



**Employees' perceived fairness of and satisfaction with the Performance Assessment System in the Department of Public Works and Roads, Ngaka Modiri Molema District, North-West Province**

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**DECLARATION**

I, Gasetsewe Elizabeth POEN declare that the dissertation for the degree: Master of Business Administration with the topic '**Employees' perceived fairness of and satisfaction with the performance assessment system in the Department of Public Works and Roads, Ngaka Modiri Molema District, North-West Province**' is my own work and all the material contained have been duly acknowledged by means of complete references.

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## ABSTRACT

This study seeks to understand how perceived fairness of the performance assessment process affects employees' satisfaction. The study was conducted in the Department of Public Works & Roads within the Ngaka Modiri Molema District in the North West Province. The perception of fairness on performance assessment was examined and evaluated based on the theory of organizational justice (OJ) which consists of procedural, distributive, interpersonal and interaction justice. The study also investigated employees' satisfaction based on the constructs that measure satisfaction namely; satisfaction with the employees' last performance assessment ratings, satisfaction toward supervisor in relation to the assessment process and satisfaction toward the performance assessment system. It was envisaged that the success of the exercise would be illustrated by the improvement in employees' capability and productivity. The quantitative research method and a non-probability convenience sampling design were used. A survey approach for data collection was used, and questionnaires were distributed to gather information from the employees ranked on salary levels 1-12 (i.e. administrative clerks, administrative officers, chief administrative clerks, works inspectors, cleaners and drivers). A twenty-item scale representing four factors of organizational justice and performance appraisal fairness and three scales measuring satisfaction were included. One hundred and nineteen completed surveys, constituting 60% were returned completed. The findings of the study revealed that overall, the employees were happy with completing performance assessment as it is mandatory by the Department, but generally, they do not perceive the performance assessment practice in the District office as fair. Similarly, their overall satisfaction with the performance assessment practice was below the average. Therefore, in order for the District office to be effective in reaching its goals, it is required that the department re-evaluate its performance assessment practice and work more on improving the system for the benefit of the organisation and its employees. Thus, in order to obtain favourable outcomes, the Department should provide a performance assessment platform where employees can create satisfaction with the performance assessment system.

### Key words

Satisfaction, perception, justice, fairness, procedural, distributive, interpersonal, interactional.

## **GLOSSARY**

**DPWR – Department of Public Works and Roads**

**MMMD – Ngaka Modiri Molema District**

**PMDS – Performance Management Development System**

**DPSA – Department of Public Service and Administration**

**DMC – Departmental Management Committee**

**HRM – Human Resource Management**

**PM – Performance Management**

**PA – Performance Assessment**

**PAS – Performance Assessment system**

**OJ – Organizational Justice**

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## CHAPTER 1

### ORIENTATION OF THE STUDY

#### 1.1 INTRODUCTION

Performance Management and Development System (PMDS) is a widespread management practice utilised in organisations, including in the public sector. The Department of Public Service and Administration (DPSA) implemented the system to create uniformity since different practices were applied the previous dispensation. The new system was intended to improve performance, accountability on performance and enhancing provision of services to the communities of South Africa (DPSA, 2002). Metawie (2000) concurs, indicating that similar to the private sector, government departments worldwide face pressure to serve the public better by managing their expenditure and becoming more accountable, customer focused and reactive to the needs of their stakeholders.

Some years have elapsed since its inception, but the challenges of poor performance and service delivery protests remain high. The Department of Public Works and Roads, like other departments, have experienced demonstrations about service delivery in different parts of the province that may be related to poor planning and performance. The North-West Department of Public Works and Roads is committed to providing quality services within a reasonable timeline. The effective and efficient delivery of these services is based on the assumption that an adequate number of personnel with appropriate training, qualifications and experience are available to enable the organisation to perform at its best. The employees' performance has to be channelled in such a way that it relates to the departmental goals.

The Performance Management Development System (PMDS) provides that employees' performance must be monitored and assessed to ensure that there is progress in the delivery of quality services. Performance Management (PM) is a process that entails a number of activities, including goal setting, training, incentives, assessment (or review) and employee development (Luecke & Hall, 2006). Toppo and Prusty, (2012) define performance assessment (PA) as a systematic evaluation of the person about his or her performance and

their likelihood to grow on the job. PA is only one of the activities of PM and is used to evaluate and support employees' on-the-job performance. These steps, when followed correctly, will ultimately deliver results that make an improvement on what is the drive of the two-fold performance management development, which is employees' development and recognition (Ibeogu & Ozturen, 2015).

The practice of PA in the department has continued to be criticised by employees as they feel that the process is not fair. In an effort to assess the fairness of the system and help clarify the objectives of the study, what employees' considered fair and what they were satisfied with in the performance assessment system of the District Office will be scrutinised. The expectation is that the results gathered from the evaluation will enlighten management on what employees perceive as performance assessment unfairness in the department and assist them in making informed decisions.

According to Getnet, Jebena and Tsegaye (2014), organisational justice (OJ) is essential to understanding employees' perception of justice. It comprises procedural, distributive, interpersonal and informational justice. The study is thus intended to measure employees' perception of fairness of the department's performance assessment system as influenced by organisational justice.

Poornima and Manoha (2013) indicate in their study that managers do not exercise their judgements in an objective manner when assessing their employee's performance. Their judgement is in many instances not favourable because managers depend upon their subjective guess. They suggest that it is due to this prejudice that assessment is often regarded as biased and based on inequity. Supervisors are therefore expected to make sure that fairness prevail in connection with the criteria and process, which means that distributive justice and procedural justice should be perceived as trustworthy.

The study also focuses on employee satisfaction with the performance assessment system in the Department of Public Works and Roads. The Department, like other organisations, follows the PA system. The system then influences the employees' satisfaction level over a certain period.

According to Katavich (2013), the PA system is often the reason why employees are unhappy. However, the study by Javidmehr and Ebrahimpour (2015) indicates that PAs can act as a foundation for distributing incentives and awarding rewards based on performance. That would create satisfaction amongst the qualified employees and give them the confidence to stay in the organisation for a longer period. This is confirmation that when employees are satisfied with the PA process in the organisation, then the organisation gets positive results because the employees' performance increases and less absenteeism is experienced. The study has been conducted in the Department of Public Works and Roads (DPWR) in the Ngaka Modiri Molema District (NMMD).

## **1.2 BACKGROUND OF THE STUDY**

Organisations depend on their most valuable assets, the employees. They are the people who determine whether the organisation achieves its business goals (Ibeogu & Ozturen, 2015). Employees are the last weapon of competitive advantage in the global market (Tapomoy, 2008). Therefore, for businesses to compete with their competitors, they should think smart and be innovative in order to manage these vital resources effectively. Good leaders know that employees deserve attention because they are important in contributing to the organisation's goals and objectives. According to Getnet, Jebena and Tsegaye (2014), without an adequate number of personnel with suitable training, qualifications, and experience, an organisation cannot out class their rivals, irrespective of their excellent structures and fittings, nor their perfection in the systems and policies. They further indicate that there is no replacement for sufficient and competent staff.

It is crucial to incorporate employee outputs/outcomes with the organisation strategy to accomplish the organisation's goals and objectives. Rowland and Hall (2012) acknowledge that goals and objectives can be realised when a formal performance method such as performance assessments are introduced, as they have become key aspects of organisational strategy. They further indicated that performance assessments are at present being positioned in organisations' objectives. In addition, the perceptions of employees regarding justice have become more important.

The performance assessment system is an integral part of performance management, and the complete practice extends to all the organisation's policies, customs, and design features that connect to shape employee performance (Gruman & Sachs, 2011). The system is used in the administration of employees and contributes to the business' strategy. It is through the system that businesses highlight their planned route, ascertain their responsibility, create value for their customers, and eventually realise profits. Businesses also implement PMS to encourage and keep the organisation's precious resources, namely their workers. These workers are thus motivated by recognition and appreciation, financial incentives and outcome on performance (Matlala, 2011).

The execution of effective performance assessment is, therefore, a critical aspect of the system of performance management, as it assists organisations to acquire the desired results that organisations are aiming at. Consequently, the actual process is necessary as it creates the atmosphere of good working relationship and team spirit that managers and employees need to work towards a common goal. Falcone and Sachs (2007) describe a productive process of performance assessment as the "psychic" income that people derive from work as it comes from open communication with the recognition from the boss.

Employees' satisfaction with PAS in government departments is vital as it determines the success of the government in achieving their goals and thus fulfilling their mandate. Employees perform above expectation when they are happy at work. One of the causes of employees' poor performance is the implementation of PAS in the workplace. A well-developed PAS in departments is therefore essential in order for departments to curb poor performance and achieve targets. This means that the implementation of PAS should be successful and effective as a measuring tool as it will lead to departments' success in executing their targets and, ultimately, improving service delivery to the communities.

### **1.3 PROBLEM STATEMENT**

PM is an essential aspect of the organisation's success because it is the process through which employees carry out work and their performance is managed (Gruman & Sachs, 2011). The system is used to supervise employees and help them develop their potential by

identifying their strengths and weaknesses in their performance and assess needs for training and development.

Since the inception of the PMDS in the Department of Public Works and Roads in the early 2000s, the Department has been experiencing severe challenges every year during moderations, assessment, and the reward period. High incidences of conflict among supervisors and their subordinates, lack of commitment and low morale because of the implementation of the system have been reported. These incidences negatively affect both the department and the employees, as they lead to frustrations in the case of the employees and non-achievement of goals on the part of the Department. The incidences also lead to an increased rate of turnover, absenteeism, and low productivity, resulting in poor service delivery. The implementation of PAS has had its own share of challenges. According to Boland and Fowler (2000), PMS has long been presented as a success in the private sector. It was considered an impossibility to evaluate performance in the public sector. Boland and Fowler (2000) further indicated that first efforts at the assessment and review were coupled with unsuccessful efforts in the 1970s to perform strategic planning on a large scale. Not until conservative governments started introducing organisational and managerial modifications in the 1980s and 1990s measurement in the public sector performance measurement became a strongly fixed reality.

The Department, therefore, ended up not achieving the targets and the objectives that were based on the overall Departmental strategy. Ibeogu and Ozturen (2015), support the statements by acknowledging that the evaluation of assessments has advantages and is utilised as an administrative instrument in the workplace, but they maintain that there are problems that hamper and spoil its value. According to these authors, the setbacks with evaluation of assessments lower their worth in the workplace and often influence an employee's approach, reaction, conduct and performance in the workplace negatively.

In the study by Umair, Fahad, Javaid, Amir, Kashif and Luqman (2016) on perceptions of fairness of the assessment, the system is recognised as a crucial measure in examining the efficiency and capability of the employee and the organisation. They indicate in their research that recent studies alleged that the most dominant part that leads to an effective system and

influences the dedication and contentment of employees is the fact that employees are satisfied with the system at the workplace and they have full trust in the fairness of both. When fairness, which is the subject matter of the system and method of PAs, is not prevalent, then the perception of employees about the system is significantly affected.

Being a panel member for the moderation committees in the department for some years, it has come to the researcher's observation that many officials (both managers and their subordinates) are discouraged by the system. Employees are of the opinion that the Department should withdraw the performance assessment system and come up with a better system as they feel that the system is failing in its purpose to motivate people toward development. The subsequent results are biased and create a great deal of tension between the employees and their managers, as the employees are dissatisfied with the procedure.

In a study by Flaniken (2009), the challenges associated with the planning, execution, and practical application of assessment systems are well acknowledged, and they go on frustrating those concerned. More studies on performance assessment claim that although performance assessment may have extensive usage, there is much dissatisfaction and disappointment by its current users. Flanekin (2009) further indicated that McNerney (1995) indicated that many companies are not happy with their performance assessment systems and procedures.

Nickols (2007) claims that "the typical performance appraisal system consumes astounding amounts of time and vigour, discourages, and de-motivates people, demolish trust and teamwork, and, adding abuse to the grievance, it delivers little demonstrable significance at great cost". Longenecker's research conducted in 2005 identified numerous outcomes of unproductive performance appraisals. They included quelling performance improvement, discouraging managers, letting managers lose their confidence, causing managers not to focus on priorities, discouraging personnel not to work towards receiving higher salaries for better performance, and less effective efforts towards improvement by management, causing tension in work relationships with supervisors, and creating goal setting that is not effective.

Employees' negative perception towards the performance assessment system affects their perception towards work performance, demotivate them, and cause poor performance

(Longenecker, 2005). Fairness is an important measurement. Perception of fairness and just dealing are positively related, therefore when workers are treated with care, then organisational processes are perceived to be fair and employees will perform their duties diligently and produce results (Toner, 2011). Organisations should make an effort to ensure that the implementation of PAs in their respective organisations follow fair processes so that the negative perception of employees is overcome. Organisations should also encourage employees to participate fully in performance assessment activities so that they understand the process well and that may change their attitudes.

In the same breath, efforts should be made to work towards examining how employees react towards the PA system; to start considering what are the impacts of their reactions to the system. Umair et al. (2016) identified satisfaction, along with fairness, utility, and accuracy as one of the constructs which have been used to examine employees' responses towards the performance appraisal system. Brown, Hyatt and Benson (2010) suggest that even though there is research in this area, and given its extensive use within organisations, further study is necessary to understand why performance appraisal satisfaction is essential.

Based on the above general problems regarding the fairness of and satisfaction with the PAS, the following specific research problem was formulated: ***There is a perception of unfairness and dissatisfaction of the Performance Assessment System (PAS) by the employees at the Department of Public Works and Roads, Ngaka Modiri Molema District***

#### **1.4 RESEARCH OBJECTIVES**

The following are the specific objectives of the study;

- To measure employees' perceived fairness of and satisfaction with the PAS in the department.
- To identify gaps in the current performance assessment system.

## 1.5 RESEARCH QUESTIONS

In an endeavour to accomplish the abovementioned objectives of this research, the subsequent research questions have been investigated;

- What is the employees' perceived fairness of and satisfaction with the performance assessment system?
- Is there a difference in the perceived fairness of and satisfaction with the performance assessment system between males and females, different age groups, departments and positions?
- Is there a relationship between employees' perceived fairness of and satisfaction with the performance assessment system?

## 1.6 PURPOSE STATEMENT

According to Saunder, Lewis and Thornhill (2012), the research problem statement or question may be used to construct more detailed analytical questions or may be used as a foundation to base their set of research objectives on. Wellman and Kruger (2001) refer to the research problem as a challenge for the researcher when he/she is in either a theoretical or realistic situation that he/she wishes to clarify. This study is intended to measure what employees perceive as the fairness of the organisation's performance assessment system and whether they are satisfied with it. The perceptions of fairness are measured by organisational justice (OJ) consisting of distributive, procedural, interactional and informational justice. A significant number of researchers studied (OJ) as a two-factor and three-factor model. Studies by Tuytens and Devos (2012); Wang and Nayir (2010); Wang, Liao, Xia, and Chang(2010) indicate that, from previous studies concerning employees' perceptions, three types of justice have been distinguished. These are distributive and procedural justice - the conventional two types - and the third type, interactional justice.

This study will employ the four constructs of OJ, as influenced by what Hess and Ambrose (2011) termed the four-factor model of justice. Satisfaction, on the other hand, is measured by

feedback concerning the last performance assessment rating, feedback concerning the supervisor and feedback on the performance assessment method, as used in the study by Walsh (2003). These factors are also applied to measure employees' perceived satisfaction with PAs in this study.

## 1.7 PRELIMINARY LITERATURE REVIEW

An overview of the research related to performance assessment is presented to examine the existing knowledge base regarding employees' perception of PA and how these affect the Department of Public Works and Roads employees at Ngaka Modiri Molema District. The literature review will focus on explaining the two research constructs and investigate if the researcher's findings conform to different authors who have dealt with the subject.

PM and PA systems can be used as mechanisms to evaluate employees' performance. The principles of organisational justice are applied to assist in predicting individuals and organisational outcomes. The two concepts will be briefly explained and contrasted to establish how they relate and if they differ, because in many cases the use of these concepts is interchangeable, i.e. as if they have the same meaning.

The latest literature recognises the significance of performance assessment fairness in organisations, but one of the leading problems HRM is faced with is establishing both an efficient and a reasonable performance assessment system. In his research, Field (2015) found that PM terms used by administrators at the case study university are inconsistent with what is really happening. It is expected that every academic be allocated a 'supervisor' to conduct his or her 'performance progresses'. However, neither the term 'supervisor' nor the university's emphasis on 'development' is justified. In most cases, the so-called 'supervisor' allocated to conduct performance assessment at the case study university has no administrative relationship with the academic at all. The assessment dialogue is the only meeting they have during the year.

The researcher is of the view that although research on the topic has been done, little is identified about the main organisational and emotional reasons that have an effect on employees' perception of performance assessment equality, particularly in government organisations. Harrington (2015) indicated that in relation to employees' perception of performance assessment justice, the majority of studies have focused on the organisational factors instead of on the cognitive or emotional viewpoint. He further claimed that psychological contract fulfilment is one of the critical factors that are not thought to be driving

employees' perceptions of the fairness of performance assessment. That explains what each employee and each supervisor offers and expects from the other person.

In an attempt to address the gap acknowledged in previous research with regard to unknown key organisational and psychological aspects affecting employees' perception of performance assessment justice in organisations, more research should focus on the organisations' culture and structure in order to assess the psychological well-being of the employees. Organisations should strive to keep employees happy, with positive attitudes in order to get the results that will grow the organisation and, at the same time, develop employees.

PM plays an essential function in assessing the performance of both the individuals and the organisations. PM is a method of allocating the organisation's goals and objectives to officials with the aim of improving service delivery (Paile, 2012).

Performance assessment is, however, the most critical element of the performance management framework (Topomoy, 2008). Luecke and Hall (2006) define PM as a system for evaluating and improving the efficiency of people where they work. According to Matlala (2011), a reasonable and efficient performance management system will help towards advancing organisational effectiveness, encourage employees, develop organisational culture, attract and keep talented staff and maintain total quality management.

PA is a formal, structured system of measuring and evaluating an employee's performance-related behaviour and result. This is done in order to find out how and why the employee is currently performing on the job and if they can perform more effectively in the future to the benefit of the employee, the organisation and society at large (Khan, 2013). It appropriately explains a process of reviewing past performance and not evaluating that performance against clear and agreed goals. The term has two words "performance" and "assessment". Performance means what is expected to be carried (output, results and tasks) by an individual within a period. Assessment means the assessment of value, class or worth (Topomoy, 2008). Kaplan (2009) defines performance assessment as a process aimed at evaluating and supporting an employee's performance at work. It is part of the performance management system that is based on the goals set together by the manager and the staff member.

However, PM shifts the focal point away from just an annual occasion to a continuous method. It reflects the constant nature of performance enhancement and employee growth, recognising the significance of successful management, work methods and team efforts. Nayab and May (2011) concur, adding that the aggressive environment of the market and rapid transformation of the outside surroundings have compelled numerous organisations to move from spontaneous performance assessments to the practical performance management to enhance output and advance organisational performance.

In contrasting PM and PA, research implies that performance assessments are certainly an assessment of an employee's job. PA is the conventional approach to assessing the performance of an employee. Many individuals believe that PM (some call it performance development) is a new expression given to a well-established term performance assessment and the two do not differ (Toppo & Prusty, 2012). Paile (2012) states that PM should be seen as the managers' task to see to it that their employees carry out their duties and responsibilities according to their job description. It should not be the responsibility of HRM. Managers take performance assessment as a yearly event – they hastily fill in the form and use it to note all the undesirable information they have gathered on an official over the past year (Noe, Hollenbeck, Gerhart & Wright, 2008). It is often seen that job reviews are deemed as just a requirement and are very dull, and it is because the results of the reviews are not often backed by any response (Prasetya & Kato, 2011).

Research relating to PM has been performed at various levels by a number of researchers. Suggestions are that there is limited literature regarding successful implementation in organisations. Paile (2012) studied "staff perceptions of the implementation of a performance management and development system: Father Smangaliso Mkhatswa case study". The findings of the study show that supervisors use PM as an instrument to control and punish employees, whereas employees use the system as a way of cashing in through performance bonuses. PM is therefore not used for the purpose it is intended for, namely strategic administration and development. Matlala (2011) investigated the fairness of employees' perceptions in a PMS in South Africa. The study tried to ascertain employee perceptions of the fairness the organisation's PMS by the use of the four pillars - distributive, procedural,

interpersonal and interactional justice (Colquitt, 2001). Most research has focused on the technicalities of PM implementations while neglecting the human reactions that influence the outcomes of such systems (Hamumokola, 2013). According to Hamumokola (2013), little research has been done that establishes the relation between HRM practice and organisational performance.

Employees' satisfaction with their performance assessment is of paramount importance because the results of their performance can make or break the organisation. Barends, Janssen, Marengo, Briner and Rousseau (2016) agree as they indicate that a fair process is widely regarded as a prerequisite for the effectiveness of performance assessment. Organisations expect a performance assessment system that is fair because it assists employees with social relationships and the improvement of their work performance. In a case where employees notice biases and ineffectiveness in the performance assessment system, it can end in counterproductive and sometimes damaging behaviour by employees.

The study seeks to assess employees' perceptions of the fairness of and satisfaction with the performance assessment system. Research indicates that people care about fair treatment, and the success of strategies to restore employees' satisfaction depends on employees' perception that they are treated fairly. According to Ochoti, G.N., Maronga, E., Muathe, S., Nyabwanga, R.N. & Ronoh, P.K. (2012), interpersonal characteristics are significant in the PAS as they influence the results of the communications. The value of these interactions is valuable because it contributes to justice perception in the whole practice.

When individuals notice that the organisation is treating them fair, they express higher satisfaction with social relationships. Ochoti et al. (2012) further indicate that in a performance assessment process, what employees believe are regarding the system are greatly associated with contentment with the method. What employees perceive as fair in the system concerned are core characteristics that contribute to how effective the system is. The OJ theory will be used to evaluate the employees' perceived justice of PAS. The employees' satisfaction with PAS will be based on the constructs; satisfaction, fairness, utility and accuracy as identified by Umair et al. (2015). These constructs have been used to investigate employees' reactions towards the performance appraisal system (Umair et al., 2015).

As mentioned, this research is investigating the employees' perceptions of the fairness of the department's performance assessment system, as measured by organisational justice. OJ is a behavioural science concept that looks at the employees' perception of fairness of past treatment within an organisation (Tapomoy, 2008). This theory is used to assess fairness perceptions of PAS, as OJ provides a rich hypothetical base for studying employees' fairness perceptions of PAS. In the same way, research on OJ expresses that individuals are always apprehensive about the justice of the results (distributive justice), process (procedural justice) and how they are treated (interactional justice) (Ikramullah, Shah, Hassan, Zaman, & Hamad Khan, 2011).

Distributive justice is the perceived equality of sharing results among people and is usually assessed on the equity of the outcome distributions (Hess & Ambrose 2011). According to Colquitt (2001), distributive justice is advanced when results are constant compared to inherent standards for distribution, such as justice or equality. Procedural justice focuses on the equality of the dealings leading to the results. Procedural justice is promoted through the right to be heard during a decision-making process or influence over the results or by dedication to fair process criteria, such as uniformity, lack of bias, correctability, illustration, accuracy, and ethicality (Colquitt, 2001). Interactional justice is defined as the interpersonal action people receive as procedures are endorsed. Interactional justice is promoted when decision makers treat individuals with respect and kindness and validate their reasons for decisions carefully (Colquitt, 2001). Informational justice is based on the explanation given to people that pass on information about why actions were used in a particular manner or why results were allocated in a certain way (Colquitt, Conlon, Wesson, Porter, & Ng, 2001).

Ibeogu and Ozturen (2015) allude that the employees' reaction towards evaluations impact on the evaluation instruments which could lead to creative employees. In their study, they articulate that it is essential to examine employees' reaction towards used evaluation method. The most important response derivable from the evaluation can be anticipated to be satisfied with the performance evaluation system. In another study by Ochoti et al. (2012) the results indicated that in a performance appraisal process, employee attitudes toward the system is strongly linked to satisfaction with the system. The study will further elaborate on the four-factor

model of organisation justice and the constructs that affect employee satisfaction in organisations in Chapter Two.

## **1.8 RESEARCH DESIGN AND METHODOLOGY**

The research design is a plan or blueprint of how you intend conducting the research (Mouton, 2001). It will include clear objectives drawn from your research question(s), identify the sources from which you plan to collect data, how you intend to collect and analyse data, discuss ethical issues and limitations you will inevitably encounter (Saunders et al., 2012).

Myers (2013) referred to the research method as an approach to an investigation, a way of discovering practical information about the environment. The research will use a quantitative, non-probability convenience sampling design approach. Myers (2013) indicates that quantitative methods were originally developed in the natural sciences to study phenomena in the natural environment. The method is generally associated with a deductive approach, where the focus is on employing data to analyse theory. Business and administration research plans combine qualitative and quantitative fundamentals; for example, a study may use a survey. It is sometimes essential for a researcher to request respondents to answer some "open" questions in their own words instead of merely ticking the appropriate box when a combination of qualitative and quantitative is employed (Saunders et al., 2012). Primary data will be gathered by using a cross-sectional survey.

## **1.9 POPULATION AND SAMPLE OF THE STUDY**

A population is defined as the total set of persons, animals, plants or things, all of which can be referred to as units, from which we may gather information (Nester & Schutt, 2012). The district office has a population of three hundred and twenty-six officials. Employees from post levels 1-12 from the district office in NMMD were included in this survey. Non-probability sampling in the form of the convenience sample method was used for this study, based on the willingness of the respondents to participate and convenience in reaching them.

## **1.10 DATA COLLECTION**

The data collection instrument selected for the study is the use of primary data, which will be gathered using a cross-sectional survey. Questionnaires were hand delivered to the employees on salary levels 1-12 who were the target respondents for this study. The researcher took time to deliver by hand questionnaires to the offices of the employees who do not work in the same building and worked on the administration of the questionnaires herself.

## **1.11 DATA ANALYSIS**

The quantitative research method was used in analysing data. The data was obtained through structured questionnaires, captured on a spreadsheet and transferred into SPSS (version 24). Cronbach's alphas were used to determine the consistency and validity of the measuring instrument. The following statistical methods were employed to obtain the objectives and to find answers to the research questions, namely descriptive statistics, T-test, Analysis of Variance (ANOVA) and Pearson's product-moment correlation.

## **1.12 ETHICAL CONSIDERATIONS**

In research, the term ethics is obtained from the theoretical study of honest beliefs. It is used to symbolise the code of behaviour that establishes how the research will be conducted (Denicolo & Becker, 2012). According to Myers (2013), research ethics also constitutes the application of moral principles in preparing, executing and reporting the results of the research studies. The basic ethical standards concerned focus on what is acceptable and what is immoral. The importance of ethical consideration in research cannot be overemphasised and the researcher, who is a part of the employees in question, considers the importance of people's trust in a person. To ensure ethical consideration, the researcher took time to explain to the participants that the exercise is voluntary and highly confidential.

## **1.12 DEFINITION OF CONCEPTS**

**Employee**

Employees are a vital element to the operation of any organisation, yet they do not get the recognition they deserve and are sometimes not taken seriously at all levels. Section 213 of the Labour Relations Act (LRA) provides that an employee is anyone, other than an independent contractor, who works for another person or who assists in conducting the business of an employer

### **Department**

The department in this study refers to the Department of Public Works and Road in the district office where the study will be conducted.

### **Perception**

Perceptual processes are strong determinants of behaviour. Griffin & Moorhead, (2013) define perception as a set of actions by which an individual analyses, comprehends, or construes information about the situation in which individuals select information (stimuli) from the environment, interpret and Mullins (2005:1060) on the other hand defines perception as a “dynamic and complex way, translate it so that the meaning is assigned which will result in a pattern of behaviour or thought.”

### **Performance**

Performance is defined as behaviours or actions that are relevant to the mission and vision of the organisation in question, and are multidimensional. Furthermore, performance may be viewed as behaviour that leads to results (Tapamoy, 2008). According to Matlala (2011), in *the world of work*, performance may be taken to mean either the way in which business is conducted or a successful outcome

### **Fairness**

Fairness is a concept for which definitions are essential since it is often interpreted in a too narrow and technical way (Gipps & Stobart, 2009). In a performance appraisal context,

perceived fairness is conceptualised as organisational justice, consisting of distributive, interpersonal, information, and interactional justice (Sudin, 2011).

Greenberg (2001), Fullford (2005) and De Cremer (2005) assert that OJ is a multi-dimensional construct that describes the role of fairness in an organisational context. It is proposed that the interaction between procedural and distributive justice is most probably to be seen when employees show acceptance to the procedures used in PAS. Greenberg (2001), Fullford (2005) and De Cremer (2005) indicate that people's perception of fairness depends on their experiences in light of supported opinions of appropriate ways to distribute outcomes and the treatment of others.

### **Satisfaction**

Frimapomaa (2014) claims that satisfaction with performance appraisal indicates the extent to which subordinates are satisfied; it also serves as a report of how accurate and fair performance evaluations are. In addition, there is a sentiment that their working relations with their supervisors will improve (Frimapomaa, 2014). Katavich (2013) describes PA satisfaction, as a reaction to appraisal, i.e. the process, the interview and the outcomes, will be positive. Employees are therefore satisfied if all the components of the PA are correctly adhered to.

### **Performance management**

The means through which supervisors make certain that employee's performance and their productivity match with the organisation's objectives (Noe et al., 2008). Casio also describes PM as the monitoring process of employees' performance of their work responsibilities over a certain period; making expectations clear; setting goals; giving hands-on training; filing and recovering performance information and then making an evaluation according to this information (Casio, 1993).

### **Development**

Development is a broader perception in which more weight is placed on employees' development rather than on the growth of a particular person. It transpires on the job and away from it; it varies between short assignments and more laborious tasks (Paile, 2012).

## **Training**

Enhancing human capital for the benefit of the organisation is vital, so is doing it for the benefit of the employees. Strategic training and development is particularly relevant in helping the organisation achieve a competitive edge by developing competencies not readily available in the labour market, developing firm specific skill sets and promoting innovation and creating new knowledge (Storey, Wright & Ulrich, 2009). The training is work-related learning offered by employers for their employees with the intention of enhancing employee's ability and their understanding necessary for completing their tasks according to the set standards.

## **Performance assessment**

Performance assessment can be considered as a process aiming at assessing and rating or reviewing employee performance. Managers carry out PAs annually. PAs are usually associated with pay. Therefore, managers participate as principals, accounting for the process to be deemed as a top-down process (Longo, 2011).

## **1.13 STUDY OUTLINE**

### **CHAPTER 1 - Orientation of study**

Chapter 1 presents a general idea of the study to the reader. The chapter consists of an introduction, background, problem statement, research objectives, research questions, literature review, research design and methodology, the population of the study, research sampling, data collection, data analysis, ethical considerations, concepts definitions and the format of the study.

### **CHAPTER 2 - Literature review**

The Literature Review looks at the available literature on the subject. The literature review is an essential step, as it explains the research concepts and investigates, through secondary data, what the researcher finds in agreement with other authors. It will familiarise the reader with practical and theoretical subjects that are related to the problem.

### **CHAPTER 3 - Research design and methodology**

This chapter deals with the method that is employed in the study. The study will indicate how the data will be collected and describes the plan and population as well as a sample of the study.

### **CHAPTER 4 - Data analysis, findings and discussions**

The chapter deals with the analysis and processing of data that has been collected. The findings are linked to the research questions stated in Chapter 1.

### **CHAPTER 5 - Recommendations and Conclusion**

The chapter represents the synopsis of the result, where conclusions will be made plus a proposal based on the data examined in Chapter4; limitations are recognised and discussed.

#### **1.14 SUMMARY**

The chapter introduced the reader to the study and proceeded by providing the background of the study, problem statement, objectives, literature review, research design and methodology, the population of the study, data collection, data analysis, ethical considerations, the definition of concepts and the format of the study.

The next chapter examines the theories of performance management.

## CHAPTER 2

### LITERATURE REVIEW

#### 2.1 INTRODUCTION

Performance management systems are a key tool that organisations use to translate business strategy into business results (Aguinis, 2013). Much research focused on employee perceptions of performance appraisal, and the results have included, for example, increased faith on the top management and employee satisfaction (e.g. Mayer & Davis 2009; Erdogan 2002; Boswell & Boudreau 2000) (Roine, 2018). These studies were, however conducted mostly in private sector organisations, therefore leaving the public sector quite unravelled

Rowland and Hall (2012) also confirm in their study that the concept was studied for the purpose of finding the best practice that keep businesses more competitive in the changing economic climate and the pressures to improve productivity and reducing costs. Even though it is commonly used, the practice of formal performance assessment continues to be criticised by many. The policies are modified to improve the correctness and what is perceived as the impartiality of the process but the efforts and resources put into the process seem to be inadequate, as employees are still dissatisfied. Therefore, employees still view the system as being biased and full of errors (Santhamma & Biradar, 2014).

This chapter will initially give a general idea of the theoretical framework of the performance assessment system within the government sector. The chapter will further explain the nature of performance assessment and its application in the organisational context. The description of concepts of organisational justice in the context of the four constructs that measure fairness; procedural, distributive, interactional and informational justice will be discussed. Furthermore, the constructs identified by Umair et al. (2016) namely satisfaction, fairness, utility and accuracy, which have been used to examine employees' responses towards the performance assessment system, will also be examined.

The study strives to investigate the employee's perceptions of the fairness of and the satisfaction with the performance assessment system in the Department of Public Works and Roads (Ngaka Modiri Molema District). Key models and theories will be considered in the existing body of knowledge. The chapter also substantiates how the study obtains answers to the problem in the literature and outlines the theoretical framework of the study.

The literature review entails the identification and examination of material associated with the research problem (Bloomberg & Volpe, 2016). There is provision for the performance management development system in the legislation and detailed explanation of the nature and scope of performance management and its elements is outlined.

The chapter begins with PMS as a concept and the theoretical framework that guides the performance management from the national government point of view through to the provincial government. Legislation that forms the basis of the PMS will be briefly outlined and discussed. The chapter will then centre discussions around other related concepts in the organisational context, addressing the critical aspects of performance management and organisational justice, with particular reference to employee satisfaction. The concepts of organisational justice and the factors that trigger the reactions to satisfaction in relation to PM will be clarified.

## **2.2 EMPLOYEE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM LEGISLATIVE FRAMEWORK**

South Africa, as a new democratic country, experienced enormous change from the apartheid system post-1994. The country faced major and exciting challenges, as there were changes that had to be effected in the government system to give all South Africans an opportunity to enjoy the fruits of democracy. Most of these challenges included the transformation of policies in the government that will help guide the country towards the direction where government employees are considered a valuable resource to help achieve the government objectives.

In 2001, the Public Service Regulations that were governing employees then were improved to include performance management. National and Provincial government employees were mandated to develop procedures on PM and link employees' performance with the old notch increase system (Paile, 2012). In 2007, the South African Department of Public Administration

(DPSA) developed the Employee Performance Management and Development System (EPMDS) for all government departments. This was done to ensure accountability of performance in the public sector (DPSA, 2007).

The implementation of the system was to ensure that there was uniformity in government with regard to the system used to assess employees' performance for all public servants. The implementation of the system was also intended to close the policy gap that was created between 1994 and 2003 when the old personnel evaluation systems from the former administration were eradicated.

The EPMDS is underpinned by several regulatory frameworks. The policy effectively manages and guides the skills development; training and capacity building of employees within the Public Service. In order to advance the service delivery, departments have to get legislation, proper strategies, policies, processes and procedures in place. There are various statutory rules guiding the growth and functioning of PM in the government. Amongst other things, the legislative framework informing the practice of PM includes the following;

- The Constitution of South Africa 108 of 1996.
- Public Service Act 103 of 1994
- Skills Development Act 97 of 1998
- Labour Relations Act 66 of 1995
- Public Finance Management Act 1 of 1999
- Public Service Regulations of 2001.

These regulations are discussed in an attempt to give a short summary of their relation to the PMS in the government service.

### **2.2.1 THE SOUTH AFRICAN CONSTITUTION**

The *Constitution* is the supreme law of the Republic. All other legislation is derived from the Constitution. Section 2 of the Constitution states that any act or behaviour in contradiction to it is regarded as unacceptable, and the responsibility implied by it must at all times be fulfilled. Section 23 of the Constitution is significant and gives direction for fair labour practices.

Section 195 (1) of the Constitution indicates that government must be managed by the fair values and beliefs protected by the Constitution. The requirements set for the government service concerning this section of the Constitution is that good human resource management and career development practices must be promoted in order to use human potential to the maximum. The Constitution also states that efficient and economical application of resources must be encouraged. Furthermore, the Act makes provision for guidelines on the behaviour of government officials. Performance in all government areas is included. The section emphasises, among others, the code of good HRM and career advancement training (The Constitution, 1996).

Molapo (2007) concurs with the provision of the Constitution that promotes the efficient performance management role in this regard. It may well be debated that the Act is one of the original lawful prescripts from which the PMS originated. All legislation and regulations should always be based on information contained in the Constitution.

### **2.2.2 THE PUBLIC SERVICE ACT 103 OF 1994**

The aim of this Act is to provide for the management of the government in the country, the directive of the conditions of service, the terms of office for the public employees, discipline, retirement and laying off of the government officials, and matters relating to that. Section 3(5) (c) of the Act indicates that the government must provide for performance assessment of employees. The Act further specifies that the leader of a particular government organisation is responsible for the successful direction and administration that comprise managing employees' performance. The performance in the government institutions as predetermined by the Act must be managed in a consultative or advisory, sympathetic, and reasonable manner. The aim is to improve the success of the institution, its efficiency and accountability.

### **2.2.3 SKILLS DEVELOPMENT ACT 97 OF 1998**

The PMS focuses mainly on the development of employees and therefore provides for training in the ability that employees need regarding their individual improvement preparation and proficiency profile (Maila, 2009). Section 2 (1) of the Skills Development Act 97 of 1998 specifies that more emphasis should be placed on employee growth so that their performance can be effective in the institution. Departments should perform skills audits in order that a particular employee does fulfil the requirements and competencies of their job. The Act also provides that the employer should develop the Workplace Skills Plan (WSP). The WSP outlines the training and development of an organisation for one year (Public Service Commission, 2011). Section 30 of the Skills Development Act, 1998 prescribes that all public services organisations must be authorised to budget at least 1% of their wage bill for training and development of officials. The government employees' training and development are done with the aim of improving their skills, performance and productivity.

#### **2.2.4 LABOUR RELATIONS ACT, 1995 (ACT 66 OF 1995)**

The Labour Relations Act 66 of 1995 provides for the protection of employees' rights as contained in section 18 and 23 of the Constitution. The Act is intended to promote fair labour relations within organisations. The Act also provides guidelines for the management of poor performance by employees without opting for dismissing the employees. Before any government employee is dismissed, steps should be taken to ascertain the causes for poor performance in the process and whether the process is applied correctly. The performance management process must, therefore be lawful to evade unnecessary lawsuits. Schedule eight of the Act provides for dealing with employees' incapacities and poor performance (Maila, 2009). Maila further criticises the Act in that it makes it impossible for the government to discharge an employee based on non-achievement of the set performance targets.

The PMS is supported by various acts and regulations from the national and provincial government (Munzhedzi, 2011). Based on the above regulations, the Department of Public Works and Roads developed the Performance Management System Policy in relation to both the provincial and national policies to deal with the performance assessment for employees in the Department.

The above are but a few acts and regulations that support the introduction of PMS in the government. In addition to the above, the Public Service Commission developed a number of White Papers that form part of the regulations guiding human resources. The following White Papers are briefly explained:

- White Paper on the Transformation of the Public Service, 1995
- White Paper on Public Service Training and Education
- White Paper on Affirmative Action and Training and Development
- White Paper on Human Resources Management

The performance management emanated from the introduction of the White Paper on HRM. The White Paper demonstrated the requirement for improved allocation of administrative accountability and power to the departments and within departments. The necessity for decentralisation of HR and a decentralising policy execution which was centralised at the national government was apparent and was therefore implemented (The Public Service Commission Report, 2008). Some of the public service human resource issues were transformed through the White Paper on HRM, including recruiting and retaining skilled senior employees, which resulted in the development of the Senior Management System (SMS) in 2001. The SMS obliged managers to sign the performance agreements, which were implemented from 2002 (Sangweni, 2008).

#### **2.2.5 PUBLIC FINANCE MANAGEMENT ACT 1 OF 1999**

The Public Finance Management Act was put in place to regulate financial management in all the government institutions including the public entities; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith. Assets of government

include human resource, which is the greatest asset, and the Act emphasise that these assets should be nurtured and skilled in order for them to serve the communities efficiently.

## 2.3 THEORIES UNDERPINNING PERFORMANCE MANAGEMENT

Performance management is a regular method of identifying, measuring, and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization" (Aguinis, 2009b, p. 2). Maila, (2009) describes performance management as the entire process of observing an employee's performance about job requirements over a period clarifying expectations, setting goals, providing on-the-job coaching filing and retrieving information about performance and then making an appraisal by this information. Salaman, Storey and Billsberry (2005) indicate that there are two theories that form the basis of the concept of performance management: the goal-setting theory and the expectancy theory.

### 2.3.1 GOAL SETTING THEORY

Goal setting is a theory broadly used in the organisation as a means to advance and maintain work performance. Milkovich, Newman and Gerhart (2011) define goal-setting theory as the execution of difficult performance targets to urge employees to work towards an increased performance. In addition, these goals are regarded as a criterion to be used to provide employees with the response and to compare performance (Milkovich et al., 2011). Goal setting in PM plays an essential role, as it entails the communication between the manager and the employee and serves to identify the main tasks for the financial year (Sefora, 2013). Sefora (2013) further explains that during the interactions, the manager must clarify the employees' role and how their contribution affects the entire performance of the institution.

According to Lawlor and Hornyak (2012), Locke and Latham developed the five basic principles behind effective goal setting in 1990. They emphasised that effective goals should be 'SMART', meaning;

- that goals should be *specific*, i.e. define precisely what is being pursued;
- *measurable*, i.e. is there a figure to track conclusion; *attainable*, i.e. can the goal be realized;

- *relevant*, i.e. is the goal feasible from a business viewpoint
- and *timely* i.e. can it be done in a reasonable amount of time.

Ngima and Kyongo (2013) advise that managers should involve team members in setting goals within the larger team objective and make sure that their goals are SMART. In this instance, managers will tell employees what to accomplish and when, and let them choose how. This gives people the ability to accept more accountability that is significant and to encourage initiatives.

The goal-setting theory has been proposed by Edwin Locke cited in Lunenburg (2011). Lunenburg (2011) further indicates that Locke and Latham provide a strong motivational goal-setting theory, which stresses the relationship between goals and performance. They support predictions that the most effective performance happens when goals are specific and demanding when they are used to evaluate performance and linked to an opinion on outcomes and result in dedication and acceptance.

The theory implies that the individual targets known by employees play a key role in motivating them for better performance. The reason is that employees always keep their eyes on their ambitions. If they don't achieve their targets, they try to either better their performance or adjust the goals to make them more practical. Lunenburg (2011) concurs, stating that goals have a significant influence on employee conduct and performance in organisations. Salaman et al. (2005) acknowledge that when the performance improves, the result is the achievement of the objectives of the performance management system

Understanding the concept of goals will assist in considering what employees have to achieve to contribute to the bigger picture, i.e. the organisational goals (Sefora, 2013). Change in the destination or business needs requires that employees' goals be modified. However, goals should not frequently change as they are the strategies of the organisation, and strategy does not vary often. Too many strategy changes show that management is incompetent. Goals represent the bridge that connects business strategy to more excellent results. The "set goals give a sense of direction for the activities of an organization and broad guidelines towards which more detailed and specific plans are directed" (Ngima & Kyongo, 2013). The manager

and his or her employee at the period of a performance agreement should concentrate on clarifying results that are measurable and quantifiable, in other words, results that can be evaluated (Paile, 2012).

### **2.3.2 EXPECTANCY THEORY**

The expectancy theory was proposed by Victor Vroom in 1964 as one of the practice theories of motivation. The theory looks at the cognitive procedures that influence the motivation of people employed in organisations (Parijat & Bagga, 2014). This theory is based on the premise that people change their behaviour in the organisation according to the expected satisfaction of valued goals set by them. The individuals change their conduct so that it would be possible for them to attain their goals. This theory substantiates the concept of performance management as it is assumed that performance is influenced by what is likely to happen in the future (Salaman et al., 2005).

Lunenburg (2011) describes the expectancy theory as a “cognitive hypothesis” of motivation that is based on the premise that people think the hard work they produce, what they accomplish based on their efforts, and what they receive in return for their efforts and performance. In other words, people will be motivated if they think that hard work will result in good performance and good performance will result in decent benefits.

This hypothesis seeks to clarify and anticipate employees' enthusiasm concerning predictable actions as well as the rewards (Sefora, 2013). Employees' behavioural preferences depend on the chances that their performance will generate specific results that are attractive to themselves. The expectancy theory also puts emphasis on the observation, judgement and alternatives of a person in a particular framework and the belief that people make sound decisions according to accurately perceived economic realities. Lunenburg (2011) further presents Vrooms' model as a distinctive expectancy theory, which depends on the three cognitions or motivational elements: expectancy, instrumentality and valence. A person is inspired to the extent that they believe that (a) effort will result in satisfactory performance (expectancy), (b) performance will be recognised (“rewarded”) (instrumentality), and (c) the

rewards are very encouraging (valence). The Vrooms' model practically portrays the maximisation of the three motivational aspects of improved output in an organisation (Sefora, 2013). Given the expectancy theory, a performance incentive will be successful only if the relationship between effort and reward is clear and the promised reward is observed as something to be worth the extra effort. The suggestion is that employees will carry out what they believe they are able to do in their task performance (effort) if they experience the promised reward as genuine (instrumentality) and the rewards themselves are meaningful (valence).

Managers simply do not like the idea of appraising their subordinates and sometimes put it off until the last minute (Tlowana, 2009). In the Department of Public Works and Roads (District) the attitude is the same with managers and the assessment process. Some of the managers view the process as a waste of time and others are scared that they will tarnish their relationship with their subordinates. This results in delays in the process of assessments and reward payments which does not motivate employees in any way. Managers are not trying by any means to employ Vroom's motivational factors involved in encouraging employees to put effort into their work, since, according to Walsh 2003, Vroom's motivational factors are the foundation for inspiration.

## **2.4 PERFORMANCE MANAGEMENT (PM)**

Performance management is a theory and practice in the human resources management field. It is a much broader concept than performance assessment and consists of a set of customs utilised by supervisors to plan, direct and develop employees' performance in line with attaining the overall organisational' goals (Mundzedzi, 2011). It is an ongoing process of discovering, measuring and developing people and arranging performance in line with the strategic objectives of the organisation (Aguinis, 2013). Varma, Budhwar and DeNisi, (2008) describe PM as the method used by which organisations to establish work goals and performance standards, allocate and assess employees' performance, give feedback, establish what training and development necessitate and then present rewards.

Performance management is frequently mistaken as performance assessment, but the performance assessment is merely a part of performance management. Sometimes the terms are used synonymously (Agarwal, 2011). The difference between the two is that PA perfectly explains the process of moderating past performance and not measuring that performance against understandable and agreed objectives. Umair et al. (2016) describe PA as a regular and continuous process between manager and employee during which process the employee's daily performance is analysed in depth. PM, on the other hand, shifts the focus away from just a yearly event to an ongoing process. This process includes communicating the employees' performance and ensuring that the agreed upon standards are met all the year through, to ensure that whenever there is an occurrence of any underperformance, it is addressed before the performance assessment period.

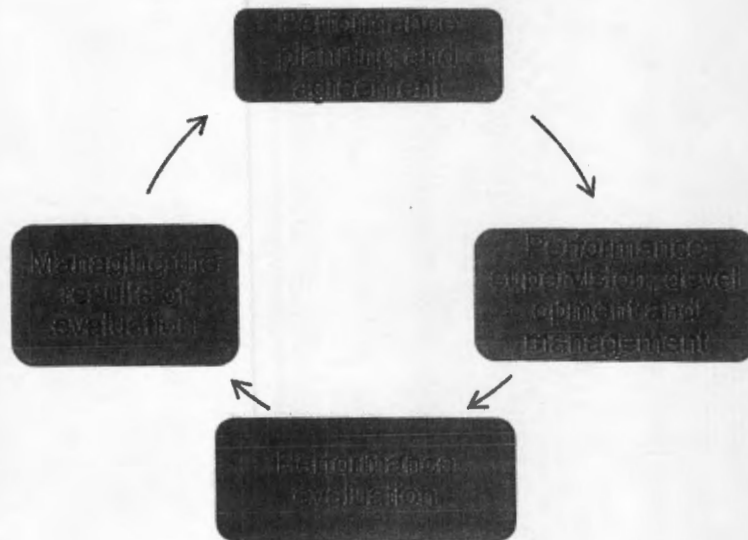
In the field of PM, it is crucial that targets be viewed to be fair and equitable across all groups. It is also vital for employees to have confidence in their work and to realise that management is supportive. Employees also have to believe that the employer recognises their input and cares about their well-being (Nyaoga, Simeon & Magutu, 2010). Nyaonga et al. (2010) confirm that this belief is a strong motivation, which can make a vast difference in the behaviour and performance of the employees.

The primary concern of the discussion is to know what kind of performance management and behavioural aspects are significant in a successfully functioning and regular used PMS. Some businesses have established ways to advance performance through setting procedures and methods that are also based on the development and execution of performance management system that is well-structured. It is through such methods that the company and its interested parties accomplish goals agreed upon and in that way increasing output and adding value. According to Matlala (2011), the success of these PMS's is often hampered by some factors and because these systems are set up to assess individuals' performance, their incompetence is frequently blamed on the human factor.

Matlala (2011) acknowledged those behavioural aspects that were identified by De Waal (2003) as necessary for a PMS to be successfully implemented and regularly used. The aspects mentioned can be subdivided into how the supervisors understand what characterises

performance results of assessment, and (vi) evaluation of the performance management system. The figure below depicts the performance management cycle.

**Figure 2.1 Employee Performance Management Development System cycle**



### 2.6.1 PERFORMANCE PLANNING AND AGREEMENT

PM begins with performance planning, and it is done once at the beginning of the financial year. PM planning lays the foundation for other steps in the PM cycle because, during this personal phase, targets are determined; applicable capabilities are identified and a performance plan is produced and agreed with all employees. Supervisors and subordinates sit together to examine performance expectations, goals, and personal development plans. The planning meeting is also set to support employees to channel their hard work into realising institutional goals. During the planning, employees must sign performance agreements at the beginning of the first quarter of the new cycle. A PA must include the following:

- **Employee information** including the post number, post name and rank, as well as a description of the employee's job function, where the main objectives, key result areas (KRAs) and generic assessment factors (GAFs) are emphasised.

## **2.5 PERFORMANCE MANAGEMENT SYSTEM (PMS)**

PMS refers to the instrument consisting of methods for scheduling, supervising, rewarding and developing employees' performance with energetic support of organisational targets and objectives, management and a response-oriented environment (Tapomoy, 2008). The systems seek to remunerate employees for their accomplishment and develop them personally. Lewis, Liganiso and Koradia (2015) propose that the perfect performance management system must have tactical and contextual similarities, diligence, reasonableness, meaningfulness, specificity, detection of effective and ineffective performance, dependability, authority, suitability and equality, completeness, sincerity, correctability, standardisation and ethicality. These few examples point out the significance of the ideal performance management system:

- Tell and Listen - manager communicates the recognised weak point and lets the employees discuss their views,
- Problem Solving - includes listening, patient reactions, as well as the employees' development.

Performance, incentives and payroll systems focus on the fundamental trade between the employees and employers; employees provide performance, and in return, employers give rewards, which are distributed via the payroll system (Kavanagh, Thite & Johnson, 2012).

## **2.6 PERFORMANCE MANAGEMENT CYCLE/PROCESS**

A PM process model is often used to direct supervisors, employees and teams on the activities they will be expected to perform in line with organisational targets (Matlala, 2011). The Employee Performance Management and Development System (henceforth referred to as the EPMDS cycle) covers a 12-month period, whereby performance is planned, managed and measured. It must be in line with the same period as the Department's annual business plan, i.e. 1 April to 31 March of the following year (EPMDS, 2007).

Performance management at the employee's level is a continuous process of interaction between the employee and their supervisor about the employee's performance. A crucial requirement of the process is regular communication that covers the full performance cycle. The cycle is divided into integrated performance components, i.e.(i) planning an agreement;(ii) performance supervision;(iii) developing and management;(iv) performance evaluation;(v) performance results of assessment, and (vi) evaluation of the performance management system. The figure below depicts the performance management cycle.

**Figure 2.1 Employee Performance Management Development System cycle**

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- Performance supervision, development and management
- Performance evaluation
- Managing the results of evaluation
- Performance planning and agreement

## 2.6.1 PERFORMANCE PLANNING AND AGREEMENT

PM begins with performance planning, and it is done once at the beginning of the financial year. PM planning lays the foundation for other steps in the PM cycle because, during this personal phase, targets are determined; applicable capabilities are identified and a performance plan is produced and agreed with all employees. Supervisors and subordinates sit together to examine performance expectations, goals, and personal development plans. The planning meeting is also set to support employees to channel their hard work into realising

institutional goals. During the planning, employees must sign performance agreements at the beginning of the first quarter of the new cycle. A PA must include the following:

- **Employee information** including the post number, post name and rank, as well as a description of the employee's job function, where the main objectives, key result areas (KRAs) and generic assessment factors (GAFs) are emphasised.
- **A work plan**, that is the essence of the performance agreement, contains the KRAs, outputs, activities and resource requirements.
- **A personal development plan (PDP)** helps to place areas of the employee's development into categories and provides improvement methods to achieve the development to the best of the employee's abilities.

The supervisor and the employee prepare and agree on the KRAs, job purposes, weight, KPIs and performance measures to be attained in a financial year and develop an Individual Development Plan (IDP) to assist the employee in reaching the agreed Performance Standards.

## 2.6.2 PERFORMANCE MONITORING AND REVIEW

Supervisors and/or managers must continuously monitor the performance of their employees to enable them to identify any performance barriers and adjustments that will affect developmental areas and improvement needs as they arise. Performance evaluation meetings are an essential part of monitoring. The meetings must take place regularly and when required by circumstances. During these meetings, actual performance against agreed targets must be assessed against expected performance, and the reasons for under/non-performance must be identified. These reviews are essential to the employee who is not performing up to standard, and they assist in explaining areas that the employee needs to improve. Managers should also identify the employees' strengths and weaknesses and provide the necessary support.

According to the Public Service Regulations (PSR)1/VIII B.4(b) (Government Notice No. R. 785 of 28 June 2004) an employee's supervisor should constantly monitor the employee's performance and provide feedback on their performance. The Regulation gives the directive that employees' performance be assessed every quarter. The underlying principle is that the quarterly assessment process provides the supervisor with the opportunity to change performance in a certain direction without allowing deviations to become serious. Performance monitoring in the Department of Public Works and Roads is not satisfying because during this period the HR officials perform monitoring. HR officials do the actual monitoring by visiting other components within the district to verify if all the employees' work plans are in place because the evaluation period is approaching. Managers and supervisors will only check if all documentation is available when HRD officials are making rounds to check.

There is a lack of continuous monitoring of the employee's performance, as stipulated by the policy's objectives of promoting continuous monitoring to ensure that employees who require training are supported, to enhance their performance and career development, as stipulated in the policy (EPMDS, 2007).

### **2.6.3 PERFORMANCE ASSESSMENT**

PA is the concept of improving performance and helping to develop people. However, the use of PA in organisations continues to differ and evidence indicates that many industries are not at all satisfied with PAS (Cook & Crossman, 2004). Venclová, Šalková and Koláčková (2013) suggest that there is two types of employee performance assessment. They are formal (systematic) and informal (non-systematic) assessment. Informal appraisal involves continuous evaluation of an employee by the superior in the course of their work process. Formal employee assessment, on the other hand, is an organisational procedure that is formal and conducted systematically to make a comparison between the expected individual (group) and real performance (Venclová et al. 2013). Ochoti et al. (2012) emphasise that in evaluating performance assessments, correctness and fairness are significant.

The EPMDS policy states that the performance assessment meetings form an essential component of the monitoring process (EPMDS, 2007). Individual performance must constantly be monitored to enable supervisors to identify performance obstacles and alterations to assist in addressing development and improvement needs as they arise. Performance evaluations sessions are used to give an employee a chance to voice their opinions about their performance and receive performance feedback from the supervisor. Therefore, performance assessments should be done at regular intervals throughout the performance cycle.

Performance appraisal is a formal review and evaluation system for the performance of individuals or team tasks (Hamumokola, 2013). Kirkpatrick (2006) indicates that performance assessment is the basis of the performance management practice and essential in the continuous progress of employees. In this instance, employee performance consists of the magnitude and value of production, suitability of output, attendance at work and helpfulness toward the accomplishment of organisational targets (Matlala, 2011). The procedure involves a manager and the employee co-operating towards measuring the progress the employee has made towards completion of the goals set in the performance planning and to review the successes and challenges during the period under review.

In the Department, there are moderation committees appointed by the Head of the Department as per the policy. The committees are divided according to the salary levels from the junior, supervisory and middle management level. Employees' supervisors are invited to make presentations on the performance of their subordinates at the relevant committee; decisions are taken based on the managers' presentation and motivation whether it is justifiable that an employee receives a performance reward. The results of the employee's performance assessment will also determine whether the employee qualifies for an increase in the notch that will progress the employee from one salary bracket to the next level. The system seems unfair sometimes because some managers are not able to present their subordinates well to convince the moderation panel that the employee qualifies for the scores awarded. The results, therefore, end up not being favourable to the subordinates and that is where the tension begins.

#### **2.6.4 PERFORMANCE OUTCOMES OF ASSESSMENTS**

The results of performance assessment from the employees' point of view are based on fair allocation, reward and appreciation for their excellent performance from the organisation they are working for, and inspiration to improve their performance (Kim & Holzer, 2014). When employees realise that managers appreciate what they do, judging from the results of their performance evaluations, they tend to feel satisfied and put more effort into their work.

Erasmus, Swanepoel, Schenk, Van der Westhuizen and Wessels (2005) maintain there are two fundamental outcomes from a successful PM process that has to be managed: they are managing satisfactory and unsatisfactory performance. The researcher is of the opinion that these outcomes are usually the reasons why employees are not satisfied.

#### **2.6.5 PERFORMANCE SYSTEM EVALUATION**

The system review process is based on legal guidelines, directives of best practice and guideline monitoring and evaluation. It is necessary to sufficiently evaluate the current performance to understand how it can be improved. Some form of evaluation of the performance assessment must therefore take place to determine how performance can be improved.

The Moderating Committee, with the assistance and support of HR, will verify if the legal requirements in the Public Service Regulations are being met. They are the following: all employees are being assessed annually; employees know the supervisor who assesses them; before the process begins employees are made acquainted with the details of performance assessment; employees have the right to refuse to sign a performance assessment form; the differences and resolutions are identified, and employees' representatives are permitted to stand for an employee with complaints.

#### **2.7 PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM IN THE DEPARTMENT OF PUBLIC WORKS AND ROADS**

The Department started implementing the system of performance management immediately after the inception of the policy. PM is described in the PMDS guideline as the procedure whereby managers work to align employee performance with the Departmental goals, with the

aim of facilitating an ongoing, proactive effort intended to assist in pursuing organisational planned targets and objectives, as well as managing and enhancing employee capability. PM is about following the correct procedures, methods and structures that support and advance individual performance and, at the same time striving to improve the performance of the organisation (EPMDS. 2007).

In the revised policy, the Employee Performance Management and Development System (EPMDS), performance management is directed at planning, supervising and enhancing employees' performance. The intention of the policy is to maximise all the employee's output regarding quality and quantity, and in so doing improving the overall performance and service delivery of the organisation (EPMDS, 2007).

According to the EPMDS (2007) to accomplish individual excellence, performance management aims at:

- creating a tradition of performance and learning in the government;
- promoting service delivery and ensuring that employees understand what is expected;
- encouraging communication on performance between employees and their supervisors;
- recognise, direct and support the development needs of employees;
- assess performance reasonably and without bias;
- identify types of performance that are completely effective and superior; and
- deal with performance categories that are not totally effective and inferior.

Matlala (2011) concurs with her findings of the research, adding that the policy's main objective is to direct employees' performance, give advice, take steps for improving performance, and eventually recognise and acknowledge good performance.

The employees in the Department have never been satisfied with the process since its inception. In the Department, performance assessment is often misinterpreted as a boring once-off procedure, only related to performance bonus towards the end of the financial year. It is not regarded as a key organisation task that is intended to inspire a performance-driven and results-oriented society that promotes and rewards outstanding performance.

The performance assessment in the Department is treated as a period for employees to cash in. All employees expect to receive bonuses even when they are aware that their performances do not qualify them. Employees argue with supervisors if their ratings do not make them eligible for bonuses and much tension arises during the period of assessment. Some officials and supervisors do not consider the main objectives of the performance assessment, namely evaluation and development, during the assessment period because the actual results of performance are not considered except to satisfy aggrieved employees. The Department is also not making any effort to ensure that employees' grievances are dealt with in the assessment period in question, as they take longer to deal with such cases, with the result that employees ultimately lose interest and become demotivated.

HR components generally have the overall accountability for the management of the formal PMS by giving direction on the system for the whole organisation. Rothwell, Hohne and King (2007) concur, stating that accountability of performance lies with the HR department. They are the experts who analyse, intervene, evaluate and champion the change management process. The HR also supervises carrying out the performance management process by making certain that all employees' performances are evaluated each quarter and that the systems are updated. The Human Resource Development (HRD) unit within the HR component tries to minimise employees' misconceptions by scheduling training sessions on the system for all employees at the beginning of the new assessment period, to ensure that employees have enough information to enable them to fully participate in the process.

Training on PM assists employees to realise the aims and objectives of the system. It fights employees' possible concerns about the process. Moreover, training further assists employees on how to draw up performance plans, inform them on how the assessments are conducted and how to complete the relevant forms. Training is meant to prepare supervisors

to shine in the structures of the system and areas such as communication, analytical and conflict management that would result in a more effectively run system.

This study examines employees' perceptions of fairness and satisfaction with the department's performance assessment system. The employees' sensitivity to their managers' coaching skills influence the overall perceptions of the impartiality of the system because managers must be able to assist employees where they lack skills. Most managers do not take their employees by the hand to show them how things are done but they rather wait for the assessment period to point out the mistakes made by the employees. This type of managerial coaching affects employees' attitudes and behaviours. Therefore, employees' perceptions value their managers' coaching skills more in association with their perceptions of their learning, commitment and turnover intentions.

## **2.8 PERFORMANCE ASSESSMENT (PA)**

As already indicated, PA is only one of the steps in the performance management system. According to Bekele, Shigutu and Tensay (2014), an assessment is an essential part of performance management of employees since it encompasses the examination of the achievement and failures of an employee. In addition, it also entails the assessment of whether they are suitable for training and promotion in the future. Despite the custom in organisations to use performance appraisal systems and what these organisations perceive as important in the future, there is substantial debate over its efficiency and value. Studies through the years have shown that there is a comparative lack of satisfaction in connection with the effective accomplishment of performance appraisal systems in both private and public organisations (Walsh, 2003).

PA as part of the performance management is defined as a method to discover, monitor and develop human resources in an organisation (Vasset, Marnburg & Furunes, 2012). It is a conservative system noting how an employee has performed during a previous assessment period. Performance assessment data usually form the basis for merit pay (Kavanagh et al., 2012).

Tapomoy (2008) describes performance assessment as a logical and official method used where the job-relevant strengths and weaknesses of employees are identified, monitored, evaluated, documented and developed. Tapomoy (2008) further indicates that assessments are essential in a sense that unless they are proper, job performances cannot be accurately diagnosed. According to Ochoti et al. (2012), in performance assessments, correctness and justice in measuring employee performance are essential.

PAs are usually utilised for two main reasons namely, development and evaluation. Development is aimed at discovering the needs of the employees and then providing feedback to them; determining tasks and transfers, and evaluating employees' strengths and weaknesses. Evaluation is involved with identifying performance and making decisions on promotions/demotions, recognising how each worker performs, how to determine salary management and decisions in connection with retention or termination (Ibeogu & Ozturen, 2015).

The EPMD indicates that PAs make it possible for a department to allocate to their employee's detailed performance objectives and targets. PAs also enable employees to contribute meaningfully to the management of their own performance. According to Vasset et al. (2012), researchers have reported that an individual PA is dysfunctional because it hampers teamwork, promotes mediocrity, focuses on temporary results, and exaggerates individual differences in performance. According to Wright (2006), performance appraisal has provided the base for PM. She alleges that PM is a broader method for organisations to use to set their aims and objectives as for departments, sections, groups and individuals. Divandari (2008) explained that performance appraisal helps the organisation to succeed in realising the strategic purpose and growing the effective working process through ongoing improvement of individuals' performance and process along focusing on weak improvable points.

Performance review or assessment is a primary aspect concerning performance management. Performance is reviewed at predetermined periods and feedback is given to employees. A 'supervisor' guides each employee in their 'performance development' but in most cases, the 'supervisor' conducting performance assessment does not have an employee-manager relationship with the employee because, during the year, there are never informal sessions

that help to identify if the employee requires any development or if they are coping. In many instances, the only close contact between the supervisor and the employee in the course of the year is the appraisal interview. The action leads to employees being dissatisfied because they only come to learn about their shortcomings when they are assessed, while there has not been any interaction relating to their performance during the year.

According to Paile (2012), the distinctive feature between PM and PA is that the former is a continuous process, whereas the latter is done at distinct periods. PM is therefore not a replacement for PA or vice versa, but PA forms a part of the PM process. PM is more involved in the achievement of organisational objectives and furthering service delivery. PM is a holistic or comprehensive move towards performance during which other administration instruments are also used to make certain that the organisation progresses in service delivery and that it is aggressive towards its rivals. PA has more to do with the evaluation of the total performance of the individual in order to measure the employee's performance and helping them to develop.

### **2.8.1 THE PROCESS OF PAS IN THE DEPARTMENT**

At the start of the financial year, employees should "enter into performance agreements" with the Department "within thirty days after the commencement of the financial year" (EPMD, 2007). Employees must sign the agreement forms and send them to the HR unit in the Department so that these can be captured in the PERSAL system.

The manager and the employee must to plan and agree on the key result areas (KRAs), job purposes, weighting, key performance indicators (KPIs) and performance evaluation to be achieved in a financial year. Managers must also together with the employee, develop an individual development plan (IDP) to help towards realising agreed Performance Standards. Managers do not take PAs seriously, as they indicate that it is not the core of the business. The PAs are signed and sent to the HR unit in order to comply with the policy.

Supervisors only meet their employees at the time of the assessment at the end of the second and final term, where the performance of the whole year is assessed. This is unfair to both the supervisor and the employee because no discussions have been taking place during the year to ensure that performance meets the standards that were set in the beginning when the

agreement was entered into. Both managers and employees have forgotten about all the activities that were performed because they never had any discussions relating to the employee's performance during the year. The emphasis is placed on assessment with the purpose of gathering the employees' work behaviour and performance, but the information that is considered important by most supervisors is usually the employees' behaviour during the assessment period rather than his work performance.

Employees in the Department feel that the treatment they receive from their supervisors does not consider their feelings about matters relating to their work. They feel that supervisors do not value their contributions and are not supportive. They do not trust their supervisors and discussions about their performance end up in disagreements. Employees give motivations to support their high rating, but if the supervisor is of a different opinion, they will not rate them the same. Employees end up demotivated and not performing well.

Employees in the district are not satisfied with the Department's performance appraisal process, and this causes disagreements and tension with the supervisors during the performance appraisal period. This period sees the Department experiencing a high level of the turnover rate that results in low productivity and thus poor service delivery experienced by communities. Employees are unsure whether the process followed in the district is fair because they do not have faith in their managers and feel that managers are biased when rating them. Employees believe that managers and supervisors have the tendency to rather judge their shortcomings or the negatives instead of their performance achievements. Hamumokola (2013) supports this statement by declaring that a number of problems with performance assessments are mainly due to PAs based on a set of broadly held unfounded assumptions. Many of these false assumptions relate to the evaluation process itself.

During the moderation sessions, supervisors are invited to present the employees' evaluations to the moderation panel so that the panel may gather information that supports the ratings that the employees have scored for their performance. The moderation panel then recommends that the employee gets a bonus and/or pay progression based on the rating score achieved. The employees' file is then sent to the Human Resources PMDS unit for reconciliation of all employees' results and then to salary section for reward payment.

## **2.8.2 FACTORS THAT AFFECT THE PERFORMANCE ASSESSMENT SYSTEM**

An important part of research on performance assessment competence and approaches has centred on the satisfaction of employees and their perceptions of the fairness displayed in the process (Akhtar & Shehzad, 2013). Some factors may be recognised that affect the PAs. Some of the most critical factors include employee participation, supervisors, performance feedback and employees' knowledge and skills.

An organisation can change the regulations and affect the working of a performance assessment system. An example is the training they give to supervisors who conduct assessments. When managers and supervisors understand the steps to follow during assessment and are able to practise what they gained from the training and workshops provided, they could be able to conduct assessment smoothly without any hiccups. Employees also require training in order to have information so that they can fully participate in assessments. That way, the employees will be satisfied with the fact that the managers value them because they involve them, and assessments are not just a one-man show where only the manager has a say. Supervisors play an important role in performance assessment because they are the people who establish performance objectives, giving a formal and informal response, and the total valuation of the employees' performance (Onyango, 2013). Supervisors use performance scores, which both the supervisor and the employee must agree upon, in different ways, for example, to determine any salary increase, promotion or dismissal that results from the performance evaluation. For that reason, an employee's present and future employment chances can be severely affected by their performance evaluation made by their supervisor.

Feedback is given to the employee so that their performance can be successful because of a motivated change in behaviour. Onyango (2013) indicates that the way in which employees receive feedback about their job performance is the main aspect that determines the achievement of the performance assessment system. Although it is by no means easy to give feedback, it is required that supervisors give performance appraisal feedback on both positive and negative aspects. Virtanen & Stenvall (2010) alludes that the leadership skills of supervisors will influence how he or she provides feedback, in addition to how he or she

receives feedback from employees. Onyango (2013) sensitised that should managers' feedback hit at the person's centre of belief system; it is essential to lay down conditions of the response in such a way that the employee can accept, pay attention to, and own conflicting information.

Roine (2018) however, warned that it is not wise to rely solely on the supervisor, as he/she might, for example, be biased or have polemical relations with the employee. The supervisor might lack understanding of how other people, such as customers or colleagues, would evaluate the employee's performance. He mentioned that this is the reason why Dessler (2010) introduced other relevant solutions, such as peer review, self-ratings, or appraisals by subordinates, which can be exploited besides supervisor appraisals.

Onyango (2013) explains that knowledge of the PA system has a major and positive influence on perceptions of justice. Employee's knowledge of the PAs process including all the elements is essential because it makes things easy for both the managers and the employees to conduct fruitful assessments. Knowledge of the PA process by the employees gives them the feeling of control over the process because they are aware of why the assessments are done. They also know what the requirements are for successful assessments and their consequences.

## **2.9 EMPLOYEES' PERCEPTIONS OF THE PERFORMANCE ASSESSMENT SYSTEM FAIRNESS**

Employees want justice when dealing in PA, which is a critical element of the organisation's HRM. From existing literature, it is clear that what employees regard as fair perceptions of various factors of PAS have serious consequences for both employees and their institutions (Ikramullah et al., 2011). Fairness is one of the crucial factors affecting PAs and is considered *a more serious* phenomenon in comparison to other reactions in the assessment of employees owing to the influence of the justice of the organisation has recently had on the measurement of employees' reactions (Bekele et al., 2014). In this context, variables about fairness are a supervisor who knows what he/she is doing, an opportunity for the employee to express his/her feeling related to the frequency of assessment and assessment in a rating year. Employees who are given a chance to change their ratings or have been given the right to

protest against ratings, which according to their perceptions are unfair (Ikramullah et al., 2011), will perceive PAS as fair.

Measuring the assessment fairness is more complex than other forms of performance assessment. This is owing to the pressure the organisation exercises on evaluating employees' reactions to the assessment (Bekele et al., 2014). Bekele et al (2014) argue that an outstanding evaluation system has great sympathy with matters such as fairness. Employee's perceptions of the fairness of the performance assessment have been subjected to scrutiny as an essential part of employers' acceptance of and satisfaction with their performance appraisal (Bekele, Shigutu & Tensay, 2014). Fairness is an important aspect and perceptions of fairness and just treatment are positively related. Therefore, where employees are treated fairly, organisational measures are perceived to be just and employees will then act positively to ensure its smooth running (Shaik, 2011). Performance appraisal fairness has to do with employees' perceptions of justice (Iqbal, Akbar & Budhwar, 2015). Fairness is derived from the justice theory that alludes to the perceived fairness that is outcome-related (Dusterhoff et al., 2014). In this study, the fairness of the PAS is determined by the elements of organisational justice. The study strives to explain organisational justice (OJ) in the context of the four-factor model; distributive, procedural, interactional and informational justice. In the early 2000s, the four-factor model was conceptualised. It expressed all forms of justice comprehensively by the division of interactional justice into two aspects, i.e. interpersonal and informational justice. Colquitt (2001) who supported the measurement of the four-factor model sufficiently pointed out its construct and analytical validities.

This study comprises an investigation of how employees perceive the fairness of the performance assessment process of the organisation, as influenced by the four-factor model of organisational justice, namely distributive, procedural, interactional and informational justice. OJ is a functional model that can be used to study the results and methods of performance assessment (Rowland & Hall, 2012). It is a behavioural science theory that refers to the perception of fairness of the previous conduct of the employees within an organisation held by the employees of that specific organisation (Tapomoy, 2008). The organisational justice

hypothesis provides a theoretical structure to describe and functionalise the dependent variable, namely the perceived fairness of the appraisal system (Harrington & Lee, 2015).

Employees anticipate their work experiences to be reasonable and view their relations with the organisations they work for because of fairness (Matlala, 2011). Rowland and Hall (2012) explain that organisational justice deals with how employees are treated in an organisation. They indicate that fair and just treatment of employees will benefit the organisation because when employees are happy they perform better. The researcher is of the view that, to this end, integrity as explained within the framework of OJ, can be viewed as a vital aspect that will conclude whether or not officials remain loyal to the Department. Fairness, in this case, is based on the OJ theory, which according to Atwater and Elkins (2009), can advance positive approaches toward managers and strengthen the level at which officials are eager to acknowledge positive criticism.

Fairness is found to be essential for enhancing employees' understanding, particularly about the relationship between outcomes and assessments (i.e. the assessment process), and evaluations and outcomes (i.e. the reward process). As fairness is ultimately the employee's reactions to the assessment and reward processes that establish to what degree employees are motivated to improve their performance, employee perceptions of fairness is vital for the effectiveness of PM systems, (Dewettincka & van Dijk, 2013). Fairness functions as an arbitrator of the relationship between PM system attributes and PM system usefulness. Where procedural injustice is perceived, it could negatively affect employee's organisational dedication, employment contentment, belief in management, performance and work-related anxiety, theft, and the tendency to go to court against their employer. Employees in the district feel that the appraisal system is not working for them and it would be best if it were abolished, as they do not get any satisfaction from the system. Employees in the Department have never considered the appraisal system to be fair.

Their perceptions of the system's unfairness demotivate employees and take away their commitment. The matter is made worse by the decisions management take when rewarding employees for their performance. Employees who qualify for performance bonuses receive a five percent (5%) bonus across the board, irrespective of what rating an employee has

achieved in their performance appraisal scores. This action is also not taken well by the best performers in the Department, and they end up with a feeling that it does not matter how much effort one puts into one's performance - the results will be the same as for those who are average performers. What employees perceive as fairness of performance assessment has been scrutinised as a major feature in employees' acceptance of and satisfaction with performance assessment. This study investigates employee reactions to the fairness of and satisfaction with the existing performance appraisal system in the district office using a hypothesised four-factor model of organisational justice as the theoretical basis. The underlying theory was that the conceptualised four-factor model, which distinguished between the constructs of interactional and procedural justice, would be the best model to represent the principal factor structure of the data. The four factors of organisational justice as mentioned before, are distributive, procedural, interactional and informational and will be discussed in the next sections.

### **2.9.1 DISTRIBUTIVE JUSTICE**

Distributive justice is the initial fairness construct study that looks at opinions on the fairness of how outcomes are divided and distributed. It is often compared with the justice process, which is concerned with the administration of law and focuses on results. According to Ledimo, (2015) distributive justice centres on the reality that in organisations, not all employees are treated the same and that the distribution of results is part of a discrimination process in the organisation. According to Jawahar, (2007), distributive justice deals with the fairness of results and, in performance assessment perspective, assessment ratings are results. Colquitt (2001), on the other hand, indicates that distributive justice is advanced where results are reliable with inherent standards for allocation, such as justice or equality.

### **2.9.2 PROCEDURAL JUSTICE**

More studies have currently focused on the justice of the procedures that result in decision consequences, referred to as procedural justice. It is the perceived fairness of measures used to make allocation decisions (Kaleem, Jabeen & Twana, 2013). One element of procedural justice is related to debates on the administration of justice and legal proceedings. Kim and

Holzer (2014) asserted that procedural justice refers to whether the performance assessment is perceived as procedurally fair and legitimate.

According to Enoksen (2015), processes should meet specific criteria to be perceived as fair. These criteria entail that procedures should apply constantly, be bias-free, built on correct information, and ensure the chance to correct unjust or erroneous resolutions, conform to principled and moral standards, and integrate opinions of the different groups involved by the decisions. Procedural justice is promoted by voting during a process of decision-making or by control over the result or by a commitment to fair procedural criteria, such as reliability, lack of prejudice, correctability, representation, and accurate and ethical conduct (Colquitt, 2001). Colquitt (2001) further indicated that procedural justice was considered to be assessed by comparing the process one goes through with various procedural regulations. The procedure was considered just if the regulations were upheld.

### **2.9.3 INTERACTIONAL JUSTICE**

Interactional justice or fairness is defined by the equality of interpersonal conduct towards an employee during the performance assessment process (Prather, 2010). This is normally determined by sincere and fair treatment, as well as appropriate and detailed interaction and response. Interactional justice relates to the interpersonal treatment individuals get as procedures are executed, particularly the way the management conduct themselves toward recipients of justice (Enoksen, 2015). It is promoted when managers treat employees with respect and sympathy and give them a detailed explanation of how they have come to their decisions. The factors in question are those that are akin to how the employee is treated by the supervisor (Thurston & McNall, 2010). Interpersonal factors are essential in the PAS for they affect the result of the communication between the supervisor and the employee (Ochoti et al., 2012).

Enoksen (2015) further explains that interactional justice was later divided into two types of interactional treatment, i.e. interpersonal justice and informational justice. The first, according to Enoksen (2015) relates to courtesy and respect from authorities, and the second

emphasises information and clarifications about procedures and results. Later it was claimed that informational justice should also require explanations to be instant, rational, and precise.

Perceptions of a fair interpersonal treatment scale also looks at the extent to which employees' ideas are utilised (similar to process control) and the extent to which the manager places those that are their favourites (thus potentially raising concerns related to distributive justice) (Colquitt, 2001). The value of communications during the process brings perceptions of fairness in the entire process. While the rating is going on, the supervisors should show that they respect their employees and should treat them with dignity and equality. They should ensure that there is a culture of reliance and support to the employees. The lack of such trust and support may encourage employees not to be satisfied with the PAS and so cause the entire process to be fruitless.

#### **2.9.4 INFORMATIONAL JUSTICE**

Informational justice is about the clarification provided to the employees that communicate information about the reasons for the application of procedures in a specific way and/or the reasons why results were allocated the way they were (Colquitt, Conlon, Wesson & Porter, 2001). Interpersonal justice is characterised by the fairness of interpersonal treatment towards an employee during the performance assessment process (Beis & Moag, 1986). Enoksen (2015) explains that informational justice refers to what extent employees perceive that their supervisors have been honest in their interactions, have explained procedures comprehensively, and have made realistic, suitable, and explicit explanations. It is the duty of all managers/supervisors to their employees to ensure that the outcome of the final ratings gets communicated immediately at the completion of the appraisal. It is at this time in the process where the manager/employee should come together for feedback. Feedback is always critical, whether positive or not, and the manner in which it is put across is the fact that supports the good organisational practice

#### **2.10 EMPLOYEE SATISFACTION WITH THE PERFORMANCE ASSESSMENT SYSTEM**

OJ is utilised to measure fairness, as discussed above. In the same way, there are measures used to evaluate satisfaction in research. "Satisfaction of performance appraisal is an

indication of the degree to which subordinates are satisfied, serves as a report of the accuracy and fair evaluations of performance, and the feeling that they will improve their working relations with their supervisors” (Bekele et al., 2014 pg 8). Katavich (2013) describes PA satisfaction as a reaction that is positive to the appraisal process, the interview and the subsequent outcomes of the appraisal. Employees are therefore satisfied if all the components of the PA are correctly adhered to. Employees perceive the performance assessment to be fair if they are satisfied with the system. In their study, Bekele et al. (2014) identified four elements that affect the performance appraisal system; satisfaction, fairness, perceived utility and perceived accuracy. However, the focus of this study is on two main constructs namely fairness of and satisfaction with the performance assessment system.

The focus of a large number of researchers on performance assessment efficiency and approaches for evaluation has been on the extent to which employees were satisfied with the process and what their perceptions of it were. How an employee perceives the fairness of performance appraisal very often has to do with their satisfaction with the system (Othman, 2014). The literature also shows that, in the evaluation of performance assessment, there are many aspects to consider. These include how employees feel about aspects like perceptions of equality and satisfaction with the performance assessment. It is therefore critical to see that satisfaction with the PA system can be changed when the employees see that the results of a positive evaluation are increased wages and other incentives such as salary payments, promotion, development and awards.

According to Ismail and Gali (2017), PA satisfaction is an essential element for organisations to uphold since PA satisfaction is a primary indicator of performance assessment effectiveness. They indicate that PA satisfaction falls within the umbrella of employee reactions and it mainly deals with how employees respond to performance assessments. Ismail and Gali (2017) also suggest that studying employees’ reactions is crucial for a number of reasons, one reason being that reactions have been hypothetically associated with the performance assessment system, but has somehow remained un-investigated in research. Boswell and Boudreau (2000) and Whiting, Kline and Sulsky (2008) concur, indicating that the number of studies in this area is limited. The assessment satisfaction is analysed in three

ways: satisfaction with the session itself, with the assessment method and with performance scores.

Satisfaction toward the appraisal was the response that was measured the most, according to Dusterhoff et al. (2014). Dusterhoff et al. (2014) differentiate between two forms of satisfaction: one form is associated with the appraisal session and the other one to the appraisal system and its perceived use. Brown et al. (2010) note that when people are not satisfied with the PA system and disagree with it, it leads to an increase in work dissatisfaction, lack of organisational commitment and the person intending to resign. Ismail and Gali (2017) affirm that negative experiences of the PA assessment may result in low-performance assessment satisfaction, which leads to employees' dissatisfaction. Dissatisfaction, as one of the outcomes of performance assessment, may result in unwanted organisational outcomes such as low organisation commitment and higher turnover intention by employees (Othman, 2014). Many organisations consider thrusting the resources and energy into the practice, but employees who are still dissatisfied with the process, often view the system as incorrect and biased. Dissatisfaction, as a result, needs to be managed to avoid such consequences.

### **2.10.1 THEORIES UNDERPINNING THE SATISFACTION WITH PAS**

Employee satisfaction is purely the way employees feel about their work and a number of aspects related to their work, as suggested by Lawler (Masood, Qurat-UI-Ain, Aslam & Rizwan, 2014). The Oxford English Dictionary (2007) defines satisfaction as the state of being content with what you want and need. In the work context, employee satisfaction is associated with employees being fulfilled in their work, and that fulfilment is derived, from amongst other factors, satisfaction with the performance assessment system. According to Masalesa (2016), employees' contentment is influenced by a variety of aspects such as the work itself, incentives and remuneration, training opportunities, working relations and leadership. There is an ongoing tendency of linking high performance with being content and happy with work, which are essentials entrenched in employee satisfaction. Employees will be fully content with their work if they accept the performance assessment system employed in their workplace. Elements such as positive ratings for innovation; benefits and remuneration; working relations

and leadership; job training and development opportunities and employee empowerment support the employee's satisfaction with PAs.

Performance rankings are normally used to distinguish employee performance to make resolutions about allocating training and development activities, compensation, promotions and other incentives, including merit increases (Othman, 2014). Positive rating by managers for employees means high satisfaction from employees, good relations between both the employee and the manager and good results for the organisation. Remuneration refers to employees paid for the work done. Employee satisfaction is determined by whether they are pleased with the pay they expect to receive for the work performed (Masalesa, 2016). Employees are satisfied with competitive pay packages in comparison with those of other people doing the same type of job in other organisations (Sageer, Rafat & Agarwal, 2012). Performance-related remuneration is a general sort of payment method used in organisations (Boon, Fern, Sze, & Yean, 2012). Benefits such as bonuses, including pay, are essential means organisations use to encourage employees to produce more. Since managers are ensuring that employees' goals are aligned with the organisational strategies, employees' hard work, therefore, adds to the organisations' goals. A PA is completed for purposes of identifying best performers and for recognition and payment of performance. The Expectancy Theory identifies the significance of tying performance outcomes to rewards that are valued by employees (Othman, 2014). The rewards paid for performance encourage employees to put more effort into their work.

Satisfaction with managers/supervisors makes an enormous contribution to employee satisfaction. When employees are convinced that there is a lack of effective leadership, they find it hard to be satisfied with work (Leimbach, 2006). Satisfaction becomes significant from the organisations' side because of its relations with the employee and organisational performance. A wide range of leadership traits plays a part in influencing employee satisfaction, such as understanding their problems and needs, giving thought to their inputs when making decisions, showing the concern for their challenges and being acknowledged by their colleagues (Küskü, 2001).

Leaders have to build relations with their employees. A good relationship becomes vital because leaders will understand their employee's professional input and give positive criticism. These factors are motivated by interactions between the manager and the employee and how they interact with one another in the relationship (Sageer et al., 2012). Employee training plays a key part in enhancing performance and adding to productivity (Nassazi, 2013). This also guides organisations to better positions and enable them to face competition and stay competitive. Training is demonstrated to generate performance development-related advantages for both the employee and the organisation by optimistically influencing employee performance through the development of employee knowledge, skills, talent, competencies and conduct (Appiah, 2010).

The empowerment process expands the capabilities of individuals and teams will help to improve performance continuously (GanjiNia & Gilaninia 2013). Empowerment in this perspective does not essentially mean delegate or supremacy but also executing a range of executive intervention that enables employees to feel a sense of choice in starting and leading actions, and in controlling plans, attitude and results at work (Masalesa, 2016). As a result of empowerment, employees are able to take a vigorous, rather than a submissive, attitude to their work role

## 2.11 SUMMARY

This chapter discussed the literature related to performance management. Performance assessment as a key component of performance management systems and how it is being implemented at the Department of Public Works and Roads was also discussed (Ngaka Modiri Molema District). The section also investigated research on the concepts of organisational justice, i.e. procedural, interactional, distributive and informational justice, together with the theories that affect employee satisfaction with PAs. Chapter Three considers the methodology that has been employed in measuring the employees' perceived fairness of and satisfaction with the PAS.

## CHAPTER 3

### RESEARCH METHODOLOGY

#### 3.1 INTRODUCTION

This study was intended to measure employees' perceptions fairness of and satisfaction with the performance assessment system employed in the Department of Public Works and Roads (Ngaka Modiri Molema District). Therefore, the primary objective of the research was to investigate employees' perceptions fairness of and satisfaction with the PAS in the department. To accomplish this objective, the subsequent research questions were formulated: What is the employees' perceived fairness of and satisfaction with the performance assessment system? Is there a difference in the perceived fairness of and satisfaction with the performance assessment system between males and females, different age groups, departments and positions? and is there a relationship between employees' perceived fairness of and satisfaction with the performance assessment system? The employees perceived fairness of the PAS was measured by means of the four-factor analysis of OJ developed by Colquitt (2001), while their satisfaction with the PAS was measured using the three-factor model of satisfaction used by Walsh (2003).

This section focuses on the research method, research plan procedure, measuring instruments, reliability and validity of the measuring instruments, procedures for data management, administration for data management, and administration of returned questionnaires and procedures of the quantitative data analysis. Furthermore, the chapter outlines the population of the research and the demographic profile of the participants.

#### 3.2 RESEARCH APPROACH

The research adopted a quantitative approach. This approach is aimed at addressing the main aim of the study, which is to objectively determine the perceived fairness of, and the satisfaction with performance assessment system. Makhubela, Botha and Swanepoel (2016) explain that a quantitative study is used to respond to problems about the relations among evaluated variables with the aim of clarifying, predicting and managing a phenomenon.

According to Mundzedzi (2011), quantitative studies entail the use of prearranged questions where the response options have been predetermined, and a huge number of answers are involved. Sesay (2011) concurs, indicating that the quantitative method approach is suitable to use because the available data is the result of a sound survey instrument and provides a good framework to answer each research question.

Quantitative research is concerned with the reactions of respondents. The population comprises employees in the district office of NMM whose performance were assessed during the past twelve months. A survey in a form of structured questionnaires was used to collect data from the respondents which can be for descriptive, exploratory, or explanatory research (Saunders, Lewis, & Thornhill, 2007). Saunders et al (2007) also mentioned that surveys could also be used for measuring a broad range of observable data, such as people's preferences, traits, attitudes, beliefs, behaviours, information.

### **3.3 RESEARCH DESIGN**

The research design is a general plan of how you will go about answering your research question(s) (Anderson, 2013). It contains clear objectives derived from the research question(s), specifies the sources from which the researcher intends to collect data, how he/she proposes to collect and analyse data and discuss ethical issues and constraints that will inevitably be encountered (Saunders et al., 2012). Sefora (2013) concurs, adding that the research design is a plan or proposal to carry out research concerning strategies of examination and exact survey. The study employed cross sectional design. Olsen and St. George (2004) allude that cross sectional design is one of the most common and well-known study designs. They explain that in this type of research study, the entire population or a subset thereof is selected and from these individuals, data is collected to help answer research questions of interest. They further indicate that it is called cross-sectional because the information about X and Y that is gathered represents what is going on at only one point in time. This type of design is easy for researchers to use because questions have predetermined responses but may lead to lack of more information from respondents because it is structured.

### **3.4 RESEARCH PROCEDURE**

The researcher sought permission to conduct research within the district from the Head of the Department before distributing the questionnaires. The permission was granted, and the questionnaires, together with information on the protection of confidentiality and voluntary participation of employees were distributed to all employees from salary levels 1 to 12. The government service structure employs and rank employees according to salary levels during the appointment (i.e., salary levels 1 to 4 being the general workers who perform cleaning and gardening work, salary levels 5 to 7 being junior positions performing administrative work, including officials who specialise in trade work (technicians), salary levels 8 to 10 being supervisor positions (technicians also included) and salary levels 11-12 are middle management positions.

The research is targeting employees who have been assessed in the last twelve months. The researcher informed the employees about the purpose of the research and explained to them that participation is voluntary before the questionnaires were distributed. The questionnaire consists of 36 items and takes approximately 20 minutes to complete.

The district office has a staff complement of three hundred and twenty-six including those stationed in the sub-district offices. Two hundred questionnaires were distributed to all employees in the district and 119 were returned, resulting in a response rate of 60%, which is considered a good response rate. Respondents were given a period of one and a half month to complete the questionnaires to afford them ample time to answer questions during a time that was convenient for them.

### **3.5 MEASURING INSTRUMENT**

The data was used to construct meaning on how PAS is managed within the district office, as employees in the district believe that PAS is not correctly implemented, thus making the process biased. The employees think that PAS does not serve the purpose it is intended for, i.e. employee performance management and employee development and reward. The items and scales utilised to measure perceptions of performance assessment are based on

Greenberg's four-factor model of organisational justice adopted from Flaniken (2009). The four factors include procedural, distributive, informational and interactional aspects of justice. These factors help to consequently measure two constructs; namely the perceived fairness of and satisfaction with the performance assessment system. These constructs are considered indicators of employee perceived fairness of and satisfaction with the overall PM system (Mwale 2016). The questionnaire was divided into three sections, which were developed based on an extensive literature review on performance assessment. The three sections are Section A: Demographic Information questionnaire, which includes short demographic information of the respondents, Section B: Perceived fairness of the performance assessment system and Section C: Satisfaction with performance assessment system. A description of each component of the questionnaire follows:

#### **Section A: Demographic information**

In this section, respondents were requested to provide demographic information about them, which includes gender, age group, post level, years of service and qualification levels. It is considered that the data will assist the researcher when interpreting the results, for example, whether respondents have the understanding of the subject being researched because participants include a reasonable number of respondents employed from levels 1 to 4.

#### **Section B: Perceived fairness of the performance assessment questionnaire**

Greenberg (2001) bases the items and scales utilised in this research to evaluate perceptions of performance assessment fairness on the four-factor model of OJ. According to Walsh (2003), Greenberg, who posed the fundamental research problem as to what makes a PA appear to be fair, initially applied the model to performance assessment. The four factors include procedural, distributive, informational and interpersonal justice. According to Makhubela et al. (2016), the literature implies that employees will only be happy with a PA system if the criterion of 'fairness' is articulated about OJ. Ibeogu and Ozturen (2015) concur, stating that it is vital that managers are knowledgeable about the employees' feelings, which could result in positive or negative responses towards evaluations. They further indicate that employees require an accurate and specific evaluation instrument that gives responses

regarding their work, as the instrument can only be successful if it is seen as fair and reflective of their authentic personal work (Ibeogu & Ozturen, 2015). According to Matlala (2011), it is believed that employees demonstrate a positive response towards their work if they perceive that there is equal treatment as far as the assessment system in the workplace is concerned.

The perceived fairness of the assessment questionnaire was compiled using the OJ scale, (developed by Collquitt, 2001) that measures the fairness of PA. The scale is intended to measure four different aspects of OJ, namely procedural, distributive, interpersonal and informational justice. The questionnaire consisted of 20 items and the following four subscales namely:

- procedural - seven items
- distributive- four items
- interpersonal -four items
- informational-five items

A five-point likert scale was employed to assess the employees' perceived fairness of the PAS, ranging from 1 (not at all) to 5 (to a very great extent). A likert item is simply a statement, which the respondent is asked to evaluate according to any kind of subjective or objective criteria; generally, the level of disagreement or agreement is measured. It is considered symmetric or balanced because there are equal amounts of positive and negative positions (Frimpomaa, 2014). Colquitt employs cronbach's alpha, which measures the reliability, or internal consistency, of a set of scale or test items.

### **Section C: Perceived satisfaction with the performance assessment system**

For this study, the employees' fulfilment with the PA system was considered using the questionnaire developed by Walsh (2003). The questionnaire consisted of 16 items and three subscales namely:

- responses to your previous PA rating – four items
- responses on your supervisor- five items
- responses to PAS- seven items

These components are considered indicators of employee satisfaction with the overall performance assessment process (Keeping & Levy, 2001). Each subscale measured four, five and seven items respectively, e.g. the first subscale measuring 'reactions towards the employees' last performance appraisal' focused on the extent to which employees agree that the assessment was fair, accurate, satisfying and reflective to their job. A 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree) was employed to assess employees' satisfaction with the PAS.

### **3.6 RELIABILITY AND VALIDITY OF MEASURING INSTRUMENT**

Researchers using both qualitative and quantitative methods agree that research findings have to be consistent and applicable. Krishnaswamy, Sivakumar and Mathirajan (2009) differentiate between the two concepts as follows: validity is concerned with authenticating the truth-value or trustworthiness of the findings that will be established by the researcher, which means the degree to which the information offers the insight, while reliability focuses on classifying and documenting recurrent accurate and consistent features or themes. In order to enhance reliability in this study, the researcher used simple, clear and understandable language in the questionnaires to accommodate even those respondents whose educational levels were below matric, mostly general workers. Questionnaires answered by 119 participants revealed consistency in responses. Hence reliability was tested.

Krishnaswamy et al. (2009) further explain that validity has to do with the extent an instrument assesses what it is supposed to be assessing whereas reliability looks for the level of consistency with which an instrument evaluates a characteristic. Reliability is also guaranteed by decreasing causes of measurement error like data collector bias. The researcher reduced data collector bias, as she was the only one administering the questionnaires.

Cronbach's alpha was used to validate the evaluation instruments on the four constructs of OJ and the items that measured satisfaction. Cronbach's alpha is a test for a structure or survey's internal uniformity, "sometimes called a scale reliability coefficient" (Parson, 2006). Cronbach's alpha measures the reliability of a rating, thus making a summary of a group of test or survey answers, which measure some underlying factor (e.g. some attribute of the test-taker). A score is computed from each test item, and the overall rating called a 'scale' is defined by the sum of these scores over all the test items.

Cronbach's alpha ranges between 0 and 1. Ibeogu and Ozturen (2015) maintain that the closer the Cronbach's alpha coefficient is to 1.0, the greater the internal consistency of the items in the scale. They further indicated that the Cronbach's alpha is effective to test the respondents' perceptions about their satisfaction with the performance assessment system, with more than 0.70 values. Field (2009) concurs, affirming that Cronbach's alpha in a value between 0.7 and 0.8 is an acceptable value and "values substantially lower indicate an unreliable scale". Similarly, Hair, Black, Babin and Anderson (2010) asserted that a coefficient alpha which is greater than 0.7 is very satisfactory for the purposes of most research. The following Cronbach's alphas for the perceived fairness of the PAS scale were revealed from the analysis.

**Table 3.1 Cronbach's alphas for the perceived fairness of the PAS scale**

Scale and subscales	Cronbach's alpha	Number of items
Procedural justice	0.855	7
Distributive Justice	0.943	4
Interpersonal Justice	0.963	4
Informational Justice	0.973	5
Total fairness scale	0.959	20

The study by Colquit (2001) indicates that reliability data for the scales measuring fairness showed that from the justice-outcome correlations analysed, thirteen out of sixteen were significant. The analysis from this study showed Cronbach's alpha as follows; procedural – (0.93); distributive– (0.92);interpersonal – (0.90); and interactional – (0.93). When comparing

these with the alpha from the study by Colquit (2001), the analysis shows that the justice measures' predictive validity is good. The analysis confirms the finding from this research with the overall total fairness scale of 0.959.

**Table 3.2 Cronbach's alphas for the perceived satisfaction with the PAS scale.**

Scale and subscales	Cronbach's alpha	Number of items
Reactions toward your last performance assessment rating	0.964	4
Reactions toward your supervisor	0.963	5
Reactionsto the performance assessment system	0.749	7
Total satisfaction scale	0.942	16

Another study by Walsh (2003) which measured satisfaction using the three reaction outcomes, namely the "reactions of employees to their most recent performance assessment, reactions to the performance assessment system, and reactions to their supervisor". These reaction measurements were employed using items adapted from previous studies and are considered indicators of satisfaction with performance assessment (Walsh, 2003). The study by Walsh (2003) indicated that the Cronbach's alpha internal consistency coefficient was used to estimate the reliability of each scale and the acceptable limit of alpha was set at a minimum of 0.70. This standard of reliability is consistent with recommendations for research designed to make decisions affecting groups. The above agree with the findings by this study that the Cronbach's alpha is good to test the respondents' perceptions about satisfaction with performance assessment system with more than 0.70 values.

### **3.7 RESEARCH PARTICIPANTS**

The population in this study consists of 326 full-time employees in the Department of Public Works and Roads (Ngaka Modiri Molema District office) in Mahikeng, North-West Province. A survey was conducted, and questionnaires were distributed to two hundred employees whose

participation was requested. One hundred and nineteen responses were received from the total distributed.

### **3.8 POPULATION AND SAMPLE**

A population is described as any total set of persons, flora and fauna, or things all of which can be called units, from which we may gather information (Nester & Schutt, 2012). Paile (2012) refers to the population as the study of things that consist of persons, a collection, organisations, human products and events or the conditions to which they are exposed. The district office has an employees population of three hundred and twenty-six (326). This study focuses on the employees' working in the departments of Public Works and Roads (Ngaka Modiri Molema District).

In this study, the population consists of the employees from post levels 1-12 within the district office. It has to be clarified that the population in the district is composed of sub-populations, namely, managers and non-management employees at operational levels. Participants were selected from various occupational classifications, mostly administration clerks, including general workers, drivers, works inspectors in various trades and very few members of the middle management structure (MMS), as they represent the management of the district. The researcher used a convenience sampling method used to obtain a representative sample of the total population.

Convenience sampling (also known as Haphazard Sampling or Accidental Sampling) is a type of non-probability or non-random sampling where members of the target population that meet certain realistic criteria, such as easy accessibility, geographical proximity, availability at a given time, or the readiness to participate are included for the purpose of the study (Etikan, Musa & Alkassim, 2016). They also affirm that convenience-sampling method is appropriate to both qualitative and quantitative studies, although it is regularly used in quantitative studies. As explained earlier, the population for research is the employees of the district office in the Department of Public Works and Roads. The core business of the Department includes building and maintenance of government buildings and roads in the North West Province, hence a high percentage of employees in the Department have specialised skills to perform

the job. These employees are most of the time away from offices to attend to projects and can therefore not be easily reached. Some of them were met accidentally when they came to prepare reports on projects they worked on and were requested to participate in the research. This study, therefore, employed convenience sampling because of the availability of the employees (technicians and works inspectors), who form the largest part of the population at a given time and those officials who are office-bound as they could be easily reached.

### **3.9 DEMOGRAPHIC PROFILE OF THE POPULATION**

This study uses several variables termed control variables. The two variables measured are (a) the employee's perceived fairness of the performance assessment and (b) the employee's perceived satisfaction with the performance assessment system. Previous research shows that employees' demographic features such as age, gender, racial background, educational level, work positions, period employed in the sector and organisational post level affect employees' work attitudes and behaviours (Kim & Holtzer, 2016; Harrington & Lee, 2015).

Descriptive statistics were used to measure the following demographic variables namely: age, gender, number of years in the department, educational level and post level. The influence of demographic features in the PM process is found to vary in several studies. The demographic information is compiled to get the background information of the respondents in order to reveal their correlation with the variables measured.

### **3.10 PROCEDURES FOR DATA MANAGEMENT**

Permission was sought by the researcher to distribute structured questionnaires to the employees in the District Office (Ngaka Modiri Molema) and was granted by the Head of the Department. The questionnaires were personally hand-delivered, and others were sent by email to respondents who are not on the same premises as the researcher. The questionnaires were fully completed and delivered to the researcher, and some were collected from the employees' respective offices, as most of them work in the same building as the researcher. A letter of consent, explaining the purpose of the study, accompanied the questionnaires. The letter of consent also explained the description of the research, and that confidentiality would be protected, and that participation was voluntary.

The significance of participation and the researchers' contact information were clarified, and further explanation of the general directions on how to complete the questionnaire was included. The collection of data took place over a period of a month and a half to give participants adequate time to respond to questionnaires at their convenience. The researcher took time to explain the questionnaire to the respondents, without giving any answers to those who were unsure about the meaning of the questions, especially employees of levels 1, 2 and 3. The researcher explained the instructions to these respondents to assist them in completing the questionnaires in order to get their true feelings about the subject.

### **3.10.1 ADMINISTRATION FOR DATA COLLECTION**

The researcher used a structured survey method, making use of a list of questions. Survey research is one of the most commonly used methods for primary data collection. According to Wegner (2013), the chief advantage of the primary data is that it gives the researcher more control over data accuracy and it is directly relevant to the problem at hand. The structured questionnaires were distributed among two hundred employees working in the district office. The researcher personally administered the distribution and collection. The researcher made time to deliver questionnaires to the offices of the employees and sent out others by email to those who do not work in the same building. As has been said, the questionnaires were accompanied by a letter of consent explaining the purpose of the study to the respondents and assuring them of the confidentiality of their responses. The letter and the survey are included in Appendix A.

### **3.10.2 ADMINISTRATION FOR RETURNED QUESTIONNAIRES**

Returned questionnaires are analysed independently by the researcher, with the assistance of two MBA students who are not working with the researcher, in order to achieve the results of the investigation. All one hundred and nineteen questionnaires received, which represents a response rate of 60%, were used in the analysis of the results.

### **3.11 PROCEDURES OF QUANTITATIVE DATA ANALYSIS**

In this study, data collected through the distribution of structured questionnaires are analysed. The structured questionnaires were distributed to 200 officials of the Department of Public

Works & Roads (Ngaka Modiri Molema District office). The collected data is evaluated using descriptive analysis. The Cronbach's alpha reliability of the subscales in Section B and Section C was used to test the reliability of the questionnaires. Correlation analysis is used to study the connection between the four elements under perceived fairness of the PAS and the three elements under the perceived satisfaction with the PAS. Furthermore, the t-test and analysis of variance test (ANOVA) were computed to determine the variation in employees' perceived fairness and satisfaction with the PAS. The Statistical Package for the Social Science (SPSS version 24) was used to analyse data.

### **3.11.1 DESCRIPTIVE STATISTICS**

The descriptive analysis using graphs (bar charts and pie charts) was used to summarise the demographic information and item analysis. A descriptive analysis was also performed to measure employees' perceived fairness of and satisfaction with performance assessment system. Thompson (2009) describes the descriptive statistics as numbers that summarise information with the intention of describing what has happened in the sample and can be used to compare samples from one study to another. Descriptive statistics also assist researchers in distinguishing sample characteristics that may manipulate their results.

### **3.11.2 T-TEST**

An analysis of one or two population means with statistical examination is often referred to as a t-test. Ugoni A., and Walker B.F., (1995) differentiate between a one sample t-test and a two sample t-test where the former is concerned with making inference regarding a population mean while the latter is referred to as the more common a scenario than the one sample t-test where the means of two groups is usually compared.

### **3.11.3 ANOVA**

Analysis of variance is a collection of statistical models used to analyse the differences among three or more groups (Deviant, 2010). Wegner (2016) describes it as an extension of the z-test or the t-test, which is the only test for equality of means between two-populations. The analysis of variances is used to establish if differences existed in the perceived fairness of and

satisfaction with the performance assessment system between different age groups, departments and positions.

#### **3.11.4 PEARSON PRODUCT-MOMENT CORRELATION**

The Pearson product-moment correlation coefficient or simply correlation analysis measures the strength of the relationships that determine which variables are useful in predicting the reactive variable (Wegner, 2016). Hauke and Kossowski, (2011), agree with this definition and affirm that Pearson's product-moment correlation coefficient is a statistical measure of the strength of the linear relationship between two variables. Pearson's product-moment correlation was used to establish the strength of the relationship between employees' perceived fairness of and satisfaction with the performance assessment system. Spearman's correlation coefficient on the other hand is a statistical measure of the strength of a monotonic relationship between paired data

### **3.11 SUMMARY**

The chapter has outlined the general study method, plan and procedure for the study and the methods used to gather the information, procedures for data management and administration of data collected. The data was collected from the employees of the Department of Public Works and Roads (Ngaka Modiri Molema District).

The study is using structured questionnaires to solicit information from employees regarding their satisfaction level and perceived fairness of the performance assessment system in the Department. The chapter also looks at the respondents, population and their demographic profile, reliability and validity for measuring instrument and procedures for quantitative data analysis. The next chapter will look at the analysis of data that was collected.

## CHAPTER 4

### DATA ANALYSIS AND INTERPRETATION OF RESULTS

#### 4.1 INTRODUCTION

This chapter presents the data analysis and interpretation of results obtained by means of questionnaires administered to employees of the North West Department of Public Works and Roads, Ngaka Modiri Molema district. The data from the questionnaire is presented and analysed in order to address the research objectives presented earlier in Chapter one. The questionnaire has three sections, namely, Section A: Demographic information, Section B: Perceived fairness of the performance assessment system and Section C: Satisfaction with the performance assessment system.

#### 4.2 DESCRIPTIVE STATISTICS

##### 4.2.1 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS

This section presents the results on demographic information of the respondents.

**FIGURE 4.1 Gender distribution**

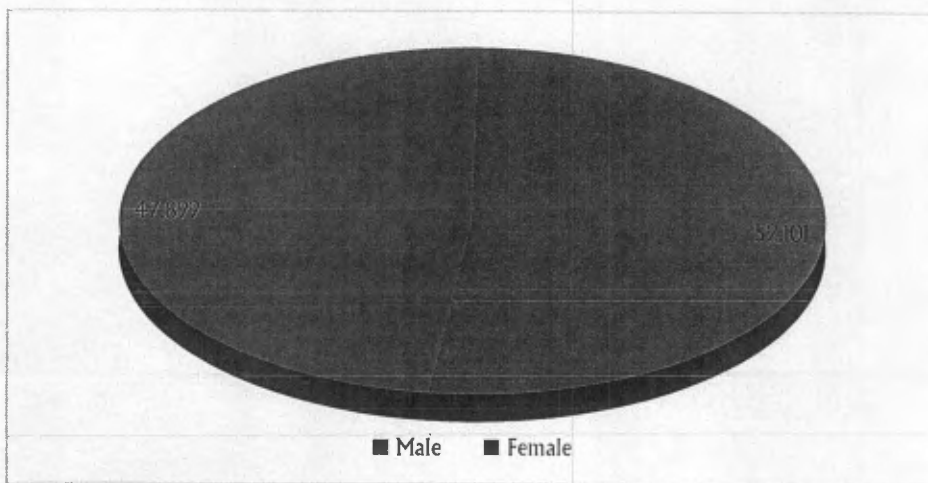


Figure 4.1 shows that the majority (52.1%) of the respondents were males, while 47.9% of the respondents were females. This means that the male participants dominated female participants.

**Figure 4.2 Age group**

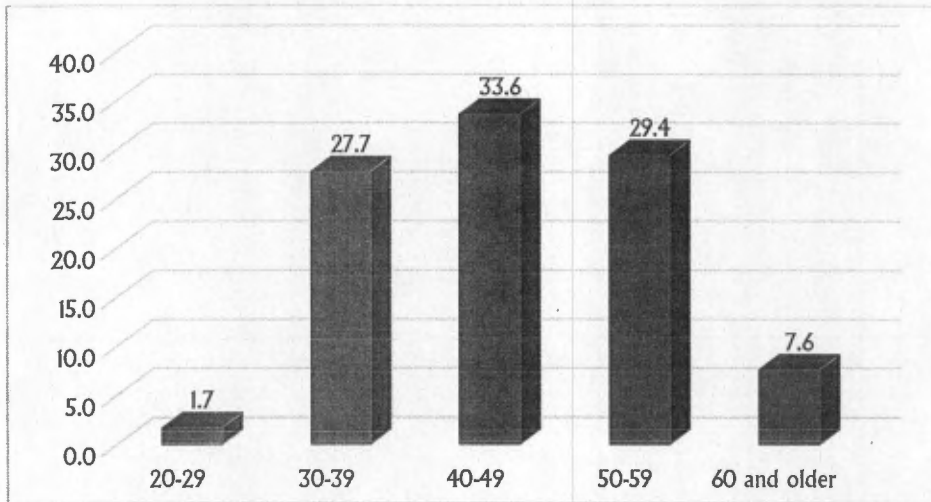
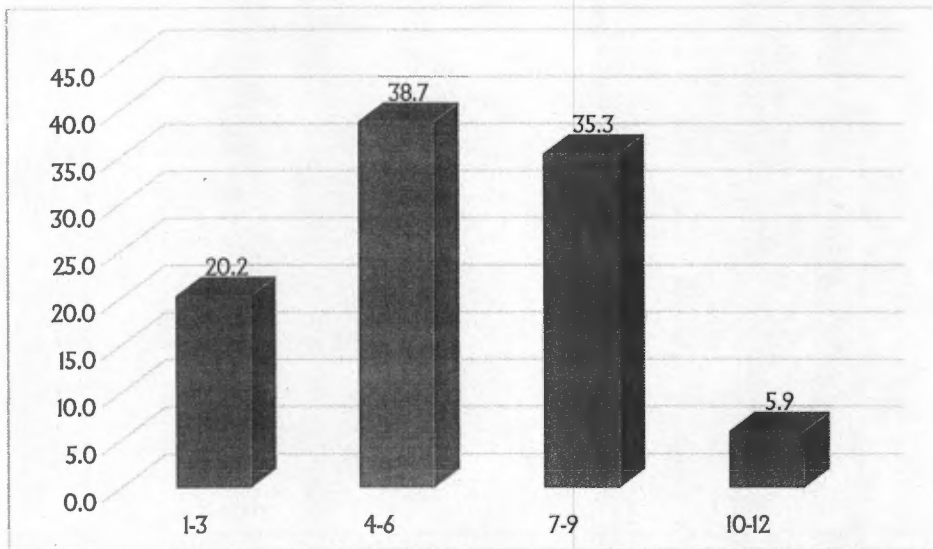
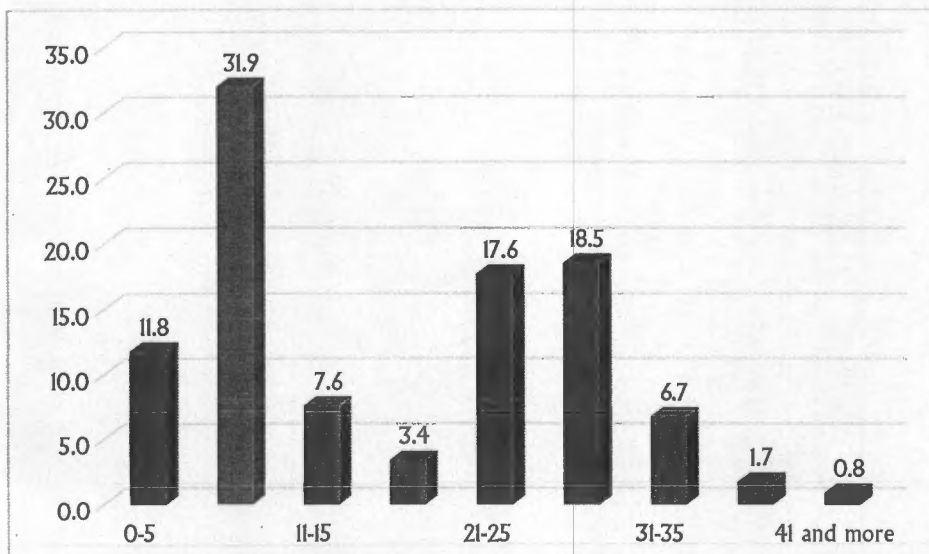


Figure 4.2 shows that the majority (33.6%) of the respondents falls between the age group of the 40 - 49 category, followed by the age group 50 – 59 with 29.4%. The fewest respondents fall between the age group of 20– 29 with 1.7%. This clearly shows that the age group of 40 – 49 years dominated the age category.

**Figure 4.3 Post level**

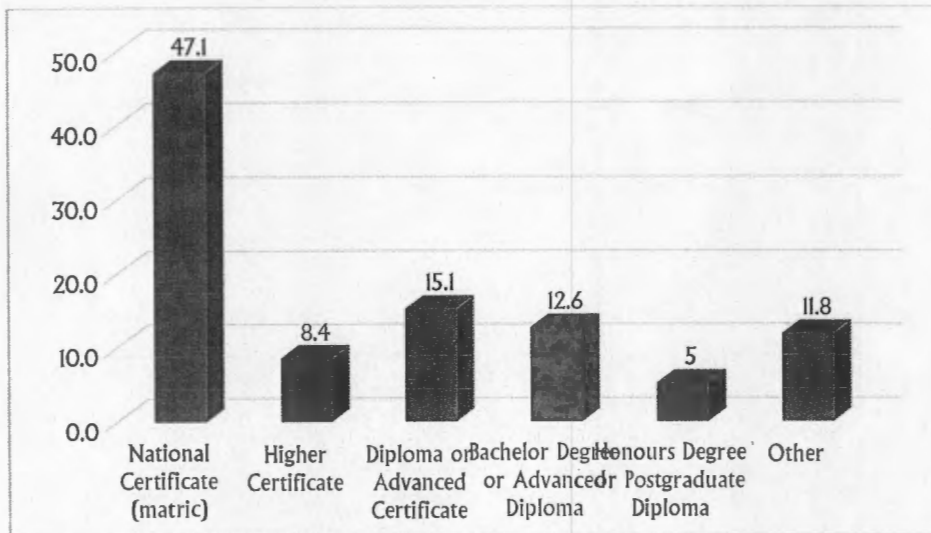


The results presented in Figure 4.3 show that the majority (38.7%) of the respondents are in the post level 4 – 6 category followed by those in 7 – 9 post levels with 35.3%. The small proportion of the respondents falls between 10 – 12 post levels with 5.9%. This clearly means that the majority of the respondents fall between the post levels 4 and 9.



**Figure 4.4 Number of years of service**

The figure 4.4 shows that the majority (31.9%) of the respondents have been working for the North West Department of Public Works and Roads for 6 – 10 years and the fewest, namely 0.8% of the respondents are those with experience of at least 41 years.



**Figure 4.5 Qualification level**

The figure above shows that the majority (47.1%) of the respondents have the National Certificate (matric) as their highest qualification, followed by 15.1% of the respondents with a Diploma/Advanced Certificate and the lowest qualification is an Honours degree or a Postgraduate Diploma with 5.0%. The figure also shows that 11.8% of employees fall within the category, others, where employees' qualifications include those of technical fields, as the Department of Public Works and Roads in the North West Province, is mandated to provide building and roads infrastructure services. These will be the artisans, electricians, builders, quantity surveyors, planners and many more.

#### **4.2.2 DESCRIPTIVE STATISTICS OF PERCEIVED FAIRNESS OF THE PERFORMANCE ASSESSMENT SYSTEM**

Table 4.1 presents the responses to the questions relating to components of organisational justice measurement items. The respondents were requested to respond to twenty of those statements. They were asked to choose from the following description ranges: 1 = not at all;

2 = to a small extent; 3 = to a moderate extent; 4 = to a great extent and 5 = to a very great extent. To assist in the interpretation of the results, the researcher used the following interpretive scale for the results: at most 1.50 = not at all; 1.51 – 2.50 = to a small extent; 2.51 – 3.49 = to a moderate extent; 3.50 – 4.49 = to a great extent; and at least 4.5 – 5 = to a very great extent. The results for the scales representing the fairness perceptions are organised according to the hypothesised four-factor model of organisational justice originally proposed by Greenberg (1993) (Walsh,2003).

STATEMENTS	Mean	Standard deviation
Have you been able to express your views and feelings during the implementation of the performance assessment system?	2.39	1.36
Have you had influence over the performance assessment arrived at by the performance management system?	2.13	1.29
Has the performance assessment system been applied consistently?	2.53	1.18
Has the performance assessment system been free of bias?	2.52	1.25
Has the performance assessment system been based on accurate information?	2.59	1.22
Have you been able to appeal against the performance assessment arrived at by the performance management system?	1.67	1.16
Has the performance assessment system upheld ethical and moral standards?	2.37	1.21
Does your performance assessment reflect the effort you have put into your work?	2.87	1.23
Is your performance assessment appropriate for the work you have completed?	2.90	1.26
Does your performance assessment reflect what you have contributed to the department?	2.70	1.32
Is your performance assessment justified, given your performance?	2.72	1.19
Has he/she treated you in a polite manner?	3.23	1.27
Has he/she treated you with dignity?	3.23	1.28
Has he/she treated you with respect?	3.21	1.29
Has he/she refrained from improper remarks or comments?	3.02	1.31
Has he/she been candid in his/her communications with you?	3.00	1.26
Has he/she explained the performance assessment system thoroughly?	3.09	1.24
Were his/her explanations regarding the performance assessment system reasonable?	2.95	1.27
Has he/she communicated details of the performance assessment system promptly?	2.92	1.24
Has he/she seemed to tailor his/her communications to individuals' specific needs?	2.74	1.19
Overall Scale	2.23	0.98

**Table 4.10**  
Organisational justice measurement items (N = 119)  
The items in which the resp

respondents rated to a small extent were "have you been able to express your views and feelings during the implementation of the performance assessment system" (mean = 2.39), "have you had little influence over the performance assessment arrived at by the performance assessment system" (mean = 2.13), "have you been able to appeal against the performance assessment arrived at by the performance assessment system" (mean = 1.67) and "has the performance assessment system upheld ethical and moral standards" (mean = 2.37). The respondents rated the remaining items to a moderate extent (mean values are between 2.51 and 3.49). The overall score for components of organisational justice measurement items was 3.23 (SD = 0.98) which was classified in the "to a moderate extent".

#### **4.2.3 DESCRIPTIVE STATISTICS OF PERCEIVED SATISFACTION WITH THE PERFORMANCE ASSESSMENT SYSTEM**

Table 4.2 presents the responses to the questions relating to employees' satisfaction with the performance assessment system. The respondents were requested to respond to sixteen of those statements. They were asked to choose from the following description ranges: 1 = strongly disagree; 2 = disagree; 3 = neither agree nor disagree; 4 = agree and 5 = strongly agree. To assist in the interpretation of the results, the researcher used the following interpretive scale for the results: at most 1.50 = strongly disagree; 1.51 – 2.50 = disagree; 2.51 – 3.49 = neither agree nor disagree; 3.50 – 4.49 = agree; and at least 4.5 – 5 = strongly agree. As indicated earlier, the results for the scales representing the fairness perceptions are organised according to the hypothesised four-factor model of organisational justice originally proposed by Greenberg (1993) (Walsh, 2003).

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**Table 4.4** The t-test of means of respondents' satisfaction with the performance assessment system by gender

Factors	t-value	p-value
Performance assessment rating	-0.817	0.416
Reaction towards supervisor	-0.321	0.748
Reaction to the PAS	-1.422	0.158
<b>Overall</b>	<b>-1.009</b>	<b>0.315</b>

The results in Table 4.4 revealed that there is no significant difference between males and females with respect to all the elements concerning their satisfaction with the performance assessment system. Therefore, the gender of the respondents does not have a bearing on how they responded to the questions relating to their satisfaction with the performance assessment system.

**Table 4.5** The analysis of variance for overall means of respondents' perceived fairness by age group

Factors	F-value	P-value
Procedural justice	2.107	0.085
Distributive justice	0.653	0.626
Interpersonal justice	0.578	0.679
Informational justice	1.248	0.295
<b>Overall</b>	<b>1.913</b>	<b>0.113</b>

There were no statistically significant differences found in the mean scores of the age group and the employees' perceived fairness of the performance assessment system.

**Table 4.6** The analysis of variance for overall means of respondents' satisfaction with the performance assessment system by age group.

Factors	F-value	P-value
Performance assessment rating	0.589	0.671
Reaction towards supervisor	0.775	0.544
Reaction to the PAS	0.929	0.450
<b>Overall</b>	<b>1.091</b>	<b>0.365</b>

Table 4.6 shows the satisfaction with the performance assessment system with age group. No difference was recorded between specific age groups for the three scales.

**Table 4.7 Analysis of variance for overall means of respondents' perceived fairness by post level**

Factors	F-value	P-value
Procedural justice	3.554	0.017
Distributive justice	6.206	0.001
Interpersonal justice	8.378	0.000
Informational justice	9.925	0.000
<b>Overall</b>	<b>8.263</b>	<b>0.000</b>

Table 4.7 shows that, with regard to post level, there is a significant difference recorded in employees' perceived fairness, since all the p-values are less than 5% level of significance. The survey instrument had twelve levels of measurements of which some had too few responses. The levels were then collapsed into four categories: (1) Post levels 1 – 3; (2) Post levels 4 – 6; (3) Post levels 7 – 9; and (4) Post levels 10 – 12. The employees' perceived fairness is made up of four scales, namely, Procedural justice ( $F = 3.554$ ,  $p = 0.017$ ), Distributive justice ( $F = 6.206$ ,  $p = 0.001$ ), Interpersonal justice ( $F = 8.378$ ,  $p = 0.000$ ) and Informational justice ( $F = 9.925$ ,  $p = 0.000$ ).

Tukey's posthoc multiple comparison procedures were used to identify specific groups among the four, which were significantly different in each of the four scales. There is a significant difference between category 1 (mean = 2.29) and category 3 (mean = 3.02) in the procedural justice scale. In the distributive justice scale, there is a significant difference between category 1 (mean = 2.29) and category 3 (mean = 3.50). The results also found a significant difference between category 1 (mean = 2.42) and category 2 (mean = 3.26), between category 1 and category 3 (mean = 3.81) and between category 1 and category 4 (mean = 4.00) in the interpersonal justice scale. The results further revealed that there is a significant difference between category 1 (mean = 2.21) and category 2 (mean = 3.17), between category 1 and category 3 (mean = 3.67) and between category 1 and category 4 (mean = 4.00) in the informational justice scale.

**Table 4.8 Analysis of variance for overall means of respondents' satisfaction with the performance assessment system by post level**

Factors	F-value	P-value
Performance assessment rating	6.649	0.000
Reaction towards supervisor	5.392	0.002
Reaction to the PAS	3.045	0.032
<b>Overall</b>	<b>6.189</b>	<b>0.001</b>

Using the 5% level of significance, the results in Table 4.8 reveal statistically significant differences in the mean scores of the post level of the employees and their satisfaction with the performance assessment system. Components in the satisfaction with the performance assessment system are Performance assessment rating ( $F = 6.649$ ,  $p = 0.000$ ), Reaction towards supervisor ( $F = 5.392$ ,  $p = 0.002$ ) and Reaction to the PAS ( $F = 3.045$ ,  $p = 0.032$ ).

The Tukey's posthoc multiple comparison procedures revealed a significant difference between category 1 (mean = 2.54) and category 2 (mean = 3.35), between category 1 and category 3 (mean = 3.71) and between category 1 and category 4 (mean = 4.14) in the performance assessment rating scale. There is a significant difference between category 1 (mean = 2.88) and category 2 (mean = 3.67), between category 1 and category 3 (mean = 3.95) and between category 1 and category 4 (mean = 4.29) in the reaction towards supervisor scale. There is also a significant difference found between category 1 (mean = 2.92) and category 3 (mean = 3.57) in the reaction towards the PAS scale.

**Table 4.9 Analysis of variance for overall means of respondents' perceived fairness by years of service in the department**

Factors	F-value	P-value
Procedural justice	2.158	0.078
Distributive justice	0.846	0.499
Interpersonal justice	1.791	0.135
Informational justice	2.119	0.083
<b>Overall</b>	<b>2.145</b>	<b>0.080</b>

The survey instrument had nine levels of measurements of which some had too few responses. Therefore, the researcher then collapsed them into five categories used for comparison: 1 = 0 – 10 years, 2 = 11 – 20 years, 3 = 21 – 30 years, 4 = 31 – 40 years and 5 = 41 and more. The results in Table 4.3.7 revealed that there were no statistically significant differences found in procedural justice, distributive justice, interpersonal justice and informational justice with regard to employees' years of service in the department.

**Table 4.10 Analysis of variance for overall means of respondents' satisfaction with the performance assessment system by years of service in the department**

Factors	F-value	P-value
Performance assessment rating	0.827	0.580
Reaction towards supervisor	0.913	0.509
Reaction to the PAS	0.465	0.878
<b>Overall</b>	<b>1.103</b>	<b>0.367</b>

There were no statistically significant differences in the mean scores of the years of service of the employees and all the three scales in satisfaction with the performance assessment system.

#### **4.4 RELATIONSHIP BETWEEN EMPLOYEES' PERCEIVED FAIRNESS AND SATISFACTION WITH THE PERFORMANCE ASSESSMENT SYSTEM**

The following table presents the correlation between employees' perceived fairness and satisfaction with the performance assessment system. The study utilised the Pearson product-moment correlation technique.

**Table 4.11 Pearson Product-Moment Correlation analysis**

	Procedural justice	Distributive justice	Interpersonal justice	Informational justice	Performance assessment rating	Reaction towards supervisor	Reaction to the PAS
Procedural justice							
Distributive justice	0.695**						
Interpersonal justice	0.438**	0.536**					

Informational justice	0.589**	0.690**	0.762**			
Performance assessment rating	0.482**	0.670**	0.665**	0.730**		
Reaction towards supervisor	0.448**	0.592**	0.753**	0.730**	0.825**	
Reaction to the PAS	0.513**	0.627**	0.563**	0.664**	0.684**	0.649**

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

The results in Table 4.11 present the pairwise correlation between four elements under perceived fairness of the performance assessment system and the three elements under perceived satisfaction with the performance assessment system. The perceived fairness of the performance assessment system consists of procedural justice, distributive justice, interpersonal justice and informational justice, while perceived satisfaction with the performance assessment system is made up of the performance assessment rating, the reaction towards supervisor and reaction to performance assessment system. The results revealed that the correlation coefficient ranges between 0.448 and 0.753. All the correlation coefficients are significant at 1 percent level of significance.

#### 4.5 SUMMARY

The present chapter presented empirical data results of the study. The data were analysed in order to answer the research questions presented in Chapter 1. The raw data had been processed through the Statistical Packaging for Social Science (SPSS) system and the SPSS output was put as input into the graphs and tables. The next chapter discusses the main findings of the study, conclusion and recommendations.

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## CHAPTER 5

### DISCUSSIONS OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 INTRODUCTION

Chapter five presents and discusses findings of the study. The discussion is based on the results obtained on each of the research objectives presented in Chapter 1. Based on the discussions, conclusions and recommendations are made. Finally, areas that need further research are proposed.

#### 5.2 DISCUSSION OF FINDINGS

##### 5.2.1 EMPLOYEES' PERCEIVED FAIRNESS OF AND SATISFACTION WITH THE PAS IN THE DEPARTMENT.

The results of the study revealed that the items in which the respondents rated to a small extent were: "have you been able to express your views and feelings during the implementation of the performance assessment system" (mean = 2.39), "have you had little influence over the performance assessment arrived at by the performance assessment system" (mean = 2.13), "have you been able to appeal against the performance assessment arrived at by the performance assessment system" (mean = 1.67) and "has the performance assessment system upheld ethical and moral standards" (mean = 2.37). The results reveal that the respondents are not particularly happy about how performance assessment is conducted in the Department because it was mandatory for all public institutions to implement. The existence of a performance assessment system in the Department does not necessarily guarantee that the system was being used consistently and with all employees. It merely means that the Department did have a performance assessment system in place. The respondents rated the remaining items in Table 4.1 to a moderate extent (mean values are between 2.51 and 3.49). The overall score for components of organisational justice measurement items was 3.23 (SD = 0.98), which was classified in the "to a moderate extent".

Makhubela et al. (2016) studied the perceived effectiveness of the PMS and were measuring two organisational factors, namely employee involvement and management commitment. In

their study, the finding: the low mean perception score for the employee involvement subscale revealed that employees are not involved in the development of the PMS. Their finding supports the finding in this study where employees indicate that they were able to express their views and feelings during the implementation of PAS to a small extent, and they have had little influence over the performance assessment arrived at by the PAS.

The study found that the respondents indicated, "neither agree nor disagree" (item scores between 2.51 and 3.49) with fourteen of the items listed in Table 4.2. Respondents "agree" (item scores between 3.50 and 4.49) with two items used to measure reactions to their satisfaction with the performance assessment system. The items are "all in all, I have a good supervisor" (mean = 3.52) and "I think my department should change the way they evaluate and rate job performance" (mean = 3.53). The overall for satisfaction with the performance assessment system scale was 3.57 with a standard deviation of 0.99, which is classified in the "agree".

The finding is supported by the study of Ibeogu and Ozturen, (2015). In their study, *Perception of justice in performance appraisal and effect on satisfaction: Empirical findings from Northern Cyprus banks*, showed that while the respondents agreed to rate the PA system positively, metrics that define high satisfaction with the PA system were statistically low and non-significant. They suggested that the reaction could be because the majority of the staff perceived PA to be compulsory or part of organisational routines, and did not clearly see how it affected their jobs or their careers.

#### **5.2.2 DIFFERENCES IN THE PERCEIVED FAIRNESS OF AND SATISFACTION WITH THE PERFORMANCE ASSESSMENT SYSTEM BETWEEN MALES AND FEMALES, DIFFERENT AGE GROUPS, DEPARTMENTS, POSITIONS AND YEARS OF SERVICE**

The results of the study revealed that there is no statistically significant difference between gender of the respondents and employees' perceived fairness. There is also no significant difference between males and females with respect to all the elements in satisfaction with the performance assessment system. This means that the gender of the respondents does not have a bearing on how they responded to the questions on employees' perceived fairness and their satisfaction with the performance assessment system.

There were no statistically significant differences found in the mean scores of the age group and the employees' perceived fairness. There was also no difference recorded between specific age groups for the three scales in the satisfaction with the performance assessment system. With regard to post level, there is a significant difference recorded in employees' perceived fairness and their satisfaction with the performance assessment system. The results of the study revealed that there were no statistically significant differences found in procedural justice, distributive justice, interpersonal justice and informational justice with regard to employees' years of service in the department. There were no statistically significant differences in the mean scores of the years of service of the employees and all the three scales in satisfaction with the performance assessment system.

### **5.2.3 RELATIONSHIP BETWEEN EMPLOYEES' PERCEIVED FAIRNESS OF AND SATISFACTION WITH THE PERFORMANCE ASSESSMENT SYSTEM**

The pairwise correlation between four elements under perceived fairness of the performance assessment system and the three elements under perceived satisfaction with the performance assessment system were computed using Pearson product-moment correlation. The perceived fairness of the performance assessment system is made up of procedural justice, distributive justice, interpersonal justice and informational justice, while perceived satisfaction with the performance assessment system is made up of performance assessment rating, there action towards supervisor and reaction to performance assessment system. The results revealed that the correlation coefficient ranges between 0.448 and 0.753. All the correlation coefficients were found to be significant at 1 percent level of significance.

### **5.2.4 REMEDIAL INTERVENTIONS TO IMPROVE THE PERFORMANCE ASSESSMENT SYSTEM**

Most employees have a strong need to know how well they are performing. A good assessment system provides highly desired feedback on a continuous basis. The Department of Public Works and Roads, NMMD in the North West Province can achieve a good assessment system by involving all employees in matters relating to performance assessment. Managers need to have control over employees' perception with fair performance assessment practices to give effect to satisfaction, commitment and involvement in the organisation. As evidenced in the study by Salleh, Amin, Mudaand Abdul Halim (2013), employees will be

satisfied with their performance when they feel that their performance assessment is fair. This will consequently affect their commitment to the organisation.

Employees should be able to express their views and feelings during the implementation of the system. Although the majority of the employees are satisfied by reasonable communication with their managers/supervisors in relation to the performance assessment system, regular workshops and training about PAS in the Public Service and the impact of the employees' performance on the departments' goals should still be held, where all employees are present to provide full information on how the system works in order to eliminate uncertainties about the system.

The Department should also strive to create a system that is free of bias and based on accurate information. Moreover, they should strive for a system that upholds ethical and moral standards, as it will create an environment where employees have faith, trust in the system, and will make them content with their working environment.

Managers should not bring surprises to subordinates in the performance review but should rather deal with daily performance problems as they occur. Problems should not be allowed to pile up for six months or a year, only to try and address them during the performance assessment interview. This study is aimed at measuring employees' perceived fairness of and satisfaction with the PAS in the department.

### **5.3 LIMITATIONS OF THE STUDY**

This study was conducted on a sample of a combination of field workers who perform technical duties at various projects and administrative officers. The gathering of this data was therefore not easy and could have limited the researcher's participants, thus limiting the information, which could be crucial to the difference it could make to the results. Survey methodology in a form of questionnaires is of itself a limitation because of things such as self-report, and there are very few means to assess the correctness of the responses. The methodology also restricts participants as they can only respond to pre-determined answers.

#### **5.4 RECOMMENDATIONS**

Further research should also be conducted to determine the influence on satisfaction outcome on employee performance. This will help in determining whether the PAS, as it is conducted in various departments is the much sought after Public Service initiative that is required in improving service delivery. Further research should also be conducted on the suitability of the rating tool as it is currently used in the PAS, in order to determine its relevance in realising the objectives of the PAS. Finally, this investigation recommends that further research be undertaken to determine whether the constructs of organisational justice (Procedural, Distributive, Interpersonal and Informational including the employee attitude) influence the PAS.

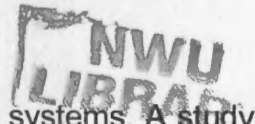
#### **5.5 CONCLUSION**

The aim of the research was to investigate the employees' perception of and satisfaction with performance assessment system in the Department of Public Works and Roads (NMMD) in the North West Province. The research objectives attempted to measure employees' perceived fairness of and satisfaction with the PAS in the department, to identify gaps in the current performance assessment system and to measure employees' perceived fairness of and satisfaction with the PAS in the department.

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**ANNEXURE A:****QUESTIONNAIRE***COVERING LETTER***Employees' perceived fairness of and satisfaction with the Performance Assessment System in the Department of Public Works and Roads, NgakaModiriMolema District, North-West Province**

Dear Participant

I, Gasetsewe Elizabeth Poen, am currently doing research on employees' perceived fairness of and satisfaction with the performance assessment system in the Department of Public Works and Roads, Ngaka Modiri Molema District, North-West Province. Your contribution to this study is extremely important to ensure the success of the project. All employees up to the Post Level 12 are requested to participate.

This questionnaire has been structured in such a way that it facilitates quick and easy completion. It can take you up to 20 minutes to complete. Your task is to work through the questionnaire as quick as you can and answer the questions as accurately and honestly as possible.

Full details are provided on how to complete the questionnaire.

The questionnaire consists of the following sections:

- Section A - Demographic Information
- Section B – Perceived fairness of the performance assessment system
- Section C – Satisfaction with the performance assessment system

Your co-operation in this regard will be highly appreciated

Yours faithfully

.....  
Gasetsewe Elizabeth Poen  
(Researcher)

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**SECTION A: DEMOGRAPHIC INFORMATION**

## 1. Gender

Male	Female
1	2

## 2. Age group

20- 29	1
30 - 39	2
40 -49	3
50 - 59	4
60 and older	5

## 3. Indicate your post level in the appropriate block

Level 1		Level 7	
Level 2		Level 8	
Level 3		Level 9	
Level 4		Level 10	
Level 5		Level 11	
Level 6		Level 12	

## 4. Number of years' service in the Department

0-5	1
6-10	2
11-15	3
16-20	4
21 -25	5
26-30	6
31 -35	7
36 - 40	8
40 and more	9

## 5. Qualification level

National Certificate (Matric)	1
Higher Certificate	2
Diploma or Advanced Certificate	3
Bachelor Degree or Advanced Diploma	4
Honours Degree or Postgraduate Diploma	5
Master Degree	6
Doctoral Degree	7
Other	8

**SECTION B – PERCEIVED FAIRNESS OF THE PERFORMANCE ASSESSMENT SYSTEM**

**Instructions:** Using the response scale below, indicate your opinion on each item. Please answer all the questions honestly and accurately by making a cross in the appropriate box. If you make a mistake, just draw a line through the cross and make a new cross in the selected box.

1	2	3	4	5
Not at all	To a small extent	To a moderate extent	To a great extent	To a very great extent

Components of Organisational Justice Measurement Items	Not at all	To a small extent	To a moderate extent	To a great extent	To a very great extent
Procedural justice					

Components of Organisational Justice Measurement Items		Not at all	To a small extent	To a moderate extent	To a great extent	To a very great extent
The following items refer to the performance management system used to arrive at your performance assessment. To what extent:						
1	Have you been able to express your views and feelings during the implementation of the performance management system?	1	2	3	4	5
2	Have you had influence over the performance assessment arrived at by the performance management system?	1	2	3	4	5
3	Has the performance assessment system been applied consistently?	1	2	3	4	5
4	Has the performance assessment system been free of bias?	1	2	3	4	5
5	Has the performance assessment system been based on accurate information?	1	2	3	4	5
6	Have you been able to appeal against the performance assessment arrived at by the performance management system?	1	2	3	4	5
7	Has the performance assessment system upheld ethical and moral standards?	1	2	3	4	5
<b>Distributive justice</b>						
The following items refer to your performance assessment.						
To what extent:						
8	Does your performance assessment reflect the effort you have put into your work?	1	2	3	4	5
9	Is your performance assessment appropriate for the work you have completed?	1	2	3	4	5
10	Does your performance assessment reflect what you have contributed to the department?	1	2	3	4	5

<b>Components of Organisational Justice Measurement Items</b>		<b>Not at all</b>	<b>To a small extent</b>	<b>To a moderate extent</b>	<b>To a great extent</b>	<b>To a very great extent</b>
11	Is your performance assessment justified, given your performance?	1	2	3	4	5
<b>Interpersonal justice</b>						
The following items refer to the interpersonal behaviour of the line manager/supervisor who implements the performance assessment. To what extent:						
12	Has he/she treated you in a polite manner?	1	2	3	4	5
13	Has he/she treated you with dignity?	1	2	3	4	5
14	Has he/she treated you with respect?	1	2	3	4	5
15	Has he/she refrained from improper remarks or comments?	1	2	3	4	5
<b>Informational justice</b>						
The following items refer to the line manager/supervisor who implements the performance assessment system. To what extent:						
16	Has he/she been candid in his/her communications with you?	1	2	3	4	5
17	Has he/she explained the performance assessment system thoroughly?	1	2	3	4	5
18	Were his/her explanations regarding the performance assessment system reasonable?	1	2	3	4	5
19	Has he/she communicated details of the performance assessment system promptly?	1	2	3	4	5
20	Has he/she seemed to tailor his/her communications to individuals' specific needs?	1	2	3	4	5

### SECTION C: PERCEIVED SATISFACTION WITH THE PERFORMANCE ASSESSMENT SYSTEM

**Instructions:** Using the response scale below, indicate your opinion on each item. Please answer all the questions honestly and accurately by making a cross in the appropriate box. If you make a mistake, just draw a line through the cross and make a new cross in the selected box.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neither agree or disagree</b>	<b>Agree</b>	<b>Strongly agree</b>

<b>Scales and items</b>		<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neither agree or disagree</b>	<b>Agree</b>	<b>Strongly agree</b>
<b>Reactions toward your last performance assessment rating</b>						
1	I am satisfied with the performance rating I received for the most recent rating period.	1	2	3	4	5
2	My most recent performance rating was fair.	1	2	3	4	5
3	My most recent performance rating reflected how I did on the job.	1	2	3	4	5
4	The performance rating I received was pretty accurate.	1	2	3	4	5
<b>Reactions toward your supervisor</b>						
5	I am satisfied with the amount of support and guidance I receive from my supervisor.	1	2	3	4	5

<b>Scales and items</b>		<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neither agree or disagree</b>	<b>Agree</b>	<b>Strongly agree</b>
6	Overall, I am satisfied with the quality of supervision I receive at work from rater.	1	2	3	4	5
7	All in all, I have a good supervisor.	1	2	3	4	5
8	I would give my supervisor a positive rating.	1	2	3	4	5
9	My supervisor takes the rating system and process seriously.	1	2	3	4	5
<b>Reactions to the performance assessment system</b>						
10	Overall, I think the PA system is fair.	1	2	3	4	5
11	I am satisfied with the way the PA system is used to set my performance expectations for each rating period	1	2	3	4	5
12	I am satisfied with the way the PA system is used to evaluate and rate my performance	1	2	3	4	5
13	I think my department should change the way they evaluate and rate job performance*	1	2	3	4	5
14	I think the Performance Assessment process is a waste of time*	1	2	3	4	5
15	I would participate in the PAS even if it were not required.	1	2	3	4	5
16	The PAS has helped me to improve my job performance.	1	2	3	4	5

\* Items were reverse scored

**Thank you for your participation**