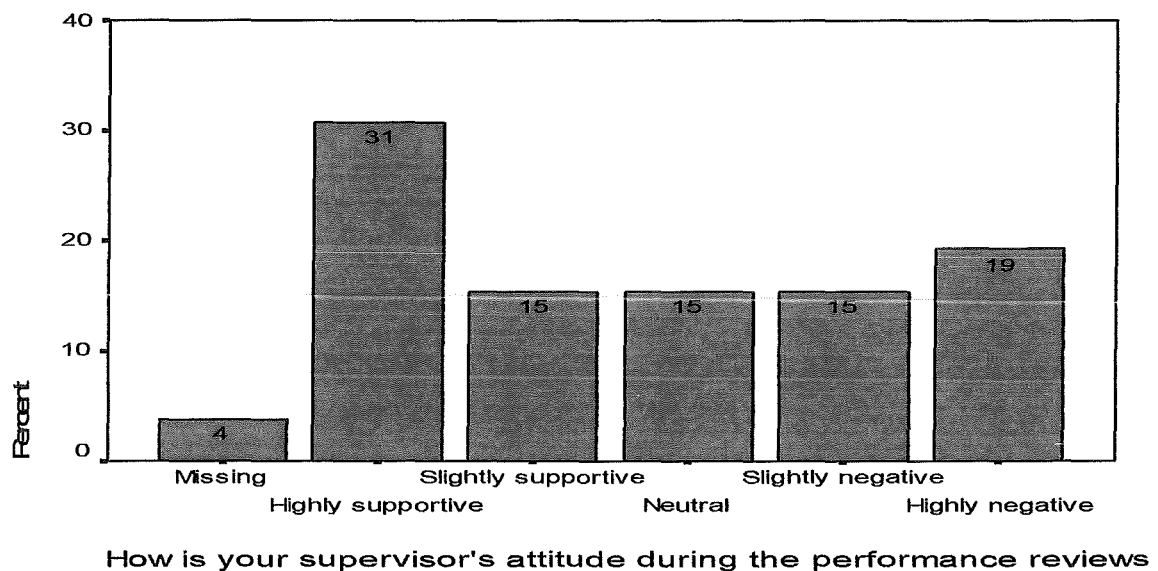


Figure 6.6 Attitude of line managers during quarterly performance reviews

Thirty-eight percent (38%) of the employees said that they had a good experience of performance appraisals and the same percentage said that they had a bad experience of the performance appraisals. Nineteen percent (19%) of the respondents were not sure whether the experienced had on performance appraisals was good or bad.

Table 6.2 reflects the nature of experiences employees had on performance appraisals relating to bad or good.

Table 6.2: The nature of employees' experiences on performance appraisals

Good experience on performance evaluation	Bad experience on performance evaluation
Line manager has the opportunity to discuss service delivery improvement	Developmental aspect of PMDS is never used or considered
It encourages one to go the extra mile	PMDS is not taken seriously by management. That is why there is no constant monitoring
Knowledge of one's short comings on performance encourages one to focus on the weakness and improve	Line managers use PMDS to stamp their authority over employees and to settle scores
It can serve as a motivating factor	PMDS policy is never adhered to
	Moderating committees are biased and toothless
	PMDS implementation is overshadowed by personal sentiments, and discourages performance
	PMDS implementation is rigged because line managers pre-calculate to include or exclude others for performance bonuses
	Many line managers pretend to know PMDS when they actually do not know
	It can bring negative attitudes if used as a punitive measure

As to the involvement of managers from other divisions in assessments during quarterly reviews, sixty-nine (69%) percent of the respondents were of the view that managers from different components of the department should be involved to account in the performance assessment of employees. Nineteen percent (19%) of the respondents were of the view that responsible managers should be the only people capable of giving correct view on the performance of employees reporting to them. Twelve percent (12%) of the respondent did not respond to the question.

Reasons advanced by the respondents with regard to involvement of managers from other divisions are:

- ❖ To reduce bias and adversarial effect of PMDS
- ❖ To ensure fairness and to reduce favoritism
- ❖ Because we sometimes assist other directorates, and functions overlap
- ❖ Because they are conversant with the scope of work
- ❖ To reduce manipulation of scores for ulterior motives associated with PMDS
- ❖ To reduce unnecessary complaints and disputes

Table 6.3 reflects the extent to which respondents feel threatened during the performance review. Thirty-nine percent (39%) of the respondents indicated that they do not feel threatened during the performance reviews. A total of twenty-three percent (23%) feel threatened to a limited extent. Thirty-four percent (34%) of the respondents said they do feel threatened during the performance reviews to varying degrees. Four percent (4%) of the respondents did not answer the question.

Table 6.3 The extent to which respondents feel threatened during performance review

	Frequency	Percent
To a substantial level	4	15%
To some extent	5	19%
To a limited extent	6	23%
Not at all	10	39%
Did not respond	1	4%

Table 6.4 reflects period in which the quarterly performance reviews are usually conducted. Thirty percent (30%) of the respondents said their line managers conduct quarterly performance reviews at the end of each quarter, as prescribed by the PMDS policy. Fifty-eight percent (58%) of the respondents indicated that their line managers carry out quarterly performance reviews either at the end of the financial year or when pressurized to submit them. A total of eleven percent (11%) of the respondents were either not sure, or did not respond to the question.

Table 6.4 Period when the quarterly performance reviews are usually conducted

Period when performance reviews are usually conducted	Frequency	Percent
Immediately after the end of the quarter	8	30%
Not sure	1	4%
At the end of the financial year	3	12%
Only when line managers pressurized to submit	12	46%
Did not respond	2	8%

Table 6.5 reflects factors and elements that line managers focus on during the quarterly performance reviews. Fifty percent (50%) of the respondents said performance reviews are based on the agreed upon work plan for the quarter. Nineteen percent (19%) said that they are based performance as perceived by the line manager and the conduct of the employee during the quarter. Twelve percent (12%) said the performance reviews are based on performance as perceived by the line managers, while twelve percent (12%) of the respondents said that they are normally based on what the employee has put on the quarterly report. Eight percent (8%) did not respond.

Table 6.5: The elements on which line managers focus on during the quarterly performance reviews

The elements on which line managers focus on during the quarterly performance reviews	Frequency	Percent
Performance, as perceived by my line manager	3	12%
Performance in relation to the agreed work plan	13	50%
Performance as presented in the employee's report	3	12%
Performance as perceived by line manager	5	19%
None of the above	1	4%
Did not respond	1	4%

Table 6.6 reflects elements on which managers spend the most time during performance reviews. Forty-six percent (46%) of the respondents said the most time is spent on employees' weakness. Thirty-five percent (35%) said the most time is spent on how employee can improve performance. Four percent (4%) said the most time is spent on the employees' strengths. Fifteen percent (15%) of the respondents did not respond.

Table 6.6: Elements on which managers spend more time during performance reviews

Elements on which managers spend more time during performance reviews	Frequency	Percent
Employee's strength	1	4%
Planning how to improve performance	9	35%
Employees weakness	12	46%
Did not respond	4	15%

When asked to rate their own skills on performance reviews, fifteen percent (15%) of the respondents considered themselves as having the skills, and they rated themselves 100% skilled. Fifty-four percent (54%) rated themselves 75% with regard to the performance review skills. Twenty-three percent (23%) rated themselves as having 50% performance review skills. Eight percent (8%) of the respondents did not respond.

Figure 6.7 represent respondents' self-assessment their performance review skills.

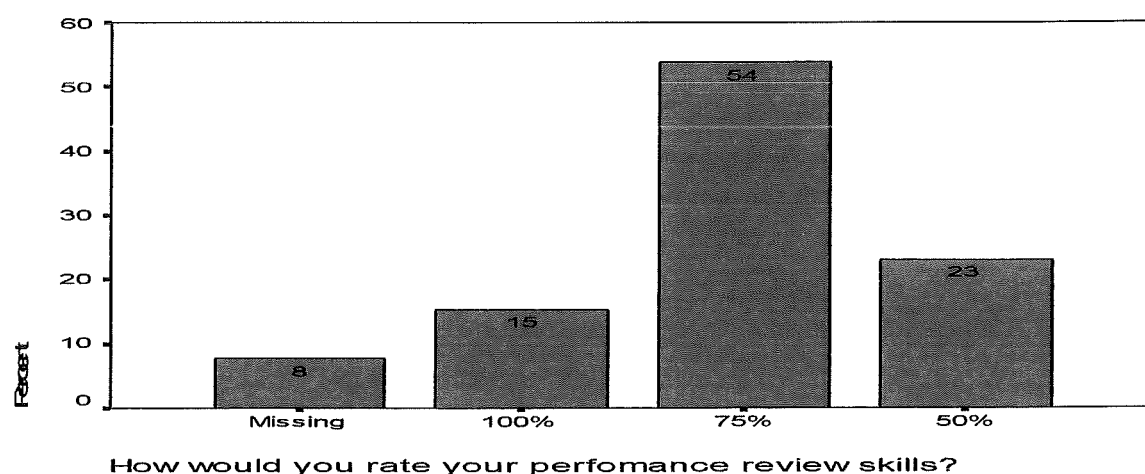


Figure 6.7 Self-assessment on performance review skills

Asked to rate their respective line manager's performance review skills, eight percent (8%) of the respondents rated their line managers as having 100% performance review skills. Thirty-eight percent (38%) rated their line managers' skills at 75%. Twenty-seven percent (27%) rated them as having 50% percent performance review skills. Twenty-three percent of the respondents rated them as having 25% performance review skills. Four (4) percent of the respondents did not respond.

Asked to indicate whether training and developmental needs are identified during performance reviews, thirty-one percent (31%) of the respondents said training and developmental needs are accurately identified during performance reviews, while fifty percent (50%) of the respondents said training and developmental needs are not accurately identified during performance reviews. Nineteen percent (19%) did not respond.

Table 6.7 reflects the responses on the identification and implementation of training needs. Fifteen percent (15%) of the respondents said internal courses are identified during quarterly performance interviews and twelve percent (12%) said internal courses identified courses are actually implemented. Fifty-four percent (54%) of the respondents said neither internal nor external courses, nor coaching nor counseling are identified. Seventy-seven percent (77%) of the respondents said internal, external courses, coaching and counseling are implemented. Eight percent (8%) of the respondents either did not remember or chose not to respond to the question.

Table 6.7 Identification of training and developmental needs, and implementation thereof.

Internal courses		External courses	
Identified	Implemented	Identified	Implemented
15%	12%	23%	8%
None of the above 54%	None of the above 77%	None of the above 54%	None of the above 77%
Did not respond to the question 4%		Did not respond to the question 4%	
Do not remember 4%		Do not remember 4%	

Employees were asked to indicate whether they encounter difficulty in conducting performance interview, and if so, to explain the nature of the difficulty.

The following were advanced as explanations of difficulties encountered:

- ❖ No work plans serving as the basis for expected performance
- ❖ Never attended PMDS training
- ❖ Officials argue on scores without backing up their arguments
- ❖ Performance review becomes a complaint and not review session
- ❖ Employees' performance reports are shallow
- ❖ Managers give rating more on the contents of reports than on the known performance. The emphasis is on report writing rather than performance

On how employees felt at the end of the performance interview, thirty-eight percent (38%) said they felt encouraged. Thirty-one percent (31%) were neutral and four percent (4%) did not respond. Twenty-seven percent (27%) said they

felt discouraged after the performance review. Figure 6.8 represents the feeling of respondents after performance interview.

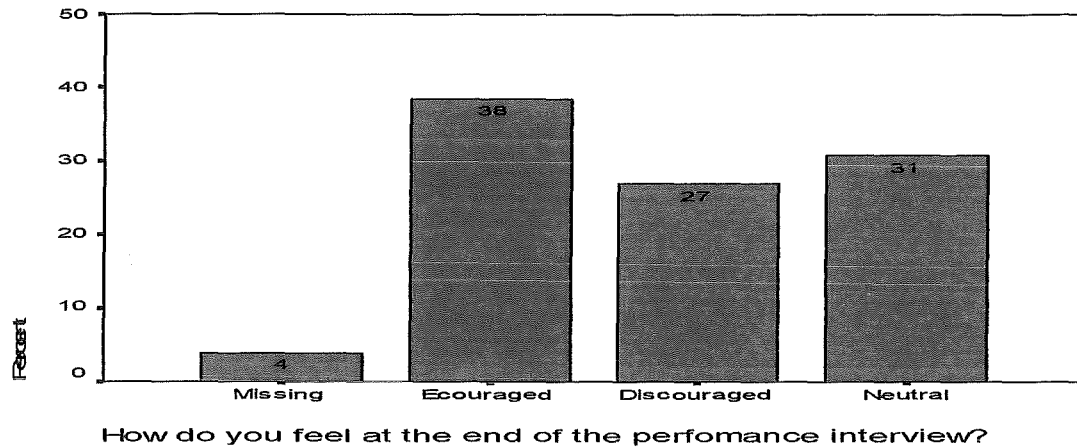


Figure 6.8 Feeling of respondents after performance interview

With regard to the respondents' views on what is negative or positive about the PMD System, forty-six percent (46%) said "yes", thirty-one percent (31%) said "no", and twenty-three percent (23%) were not sure as to whether there are negative or positive things about PMDS. Figure 6.9 reflects views of respondents on what they view as negative or positive about PMDS.

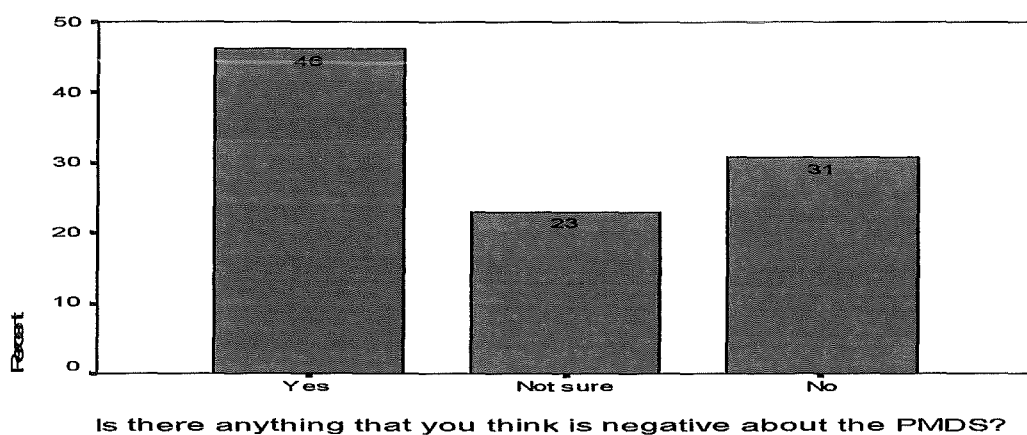


Figure 6.9 reflect respondents' view of what negative/positive about PMDS.

Table 6.8 shows views of respondents on negative and or positive about PMDS.

Table 6.8 Views on positive and negative things about PMDS

What is positive about PMDS	What is negative about PMDS
The system is good, but the application is subject to manipulation	The system is good, but the application is subject to manipulation
Performance standards on which assessment is measured are agreed upon	There is too much paper work which does not necessarily impact on the rating. The rating depends on the relationships and the mercy of the line managers
	The policy is not followed, and there is favoritism
	Attaching rewards for performance on budget is defeating the objectives
	Moderating committee decide without consulting line managers
	Disputes on ratings are lengthy processes and discourage aggrieved employees to challenge ratings they consider unfair
	Tasks allocated daily are not necessarily reflected on the work plan. Line managers disregard work plans
	Rating is subjective
	Employee's conduct is not taken into consideration on the work plans
	Purpose of PMDS defeated because managers do not know evaluation principles

With regard to training on PMDS, forty-two percent (42%) of the respondents said they were trained during 2003, thirty-four percent (34%) were trained during 2004 and only three percent (3%) were trained in 2005. Nineteen percent (19%) of the respondents were not trained.

Table 6.9 reflects the suggested training areas towards improved implementation of PMDS as prioritised by respondents. Eighteen (18) of the twenty-six (26) respondents said development of work plans should be the first priority, and seventeen said that understanding PMDS is the first priority. Nine prioritized Performance interview technique and coaching skills as the second training modules, respectively.

Table 6.9: Training modules prioritised by respondents

Module	Priority A	Priority B	Priority C
Module 1 Performance interview technique	9 (31%)	13 (50%)	3 (12%)
Module 2 Development of work plans	18 (69%)	6 (24%)	2 (8%)
Module 3 Understanding of PMDS	17 (65%)	7 (27%)	2 (8%)
Module 4 Coaching skills	9 (31%)	14 (53%)	2 (8%)

Other modules suggested by the respondents are:

- ❖ Communications for effective implementation of the PMDS monitoring performance
- ❖ Impact of PMDS on motivation of employees
- ❖ Leadership and mentoring
- ❖ How to develop work plans, and how to set performance standards
- ❖ Role of line managers in PMDS
- ❖ How to identify training gaps from PMDS
- ❖ Human relations for effective implementation of the PMDS
- ❖ Diversity management

Sixty-five percent (65%) of the respondents said PMDS makes a meaningful contribution to the department by motivating employees to perform more productively in their jobs. Thirty-one percent (31%) said PMDS does not. Four percent (4%) of the respondents were undecided.

Table 6.10 reflects that eighty-six percent (86%) of the respondents feel threatened during the performance review.

Table 6.10 shows the feeling of employees during performance reviews.

Degree on how employees feel threatened during performance reviews	
To a greater extent	23%
To some extent	50%
To a lesser extent	23%
Not at all threatened	Nil
Did not respond to the question	4%

On the impact of the performance interview on the relationship between line manager (respondents) and employees reporting to them, the views of the line managers are that there is positive impact. The responses are tabulated on table 6.11. The response on the impact of performance reviews on the relationships between respondents (as subordinates) and their supervisors is presented in table 6.12.

Table 6.11: Impact of performance reviews on the relationships between respondents (as line managers) and their subordinates

Response on impact of performance reviews on the relationships between respondents (as line managers) and their subordinates	Percent
Positive impact	46%
Negative impact	23%
No impact	15%
Did not respond to the question	15%

The table 6.12: Response on impact of performance reviews on the relationships between respondents (as subordinates) and their supervisors

Response on impact of performance reviews on the relationships between respondents (as subordinates) and their supervisors	Percent
Positive impact	42%
Negative impact	37%
No impact	15%
Did not respond to the question	3.8

6.2.4 Research question 4: Budget and performance reward (reward good performance) Budget and performance reward Annual assessment (rewards and management of poor performance).

Employees are of the opinion that performance rewards are predetermined by line managers in the sense that they manipulate allocation of scores on the basis of relationships. Attaching rewards for performance on budget is defeating the objectives. It further appears that budget is used as excuse for not awarding bonuses for the deserving employees.

6.3 Span of control

Table 6.13 reflects responses regarding span of control. Fifty-four percent (54%) of the respondents have 1- 3 employees reporting to them. Seven percent (7%) have 4-6 employees, and twelve percent (12%) of the respondents have ten (10) or more employees responding to them. Twenty-seven percent (27%) of the respondents did not respond to this question.

Table 6.13 Number of employees reporting to the each respondent

Number of employees reporting to the each respondent	Percent
01-03	54%
04-06	7%
10 and more	12%
Missing	27%

6.4 Age

Eleven percent (11%) of the respondents are within the age bracket of 26-30 years, while twelve percent (12%) are 31-35 years. Nineteen percent (19%) are 36-40 years. Twelve percent (12%) of the respondents did not respond to this question. The table 6.19 shows the responses to this question.

6.5 Gender

Fifty-eight percent (58%) of the respondents are males while thirty one percent (31%) are females. A total of eleven percent (11%) of the respondents chose not to respond to the question on the gender. The graph below reflects the percentage with regard to the gender of the respondents.

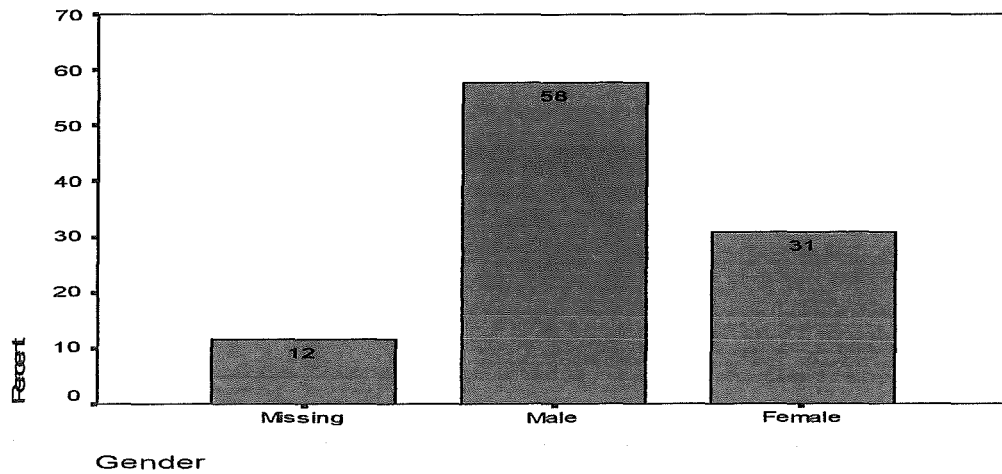


Figure 6.10 Gender representation

6.6 Conclusion

Chapter 6 dealt with the results and their interpretation. The results are discussed in chapter 7, where conclusions and recommendations based on the research results are also made.

CHAPTER 7: DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

7.1 Introduction

In chapter 1 the objectives of the study were spelled out and the importance of the study motivated. Chapter 2 (theoretical foundation) and chapter 3 (literature survey) provide the basis of the problem that is formulated in Chapter 4. In Chapter 5 an exposition of the investigation is given and the research results are given in chapter 6. The results of the study are discussed in chapter 7, with cross references to other relevant studies and the underlying theory. Conclusions are also drawn, and the Chapter closes with recommendations.

7.2 Proposition 1: The Department of Economic Development and Tourism (NW) implements the Performance Management and Development System according to the dictates of the PMDS policy.

7.2.1 Findings regarding whether the Department of Economic Development and Tourism (NW) implements the Performance Management and Development System according to the dictates of the PMDS policy

There is a concerted effort to ensure that there are performance plans for employees in the department. Work plans are developed by employees themselves, with either little or no inputs or changes from line managers. Other work plans are developed when annual performance reviews are required, which is well after the end of the annual performance period.

There is also no relationship between performance throughout the performance period and work plans, since the period at which work plans are developed is not systematic. Work plans in the department are developed at different times during the performance period, as opposed to the beginning of each performance period. According to Mello, the performance plan serves as a performance contract and guide for performance. It sets the expectations of the employer from the employee (2002:298), thus it is imperative for work to be allocated at the beginning of the performance period.

Key performance indicators on the work plans are ambiguous. Employees view the setting of performance indicators and standards as an academic exercise with different interpretations during the quarterly performance reviews. Work plans, where they exist, are not adapted to changing circumstances, and do not cover all the activities carried out during the quarter.

Most line managers concentrate on the employees' report when assessing employees' performance, and disregard what is in the work plans. According to Anderson (1994:60), failing to make clear the criteria or measures to be used in assessing employees' performance leads to problems such as disagreements and acrimony during the performance interview. The ambiguity could be the source of conflicts.

There is little or no discussion on performance during performance period other than formal performance reviews between line managers and employees reporting to them. Most managers had not reviewed employees' performance by mid-3rd quarter of 2005/06 performance

period. A substantial number of employees alleged that line managers carried out performance reviews only when pressurized to do so.

Various reasons such as workload and reconfiguration of provincial departments were cited as reasons for not conducting performance reviews. According to Mello, motivation is enhanced when individuals work towards a specific goal, or receive feedback as to their progress towards reaching their goals (2002:307). Monitoring of the implementation of PMDS by management appears to be the most neglected area in theory and practice.

A high percentage of the employees had a good experience of performance appraisals because they identify shortcomings on performance, and this encourages them to focus on the weaknesses, and improve. A substantial number of employees asserted that most line managers use PMDS to stamp their authority over employees and to settle scores.

PMDS implementation is overshadowed by personal sentiments, which discourages performance. PMDS implementation is 'rigged' because line managers pre-determine whom to include or exclude in allotting performance bonuses. According to Grobler, et al., most employees expect to be treated fairly and justly in all aspects of their work. Those who think that they are prejudiced against may react in one of many ways (2002:612).

An effective performance assessment system must be able to link rewards to performance. The rewards should be allocated to deserving employees within a reasonable period. Delay in completing annual

assessments is attributed to absence of performance records in the form of quarterly performance reviews. According to Grobler, et al., keeping job-specific performance records of the employee, good or bad, is important when carrying out performance assessments (2002:276).

Employees are of the opinion that performance rewards are predetermined by line managers, in the sense that they manipulate allocation of scores on the basis of relationships. The errors detailed by Grobler et al., (2002:291), and pitfalls that are common in the performance assessments, are apparent in the department.

The outcome of annual performance assessments is financial rewards and other incentives to groups or individuals (Renton, 2000:44). The intention of rewards is to encourage and sustain good performance. Bias and unfairness defeat the objectives of performance assessment.

7.3 Proposition 2: Employees of the Department of Economic Development and Tourism has the capacity to implement the Performance Management and Development System.

7.3.1 Findings regarding employees' capacity to implement Performance Management and Development System.

Few line managers have the necessary knowledge and skills on PMDS. Efforts to capacitate line managers have been limited to briefing sessions (creating awareness), as opposed to the necessary training. Absence of training on PMDS may be one of the factors that have contributed to the adverse attitude of line managers towards personnel assessments.

It may also be a contributing factor to the allegation by line managers that employees argue on score allocated without backing up their arguments, and turn performance reviews to complaint sessions. Grobler et al. emphasize the need for line managers to have the requisite skills to give effective feedback where vague criticisms and subjective terms and phrases are used (2002:301).

The allegation that line managers emphasise employees' weakness could also be attributed to the lack of understanding of the good principles of performance assessments that, according to Hersey, et al., are: ability, understanding, organisational support, motivation, performance feedback, validity and environment (1996:390).

7.4 CONCLUSION

According to Ehlers, the performance appraisal is the most powerful tool in any supervisor's possession. The tool has the potential to motivate and encourage employees to perform to their full capacity. He listed ten steps that managers should remember in preparing, delivering and following up on appraisals (NWU, MBA 820).

He cited the following steps:

- ❖ Consistently documenting of employee performance
- ❖ Soliciting employee input during the performance review
- ❖ Appraising of behavior and not personalities
- ❖ Writing the appraisal well
- ❖ Avoiding the common appraisal pitfalls

- ❖ Planning how to present appraisal
- ❖ Avoid surprising the employee with new performance feedback
- ❖ Developing of the action plan after the performance review
- ❖ Reviewing of how you perform during the performance review
- ❖ Following-up on agreements made during the appraisal

Acceptability, validity and reliability are the essential for any performance system to succeed and be held at high esteem by the parties concerned. Performance evaluation is geared towards openness, employee participation, result-orientation and ownership, and encourages performance improvement. Although the public service has devoted time, effort, and resources to the setting up of the performance management system and the development system, the results are disappointing and subjective. The awareness of PMDS in the department is widespread, yet there is little attention to its management. Performance appraisal is still resisted, if not avoided. Managers see performance assessment as a necessary evil they must endure to fulfill their job requirements.

Performance appraisal is a central part of management processes; therefore a feeling of ownership is important. Performance management is what management is all about (Olivier, 2006, 23). Top management support and training of the appraisers is important if system is to succeed. Management that is committed to its performance appraisal system also lives by its results; it goes beyond lip-service.

There is too much paper work which does not necessarily influence the rating. The rating depends on the relationships and the mercy of the line managers. The system is good but its application is subject to manipulation. The irresponsible implementation and use of PMDS and, indeed, any system, by line

managers to stamp authority over employees can engender dissatisfaction and negative attitudes in employees, and adversely affect service delivery.

7.5 RECOMMENDATIONS

The following recommendation could be considered towards improving the implementation of PMDS in the department.

- 7.5.1 There is danger in an uncritical and simplistic approach to management of performance evaluation. It would be appropriate for the department to hold each manager (level 13 and above) accountable for the implementation of the PMDS. Quarterly reports must be submitted directly to the Head of the Department. Non-compliance should be a punishable offence. For any policy to work it must exist both on paper and in the workplace. Any department that is committed to its performance appraisal system must also live by its results; it goes beyond lip-service.
- 7.5.2 It would be in the interest of the public service to do away with the performance bonus, because of the suspicion that implementation of the PMDS is still open to manipulation, and is used for ulterior purposes by line managers.
- 7.5.3 It would be appropriate for the department to establish a moderating committee. The committee must comprise of Deputy Directors and above, since there are views that the committees are usually toothless. These committees must receive complaints directly from the aggrieved employees, and moderate them.

Noe, et al. (2003:327), asserted that there are arguments that all performance appraisal systems are so flawed that they are manipulative, abusive, autocratic and counter-productive. Personal sentiments such as artificial scoring to deliberately exclude employees from the performance bonus, lack of interest and lack of skills in the system by line managers, overshadows the good intentions of the system, and adversely affect relations and morale of employees.

7.5.4 Skills development should be a priority in the department. Each employee in the department must be encouraged to familiarize him/herself with the various policies dealing with human resources management, including PMDS policy.

Training should focus on the following:

- ❖ Principles of effective performance management
- ❖ Communication for effective implementation of the PMDS Monitoring performance
- ❖ Impact of PMDS on motivation of employees
- ❖ Leadership and mentoring
- ❖ How to develop work plans and how to set performance standards
- ❖ Roles of line managers in PMDS
- ❖ How to identify training gaps by means of PMDS
- ❖ Human relations for effective implementation of the PMDS
- ❖ Diversity management

7.5.5 Personal work plans should be developed on a six-monthly basis. It is not yet realistic for the department to manage quarterly work plans, still less to hold quarterly performance reviews. Work plans must be adjusted as and

when circumstances dictate to reflect daily allocation of tasks that have not yet appeared on them.

7.6 Limitation of the study

There are factors that impact on any study. The factors pose limitations that may adversely affect the useful nature of the study. The following are assumed and identifies limitation to this study:

- ❖ The study commenced in 2005 and data used was collected during the year. The findings may not be generalized to the current crop of employees since the situation may have changed. The primary intention of the study was solely for the fulfillment of the academic requirements and all the principles of research have been observed.
- ❖ The findings were based and relied on self-reporting data from respondents. The structuring of the questionnaire can only reduce respondents' biasness and subjective perception in their responses. The credibility of the findings may have been affected by the nature of the findings should the respondents have been dishonest in their responses.
- ❖ The sample size was large in comparison with the population; however, the findings may not be applicable to other provincial departments. The findings may not reflect the situation in other departments in the province.

It would thus be imperative that a study, involving the whole public service on the subject, be conducted in order to arrest the negative findings of the study.

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QUESTIONNAIRE

To : Members of the Department (ED & T)

From : Morgan Thuthugang Molefe (DD: HRM & D)

REQUEST TO COMPLETE THE QUESTIONNAIRE ON PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM (PMDS); YOURSELF

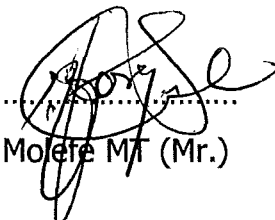
The attached questionnaire, on the implementation of the PMDS, relates to the study conducted by the writer towards fulfillment of the requirements for the Masters in Business Administration (MBA) in the Graduate School of Business and Government Leadership, at the North West University, Mafikeng campus.

Approval to conduct the study in the department has been obtained. The study will undoubtedly have positive outcome for the department.

Kindly deposit the completed questionnaire in the box marked Molefe MT, at the reception, on or before 02 December 2005.

Your corporation will be appreciated.

Thanking you.



.....
Molefe MT (Mr.)

Signed on the 16th November 2005

QUESTIONNAIRE

IMPORTANT INFORMATION FOR NOTING

- ❖ Anonymity: The questionnaire is structured in such that it could not be traced back to you
- ❖ Confidentiality: Views expressed in the questionnaires will be treated with maximum confidentiality
- ❖ The questionnaire is solely designed and would be used for research purposes

INSTRUCTIONS:

- ❖ Mark the appropriate block with an X
- ❖ Substantiate your answer where it is required to do so
- ❖ Use either black or blue pen to complete the questionnaire

ACCRONYMS:

- ❖ PMDS = Performance Management and Development Systems
- ❖ The words Appraisal, Evaluation and Assessment are synonymous.

This questionnaire has been developed to give you an opportunity to express your views and experiences in the implementation of the Performance Management and Development System (PMDS).

The study is conducted towards "fulfillment of the requirements for the Masters in Business Administration (MBA) in the Graduate School of Business and Government Leadership, at the North West University".

It is hoped that data collected will guide the researcher to identify possible recommendations for further development and refinement on the implementation of the PMDS to achieve both departmental and individual goals.

Your participation in the project would thus be appreciated and thanking you in advance.

SECTION A :

1. Is PMDS practiced in your department/directorate?

Yes	
No	
Not sure	

2. Number of years that you were a subject of performance appraisal?

0 - 03 years	
04 - 06 years	
07 - 09 years	
10 and more years	
Never been assessed	

3. What is your experience on performance appraisals

Good	
Not Sure	
Bad	

Please explain if "Good or Bad":

.....

.....

4. Did you have work plan(s) for assessment period 2004/05?

Yes	
No	

5. When are work plan usually developed by your line manager?

At the beginning of each quarter	
Not sure	
At the end of the quarter	
Just before the performance review	
Just before the annual assessment was carried	
Not systematic	

6. Please indicate the process(es) that was followed in the development of the workplan prior the signing thereof.

Workplan was the result of a consultation process	
Workplan was single-handedly developed by my supervisor	
Workplan was developed by myself and the supervisor often make changes	
Workplan was developed through other processes. Please explain:	
.....	
.....	

7. Assess the key performance indicators set in you workplan against the following

- Clear key performance indicators are set
- Ambiguous performance indicators are set
- Key performance indicators are academic exercise
- Key performance indicators are not used during performance reviews
- Key performance indicators have different interpretation at the performance reviews

Key performance indicators provide direction for my performance	
Not sure	

9. How is your supervisor's attitude during the performance reviews

Highly supportive	
Slightly supportive	
Neutral	
Slightly negative	
Highly negative	

- 10 Quarterly Performance reviews should involve the views of several managers who can account from first hand knowledge on the employee performance.

Yes	
No	

Give reasons for your answer

.....

11. What extent do you feel threatened in the performance review?

To a substantial level	
To some extent	
To a limited level	
Not at all	

12. When are quarterly performance reviews usually conducted?

Immediately after the end of the quarter	
Not sure	
At the end of the financial year	
Only when they are required and line managers pressurized	

13. Is there anything that you think is negative about the PMDS?

Yes	
Not sure	
No	

Explain if "Yes"

.....

14. Performance evaluation makes a meaningful contribution to the department by motivating employees to perform more productive in their jobs

Strongly agree	
Slightly agree	
Not sure	
Slightly disagree	
Strongly disagree	

15. How do you feel at the end of the Performance interview

Encouraged	
Discouraged	
Neutral	

16. When last were you exposed to training on performance management and development system?

During 2003	
During 2004	
During 2005	
Never trained	

17. Performance interview is usually based on

Performance as perceived by my line manager	
Performance in relation to the agreed work plan (period)	
Performance as presented in the quarterly report of employee	
Performance as perceived by line manager and conduct of the employee	
None of the above: Explain	

18. More time, during performance review, is usually spend on:

Employee's strength	
Planning on how to improve performance	
Employees weakness	

19. Do quarterly work plans cover all the activities that you performed during the quarter?

Yes	
No	

20. How would you rate your performance review skills?

100%	
75%	
50%	
25%	

21. How would you rate your line manager's performance review skills?

100%	
75%	
50%	
25%	

22. Training and developmental needs are accurately identified during quarterly performance reviews?

Yes	
No	
Not sure	

23. Were the following identified after the quarterly performance reviews?

External courses	
Internal courses	
Coaching and counseling	
Do not remember	
None of the above	

24. Were the following implemented after the quarterly performance reviews?

External courses	
Internal courses	
Coaching and counseling	
Do not remember	
None of the above	

25. How often do you and your line manager discuss performance apart from quarterly performance reviews

Frequently	
Sometimes	
Rarely	
Never	

26. In your view, to what extent do employees being evaluated feel threatened/intimidated in performance interview

To a great extent	
To some extent	
To a lesser extent	
Not at all threatened	

27. What impact performance interviews have on relations between you and employees reporting to you?

Positive impact	
Negative impact	
Not at all	

28. What impact performance interviews have on relations between you and your line manager?

Positive impact	
Negative impact	
Not at all	

29. Do you encounter difficulty in conducting performance interviews?

Yes	Explain:
No	

30. Place the following training modules in terms of priority towards improving the implementation of PMDS in the department.

Key: A= Very important B = Important C = Not important

Performance Interview Technique	
---------------------------------	--

Development of Work Plans	
Understanding PMDS	
Coaching Skills	

31. Recommend other training course(s) that you think is integral for effective implementation of PMDS.

1.	
2.	
3.	

32. Have you conducted quarterly reviews for the 1st and 2nd quarter of 2005/06?

Yes	
No	

Please explain if the answer is No. :

.....

.....

SECTION B: DEMOGRAPHIC

33. How many employees report directly to you?

01 - 03	
04 - 06	
07 -09	
10- and more	

34. Please indicate your age bracket.

18 - 25	
26 - 30	
31 - 35	
36 - 40	
41 - and above	

35. Gender

Male	
Female	

36. Number of years that you have been in the Public Service?

0 - 03	
04 - 06	
07 - 09	
10 - and more	

37. What is your current salary level?

Level 1 - 5	
Level 6 - 8	
Level 9 - 12	
Level 13 and above	

The completed questionnaire should be deposited in the box marked Molefe MT at the main entrance of the NWDC building

THANKING YOU