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AN INVESTIGATION INTO EMPLOYEE PERCEPTIONS ON THE ROLE OF MOTIVATION IN PERFORMANCE APPRAISAL: THE CASE OF MINTEK COMPANY

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DECLARATION

I, Tlhalefo Petterson Moyo, hereby declares that this dissertation entitled "Employee perceptions on the role of motivation in Performance Appraisal: The Case study of Mintek Company, is an original piece of work produced by myself, and all references sources have been accurately reported and acknowledged, and that this document has not previously, in its entirely or in part, been submitted to any University in order to obtain an Academic qualification.

Tlhalefo Petterson Moyo Date: 11 June 2010

ABSTRACT

This dissertation investigates the employee perception on the role of motivation in performance appraisal at Mintek. It highlights major problems of the current performance appraisal system by delineating the weakness and pitfalls of the current performance appraisal system. Performance appraisal can be a good way for organisations to boost employee's motivation and hone their competitive edge. However creating useful performance appraisal and making sure they are used effectively throughout an organisation is not easy. After a review of the literature relevant to performance management systems both over time and across different types of organisations, this dissertation confines its research to Mintek. The relevant literature has been visited and served as a secondary data that add value to the dissertation. Collation of the relevant data is followed by a discussion of the employee perception and the role of motivation in performance appraisal. The relative lack of research on employee perceptions on the role of motivation is the primary impetus of this study, which advances this important, but neglected research area by investigating potential predictors and consequences of role of motivation and perceptions with performance appraisal. The sample was drawn from Mintek employees who were cooperative in the execution of the study. As a result of this, the research on the subject has moved beyond limited confines of measurement issues and accuracy of performance ratings and has begun to focus more of motivational aspects of performance appraisal. The performance appraisals are intended to enhance overall organisational performance, unfortunately ongoing problems with performance appraisal can create challenges in trying to study relationships between individual performance and organisational performance. The findings of this study revealed that there is deficiency in performance appraisal, supervisors are not properly trained, performance management system is not efficient, and supervisors do not show concern. Mintek should improve its method of performance appraisal based on managers and supervisors knowledge and number of dimensions being appraised; look at the conclusion and recommendations made in this dissertation.

Table of Contents

List of Tables

List of Tables

List of Figures

Chapter 1

Overview of the study

1. Introduction

Deming (2000) as *cited by* Law (2007:18) identifies performance appraisal as one of the seven deadly diseases destructive to organisations, and called them the most powerful inhibitor to quality and productivity. Furthermore Law highlights Deming's word on performance appraisal, that in practice, annual ratings are a disease, annihilating long term planning, demobilising team work, nourishing rivalry and politics, leaving people bitter crushed, battered, desolate, despondent, unfit for work for weeks after receipts of rating, and unable to comprehend why they are inferior. Gray (2002:16) concurs that after many years of much study, there is little evidence that performance appraisal programs elicit the desired effect, and that in fact tying performance appraisal to merit increase may be simply waste of time, because it presupposes that we understand and can manipulate something as complex as human behaviour.

The relative lack of research on employee perceptions on the role of motivation is the impetus of this study, which advances this important, but neglected research area by investigating potential predictors and consequences of role of motivation and perceptions with performance appraisal.

The aim of the study is to determine employee perceptions on the role motivation in performance appraisal. This chapter begins with introduction, the background of the study, statement of the problem, research aims and objectives, research design, limitation of the study, and the significance for the study. The study outline is as follows: the background of the study, statement of the problem, research aims and objectives, research design, limitation of the study, and the significance for the study,

1.2 Background to the problem statement

Performance appraisal is a process aimed at determining the result of an employee's work, one of its main functions being to offer justified compensation for employee's effort. It is frequently seen as one of the hallmarks of the new managerialism in human resource management, also commonly represented as a device for individualising the employment relationship (Johansen and Shields, 2007). It has become an increasing tool to manage and improve the performance of employees, to make more valid decisions and to enhance effectiveness of the organisation overall performance. Performance appraisal system are among the most human resource system in organisations insofar as they yield critical decisions integral to various human resource and outcomes.

Every method of assessing employee performance has its positive and negative characteristics. They all have common characteristics, in such that they are opinion based, generally one sided and are rarely based on metrics. The employer undertakes the performance because they believe that it increases productivity and profitability. The human resource managers concerns are improving the ability of managers to reward performance (Heathfield, 2007:6).

An organisation's performance appraisal system is one of its important managerial activities. It seems that nobody likes performance appraisals, neither the manager doing the evaluation, or the employee being evaluated. The evaluation of performance appraisal is significant as every employee need and deserves to know where they stand on performance (Grote, 2006: 39).

Thomas (2007:1) asserts that getting the most from people and building a workplace that promotes top performance is one of the biggest challenges for public sector managers. Ensuring that employees are managed, developed, recognised, and rewarded is a full-time job for the line manager. Managers need to clearly and regularly communicate performance expectations; create an environment that encourages and enables the employees to succeed; develop their employees in order to maximise performance over the long run; hold employees accountable for results; and differentiate between high and low levels of performance. And, equally important, managers must be held accountable for these responsibilities. Similarly, employees need to make sure they clearly understand what is expected of them and how this relates to the organisational goals; pursue a path of continual learning; regularly communicate with their supervisor; and hold themselves accountable and responsible for their actions.

In the Republic of South Africa Public Service Act (1994) (Act 103 of 1994), the Executing Authority is required to furnish approval as to the persons to be promoted whenever it is necessary to make any promotions to posts. In order to enable itself to comply with the instruction with regard to the consideration of such persons' relative merits, Mintek instituted a formal system of performance appraisal to comply with Act 103 of 1994. However, Thomas (2007:1) argues that many organisations implement pay-for performance systems that are well designed on paper, but these same organisations are unsuccessful at making the cultural shifts necessary to make significant change and results.

Law (2007:24) concurs that the performance appraisal are ineffective and inefficient in that they do not measure performance, because they fail to take into account the system factors, that account for most variation within an organisation. Further they erode interpersonal relationships teamwork, creativity and motivation.

The accuracy of performance appraisal ratings is important. If the ratings are inaccurate it is unlikely that employees will buy into the performance system. The efforts to improve performance appraisal should lead to greater buy in from managers. The disagreement between workers and management over the accuracy and legitimacy of performance standards and criteria are extremely common. The disagreement between workers and management over accuracy and legitimacy of performance standards and criteria are extremely common (Miller and Thornton, 2006: 153).

1.3 Problem statement

Gray (2002:15) states that employers have been trying to link performance appraisal to pay raises ever since the end of the World War II, by evaluating performance then rewarding it monetarily, managers hope to motivate employees to work harder, work smarter, and stay at the job. However after many years of use and much study, there is little hard evidence that performance appraisal programs elicit desired effects. In fact trying performance appraisals to merit increases may be simply a waste of time, because it presupposes that we understand and can manipulate something as complex as human work behaviour. Most of us are unqualified to understand, let alone tamper with the complexities of employee performance. Even more to the point is the fact that performance appraisal don't produce more competent, loyal workers because the practice is inherently flawed.

Furthermore Gray highlights that the conventional performance appraisal system is more like gambling than an objective observation process. It is distorted by the evaluator bias and more often reflect unpredictability of the organisations dynamics. Many employees are sceptical of the evaluation results and even more doubtful of the ability of managers who indulge in the annual flurry of paper. Most of performance appraisal programs used for determining merit increases fail to generate enthusiasm or motivation. There are at least four key reasons: they aren't in sync with the way business operates today, they aren't a motivating factor, no one is average and the timing is terrible (Gray, 2002:15).

Grote (2006:39) asserts that one know that there is something wrong with performance appraisal evaluation process, which is why we're always trying to fix it with 360 degree feedback, and forced ranking are two of the more prominent fixes, but no fix seems to satisfy everybody. The subject performance reviews triggers a wide range of complex responses from employees and managers alike. The pain of conducting employee performance reviews seems to rank alongside root canal on the list of things many managers look forward to. There is probably no management process that has been subject of more Dilbert lampoons than the performance appraisal (Montague, 2007:40).

Scholtes (1993)(*cited* from Law, 2007) states that at best performance appraisals do not work, at worst they cause serious damage to morale within the organisation. Despite the extensive use of performance appraisal, most people lack confidence in the process. Furthermore, Scholtes contends that performance appraisal concept cannot be fixed, since it is a reflection of leadership philosophy (*cited* by Rasch, 2004:411).Despite the popularity of performance appraisals as management tools, there is an ongoing debate among practitioners, academicians, and scholars regarding the true efficacy of performance appraisal (Schraeder, Becton and Portis, 2007:20).

Roberts (2002: 333) also highlights that performance is a controversial management tool searching for answers to ubiquitous problems in system design and administration. Critics of performance appraisal present a number of compelling arguments against its use. Anecdotal, empirical, and personal experience demonstrates a multitude of problems with appraisal system practices. The critiques are that individual performance appraisal assumes a false degree of measurement accuracy, encourage dysfunctional employee conflict and competition, assigns and inordinate amount of responsibility for poor performance to individual employees while undervaluing the work process, underemphasises the importance of the work group.

Heathfield (2007:6) maintains that the traditional process of performance appraisal reflect and underpins an old fashioned, paternalistic, top down, autocratic mode of management that relies on organisation charts and fear of the job loss to keep troops in line. The traditional performance appraisal treats employees as possession of the company, fails to create a dialogue, and rarely results in positive employee development. Furthermore books and articles provides direction on how to put the subject of review at ease and how to hold difficult conversation, but the fundamental flaws in performance appraisal is rarely examined and the books do nothing but underscore the defects in the traditional performance appraisal system.

According to Scholtes (1998), the range of problems with performance appraisal is largely due to the fact that performance appraisal systems are based on a widely held invalid assumption. Many of these false assumptions relate to the process of the evaluation themselves. Furthermore these assumptions have questionable validity. A review of the literature on performance appraisal find it littered with criticism on the performance appraisal process (Law, 2007:18). Schraeder, Becton and Portis (2007:22) asserted that performance appraisal can be detrimental to organisations if they are not utilised appropriately and if the performance appraisal system chosen does not match the culture or system within the organisation, then the system will not be effective.

Jawahar (2007:736) is also in agreement that perceptions of fairness are important to all human resource processes, e.g. selection, performance appraisal, and compensation, and particularly so, to the performance appraisal process. Other researchers have also acknowledged the importance of fairness to the success or failure of appraisal systems (Taylor *et al.*, 1998).

Pimpa (2005:115) concurs that teacher performance appraisal is one of the complex activities in education human resource management. There are numerous veto points that can derail even the most carefully designed systems. Furthermore personal bias, unclear performance standards, inadequate documentation, and absence of coaching and training are few factors that reduce performance validity and reliability.

The research problem is derived from the assumption that performance appraisal systems become subject to biasness and subjectiveness in the implementation and evaluation processes at Mintek. The problem to be investigated is, therefore, to determine why performance appraisals are experienced as being biased and subjective and whether or not the negative feelings that follow relate to the questioning of the appropriateness, effectiveness and efficiency of the appraisal system used.

1.4. Background and Rationale

Turk and Roolaht (2005:9) state that performance appraisal is a process aimed at determining the results of an employee's work, one of its main functions being to offer a justified compensation for his/her efforts. Furthermore they emphasize that a performance appraisal criterion has to be relevant, reliable and justly measurable, while also closely linked with the objectives of the organisation and its subdivisions. Performance appraisal has done little to improve its usefulness as a managerial decision making tool. The other difficulty is incompetent supervisors that conduct professional assessment. Carrell *et al.* (2003: 247) believe that formal training of supervisors is the most effective way to prepare the managers and supervisors to conduct successful employee appraisal.

The outcome of this study is to make contribution with regard to the management of performance appraisal process and the elimination of employee dissatisfaction at Mintek. There is a need for the entire company, particularly departments in general, to apply performance appraisal objectively.

1.5 Research Objectives

The aim of this study is to demonstrate that the results of performance appraisal, if applied incorrectly, lead to disputes, grievances and complaints of unfair treatment from the side of employees. The objectives of the study are to determine:

a. the degree of objectivity of performance appraisal practices.

b. the way in which it is experienced by employees.

c. the way in which supervisors conduct performance appraisal.

In performance appraisals, supervisors have to make use of a prescribed form that has to contain items that form the basis of the performance appraisal. Supervisors have to complete these prescribed forms to comply with the target dates (Fletcher and Williams, 1997:25).

1.6. Research design

According to Mckendrick (2000:256), research design provides the answer to questions of what are the means which shall be used to obtain information that is needed. It is the overall plan or strategy by which questions are answered. For the purposes of this study quantitative measures will be applied.

For the quantitative measure, research questionnaires will be distributed to respondents. The rationale to use questionnaires is the validation of information that will be gathered to eradicate any doubt or feeling of bias. The information gathered through need to be congruent with the questionnaires, to ensure validity and reliability.

The study will make use of the following methods to collect and analyse relevant data, namely, a research methodology, which comprises methodological techniques (such as primary sources, secondary sources, and group administration) and survey techniques; method of data collection, which comprises the use of questionnaire; data analysis; validity and reliability tests; ethical considerations; demarcation of research, which comprises both time demarcation and numerical demarcation (general purpose, target population, and sample); clarification of terminology; and conclusion.

1.7 Dissertation Layout

The study is divided into five Chapters that include, after this introductory chapter,

Chapter 2, which is a review of the literature relating to performance appraisal, performance appraisal is contextualised at Mintek. This chapter will provide an outline of performance appraisal, in terms of definitions, criticism of performance appraisals, role and ethics, mental health and participation, measurement and feedback, employee conflict and competition, accountability and trust, fairness and bias, rating satisfaction and dissatisfaction, advantages and disadvantages of performance appraisal, as well as the development and communication of performance appraisal.

Chapter 3, in which the research methodology will be described. The research paradigm and the research methodology will also be discussed, including the population and sample size. The detailed account of both data collection techniques and data analysis and interpretation will be presented. Issues of the validity and reliability of the study will be detailed. Ethical issues will also be discussed and limitations on the research will be clarified.

Chapter 4, which provides a detailed chronology of results obtained from the performance appraisal and an analysis of these results in terms of the literature presented, and findings will be discussed.

Chapter 5, this chapter will establish a link between the literature, which will be reviewed in this study with the data that will be collected and presented. It will also contain conclusion and recommendations for further study.

1.8 Conclusion

The problem is based on the assumption that performance appraisal systems become subject to biasness and subjectiveness in the implementation and evaluation processes. The absence of performance appraisal would have led to highly capable organisations founding themselves in the midst of mediocrity. The study focused on employee perception on the role of motivation in performance appraisal in Mintek, and was triggered by low morale on employees when it is time for appraisal.

This chapter has presented information pertaining to performance appraisal. An introductory look on performance appraisal and a brief history of performance appraisal was outlined, followed by its background, research problem, research objectives, research design and conclusion.

This study will add to new body of knowledge that will shed light to Mintek management on performance management. This body will also eradicate a norm where Mintek employees are possibly demotivated and non-productive when is time for performance appraisal. The findings of this study will unveil a suitable performance appraisal technique, and eventually benefit Mintek as a company. The performance management is a tool through which Mintek could keep employees motivated if it is done properly and contribute to production and service delivery. This may finally lead to an improved economic growth of South Africa and yielding high level of employment.

In Chapter 2 (contextualising performance appraisal), performance appraisal is contextualised at Mintek. This chapter will provide an outline of performance appraisal, in terms of definitions, criticism of performance appraisals, role and ethics, mental health and participation, measurement and feedback, employee conflict and competition, accountability and trust, fairness and bias, rating satisfaction and dissatisfaction, advantages and disadvantages of performance appraisal, as well as the development and communication of performance appraisal. The objective is to emphasize the significance of performance appraisal as it relates to the effectiveness of the company, and to emphasize the ways in which it impacts the development of the company's employees.

Chapter 2

Literature Review

2.1 Introduction

According to Roberts (2002:333) performance appraisal is a controversial management tool searching for answers to ubiquitous in system design and administration. Furthermore critics of performance appraisal present a number of compelling arguments against its use. Lastly anecdotal, empirical and personal experience demonstrates a multitude of problems with appraisal system practices. Catano, Darr and Campbell, (2007:203) highlights that perception of fairness, participation by employees in the appraisal process is related to motivation to improve job performance, satisfaction with the appraisal process, increased organisational commitment, and the utility or value that the employees placed on the appraisal (Catano *et al.*, 2007:203).

Gray (2002:16) states that after many years of much study, there is little hard evidence that performance appraisal programs elicit the desired effect. The relative lack of research on employee perceptions on the role of motivation is the primary impetus of this study, to determine the extent of employee perceptions on the role of motivation in performance appraisal.

To search for relevant literature key words: Performance management, Performance appraisal, Performance ratings, Criticism of Performance appraisal, advantages and disadvantages of performance appraisal, development of performance appraisal, theories on performance appraisal have been used to search for articles in the following search engines – ABI/Inform, Business source Complete, Emerald, SA epublication, Datamonitor, DM review, Google Scholar and EBSCO.

This chapter provides an outline of performance appraisal, in terms of definitions, criticism of performance appraisals, role and ethics, mental health and participation, measurement and feedback, employee conflict and competition, accountability and trust, fairness and bias, rating satisfaction and dissatisfaction, advantages and disadvantages of performance appraisal, as well as the development and communication of performance appraisal.

2.2 Definitions

Aldakhilallah and Parente (2002:40) define performance appraisal as a process that evaluates the performance of an employee and generates information about employee's effectiveness and efficiency at work. Performance appraisal is one of the most complex and controversial techniques used to monitor workers, determine pay, retain workers and promote excellence. It must ascertain the productivity of an employee and fairly measure the workers effort. To effectively evaluate performance the criteria and method are important factors and should be used to support the organisation's excellence (Chen and Fu, 2004: 163).

According to Werther and Davis (1993:81), performance appraisal is a continuous process by which a department appraises job performance. Carrelll *et al*. (1997:258) define performance appraisal as an ongoing process of appraising and managing both behaviour and outcomes in the workplace. In the context of this study, performance appraisal denotes a continuous process diligent and purposeful observation and evaluation of an employee/subordinate so as to determine his/her knowledge, capacities, potential, aptitude, talents, short comings, and limitations measured against the job description.

According to Carrell *et al.* (1997:12), performance management refers to a set of techniques used by a manager to plan, direct and improve the performance of subordinates in line with achieving, the overall objectives of the department. It is a process for establishing a shared understanding about what is to be achieved and how it is to be achieved, and an approach to managing people which increases the probability of achieving job related success. Traditionally the term performance management has been defined as management's systematic application of process aimed at optimising human performance in an organisation (Buchner, 2007:59).

Johannsen and Page (1996:94) define employee dissatisfaction as a lack of satisfaction by the workforce. It is a situation wherein workers are discontent or demoralised to an extent that commitment to productivity is low. In this study, employee dissatisfaction refers to employees feelings of being dissatisfied, disappointed and angry as employees become suspicious of the way in which performance appraisal are carried out and the outcome thereof.

According to Cloete (1985:5), personnel are the body of persons employed in a public undertaking. It is one of the generic processes involving staff matters .In this study personnel will refer to the appointed employees who occupy the prescribed post at Mintek. Pearsall (1999:1427) defines subjectivity as based on or being influenced by personal feelings, taste or opinion. In this study subjectivity will refer to a situation wherein at work supervisors regard performance appraisal as an end in itself and not a process that has to be carried out regularly, objectively, efficiently, effectively and with dedication.

According to Katz (1997:5), a supervisor is a manager who appraises individual members of management at any level and is held accountable for the output of one or more units as well as for the performance of employees within the units. A supervisor will, therefore be any manager who exercises control over one or more employees on the various levels in the hierarchy at Mintek.

2.3 Criticism of Performance Appraisal

A review of the literature on performance appraisals finds it littered with criticisms or condemnation of the process. Deming identifies performance appraisal as one of the Seven Deadly Diseases destructive to organisations, and called them the most powerful inhibitor to quality and productivity (Law 2007:18). Kohn (1999) notes Deming's words on performance appraisal, that in practice, annual ratings are a disease, annihilating long term planning, demobilising teamwork, nourishing rivalry and politics, leaving people bitter, crushed, bruised, battered, desolate, despondent, unfit for work for weeks after receipts of rating, unable to comprehend why they are inferior (*cited* by Law, 2007:18).

Lee (2006:19) asserts that performance appraisal was never designed to improve performance, only to measure and rate it. He further condemned the appraisal system that it inspires hatred and distrust among employees. Despite prevalent use, the performance appraisal process is facing growing criticism (Lee, 2004: 407). He further emphasizes the viewpoint of critics to performance appraisal who question the validity of the process in general. Law (2007:19) reiterates that the range of problems with performance appraisal is largely due to the fact that performance appraisal systems are based on a set of widely held, invalid assumptions. Furthermore many of these false assumptions relate to processes of the evaluation themselves.

Heathfield (2007:6) also noted the limit of performance appraisal, that every method of assessing employee performance has its positive and negative characteristics. She continue to explain that they all have characteristics in common, they are opinion based, generally one sided and are rarely on metrics. Gray (2002:16) agrees that after many years of study, there is little evidence that performance appraisal programs elicit a desired effect, and that in fact tying performance appraisal to merit increase may be simply waste of time because it presupposes that one understand and can manipulate something as complex as human work behaviour.

Furthermore, Gray emphasize that most of us are unqualified to understand , let alone temper with the complexities of employee performance, even more to the point is that performance appraisal don't produce more competent, loyal workers because the practice is inherently flawed. Lastly performance appraisal requires process that is objective, consistent and dependable, but for the managers and supervisors facing expanded administrative tasks in addition to their already difficult job duties, this can be overwhelming if not impossible demand. Gray continue to state that many appraisal programs are imposed without thorough and proper training, under presumption that managers are capable of implementing them anyway, and he further question how can the system be objective, consistent, and dependable if the manager executing it lacks the appropriate skills, training or time.

Tziner, Murphy and Cleveland (2001:226) indicate that the so called rater's errors and other short comings of appraisals may in fact represent conscious decision on the part of the rater to distort performance ratings in order to help attain personally or organisationally valued goals. For example, a supervisor who wishes to motivate a particular subordinate might give that person higher ratings than his or her performance merits. Pimpa (2005:116) concurs that this system has long been criticised by various stakeholders for perceived inadequacies in determining the quality of teachers. Johnson and Shields (2007:1214) also assert that as an inherently subjective process, individual appraisal is prone to numerous problems of invalidity, unreliability and felt unfairness.

Roberts (2002:333) states that critics of performance appraisal present a number of compelling arguments against its use. Anecdotal, empirical and personal experience demonstrates a multitude of problems with appraisal system practices. In addition the main critiques are that individual performance appraisal assumes a false degree of measurements accuracy, engenders dysfunctional employee conflict and competition, assigns and inordinate amount of responsibility for poor performance to individual employees while under valuing the importance of the overall work process, underemphasizes the importance of the work group, and is often used as a managerial Theory X control device (Roberts, 2002:333).

Furthermore Robert highlights that critic argues that there is a dearth of valid research to substantiate the claims of supporters. Proponents of performance appraisal argue that many of these negative effects of appraisal are remediable through the application of genuine employee participation (Roberts, 2003:89). The typical performance appraisal system devours staggering amounts of time and energy, depresses and demotivates people, destroys trust and teamwork, and adding insult to injury, it delivers little demonstrable value at great cost Nickols (2007:13) concurs. Despite the popularity of performance appraisals as management tools, there is an ongoing debate among practitioners, academicians, and scholars regarding the true efficacy of performance appraisal (Schraeder, Becton and Portis, 2007:20). Unless all of the jobs within an organisation are essentially the same, utilizing the same basic form to evaluate performance is bound to leave some gaping holes in the appraisal system (Merrit, 2000: 4).

Grote (2006:39-40) states that in too many places performance evaluations are sloppily done and not taken very seriously. In addition a lot of research has shown that performance appraisals have disappointing levels of reliability and validity. Furthermore performance appraisal has also been viewed as a painful event when the manager evaluates the employee's performance; it rarely had close links to overall mission and program of the organisation that were designed to maximize human effort. A performance appraisal should establish a connection between the organisational and personal goals as well as shape and change organisational culture towards a results driven climate (Grote, 2006:39). Aldakhilallah and Parente (2002:44) highlight the errors that are related to the validity and reliability of the performance appraisal, and that they are personally biased (supervisor's attitude towards or against an employee will affect the evaluation of the employee), they include recent errors (supervisors tend to emphasize more recent examples of employee performance in arriving at the final evaluation), they have similarity error (supervisor tend to give unreasonable emphasis to their personal qualities as a basis for making judgments) and they consist of primary effect supervisor may form a first impression of a subordinate fairly quickly.

Gray (2002:16) states that performance appraisal requires a process that is objective, consistent and dependable. In addition appraisal programs are imposed without proper training, under the assumption that managers are capable of implementing them anyway. Furthermore performance appraisal encourages mediocrity by rewarding safe behaviour as opposed to risk taking and self challenged .Most of the work is the product of a group of people and evaluating an individual requires a pretence that the individual is working alone. Lastly highly unique and individualised jobs do exist that have no interaction or dependence on other jobs, but these rare positions generally escape the formal performance appraisal process (Gray, 2002:16).

2.4 Role and Ethics

Wilson and Western (2001: 384-391) assert that human beings constantly appraise, consciously or unconsciously, objectively or subjectively. When people appraise something they rate its worth, usefulness and the degree to which it displays various qualities. People appraise themselves and other people; they appraise behaviour, personality and systems. Organisational appraisal systems are an attempt to formalise these activities for the benefit of both the individual and the organisation (Torrington and Hall, 1991:480).

Wilson and Western (2001: 384-391) further point out that to appraise is part of the human condition and was formally applied in the sphere of work activity , as early as the Third Century AD (when) SinYu, an early Chinese philosopher, criticised a biased rater employed by the Wei Dynasty (Murphy and Cleveland in Wilson and Western, 2001: 384-391). Appraisal was also used by Owen in his New Lanark textile mills during the 1800s; and during the First World War to assess the performance of officers. Over the past 30 years, performance appraisal has achieved a higher profile in the human resource function of most organisations (Wilson and Western, 2001: 384-391).

Wilson and Western (2001:384-391) continue to highlight that the term performance appraisal has generally meant the annual interview that takes place between the manager and the employee to discuss the individual's job performance during the previous 12 months and the compilation of action plans to encourage improved performance. Moon (1993) succinctly defined appraisal as a formal documented system for the periodic review of an individual's performance. Performance appraisal is part of the larger process of performance management. Marchington and Wilkinson in Wilson and Western (2001: 384-391) describe it as a cyclical process: determining performance expectations; supporting performance; reviewing and appraising performance; and, finally, managing performance standards.

Performance appraisal can be used for numerous purposes including: reward; discipline; coaching; counselling; negotiating improvements in performance; improving the work environment; raising morale; clarifying expectations and duties; improving upward and downward communications; reinforcing management control; helping validate selection decisions; providing information to support Human resource activities; identifying development opportunities; improving perceptions of organisational goals; and selecting people for promotion and redundancy (Thomas and Bretz, 1994 ; Murphy and Cleveland, 1995; Baruch, 1996; Taylor, 1998; Pettijohn *et al.*, 2001). In short, it would appear to be a "panacea" (Taylor, 1998:185).

In general, research has shown that performance appraisals reduce role ambiguity (Pettijohn *et al.*, 2001).The reductions in role ambiguity are commonly associated with increases in effort, performance, satisfaction, commitment, and a decrease in turnover (Murphy and Cleveland, 1995; Babakus *et al.*, 1996; Jones *et al.*, 1996).

Performance appraisal provides substantial information for human resource management to make fair and correct decisions regarding promotions, transfers, compensations, incentives and training programs as well as career management (Chu and Chen, 2007:512). Indeed, Armstrong and Baron (1998:8) maintain that, Performance management should really be called performance and development management. Unfortunately, this panacea is not reflected in the research findings described below which suggest that it may not always contribute to the development of the individual in support of organisational objectives. Moreover, Taylor (1998:185) concluded from an investigation of a number of research studies, that performance appraisal is, in practice, more of an organisational curse than a panacea. Wilson and Western (2001:384-391) argue that it would appear that this curse/panacea requires further investigation into the extent to which it supports training and development.

Pettijohn *et al.* (2001:754-771 assert that in addition to the described relationship between performance appraisals and various behavioural outcomes, performance appraisals are frequently used to determine employee compensation, merit pay (Murphy and Cleveland, 1995; Thomas and Bretz, 1994) and other organisations' rewards (e.g. promotions) (Murphy and Cleveland, 1995; Thomas and Bretz, 1994). Performance appraisals facilitate other human resource management functions. For example, the performance appraisal can provide information regarding the effectiveness of the firm's selection and placement programs (Thomas and Bretz, 1994), and may help identify and evaluate needs in the area of human resource training and development (Thomas and Bretz, 1994).

While performance appraisals may satisfy numerous organisational objectives, their overriding purpose is often identified as providing information and direction to employees in a manner which will lead to improved performance (Latham *et al.*, 1993). The concept that the focal point of the evaluation process should be on performance improvement is supported by Boles *et al.* (1995:31) who state, the expenses associated with fielding a sales force emphasize the importance of accurately assessing salesperson performance to ensure that the sales force makes a positive contribution to the firm's long-term survival and profitability. The numerous benefits and uses of performance appraisals support the conclusion of Morris *et al.* (1991, p 25) who state that performance appraisals have become one of the sales manager's most critical responsibilities (*cited* by Latham *et al.*, 1993).

Law (2007:18) states that companies identify number of purposes for conducting performance appraisal. Beyond measuring individual performance other objectives include ,providing feedback to employees, improving individual performance, providing motivation and recognition, determining pay raises and promotions, coaching, mentoring and counselling, determining training and development needs, making decisions pertaining to downsizing or layoffs, and finally to have proper documentation for legal purposes such as employee litigation. Gabris and Ihrke (2001:158) agree that performance appraisal has been one of the most hotly debated topics in personnel management circles and, fortunately has been the subject of much research. In addition assessment of performance appraisal range from openly hostile to the generally benign, envisioned well design performance appraisal as a tool of correcting work deficiencies, for motivating employees as well as for giving feedback.

Pimpa (2005:116) asserts that performance appraisal have become an increasingly important tool for both public and private organisation to manage and improve the performance of employees, to make more valid staff decisions, and to enhance the effectiveness of the organisations overall performance. The performance appraisal is critical mechanism for organisational control, through which the employees can view, see their past performances and take concrete action to for improvement. Getting accurate performance information to people is an important ethical responsibility of leadership (Grote, 2006:41).

2.5 Mental Health and Participation

Performance appraisal satisfaction is enhanced by employee participation and perceived clarity of goals; it may also be positively related to affective commitment (Kuvaas, 2006:506). Roberts (2002:336) highlights that a large body of research stretching from the 60's to the 90's indicated that employee interview participation is associated with variety of desirable appraisal related outcomes including appraisal system fairness, appraisal satisfaction, supervisory support, satisfaction with supervisors, appraisal system acceptance, and greater employee acceptance of negative feedback. Furthermore participatory appraisal interview style also entails a strong emphasis on employee performance counselling. Participatory system facilitates discussion of employee strength and weakness in a positive context where the goal is to help the employee improve his or her performance. Hence participatory appraisal reinforces communication and analysis related to employee training needs, promotional opportunities and skills development (Roberts, 2002:338).

Kikoski (1999:304) agrees that employees are more satisfied with their appraisal interviews and with their superiors who conduct them when they participate more in appraisal process, more particularly in the interview itself. Greater employee participation and goal setting can refocus the process from an adversarial to a cooperative and coaching atmosphere, thereby reducing tension, defensive behaviour, and rater–ratee conflict. Another factor that is important is the cultivation of regular, ongoing informal feedback.

Tziner, Murphy and Cleveland (2001:226) asserted that in particular, it appears that participative climates are conducive for both high levels of performance and to effective performance appraisals. In addition participative climate is characterised by cooperative relationships, individual responsibility, trust and communication; all this factors reduce supervisor-subordinate conflict, reduce political manipulation of performance ratings and motivate raters to give accurate and helpful performance feedback. Roberts (2003:89) concurs that genuine performance appraisal participation is a process that can mitigate many of the dysfunctions or traditional performance appraisal system as well as engender a more humane and ethical human resource management decision process. In addition from a motivational standpoint, employee participation is a key element of intrinsic motivational strategies that facilitates worker growth and development. Employee participation is an effective tool for enhancing job related autonomy, a necessary precondition for employee growth (Roberts, 2003:90).

Furthermore, Roberts highlight that appraisal participation provides employees with voice into the appraisal process, with the presence of employee participation; employees are empowered to rebut ratings, documentation or verbal feedback that they disagree with. Employee attains ownership over the process and manifests ego involvement as the ratee manifests a stake in the success of the system, enhancing employee acceptance. Participation generates an atmosphere of cooperation and employee support, which encourages the development of coaching or counselling relationship, thereby reducing appraisal related tension, defensive behaviour and rater-ratee conflict. The development of reliable, valid, fair and useful performance standard is enhanced by employee participation, as workers possess requisite unique and essential information necessary for developing realistic standards. Research demonstrates that performance appraisal systems that exhibit higher levels of participation are positively associated with elevated levels of employee and rater acceptance, which is a critical intermediate variable in the generation of appraisal system satisfaction, motivation and productivity (Roberts, 2003:90-93).

Lastly, Roberts (2003:94-95) continues to argue that participation, goal setting and feedback are critical for enhancing the accuracy and quality of performance standards and goals, facilitating a consensus /understanding on performance standards, and increasing commitment to goals and standards. Participation enables the employee to offer opinions and rebut information that they disagree with. Participatory performance appraisal is an essential component of a fair ethical evaluation of an employee's performance.

2.6 Measurement and Feedback

Sartore (2006:541) states that effects on motivation maybe exacerbated when both exposure to negative feedback and denial in of opportunities are repeated. Consciously negative feedback may prompt one to no longer seek advancement opportunities owing to a perceived lack of qualifications and expectations failure, this limiting oneself. Unconsciously a person may internalise the negative feedback to the degree that he or she accepts such information and behaves in a confirmatory manner without realizing it, again limiting him/herself. Regardless of whether a decrease in motivation occurs consciously or unconsciously, performance detriment can occur, thus resulting in poor performance evaluation (Sartore, 2006:541).

Heathfield (2007:7) asserted that managers avoid giving honest feedback, which defeats the purpose of the performance appraisal Schraeder, Becton and Portis (2007:21) agree that providing positive feedback on an ongoing basis is offered as a general recommendation for enhancing the effectiveness of performance appraisal. Roberts (2002:336) states that an important set of appraisal moderators is goal setting and feedback. An effective appraisal process requires employee feedback. Without feedback employees are unable to make adjustment in job performance nor do they receive positive reinforcement for effective job behaviour (Roberts, 2002:337).

Feedback is not only important to individuals but also the organisations because of its potential influence on employee performance and a variety of attitudes and behaviours of interest to the organisations (Jawahar, 2006:214).The notion that people at work should receive performance appraisal is eminently sensible. This procedure is potentially of enormous benefit to both the individual and organisation, in that feedback provides people a basis to set goals to both evaluate and improve their performance (Latham *et al.*, 2008:220) maintains.

motivation. Effective goal setting is clearly associated with higher employee performance satisfaction. Merit pay programs are designed to increase motivation and ultimate productivity by making pay increases contingent upon performance (Vest *et al.*, 2000:553).

2.7 Employee Conflict and Competition

According to Deming, the problem is compounded when the performance appraisal is used to determine pay for performance, a process that contributes to fear and competition within the organisation (Lee, 2004:411). Previous research has shown that the potential for conflict is related to individual's belief that they are victimised by the internationally harmful actions of an offending party. The resulting feeling of anger may trigger aggressive behaviour on the part of the offended person, precipitating high levels of conflict (Greenberg, 1991:58).

2.8 Accountability and Trust

Schraeder, Becton and Portis (2007:21) state that the existence or the lack of trust among organisational members, and structures affect performance, behaviour, thoughts or issues that distract the employee from the work task that reduce task performance. Longenecker and Fink (1999:20) assert that unclear, poorly focused, and cumbersome forms and procedures decrease ownership of the system and negatively affect essential trust and communication between supervisor and subordinate. When supervisors are held accountable for the quality of their performance appraisals then they will be more consistent and straight minded when conducting them (Merritt, 2000: 4).

Organisational accountability is enhanced if raters are assigned senior mentors who regularly review the manager's administration of the performance appraisal process (Roberts, 2003:95). Employees must trust supervisors to rate their performance fairly and they must also trust to management to allocate sufficient merit budget or to implement polices where pay increases are based on performance (Vest *et al.*, 2000:555).

2.9 Fairness and Bias

Sartore (206:535) states that research has demonstrated demographic dissimilarity between raters and ratees that can result in performance evaluation bias. Furthermore biases in the evaluation process are potentially the result of the stereotypes about performance of out group members. It leads to decrease performance, then poor performance of out group members. Gray (2002:16) maintains that the conventional performance appraisal system is more like gambling than an objective observation process, it is distorted by evaluator bias and more often reflects the unpredictability of the organisations dynamics. Many employees are sceptical of the evaluation results and even more doubtful of the ability of managers who indulge in the annual flurry of paper. Furthermore performance evaluation provides feedback distorted by evaluator bias about events that are usually beyond the employee's ability control, credible feedback is usually too little too late.

Gabris and Ihrke (2001:169) state that the absence of distributional equity seems to increase anxiety over the fairness of the compensation system. Employees may come to distrust the organisation and management, and perhaps come to feel that management does not want to be fair. Furthermore under such circumstances employees may lessen their productivity, become passive, or in rare instances, exhaust themselves by working harder to no avail.

Procedural fairness is improved when employees participate in all aspect of the process, when there is consistency in all processes, when the assessment are free of supervisor bias , and when there is a formal channel for the employees to challenge or rebut evaluations. In addition to perceptions of fairness, participation by employers in the appraisal process is related to motivation to improve job performance, satisfaction with the appraisal process, increased organisational commitment, and the utility or value that the employees place on the appraisal (Catano, Darr and Campbell, 2007:203).

Pimpa (2005:115) mentions that there are numerous veto points that can derail even the most careful designed systems. In addition personal bias, unclear performance standards, inadequate documentation, and absence of coaching and training are few of the factors that reduce performance validity and reliability.

Employees expect to be rewarded and appraised fairly and for the process to be carried out with no hidden agendas (Whiting and Kline, 2007:131). According to Roberts (2003:90) if employees are confident in the fairness of the appraisal process, they are more likely to accept performance ratings, even the adverse ones, if they perceive a fair decision making process.

Deming felt that performance appraisal was unfair and unproductive to assign credit or blame to individual employees, unless management could determine whether an employee's variances were due to personal or systemic reasons (Law, 2007:20). Furthermore Law highlights that performance appraisals damage relationships between managers and employees, and that there is considerable evidence that even a positive evaluation can be demotivation.

Wilson and Jones (2008:59) indicate that it is well documented that performance appraisal rating are rife with biasing effect. Ratings can be based on the managers own personal notions about what constitute ideal performance, rather than stated standard. Indeed this is supported by evidence (from employment interview research) that managers tend to favour individuals similar to them, and that people's views on themselves are more closely reflected in their ratings of others (Wilson and Jones, 2008:59).Other researchers have also acknowledged the importance of fairness to the success or failures of appraisal systems (Jawahar, 2007:736). If individuals do not perceive the performance evaluation system as fair and accurate, it is unlikely they will feel that pay is tied to performance (Vest *et al.*, 2000:554) maintains.

Behaving fairly and convincing others of one's fairness are unrelated. It is in fact, others willingness to attribute fairness to your actions, not necessarily the actions themselves that enhances their perceptions of how fair you are. What is fair is what is explained and accepted as fair. Fairness is communicated, sold to others as the desired end state of the attribution process. Greenberg (1991:52-59).The interpersonal affect a like and dislike relationship between a supervisor and his/her subordinate, has traditionally been conceptualised as a source of bias in performance appraisals (Varma, Pichler and Srinivas, 2005:2029).

2.10 Rating satisfaction and dissatisfaction

Edwards (2000:14-16) points out that a cursory review of court cases indicates that perfect appraisals are not expected from employers. However Edwards further asserts that certain expectations dictate that the appraisal process is fair, objective, valid, and meet the requirements commonly applied to hiring and promotion. Bowman (1999:557) concurs that since common appraisal methods are judgmental in character. Traditionally there was one answer: the subordinate's immediate supervisor. However, other knowledgeable information sources include the ratee, peers, computers, and outsiders (Bowman, 1999:557).

The advocates of performance appraisal *cite* implementation flaws that cause for dissatisfaction among users (Lee, 2004:407). Many organisations still express dissatisfaction with their appraisal schemes, and this may signal a lack of success of performance appraisal for developing and motivating people (Kuvaas, 2006:504). Satisfaction with appraisal feedback is one of the most consequential of the reactions to appraisal feedback (Jawahar, 2006:214). Miller and Thornton (2006:153) state that one of the key issues is the accuracy of performance appraisal ratings. For example, if personnel feel the ratings are inaccurate, it is unlikely that they will buy into a performance system.

Managers responsible for delivering performance reviews who are uncomfortable with the performance rating system may give uniformly high ratings that do not discriminate between ratees. Poor ratings detract from organisational uses and increase employee mistrust in the performance appraisal system. Employees on the receiving end of the appraisal often express dissatisfaction with both the decisions made as a result of performance assessment and the process of performance assessment, which have longitudinal effects on overall job satisfaction and commitment (Catano, Darr and Campbell, 2007:2001-2002).

Whiting and Kline (2007:130) indicate that employees are more likely to be satisfied with the performance appraisal system when they understand the components and uses of their system. Latham *et al.* (2008:221) asserted that one's own performance appraisal may influence the act of evaluating others by influencing the mood of the rater as he or she rates others. Furthermore presumably a positive rating would translate into a positive mood if such rating were obtained before, and became salient during the ratings of others. A negative rating might have an even powerful effect on mood, albeit in the opposite direction.

Schraeder, Becton and Portis (2007:22) highlight that supervisors often give employees ratings that exceed their true performance to avoid other unpleasant consequences. Furthermore inflated ratings are a common malady associated with formal performance appraisal. Tziner *et al.* (2002:218) state that raters with low self efficacy might lack sufficient motivation to provide well documented, solidly grounded, reliable accurate evaluation, and may consider the ppraisal to be futile. Raters who show high level s of appraisal discomfort are more likely to ive inflated ratings and less likely to distinguish among subordinates. Furthermore resumably by giving informingly high appraisals, they can avoid the potentially unpleasant onsequences of assigning high ratings to some subordinates and low ratings to others. In ddition raters high on consciousness might be expected to carry out their performance ratings esponsibly with greater diligence, resulting in better discrimination among performance appraisal dimensions and among ratees, and less inflation on ratings (Tziner, Murphy and Cleveland, 2002:218).

Employee participation in developing the rating form and appraisal procedures is the logical extension of the development of performance standards. The rating form summarizes the formal operational definition of what the organisation considers worthy of formal appraisal. Performance appraisal ratings are the product of an ongoing series of rater-ratee interactions valued by employees both intrinsically and extrinsically (Roberts, 2003:91-92).

Law (2007:21) argues that negative group ratings not only might demotivate individual employees in the group, but there is a possibility that such ratings might initiate a pattern of blaming or competition within the group, thus breaking down the sense of teamwork managers hoped to encourage. Merritt (2000:4) concurs that it is well known that traditional performance appraisal systems are riddled with issues primarily with rater error. A supervisor may have the tendency to rate all of his direct reports on one end of the performance scale or the other. Others tend to avoid extreme ratings at all, rating most employees right down the middle of the scale, still others have a tendency to rate based on personal preferences. These errors zap the entire process of any meaning.

Roberts (1998) studied the response of public service supervisors and personnel managers regarding the effectiveness of the performance appraisal process. In general the two groups supported the use of performance appraisal, although they were not satisfied with the process. They cited problems areas in establishing clear criteria for performance, inadequate rater training, and the lack of organisational commitment. He further explained that despite the extensive use of performance appraisal, most people lack confidence in the process (Lee, 2004: 409).

In a study conducted by Rotundo (2002) found considerable variation in the ratings of like behaviour among over 500 supervisors. The supervisors were asked to rate identical behaviour of hypothetical employees. Rotundo found that the ratings by the supervisors varied considerably depending on their work ethics (Lee, 2004: 410).

2.11 Advantages and disadvantages of Performance Appraisal

Scholtes (1993) states that at best performance appraisal does not work and, at worst they cause serious damage to morale within the organisation (Rasch, 2004:411).While no system is perfect, and no system perfectly and reliably measures employee performance, managers need to examine why this established process is so painful for all participant (Heathfield, 2007:7). Performance appraisal encourages mediocrity by rewarding safe behaviour as opposed to risk taking and self challenge (Gray, 2002:16).

There are several important reasons why organisations have performance appraisal programs, to provide information for salary administration, to provide information for promotion decisions, and to improve performance on the present job (Montague, 2007:41). Aldakhilallah and Parente (2002:44) agree that the system emerges as one sided and is entirely controlled by the supervisor, since the employee has no opportunity to influence the outcome. Also the system does not guarantee that input is obtained from either co-workers or customers. As a result, an employee performance may be based on the supervisor's assessment alone.

Montague (2007:46) states that the appraisal session is to evaluate job performance not the person, and it is important for supervisors to be aware of some common factors that may distort their judgment and undermine the value of the appraisal process:

1. Similar to me - (tending to rate people higher if they are like you)
2. Positive lenience - (rating higher than a person deserves in order to motivate him/her)
3. Negative leniency - (rating lower than a person deserves because nobody is perfect)
4. Halo/horns effect - (being overly influenced by a single favourable or unfavourable trait or incident)
5. Recency effect (rating someone up or down based primarily on recent events)

6. Attribution bias – (tending to see poor performance more within individual's control and to see superior performance is more influenced by external factors)
7. Stereotyping
8. Contrast effect - (making comparison between employees)
9. First impression - (not considering subsequent information to modify initial impression)
10. Central tendency – (playing safe by putting people in the middle)

Spangenberg (2002:8) maintains that performance appraisal assumes that the person being evaluated is, by and large, responsible for results. This ignores a basic premise of the total quality movement which means that the system or process is the determinant of the performance and basic source of variation. Therefore the problem with measuring performance of individuals is that their performance is inseparable from the system and its processes. Furthermore it is true that if you put a good performer against a bad system, the system will win every time. People spend too much time "fixing" people who are not broken, and not enough time fixing organisational systems that are broken.

Since by far, Spangenberg (2002:8) mentions, the most appraisals focus on the individual's performance, the structure of performance appraisal denies the reality of the team. Focus on individual dimensions of performance may eliminate and replace those dimensions pertinent to group performance. Omission of team considerations, therefore, may result in passive under-mining of teamwork. Teamwork is, in fact, more actively undermined when performance appraisal is tied to individual rewards and bonuses.

Spangenberg (2002:8) continues to state that this is especially true when a budgeted amount of money is distributed on a relative ranking of employee performance. This fairly common practice puts employees directly in competition with one another. Therefore, they are interested in performing better than one another, rather than with one another. The performance appraisal system is a one-to-one interchange from supervisor to subordinate. This style of managing is contrary to teamwork. Leadership in a teamwork organisation does not place the supervisor or manager at the centre. Rather, this person is coach, facilitator, and leader among equals. Importantly, feedback should not be a top-down activity but a lateral, circular, mutual, team activity.

Spangenberg (2002:9) further continues to caution that the quality improvement proponents claim that using standards and goals for evaluation may lead to mediocrity. The rationale is that since it is important that standards are met, employees find themselves less inclined to take risks. They rely instead on well proven ways of achieving performance standards. They are reluctant to try something new that may not work, and thereby threaten their ratings and salary increases or bonuses.

Quality improvement advocates have claimed that appraisal systems often encourage short term gains at the expense of long term planning, Spangenberg (2002:10) reveals. This will happen certainly if long term goals are not set at all. It could, however, also happen with long term goals in place. Spangenberg (2002:10) continues to mention that people may simply pay most attention to the goal and reward that is most urgent and desirable.

2.12 Development and Communication

Communication is an important factor affecting employee motivation in organisations, thus it is recognised as an important skill for managers and leaders in organisations. Furthermore it has been suggested that performance appraisal can help reduce employee uncertainty, while promoting more effective communication between supervisors and subordinates (Schraeder, Becton and Portis, 2007:21). Good performance appraisal should provide valuable information about the development of employees; it may enhance the effectiveness of human resource decisions and offer much potential for satisfying employees needs (Steensma and Visser, 2007:102).

Effective interpersonal communication is as crucial today as it was then to ratee's acceptance of the process of performance appraisal (Kikoski, 1999:304). The organisational leadership must identify and communicate to all employees why performance appraisals are being conducted and the specific goals of the appraisals system. When employees are allowed to participate in the design of the appraisal system their sense of ownership increases (Longenecker and Fink, 1999:19). The lack of communication between organisations also leads to management problems in the performance appraisal .In addition poor communication among organisations is the result of an underlying ignorance of the roles of each organisation, insufficient long term planning confusion regarding communication channels, as well as an unwillingness to engage in this time consuming activity (Pimpa ,2005:121-122).

A body of research demonstrates that raters behave differently when they believe that appraisals are to be used to determine administrative rewards, such as promotions or rises in salary, than they believe that appraisal will be used for feedback and development purposes. In addition it has been shown that during appraisal for purposes of development and feedback, supervisors may consciously discriminate against subordinates, especially those with little job experience or who are known to demonstrate low confidence levels in the supervisor the appraisal system (Tziner, Murphy and Cleveland, 2002:218-219).

Expectancy theory suggest that workplace motivation occurs when employees know what is expected, believe they can meet those expectations, believe that meeting expectations will be rewarded and rewards are perceived as valuable. If any one of these areas is lacking demotivation occurs. More often than not, when supervisors openly communicate clear, realistic expectations, provide the tools necessary for meeting those expectations, and then provide valued rewards, employees will be motivated to achieve desired results (Merritt, 2000:4).

Smit and Cronje (2003:318) are in agreement with Kroon (2001:360) when they say that this theory is based on the assumption that motivation comprises two things: how much a person wants something, and what the chances are of his getting it. It further states that people think a lot about things before they actually do them. The individual's motivation towards a certain behaviour is determined by the result that the person regards as desirable and, secondly, it refers to the person's belief that the result can be obtained.

Designing an appraisal system requires not only establishing policies and procedures, but also obtaining the support of the entire workforce and its union(s). Top officials must publicly commit to the program by devoting sufficient resources to it and by modelling appropriate behaviour. Managers, in turn, need to be convinced that the system is relevant and operational. Employees likewise should see it as in their interest to take it seriously.

A profile (or "slice") taskforce, representing all of these groups from different parts of the department, can conduct a needs assessment by collecting agency archival and employee attitudinal data. It should then revise an existing system (or create a new one) based on the findings and test it on a trial basis. This could be done in jurisdictions that allow customisation to agency needs (over half of state governments for example) or as part of a reinventing government laboratory experiment. It is possible to finesse and marginalize formal requirements entirely beating the system may be faster, more flexible, and just as effective as formally reforming it (Bowman, 1999; Risher and Fay, 2007).

2.13 Research Questions

Much of the problem statement had been solved. However, there is still some items missing and the research questions will help with this. These are:

- Overall, is there a serious performance deficiency in the organisation?
- Is there adequate variation in the ratings, or do a disproportionate number of employees receive very high ratings?
- Are managers who evaluate employees credible?
- Do employees and supervisors follow the performance management system policies and procedures?
- Do employees consider the performance management system fair?

2.14 Conclusion

This chapter has presented information pertaining to the performance appraisal, in terms of definitions, critism of performance appraisal, role and ethics, mental health and participation, measurement and feedback, employee conflict and competition, accountability and trust, fairness and bias, rating satisfaction and dissatisfaction, advantages and disadvantages of performance appraisal, as well as the development and communication of performance appraisal.

Regardless of the beliefs held about the true effectiveness of formal performance appraisal, organisations will continue using the tool for the foreseeable future. Unfortunately, inherent problems often hinder the overall effectiveness of formal performance appraisal systems (Schraeder, Becton and Portis, 2007:24).

It is observed through consulted literature reviewed in chapter 2 that researchers have focused on reducing the errors in the tools, but have not been particularly concerned with what the tools are actually measuring - what we are observing and how well we are observing it. Academicians have delved into the mind of the rater and tried to determine the processes used to evaluate employees. They attempt to train the rater to improve observational skills. They tell the rater to keep a performance diary. While these ideas are theoretically sound, practically, the amount of time for this exercise is too demanding.

In Chapter 3 the Research Methodology followed in this study will be discussed. The research paradigm and the research methodology will also be discussed, including the population and sample size. The detailed account of both data collection techniques and data analysis and interpretation will be presented. Issues of the validity and reliability of the study will be detailed. Ethical issues will be discussed and limitations on the research will be clarified.

Chapter 3

Research Methodology

3.1 Introduction on research methodology

In the previous chapter, the research was stated in terms of five questions that remained unanswered from the literature review. This chapter defines the research methodology used in this study to give answers to raised questions. The questionnaire used in this study provides answers to the research questions developed in Chapter 2. The research questions asks, if there a serious performance deficiency in the organisation, adequate variation in the ratings, credibility of managers/supervisors who evaluate employees, do employees and supervisors follow the performance management system policies and procedures and do employees consider the performance management system fair.

The aim of the study is to determine the employee perceptions on the role motivation in performance appraisal. To validate this, it is necessary to collect information from a targeted population using correct methodology, and analyze the response. This Chapter begins with an introduction on the research methodology that is applied in this research. This is followed by research design, types of research, the Likert scale, population and sampling size, research instrument, data collection method, questionnaire validity and reliability, elimination of bias. Lastly ethical issues limitations of the study are discussed and conclusion

Overall this chapter this chapter defines the research methodology used in this study, the data collection method chosen, types of questions that can be asked and development of the questionnaires, the survey population and sample size determination, data handling and concludes with the discussion of the researcher's compliance with research ethics.

3.2 Research design

The function of a research design is to ensure that the evidence obtained enables the researcher to answer the research question as unambiguously as possible. Obtaining relevant evidence entails specifying the type of evidence needed to answer the research question, to test theory, to evaluate the programme or to accurately describe some phenomenon. In other words, when designing research question we need to ask, given the research question, what type of evidence is needed to answer the question in a convincing way (Hilla, Bless, Smith and Kagee, 2006).

3.3 Types of Research

Hammel define methodologies as a specific philosophical and ethical approach to developing, a theory of how research should, or ought to proceed given the nature of the issue it seeks to address (Nicholls, 2009). In addition Nicholls highlights that Qualitative research is commonly deductive, where theory is tested. It often begins with a small sample size, and follows a rigorously applied but loosely defined pathway. There is no hypothesis to be tested in qualitative research only a problem or research problem to explore. Qualitative research allows the study to evolve naturally, rather than imposing a rigid methodological approach from the outset (Nicholls, 2009:590).

Furthermore Nicholls indicate that in qualitative research data is analysed as it is being collected. Qualitative research look to hand over control of the study, to a greater or lesser extent to participants, allowing them to define what matters to them and what is superfluous. In addition the relationship between the researcher and their participants is a natural one that develops (Nicholls, 2009:590).

In qualitative research, personal bias is acknowledged as an inevitable feature of our humanity, and one that is vital if we are to explore the feeling, meanings and personal context of the participants lived experiences and they reflects meaning. So while qualitative researchers are equally as scrupulous in showing that their findings are trustworthy, they approach the question of bias differently. Underpinning this approach to the question of bias lays a fundamental difference in the way qualitative researchers view their participants (Nicholls, 2009).

Quantitative research on the other hand uses detailed inclusion and exclusion criteria to sample often large numbers of participants with comparable traits. With quantitative research you commonly begin with the question you want answered and the study is never allowed to stray from its original purpose. Quantitative research is that who gather data first analyse it later (Nicholls, 2009).

Furthermore in quantitative research, the problem of the researcher bias is addressed by both a scrupulous attention to the separation between the researcher and the participants, and a comprehensive attempt not to influence the outcome of the study (Nicholls, 2009). For purposes of this study quantitative measures are applied.

3.4 The Likert Scale

Likert scales present individuals with positively or negatively stated propositions and solicit respondent's opinions about the statement s through a set of response keys. Typically participants are asked to indicate their level of agreement or disagreements with a proposition on a graded four of five point scale (for example, strongly disagree, agree, and strongly agree. The fifth point, when used, allows for a neutral or undecided selection to be incorporated into the response key as a midpoint response option (Hodge and Gillespie, 2003).

The Likert scale is commonly used to investigate the attitudes of respondents to a series of written or verbal statements. Typically the statements form sets of questions, with respondents asked to represent their strength of feeling on a common categorical scale. It is an essential tool in psychology and social surveys, and is a ubiquitous method of collecting attitudinal data (Dittrich, Francis, Hatzinger and Katzenbeisser, 2007).

Furthermore Dittrich, Francis, Hatzinger and Katzenbeisser highlight two types of analysis are commonly carried out on sets of Likert responses. The first type relates to score building. Responses to items are treated as belonging to a numerical scale, and are either summed over the items, or a factor or latent variable analysis is carried out, and weighted or unweighted score is produced, which is taken to measure a common characteristic of the item set for a respondent. The second type of analysis is more concerned with providing an ordering of the relative importance of a set of items, and how this relative importance of a set of items, and how this relative importance might vary according to other characteristics of the individual (Dittrich, Francis, Hatzinger and Katzenbeisser, 2007).

The Likert items from an individual consist of three components, a) the common response of all individual within a group defined by covariates, which give the general level of concern on the topic) the individual's relative perception of the importance of a specific item and, c) the way in which an individual respond to the Likert scale, the individual response style (Dittrich, Francis, Hatzinger and Katzenbeisser, 2007).

One of the principle tenets in constructing instruments is that items be as clear as concise as possible. More items are characterised as cognitively complex, the more likely respondents are to misunderstand the question and answer incorrectly. Even small differences in wording can increase the level of cognitive noise and dramatically alter response patterns. Furthermore indicators incorporating more than one dimension into an item may increase measurement error by increasing the level of cognitive complexity (Hodge and Gillespie, 2003).

Likert questions ask individuals to think along at least two different dimensions, content and intensity. Respondents must evaluate the content of each stated proposition, they must examine the item and decide whether they agree or disagree with the content of the stated proposition. In addition respondents must assess their level of intensity regarding the stated proposition (Hodge and Gillespie, 2003).

Likert items do not produce uni-dimensional ordinal responses, thus violating a central measurement tenet. The multiple dimensions inherent in Likert response items may increase measurement error by increasing the level of cognitive noise, a problem that is accentuated by the use of negatively worded items. Negatively worded items are used to circumvent the problem of response set bias, the tendency of respondents to agree with a series of positively worded statement and interspersed with positively worded statements and then reverse scored before summing the items to achieve total score. The use of negatively worded statements increases the level of cognitive complexity.

The problem delineated with the Likert scale, namely multidimensionality and coarse response categories may result in lost information. Phrase completion reduces cognitive complexity by presenting individual with single dimension (Hodge and Gillespie, 2003).

3.5 Primary and Secondary data

Primary data refers to the original information that is collected by the researcher specifically for the research study at hand, for example data obtained through interviews and surveys. Secondary data refers to information that has been previously gathered by someone else for the purpose which can be reused by the researcher. It includes books, journal articles and reports among others (Leedy and Ormrod, 2005). For this study we will use both primary and secondary data. A survey will be used to acquire primary data; secondary data will be drawn mostly from organisational reports, company magazines and available literature in the academic field.

3.6 Population and sample size

Quantitative research operates by taking vast swathes of the population and grouping like variable together (Nicholls, 2009).The sampling frame employed in this study was taken from Mintek company in Randburg. This population was targeted because they represent a diverse group of individuals occupying professional (supervisory) and managerial positions.

In addition individuals in such positions are evaluated on six monthly bases and thus were expected to have had enough experience with their performance appraisal to be able to complete questionnaires appropriately. The researcher also has a very short time frame to obtain completed questionnaires.

The procedure for obtaining consent to solicit participation of employees at the organisation included several steps, including modification and customisation of the ethic protocol and procedure for contacting employees. Such modifications included changes in the title of head of department to something more appropriate such as supervisor, rater or person conducting performance appraisal. An approval letter by the General Manager was required.

Sampling strategy that is design and size depends on the research paradigm. The quantitative method requires random and representative sampling characterised by larger samples (Leedy and Ormrod, 2005). The population of interest for this study is the managers and supervisors from various divisions in Mintek that conduct performance appraisal. The participant will have to meet the following criteria to be included in the sample:

- The participant must be a manager that is involved in performance appraisal.
- The participant must be a supervisor that is involved in performance appraisal.

To get a fair representation in the sample e-mail addresses of managers and supervisors will be obtained and randomly select the sample to be used in the survey following the stated criteria. The total sample was 113 and minimum of 90 completed questionnaires will be required for meaningful conclusion to be drawn from the data gathered from the survey.

Sample participants were employees of Mintek company .Study participant were informed that the study was being conducted and was to investigate performance appraisal. The researcher stressed that participation in the study was not mandatory and that the responses would be strictly confidential. Subjects were not required to identify themselves on the questionnaires.

3.7 Research instrument

Eiselen (2000) states that Questionnaires usually form an integral part of descriptive and opinion related surveys. They can be either in the form a self administered questionnaire, where responded are requested to complete the questionnaire in their own time or in the form of a structured interview .Irrespective of which method used, the formulation of questions and the structure of questionnaire are critical to the success of the survey.

He furthermore highlight that self administered structured questionnaires, whether disseminated by hand, by post, via e-mail or the Web, have the following distinct advantages.

- They are more cost effective to administer than personal (face to face) interviews.
- They are relatively easy to administer and analyze
- Most people are familiar with the concept of a questionnaire
- They reduce the possibility of interviewer bias

- They are perceived to be less intrusive than telephone or face to face surveys and hence, respondents will more readily respond truthfully to sensitive quest ions

- They are convenient since respondents can complete it at a time and place that is convenient for them·

Lastly Eiselen indicated that the most important disadvantage of self administered structured questionnaires that are disseminated by hand, post, e-mail or the Web is that the response rate tend to be low., especially when the questionnaire is too long or is complicated to complete, the subject matter is either not interesting to the responded or is perceived as being of sensitive nature. Another disadvantage is that researcher does not have a control over who fills in the questionnaire even though it may be addressed or delivered to the intended participant (Eiselen, 2000).

3.8 Data Collection Method

To serve the objective of this study, which is to investigate employee perception on the role motivation in performance appraisal by focusing on the experience of supervisors and managers, the researcher used questionnaires. In this study primary data will be collected by means of survey using structured questionnaire which will distributed to Mintek business divisions. This study is based on a questionnaire survey. The researcher's sample consisted of 113 supervisors and managers drawn from Mintek.

Quantitative research is predominately used as a synonym for any data collection technique (such as a questionnaire) or data analysis procedure (such as graphs or statistics) that generates or uses numerical data (Saunders, Lewis and Thornhill, 2007). After having collected data, the researcher will compare and contrast the information given and then interpret the data (Fink, 1995:43). Data will be presented in the forms of tables, diagrams, pie charts and figures. The reason for using these graphic forms is to take advantage of their ability to present large volumes of data on one page in a way that data can be seen at a glance.

3.9 Questionnaire Validity and Reliability

It was Churchill (1979 *cited* by Brahma, 2009) who first proposed a systematic procedure to develop valid and reliable instrument in management literature. Since that time, the realisation of the need to develop a sound management construct in advancing research by bringing rigor to the process of scientific enquiry has propelled the scholars to highlight this area in research. A valid instrument is a *sin qua non* of science and if discipline does not use instruments that are valid and reliable, it cannot be regarded as a science (Brahma, 2009).

Furthermore Brahma argues that validity is crucial in management research, measuring unobserved theoretical constructs by observed measures are very common, that they may be contaminated by measurement error. Measurement error may lead to biased parameter estimates whereby a true substantive relationship may be rejected or a relationship may be proved to be present where actually none is. In other words measurement error threatens the validity of research findings and undermines much of its contribution (Brahma, 2009).

Feldman (2007 *cited* byNewton and Burgess, 2008) assert that the quantitative origin concept of validity have been viewed incongruent with in particular, constructive epistemologies. Validity refers to the reasons we have for believing truth claims (Newton and Burgess, 2008).

The validities identified by Anderson and Herr (1999 *cited* by Newton and Burgess, 2008, 2009) are appealing and suggested that action research adhere to outcome process, democratic, catalytic, and dialogic validities. The outcome validity refers to the extent to which outcomes of research match the intended purpose of the research. Process validity focuses on the much debated problem of what counts as evidence to sustain assertions. This validity is concerned with the efficacy of the research approach in addressing the research problem. Democratic validity is concerned with the extent to which research is done in collaboration with all parties who have a stake in the problem under investigation. Catalytic validity refers to the ability of the research process to transform the participants to further social action. Dialogic validity is akin to the peer review process in academic research (Newton and Burgess, 2008).

According to Easterby-Smith *et al.* (2002:53) reliability refers to the extent to which your data collection techniques or analysis procedures will yield consistent findings. It can be assessed by posing the following three questions (Saunders, Lewis and Thornhill, 2007):

1. Will the measures yield the same results on other occasions?

2. Will similar observation in how sense was made from the raw data?

3. Is the transparency in how sense was made from the raw data?

3.10 Elimination of Bias

The questionnaires were distributed early in an attempt to secure feedback that was not biased by the scores the participants received. Anonymity of respondents in the research instrument, questionnaire was maintained. The researcher ensured that prospects of a non-scientific research do not manifest in this study like ego involvement. These measures reduced any temptations of biases within the researcher and the respondents as well.

3.11 Ethical consideration

Consent was given by the General Manager for the entire project and specifically for the questionnaires to be distributed to the Mintek staff. Each participant was made fully aware of the nature and purpose of the research and that their anonymity would be ensured. These conditions were acceptable to all staff including the General Manager. Undertakings were made to the General Manager that no information would be made public without his prior consent, after he had been provided with an opportunity to review the findings of the research. The final research report will be made available to Mintek staff members who expressed an interest in reading it, and will also be available from the North-West University library.

3.12 Limitation of the study

The limitation of this study was that the sample was obtained from managers and supervisors, which may limit the generalisation of the findings. The biggest limitation of the researcher was to ensure sufficiently high return rate. An additional limitation however was the apparently very low response rate and the inability to specify it with more certainty.

Furthermore limitation was that all variable were assessed with the same method. The returned questionnaires may not be representative of the sample originally selected for the specific discipline, which may impact on the relevance of research findings. Lastly the researcher is also a staff member of Mintek as the supervisor and is very involved in the implementation of the performance management system.

3.13 Conclusion

In this Chapter the research design and the research methodology, including the population and sample size have been discussed. The detailed account of both data collection techniques and data analysis has been presented. Issues of the validity and reliability of the study have been detailed, and the ethical issues and limitations on the research clarified.

The following chapter will provide a presentation of findings that would be used in rejecting or accepting the raised questions, a detailed discussion and interpretational and statistical analysis of the data collected from the research methodology described in this chapter.

Chapter 4

Discussion of the Results

4.1 Introduction

This chapter discusses the research findings and provides analyses and interpretation of data. In the survey certain specific questions were asked and the analysis was done on application of Pearson correlation co-efficient and p-value. The survey was conducted with supervisors and managers of Mintek in different divisions within the organisation, to test their perception on the role of motivation in performance appraisal, with the aim to establish the perception of employees on performance appraisal.

Mintek is a company with specialised disciplines, with managers and supervisors that conduct performance appraisals. The purpose of this study is to make contribution with regard to the management of performance appraisal process and the elimination of employee dissatisfaction at Mintek. Hence the focus of the questionnaire has been to explore usefulness, accuracy and consistency of performance appraisal on supervisory and managerial decisions.

This chapter opens with a descriptive introduction, the response rate, biographical profile of respondents; the next section reflects the analysis involved examination of the data and findings of the target market perceptions regarding the role of motivation in performance appraisal and associative statistics regarding the role of motivation in performance appraisal.

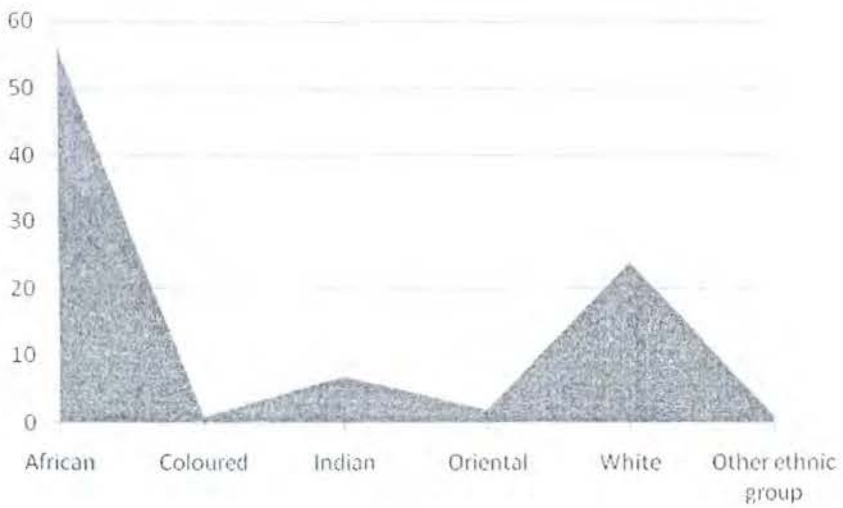
4.2 Response rate

Out of the total sample of 113 approached only 91 responded. The figure reflects that employees that occupy supervisory and managerial roles are dominantly male employees. Data was summarised on a spreadsheet and the summary used to create statistics and figures and tables.

4.3 Demographics

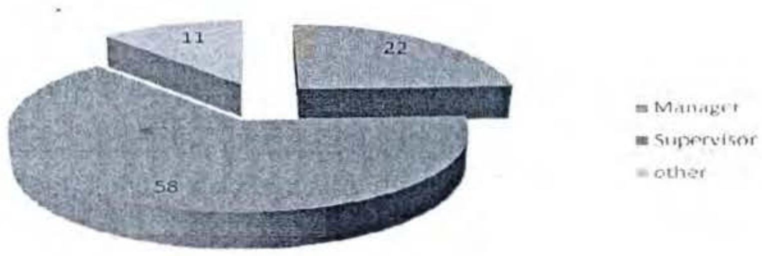
Out of the total sample of 113 approached only 91 responded, 56 (62%) were males, 34 (37%) female and 1 (1%) did not answer. The preference was not given according to sex, the sample breakdown is considered as being a fair representative of the demographics of Mintek supervisors and managers. The figure reflects that employees that occupy supervisory and managerial roles are dominantly male employees. This may be due to the fact that Mintek as a research, science and technology industry historically dominated by males, as the reason of high representation of male employees within Mintek environment. The data was summarised on an Excel spreadsheet and xISTAT was used to do the statistics.

Figure 4.1 Race of the respondents



Out of the total sample of 113 approached only 91 responded, most were black people and white people. The preference was not given according to race, the sample breakdown is considered as being a fair representative of the demographics of Mintek supervisors and managers. The figure reflects that employees that occupy supervisory and managerial roles are dominantly African employees.

Figure 4.2 Profession of the respondents



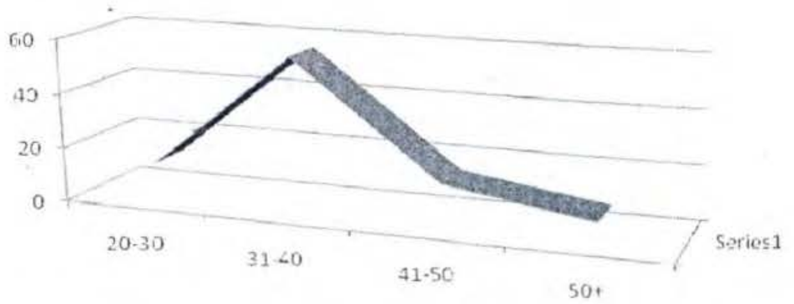
From 91 respondents, 22 (24%) are occupying managerial positions in the organisation, 58 (64%) occupy professional positions as supervisors, and 11 (12%) did not specify their profession. This indicates that majority are occupying supervisory positions, and that their profession is scattered across different levels within the organisation. This could be due to the size of the divisions or business unit within the organisation in terms of conducting performance appraisal.

Table 4.1 Qualification of the respondents

A degree	28
A postgraduate degree	33
Matric	27
No answer	3

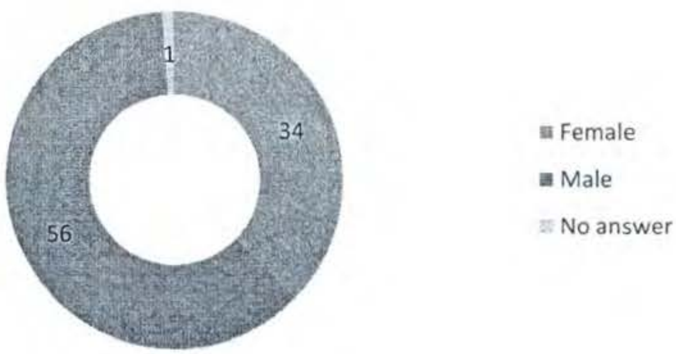
Out of the sample of 91 respondents, 28 (31%) have a degree, 33 (36%) have a postgraduate degree, 27 (30%) have a Matric, 3 (3%) did not answer the question. This indicates that the majority of employees that conduct performance appraisal are highly educated, which will be an advantage to the Mintek as an organisation.

Figure 4.3 Age of the respondents



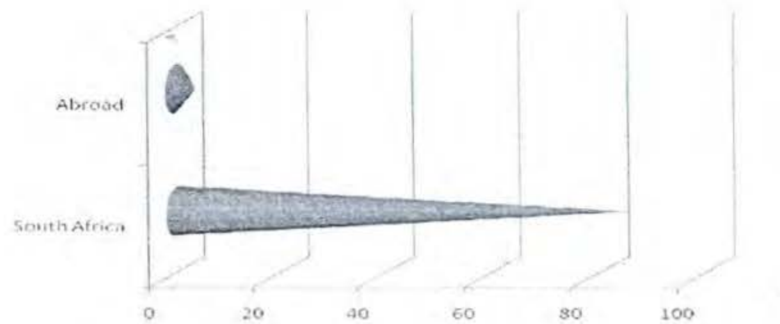
From the 91 respondents, 15 (16%) were aged between 20-30 years, 53 (58%) were aged between 31 and 40 years, and 15 (16%) were aged between 41-50 years, and 9 (10%) above 60 years of age. The majority of respondents were aged between 31-40 years, this implies that the majority of Mintek employees are aged between 31 and 40 years, which is an average group within the working class that may have sufficient working experience to conduct performance appraisal.

Figure 4.4 Age of the respondents



Out of a total sample of 91 respondents, 56 (62%) were males, 34 (37%) were females and one responded (1%) did not answer. As no preference was given to sex, the sample breakdown is considered as being fair representative of the demographics of Mintek supervisors and managers. The figure reflects that employees that occupy supervisory and managerial roles are dominantly male employees.

Figure 4.5 Citizenship of the respondents



Out of a total sample of 91 respondents, 80% are South African, and 20% originates from abroad. This means majority of the respondents are familiar with how performance appraisal is conducted in the South African context. This could be attributed by Employment Equity Act, 55 of 1998 to employ individuals from disadvantaged groups in South Africa. The abroad frequency is insignificant. Lack of highly qualified individuals within the field of science and technology within the organisation could have contributed to the 20% that originated from abroad.

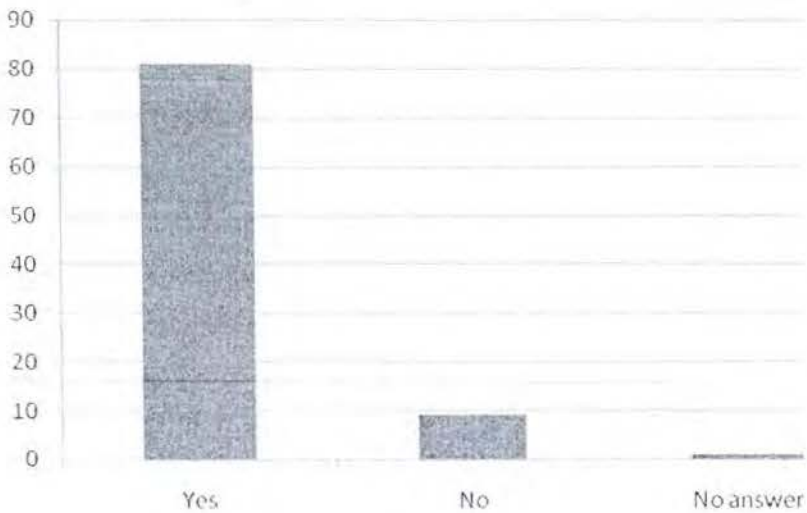
Table 4.2 Years of service of the respondents

0-1 years	9
1-5 years	51
6-10 YEARS	10
11-15 years	15
More than 16 years	6

Out of the sample of 91 respondents, 9 (10%) have less than one year of service within Mintek, 51 (56%) have between one and 5 years of service within Mintek, 10 (11%) have between 6 and 10 years of service within Mintek, 15 (16%) have between 11 and 15 years of service within Mintek, 6 (7%) have more than 16 years of experience. The figure indicates that the majority of respondents fell in category of less than 5 years of service within Mintek. This could be attributed to turnover of staff within the organisation. Therefore respondents may not provide true reflection of impact and conduct of performance appraisal.

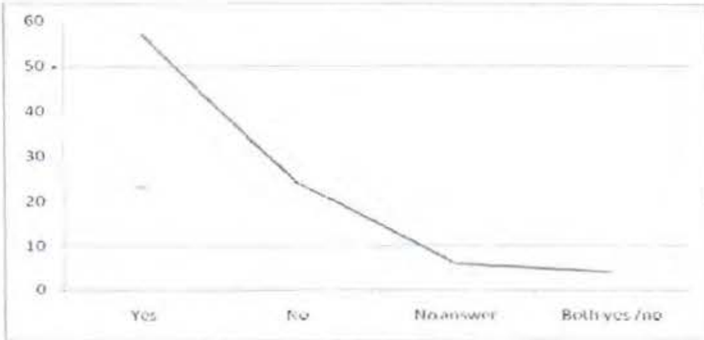
4.4 Discussion of the other results

Figure 4.6 Mission of organisation and performance appraisal



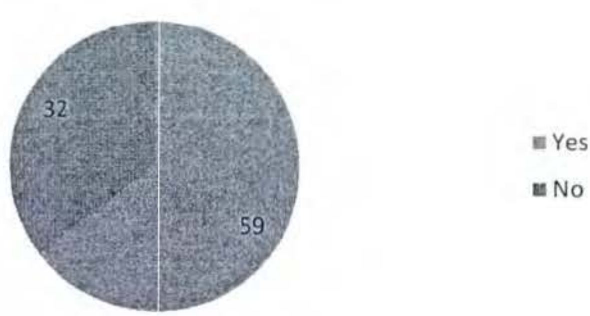
Out of the sample of 91 respondents, 80 % indicated that there is a link between performance appraisals performed, while 18% indicated that there's no link between performance appraisal performed on them, and 2 % did not answer. The 80 % response could be attributed to exposure and training to conduct performance appraisal. The 18 % could be attributed to lack of training on performance appraisal and the mission of the organisation. Grote (2006:39) concurs that performance appraisal has also been viewed as a painful event when the manager evaluates the employee's performance; it rarely had close links to overall mission and program of the organisation that were designed to maximise human effort. A performance appraisal should establish a connection between the organisational and personal goals as well as shape and change organisational culture towards a results driven climate.

Figure 4.7 Performance Appraisal considered being accurate and /or Subjective



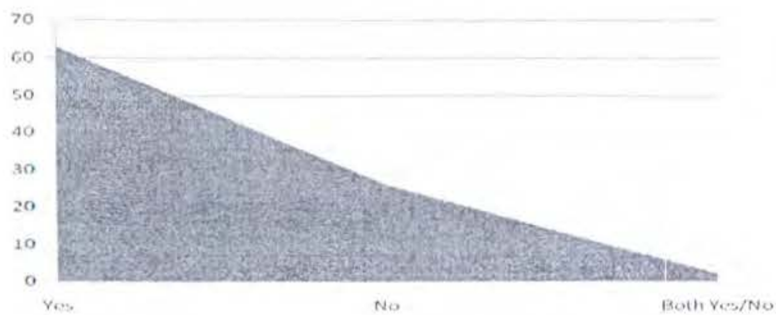
Out of the sample of 91 respondents, most of the respondents presume performance appraisal to be accurate and not biased, less number of respondents indicated that they don't consider performance appraisal to be accurate or subjective, while a very small number answered both yes and no. The majority of the respondents could be attributed to the fact that they have received training to conduct performance appraisal, and understand the meaning of an accurate appraisal. The lesser number that responded with No could be attributed by lack of training. The very small number that indicated both Yes or No, could be uncertain with their response. Pimpa (2005:116) highlights that the accuracy of performance appraisal are critical for determining training needs. To asses performance accurately raters must have sufficient skills, knowledge and motivation. Montague (2007:46) states that the appraisal session is to evaluate job performance not the person and it is important for supervisors to be aware of some common factors that may distort their judgment and undermine the value of the appraisal process.

Figure 4.8 Outcome of the Performance Appraisal session good



Out of the sample of 91 respondents, 59 (65%) presume the appraisal session to be good, and 32 (35%) indicated that the appraisal session is not good. The majority that presume performance to be good, could be the results of good performance or feedback during appraisal , while the minority of the respondents that presume it not to be good could be due to lack of feedback during the appraisal session or lack of trained on the person doing the appraisal.

Figure 4.9 Deficiencies in the Performance Appraisal



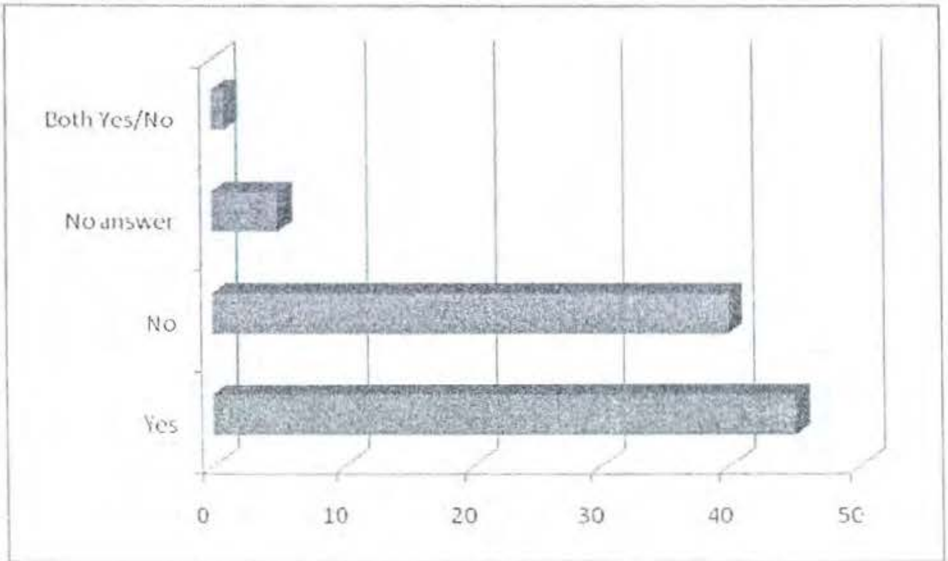
Out of the sample of 91 respondents, the majority of respondents presume performance appraisal to de deficient, but have previously indicated that the session is good. The minority presume that there are no deficiencies. This could be attributed by understanding and training in conducting appraisal. The other responded indicated both Yes/No, this could be due uncertainty. The organisational leadership must identify and communicate to all employees why performance appraisals are being conducted and the specific goals of the appraisals system. When employees are allowed to participate in the design of the appraisal system, their sense of ownership increases. The lack of communication between organisations also leads to management problems in the performance appraisal (Longenecker and Fink, 1999).

Table 4.3 Satisfied with the way in which the Performance Appraisal session was administrated

I strongly agree	8
I agree	43
I disagree	29
I strongly disagree	7
No answer	4

Out of the sample of 91 respondents, 51 (56%) of the respondents indicated that they are satisfied with the way performance appraisal is administered. On a contrary, the majority in (Figure 4.9) indicates that there is a deficiency in performance appraisal. The 36 (40%) of respondents indicated that they are not satisfied with the way in which performance appraisal was administered, and 4 (4%) did not answer. This can be attributed by fear of victimisation to disclose their feelings, or probably management should convince respondents to be in agreement.

Figure 4.10 Adequate variations in the rating



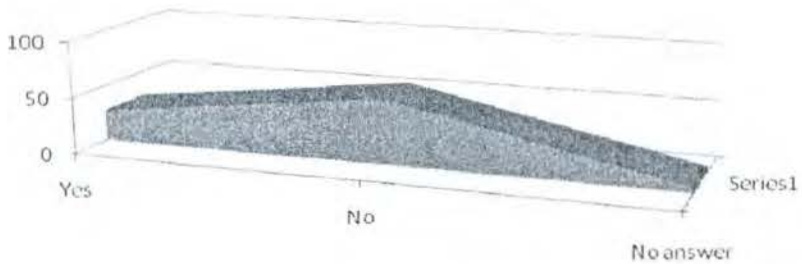
Out of the sample of 91 respondents, about half of the respondents indicated adequacy in variations, while another half didn't feel the same. Previous (Figure 4.7) showed performance appraisal to be subjective, and respondents being satisfied with the way performance was administered. Miller and Thornton (2006:153) state that one of the key issues is the accuracy of performance appraisal ratings. For example, if personnel feel the ratings are inaccurate, it is unlikely that they will buy into a performance system. Catano, Darr and Campbell (2007:2001-2002) highlight that poor ratings detract from organisational uses, and increase employee mistrust in the performance appraisal system. Employees on the receiving end of the appraisal often express dissatisfaction with both the decisions made as a result of performance assessment and the process of performance assessment, which have longitudinal effects on overall job satisfaction and commitment

Table 4.4 Rating is biased based on employee's race

I strongly agree	2
I agree	5
I disagree	44
I strongly disagree	32
No answer	10

Out of the sample of 91 respondents, 7 (8%) agree that performance rating is based on employee's race, and could have probably experienced such biased rating, and 76 (84%) disagree. This indicates that performance is not based on racial groups, and is probably equal across Mintek as an organisation. The 10 (11%) respondents did not answer; this could be because of fear of victimisation. Research (Chapter 2) have demonstrated demographic dissimilarity between raters and ratees that can result in performance evaluation bias. Furthermore biases in the evaluation process are potentially the result of the stereotypes about performance of group members. It leads to decrease performance, then poor performance of group members.

Figure 4.11 Appraisal rating comparable across different jobs



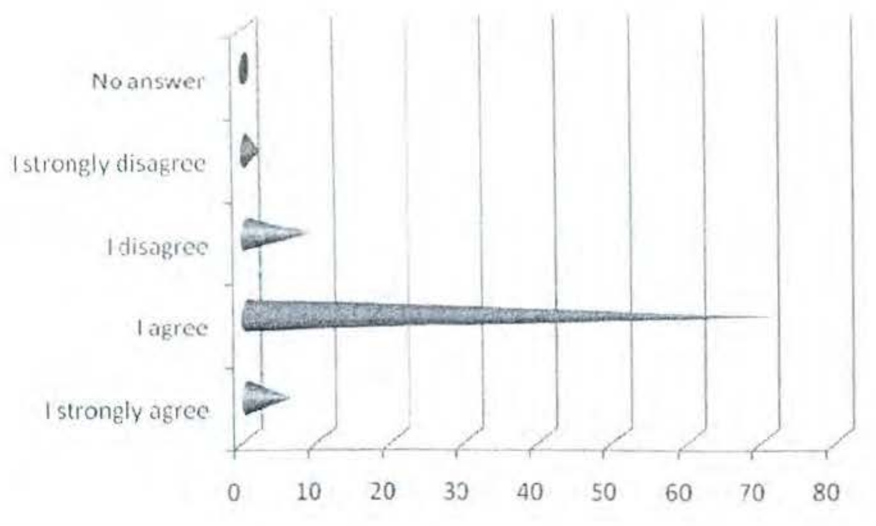
Out of the sample of 91 respondents, most respondents feel that performance appraisal is not comparable cross different jobs, and minority is not in agreement while few did not answer. Merritt (2000:4) states that unless all of the jobs within an organisation are essentially the same, utilising the same basic form to evaluate performance is bound to leave some gaping holes in the appraisal system.

Table 4.5 Supervisor follow performance management system policies and procedures

I strongly agree	8
I agree	41
I disagree	28
I strongly disagree	11
No answer	3

Out of the sample of 91 respondents, 49 (54%) of the respondents agree that supervisors follow performance management system, policies and procedures and 39 (43%) are not in agreement. This could probably be due to lack of training on the policies and procedures of performance appraisal should be conducted. Pimpa (2005:115) mention that there are numerous veto points that can derail even the most careful designed systems. In addition personal bias, unclear performance standards, inadequate documentation, and absence of coaching and training are few of the factors that reduce performance validity and reliability.

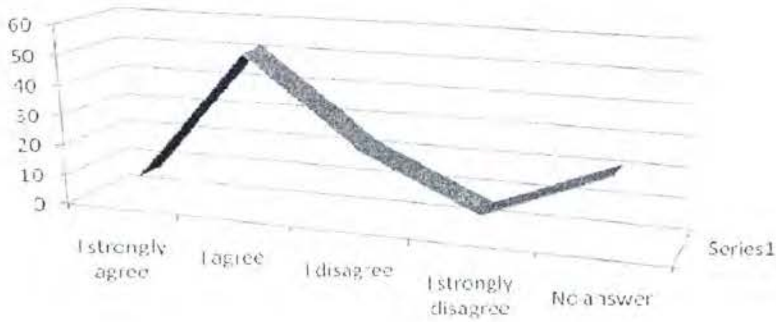
Figure 4.12 Satisfied with the way organisation provides feedback on your evaluation



Out of the sample of 91 respondents, majority of respondents are satisfied with the way the organisation provides feedback on performance evaluation, while minority of the respondents is not in agreement. Jawahar (2006:214) states that satisfaction with appraisal feedback is one of the most consequential of the reactions to appraisal feedback.

Furthermore, Jawahar mention that feedback is not only important to individuals but also the organisations because of its potential influence on employee performance and a variety of attitudes and behaviours of interest to the organisations. Whiting and Kline (2007:130) concur that employees are more likely to be satisfied with the performance appraisal system when they understand the components and uses of their system.

Figure 4.13 Climate of trust exist based upon honest and open communication between a supervisor and employees



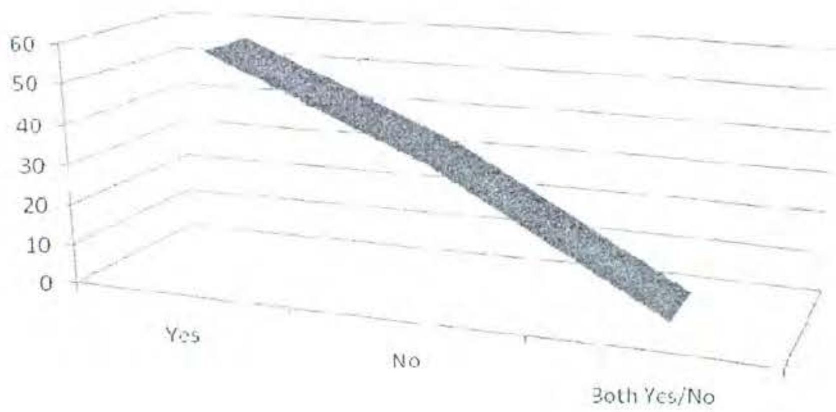
Out of the sample of 91 respondents, the majority of respondents agree that the climate of trust exist based upon and open communication between supervisors and employees, while less number of respondents feels different. Schraeder, Becton and Portis (2007:21) state that the existence or the lack of trust among organisational members and structures affect performance, and behaviour, thought or issues that distract the employee from the work task that reduce task performance. Vest *et al.* (2000:555) is in agreement that employees must trust supervisors to rate their performance fairly and they must also have trust to management to allocate sufficient merit budget or to implement polices where pay increases are based on performance.

Table 4.6 Supervisor shows concern for needs

I strongly agree	5
I agree	37
I disagree	39
I strongly disagree	8
No answer	2

Out of the sample of 91 respondents, 42 (46%) of the respondents presume that the supervisors shows concern for needs, 47 (52%) feels that the supervisors does not show concern, this is contrary to (Figure 4.12) that respondents are satisfied with the way the supervisor provides feedback performance appraisal, and 2 (2%) did not answer.

Figure 4.14 Performance appraisal based on facts

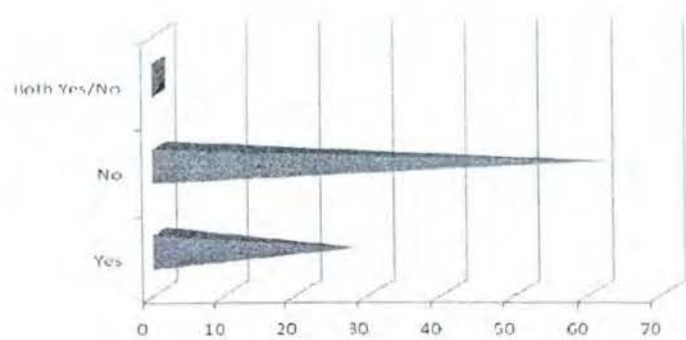


Out of the sample of 91 respondents, majority are in agreement that performance appraisal is based on facts, while less number of respondents doesn't feel the same. This seems to be indifferent where previous figures state that it is not the same across all jobs. Heathfield (2007:6) highlights the limit of performance appraisal, that every method of assessing employee performance has its positive and negative characteristics. She further explain that they all have characteristics in common, they are opinion based, generally one sided and are rarely on metrics.

Figure 4.15 Supervisor is competent

Out of the sample of 91 respondents, 68 (75%) of respondents agree that the supervisors are competent, 23(25%) respondents feels that the supervisors are not competent to conduct performance appraisal. Aldakhilallah and Parente (2002:44) agree that the system emerges as one sided and is entirely controlled by the supervisor, since the employee has no opportunity to influence the outcome. Also the system does not guarantee that input is obtained from either co-workers or customers. As a result, an employee performance may be based on the supervisor's assessment alone. Merritt (2000:4) concurs that it is well known that traditional performance appraisal systems are riddled with issues primarily with rater error. A supervisor may have the tendency to rate all of his direct reports on one end of the performance scale or the other. Others tend to avoid extreme ratings at all, rating most employees right down the middle of the scale, still others have a tendency to rate based on personal preferences. These errors zap the entire process of any meaning.

Figure 4.16 Supervisors are properly trained to assess performance appraisal



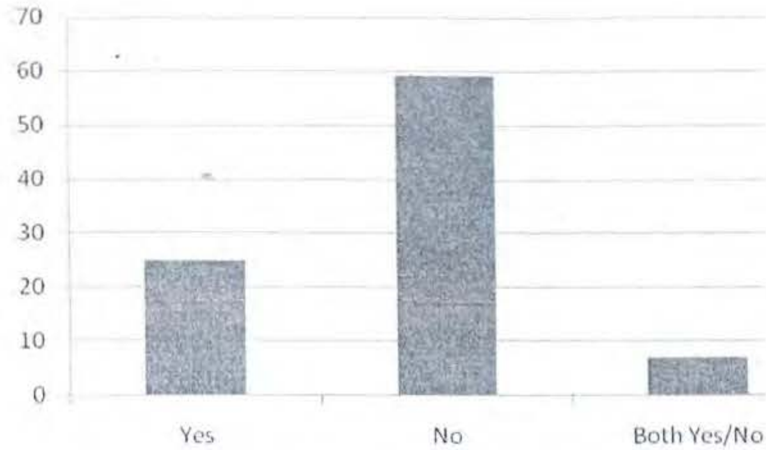
Out of the sample of 91 respondents, majority of the respondents agrees that the supervisors are not trained to assess performance appraisal. This can mean that supervisors have not been trained or exposed to workshops designed to empower them on how to handle subordinates performance. This is contrary to (Figure 4.14) that state that respondents think that supervisors are competent, but not when it comes to performance appraisal. This implies that Mintek upholds a belief that as soon as a person becomes a supervisor, he/she develops an ability to assess subordinates' performance accurately. The minority perceived supervisors to have training or exposed to designed workshops on performance. Carrelll, Kuzmits and Elbert (2003:247) caution that no one is born with the ability to appraise others' performance accurately, and experience does not, of itself, prepare one to conduct performance appraisals. Rather, formal training is the most effective way to prepare managers and supervisors to conduct successful employee appraisals. Common appraisal problems such as leniency, strictness, and especially the halo effect can be reduced through proper supervisor training.

Table 4.7 Performance management system policies and procedures are available freely

I strongly agree	10
I agree	48
I disagree	23
I strongly disagree	7
No answer	3

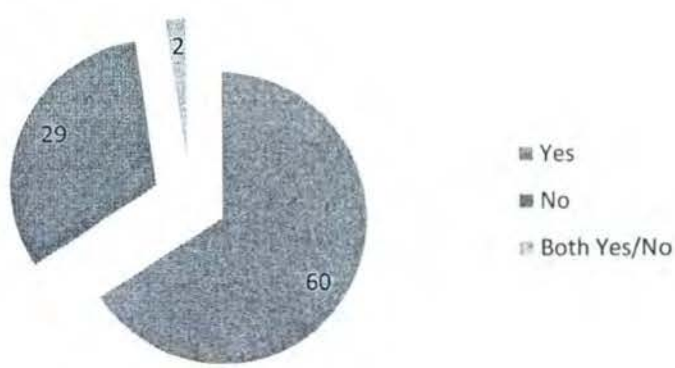
Out of the sample of 91 respondents, 58 (64%) of the respondent think that performance appraisal policy is available freely and accessible, 30 (33%) don't agree, 3 (3%) did not answer. Longenecker and Fink (1999:19) state that the organisational leadership must identify and communicate to all employees why performance appraisals are being conducted and the specific goals of the appraisals system. When employees are allowed to participate in the design of the appraisal system, their sense of ownership increases.

Figure 4.17 Performance management system is efficient



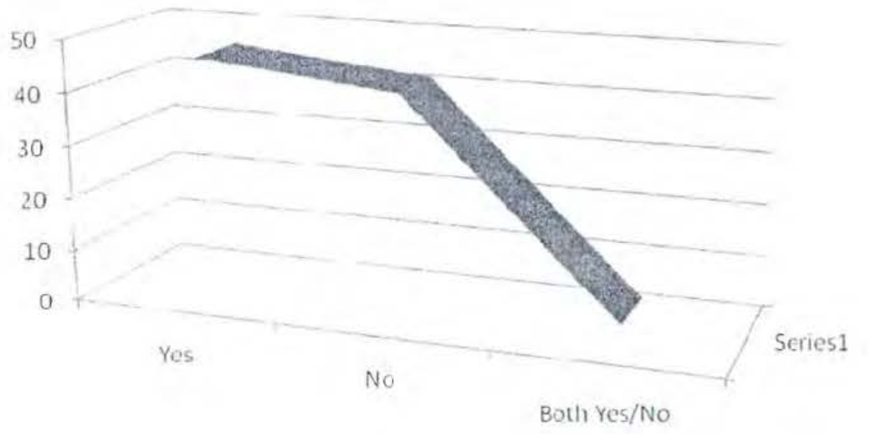
Out of the sample of 91 respondents, majority of respondents doesn't think that the performance management is efficient, and less number of respondents think it is efficient, and others did not answer. The previous figure state that performance appraisal policy is available, freely and accessible, but states is not efficient. Heathfield (2007:6) indicates the limit of performance appraisal, that every method of assessing employee performance has its positive and negative characteristics. She continue to explain that they all have characteristics in common, they are opinion based, generally one sided and are rarely on metrics.

Figure 4.18 Sufficient training and development opportunities are offered and supported



Out of the sample of 91 respondents, 60 (66%) of the respondents agree that sufficient training and development opportunities are offered and supported, 29 (32%) are not in agreement, and 2 (2%) of the respondents answered both yes and no. Pimpa (2005:115) mentions that there are numerous veto points that can derail even the most carefully designed systems. In addition personal bias, unclear performance standards, inadequate documentation, and absence of coaching and training are few of the factors that reduce performance validity and reliability.

Figure 4.19 Performance appraisal is acceptable and fair



Out of the sample of 91 respondents, majority of respondents are in agreement that the performance appraisal is acceptable and minority doesn't agree. The previous figures states that it is not efficient, but is acceptable and fair. Catano, Becton and Portis (2007:203) highlight that perceptions of fairness, participation by employers in the appraisal process is related to motivation to improve job performance, satisfaction with the appraisal process, increased organisational commitment, and the utility or value that the employees place on the appraisal.

Gray (2002:16) maintains that the conventional performance appraisal system is more like gambling than an objective observation process, it is distorted by evaluator bias and more often reflects the unpredictability of the organisations dynamics. Many employees are sceptical of the evaluation results and even more doubtful of the ability of managers who indulge in the annual flurry of paper. Employees expect to be rewarded and appraised fairly and for the process to be carried out with no hidden agendas (Whiting and Kline, 2007). According to Roberts (2003:90), if employees are confident in the fairness of the appraisal process, they are more likely to accept performance ratings, even the adverse ones, if they perceive a fair decision making process.

Table 4.7 Procedures used to administer performance appraisal session is fair

I strongly agree	9
I agree	46
I disagree	29
I strongly disagree	3
No answer	4

Out of the sample of 91 respondents, 55 (60%) of the respondents agree that procedure used to administer performance appraisal session is fair, 32 (35%) are not in agreement, and 4 (4%) did not answer. The respondents think the procedure is fair then they state that there is deficiency (Figure 4.9). Catano, Darr and Campbell (2007:203) mention that procedural fairness is improved when employees participate in all aspect of the process, when there is consistency in all processes, when the assessment are free of supervisor bias, and when there is a formal channel for the employees to challenge or rebut evaluations. In addition to perceptions of fairness, participation by employers in the appraisal process is related to motivation to improve job performance, satisfaction with the appraisal process, increased organisational commitment, and the utility or value that the employees place on the appraisal.

4.5 Associative statistics

Pearson correlation (hereafter called *correlation*), assumes that the two variables are measured on at least interval scales and it determines the extent to which values of the two variables are "proportional" to each other. The value of correlation (i.e., correlation coefficient) does not depend on the specific measurement units used; for example, the correlation between height and weight will be identical regardless of whether inches and pounds, or centimetres and kilograms are used as measurement units. Proportional means linearly related; that is, the correlation is high if it can be "summarised" by a straight line (sloped upwards or downwards).

Correlation is a measure of the relation between two or more variables. The measurement scales used should be at least interval scales, but other correlation coefficients are available to handle other types of data. Correlation coefficients can range from -1.00 to +1.00. The value of -1.00 represents a perfect negative correlation while a value of +1.00 represents a perfect positive correlation. A value of 0.00 represents a lack of correlation. Correlation often measured as correlation coefficient indicates the strength and direction of a linear relationship between two random variables. Below is an indication of correlation ranges

Small 0,1 to 0,3
Medium 0,3 to 0,5
Large 0,5 to 1

For the purpose of this study correlation that is above the absolute value of 0, 5 will be considered to show a strong relationship. The p-value is the probability that the current results would have been found in the correlation coefficient would have been zero.

Table 4.8 Correlation between race and age

Summary statistics:

Variable	Obs	Obs. with missing data	Obs. without missing data	Min	Max	Mean	Std. deviation
Race	4	0	4	2.000	56.000	22.750	23.991
Age	4	0	4	7.000	56.000	22.750	22.426

Correlation matrix (Pearson):

Variables	race	age
Race	1	-0.574

Age	-0.574	**1**

Values in bold are different from 0 with a significance level alpha=0.05

p-values:

Variables	race	age
Race	**0**	0.426
Age	0.426	**0**

Values in bold are different from 0 with a significance level alpha=0.05

Coefficients of determination (R^2):

Variables	race	age
Race	1	0.330
Age	0.330	1

The table shows that there is a minimum number of 2 and a maximum of 56 for race. The mean is 22.75 and the standard deviation is high at 23.991. The age is a minimum of 7 and a maximum of 56 with a mean of 22.75 as well. The SD is also high at 22.426. The correlation is negative and high at -0.574 meaning that the African people are older than the rest of the population.

Table 4.9 Correlation between satisfaction with performance appraisal, rating based on race, rating procedure followed by the supervisor, and rating based on gender

Summary statistics:

Variable	Obs	Obs. with missing data	Obs. Without missing data	Min	Max	Mean	Std. deviation
Satisfied	4	0	4	7.000	43.000	21.750	17.424
rating based on race	4	0	4	2.000	44.000	20.750	20.549
follow procedure	4	0	4	8.000	41.000	22.000	15.427
rating based on sex	4	0	4	2.000	44.000	20.750	20.549

Correlation matrix (Spearman):

Variables	satisfied	rating based on race	follow procedure	rating based on sex
Satisfied	**1**	0.000	0.800	0.000
rating based on race	0.000	**1**	0.400	1.000
follow procedure	0.800	0.400	**1**	0.400
rating based on sex	0.000	1.000	0.400	**1**

Values in bold are different from 0 with a significance level alpha=0.05

p-values:

Variables	satisfied	rating based on race	follow procedure	rating based on sex

Satisfied	**0**	1.000	0.333	1.000
rating based on race	1.000	**0**	0.750	0.083
follow procedure	0.333	0.750	**0**	0.750
rating based on sex	1.000	0.083	0.750	**0**

Values in bold are different from 0 with a significance level alpha=0.05

Coefficients of determination (Spearman):

Variables	satisfied	rating based on race	follow procedure	rating based on sex
Satisfied	1	0.000	0.640	0.000
rating based on race	0.000	1	0.160	1.000
follow procedure	0.640	0.160	1	0.160
rating based on sex	0.000	1.000	0.160	1

This table shows the correlation between satisfaction with performance appraisal, rating based on race, rating procedure followed by the supervisor, and rating based on gender. The satisfaction with performance appraisal shows a minimum frequency of 7 and a maximum of 43 with a mean frequency of 21.7. The standard deviation (SD) is 17.42 – somewhat high. The rating based on race shows a minimum frequency of 2 and a maximum of 44 with a mean frequency of 20.7.The standard deviation (SD) is 20.54. The rating based on procedure followed by the supervisor shows a minimum frequency of 8 and a maximum of 41 with a mean frequency of 22. The standard deviation (SD) is 15.4 – lower than the others and shows the distance from the mean. The rating based on gender shows a minimum frequency of 2 and a maximum of 44 with a mean frequency of 20.7. The standard deviation (SD) is 20.54 –and shows the distance from the mean. The correlation between satisfaction with performance appraisal and rating based on race is null – in other words there is no association meaning that satisfaction with performance appraisal and the race would have no effect or impact.

The correlation between satisfied with the performance appraisal on and the procedure followed shows 0.8 – a high positive association. This means that people are generally happy with the performance appraisal according to this. This differs from the frequency count showed in a previous table where some negative trends came forward on Performance appraisal considered being accurate and/or subjective (Figure 4.7), satisfaction with the way the performance appraisal session was administered (Table 4.3) and supervisors follow performance management system policies and procedures (Table 4.5). The correlation between satisfaction and the procedure followed shows also 0.8 – a high positive association. This could be interpreted that more African people are satisfied with the procedure followed. There is no association between gender and the satisfaction. In other words it does not matter what your gender is – people should be satisfied. The correlation between gender and race is perfect 1. This means that African males think that the performance appraisal is satisfactory for them. The correlation between rating based on gender and the procedure followed is 0.4 – a good positive correlation. This could be interpreted that males are happier with the appraisal process in general than females.

Table 4.10 Correlation between sufficient training supplied by the organisation, the performance appraisal is fair and the efficiency of the performance appraisal

Summary statistics:

Variable	Observations	Obs. with missing data	Obs. without missing data	Minimum	Maximum	Mean	Std. deviation
sufficient training	3	0	3	2.000	60.000	30.333	29.023
it is fair	3	0	3	3.000	46.000	30.333	23.756
Efficient	3	0	3	7.000	59.000	30.333	26.407

Correlation matrix (Kendall):

Variables	sufficient training	it is fair	efficient
sufficient training	1	1.000	0.333
it is fair	1.000	1	0.333
Efficient	0.333	0.333	1

Values in bold are different from 0 with a significance level alpha=0.05

p-values:

Variables	sufficient training	it is fair	efficient
sufficient training	**0**	0.296	1.000
it is fair	0.296	**0**	1.000
Efficient	1.000	1.000	**0**

Values in bold are different from 0 with a significance level alpha=0.05

Coefficients of determination (Kendall):

Variables	sufficient training	it is fair	efficient
sufficient training	1	1.000	0.111
it is fair	1.000	1	0.111
Efficient	0.111	0.111	1

This table shows the correlation between sufficient training supplied by the organisation; the performance appraisal is fair and efficiency of the performance appraisal. The sufficient training with performance appraisal shows a minimum frequency of 2 and a maximum of 60 with a mean frequency of 30.3. The standard deviation (SD) is 29.02 – somewhat high. The rating based on fairness shows a minimum frequency of 3 and a maximum of 46 with a mean frequency of 30.3.The standard deviation (SD) is 23.75. The rating based efficiency of performance appraisal shows a minimum frequency of 7 and a maximum of 59 with a mean frequency of 30.33.The standard deviation (SD) is 26.4 – between the others and shows the distance from the mean. The correlation between sufficient training supplied by the organisation, the performance appraisal fairness and efficiency of the performance appraisal is high – in other words there is association meaning that sufficient training with performance appraisal and the appraisal fairness have an impact, while efficiency would have no effect or impact.

The correlation between sufficient training with the performance appraisal and the efficiency shows 0.333 – a low positive association. This means that people are generally not happy with the efficiency of performance appraisal according to this. This differs from the frequency count showed in a previous table where some negative trends came forward that supervisors are properly trained to assess performance appraisal (Figure 4.15), the performance management system is efficient (Figure 4.16) and performance appraisal is acceptable and fair (Figure 4.16). The correlation between fairness and the efficiency of performance appraisal shows also 0.333 – a low positive association. This could be interpreted that more people are satisfied with the training and fairness of performance appraisal procedure. There is no association between sufficient training and the efficiency. In other words people are not satisfied with efficiency of performance appraisal. The correlation between sufficient training and fairness is perfect 1. This means that sufficient training and fairness in performance appraisal exist and that people are satisfied with the process. The correlation between fairness and efficiency is 0.333 – a negative correlation. This could be interpreted that people are happier with the fairness of performance appraisal and unhappy with its efficiency.

Table 4.11 Correlation between job title of the respondent, qualification of the respondent and appraisal considered to be accurate

Summary statistics:

Variable	Obs	Obs. with missing data	Obs. without missing data	Min	Max	Mean	Std. deviation
Title	3	0	3	11.000	58.000	30.333	24.583
Qualification	3	0	3	27.000	33.000	29.333	3.215
appraisal based on facts	3	0	3	1.000	57.000	30.333	28.095

Correlation matrix (Spearman):

Variables	Title	Qualification	appraisal based on facts
Title	**1**	1.000	0.500
Qualification	1.000	**1**	0.500
appraisal based on facts	0.500	0.500	**1**

Values in bold are different from 0 with a significance level alpha=0.05

p-values:

Variables	Title	Qualification	appraisal based on facts
Title	**0**	0.333	1.000
Qualification	0.333	**0**	1.000
appraisal based on facts	1.000	1.000	**0**

Values in bold are different from 0 with a significance level alpha=0.05

Coefficients of determination (Spearman):

Variables	Title	Qualification	appraisal based on facts
Title	1	1.000	0.250
Qualification	1.000	1	0.250
appraisal based on facts	0.250	0.250	1

This table shows the correlation between job title of the respondents, qualification of the respondents and appraisal considered to be accurate .The job title of the respondents shows a minimum frequency of 11 and a maximum of 58 with a mean frequency of 30.33.The standard deviation (SD) is 24.58 – somewhat high. The qualification of the respondents shows a minimum frequency of 27 and a maximum of 33 with a mean frequency of 29.33.The standard deviation (SD) is 3.21. The appraisal based on facts and considered to be accurate the shows a minimum frequency of 1 and a maximum of 57 with a mean frequency of 30.33.The standard deviation (SD) is 28.09 – higher than the others and shows the distance from the mean. The correlation between job title and qualification of respondents is perfect 1 – in other words there is, association meaning that job title of the respondents and qualifications has an effect or impact on performance appraisal.

The correlation between title and appraisal based on facts shows 0.5 – an average positive association. This means that people who conduct performance appraisal have qualifications and generally don't appraise based on facts. This differs from the frequency count showed in a previous table where some negative trends came forward that qualifications of the respondents (Table 4.1) and performance appraisal considered being accurate and/or subjective (Figure 4.7).

The correlation between qualification and title shows perfect1 – a high positive association. This could be interpreted that more people are qualification to conduct performance appraisal. The correlation qualification and that appraisal is based on fact shows 0.5 an average positive association This means that people have qualification and are satisfied that performance appraisal is conducted based on facts. The correlation between appraisals based on facts and the title of respondent's shows 0.5 an average positive association, a good positive correlation.

This could be interpreted that performance appraisal is based on facts and people are qualified. The correlation between appraisals based on facts and the title of respondent's shows 0.5 an average positive association, a good positive correlation. The correlation between appraisal based on facts and the qualification shows a perfect 1, a positive association and good positive correlation.

Table 4.12 Correlation between appraisal considered to be accurate, adequate variation in the appraisal and the performance appraisal is based on facts

Summary statistics:

Variable	Obs	Obs. with missing data	Obs. without missing data	Min	Max	Mean	Std. deviation
Accurate	3	0	3	4.000	57.000	28.333	26.764
adequate variation	3	0	3	1.000	45.000	28.667	24.090
based on facts	3	0	3	1.000	57.000	30.333	28.095

Correlation matrix (Pearson):

Variables	accurate	adequate variation	based on facts
Accurate	**1**	0.847	0.975
adequate variation	0.847	**1**	0.944
based on facts	0.975	0.944	**1**

Values in bold are different from 0 with a significance level alpha=0.05

p-values:

Variables	accurate	adequate variation	based on facts
Accurate	**0**	0.357	0.142
adequate variation	0.357	**0**	0.215
based on	0.142	0.215	**0**

facts

Values in bold are different from 0 with a significance level alpha=0.05

Coefficients of determination (R^2):

Variables	accurate	adequate variation	based on facts
Accurate	1	0.718	0.951
adequate variation	0.718	1	0.890
based on facts	0.951	0.890	1

This table shows the correlation between appraisal considered to be accurate, adequate variation in the appraisal and the performance appraisal based on facts. The accurate performance appraisal shows a minimum frequency of 4 and a maximum of 57 with a mean frequency of 28.33.The standard deviation (SD) is 26.76 – somewhat high. The adequate variations on performance appraisal show a minimum frequency of 1 and a maximum of 45 with a mean frequency of 28.66.The standard deviation (SD) is 20.54.

The appraisal based on facts shows a minimum frequency of 1 and a maximum of 57 with a mean frequency of 30.33.The standard deviation (SD) is 28.09 – higher than the others and shows the distance from the mean. The correlation between accurate performance appraisal and adequate variation shows 0.8 – a high positive association, in other words there is high level of association meaning that people are satisfied with the accuracy of performance appraisal and adequate variations of performance appraisal and have an effect or impact.

The correlation between accurate performance appraisal and performance appraisal based on facts shows 0.9 – a high positive association. This means that people are generally happy with the performance appraisal accuracy and that performance appraisal is based on facts. This differs from the frequency count showed in a previous table where some negative trends came forward that performance appraisal is considered accurate and/or subjective (Figure 4.7),there is adequate variations in the rating (Figure 4.10) and performance is based on facts (Figure 4.13). The correlation between adequate variations and accurate performance appraisals shows 0.8 – a high positive association. This could be interpreted people are satisfied with the accuracy and adequacy of performance appraisal. The correlation between adequate variatior and performance appraisal based on facts race is 0.9 – a high positive association, and goo correlation. This means that people think that the performance appraisal is satisfactory f them. The correlation between performance appraisal based on facts and accuracy performance show 0.9 – a high positive association. The correlation between performan appraisal based on facts and adequate variations show 0.9 – a high positive association. Th could be interpreted that people are satisfied with performance appraisal.

Table 4.13 Correlation between gender, ethnicity and procedures followed

Summary statistics:

Variable	Observations	Obs. with missing data	Obs. without missing data	Minimum	Maximum	Mean
Sex	4	0	4	2.000	44.000	20.75
Race	4	0	4	7.000	43.000	21.25
follow procedures	4	0	4	8.000	41.000	22.00

Correlation matrix (Pearson):

Variables	Sex	race	follow procedures
Sex	**1**	0.938	-0.022
Race	0.938	**1**	0.226
follow procedures	-0.022	0.226	**1**

Values in bold are different from 0 with a significance level alpha=0.05

p-values:

Variables	Sex	race	follow procedures
Sex	**0**	0.062	0.978
Race	0.062	**0**	0.774
follow procedures	0.978	0.774	**0**

Values in bold are different from 0 with a significance level alpha=0.05

Coefficients of determination (R^2):

Variables	sex	race	follow procedures
Sex	1	0.880	0.000
Race	0.880	1	0.051
follow procedures	0.000	0.051	1

This table shows the correlation between gender, ethnicity and procedure followed with performance appraisal. The gender in relation to performance appraisal shows a minimum frequency of 2 and a maximum of 44 with a mean frequency of 20.75.The standard deviation (SD) is 20.54 – somewhat high. The performance appraisal based on race shows a minimum frequency of 7 and a maximum of 43 with a mean frequency of 21.25 .The standard deviation (SD) is 15.75. The procedures followed during performance appraisal based followed by the supervisor shows a minimum frequency of 8 and a maximum of 41 with a mean frequency of 22.The standard deviation (SD) is 15.4 – lower than the others and shows the distance from the mean. The correlation between gender and race of supervisors in performance appraisal is 0.9 – in other there is association meaning that satisfaction with performance appraisal and the race would have no effect or impact.

The correlation between gender and following of procedures of supervisors during performance appraisal shows -0.02 – a high negative association. This means that people are not generally happy with the performance appraisal procedures according to this. This differs from the frequency count showed in a previous table where some negative trends came forward that the race of the respondents (Figure 4.1), the gender of respondents (Figure 4.4) and the supervisor follow performance management system policies and procedures (Table 4.5). The correlation between race and gender shows also 0.9 – a high positive association. This could be interpreted that people are satisfied with performance appraisal. There is association between gender and the race. In other words it does not matter what your gender is – people should be satisfied. The correlation between gender and the following of procedures in performance appraisal shows 0.2 – a very low positive association. This means people are satisfied with performance appraisal. The correlation between following the procedures and gender shows -0.022, a high negative association and a negative correlation. This could be interpreted that people are not happy with how supervisors followed procedures in performance appraisals. The correlation between the following of procedures and race shows 0.226, a very low positive association. This means that are happier with the appraisal process in general.

4.6 Conclusion

In this chapter, research findings have been presented and analysed. There's been a co-ordination of primary and secondary data. It is very interesting to note some of the literature reviewed has been confirmed by the responses from the research tools. The findings have highlighted some of the issues raised in the ongoing debate regarding the pros and cons of performance appraisal. The findings have also established a link between the literature which was reviewed in this study with the data which was collected and presented.

The research findings, analysis and interpretation of data were presented. This was based on findings from the research done at Mintek as an organisation. In the survey certain specific questions were asked and the analysis was done based on the application of Pearson correlation coefficient and p- value, and associate statistics. The study used a quantitative approach to describe and analyse the findings on the role of motivation of performance appraisal at Mintek. This was followed by detailing the findings and associative statistics.

The next chapter consolidate all the work done and comprises of the summary of the study, addresses the findings per research questions, provide performance appraisal opportunities and highlights future research opportunity. Conclusion of the study will be drawn and recommendations will also be outlined.

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.1 Introduction

The role of motivation in performance appraisal in Mintek is currently unknown. The purpose of this research is to determine the degree of objectivity of performance appraisal practices, the way in which it is experienced by employees and the way in which supervisors conduct performance appraisal. The study provided an outline of performance appraisal, in terms of definitions, criticism of performance appraisals, role and ethics, mental health and participation, measurement and feedback, employee conflict and competition, accountability and trust, fairness and bias, rating satisfaction and dissatisfaction, advantages and disadvantages of performance appraisal, as well as the development and communication of performance appraisal.

This chapter consolidates the findings of the research derived from analysis and interpretation of statistical data, discussed in the previous section. The research questions pertaining to the serious performance deficiency in the organisation, adequate variation in the ratings, or do a disproportionate number of employees receive very high ratings, managers who evaluate employee are credible, employees and supervisors follow the performance management system policies and procedures and employees consider the performance management system fair are also answered.

This chapter comprises of a summary of the study, addresses findings per research question, provide supervisor and managers guidelines for performance appraisal opportunities and highlights future research opportunity in this field of study. Conclusion of the study will be drawn and recommendations will also be outlined.

5.2 Summary of the Study

The role of motivation in performance appraisal in Mintek is currently unknown. The research was aimed at determining the degree of objectivity of performance appraisal practices, the way in which it is experienced by employees and the way in which supervisors conduct performance appraisal. The study analyses how the performance appraisal is utilised by Mintek and employee perception on the role of motivation in performance appraisal. The study also revealed that there is deficiency in performance appraisal, supervisors are not properly trained, and supervisors do not show concern.

5.3 Response to Research Questions

The main findings of this research in relation to each research question will now be discussed. Each question is followed by a discussion of the findings relating to that question.

Overall, is there a serious performance deficiency in the organisation?

Heathfield (2007:7) states that while no system is perfect, and no system perfectly and reliably measures employee performance, managers need to examine why this established process is so painful for all participants. It was found in Figure 4.7 that most frequent response on the extent of serious performance deficiency, most of the respondents presumed performance appraisal to be accurate and not biased, while less number of respondents indicated that they don't consider performance appraisal to be accurate or subjective. It was also found in Figure 4.9 that most of the respondents presumed performance appraisal to be deficient. The main conclusion was drawn from the analysis around the serious performance deficiency. Although significant number indicated deficiencies in performance appraisal, less number of respondents presumed that there are no deficiencies. In Figure 4.16 it was found that the majority of respondents don't think that the performance management is efficient, and less number of respondents think it is efficient, and others did not answer. A strong positive relationship between fairness of performance appraisal and efficiency was found in Table 4.8, that people are happier with the fairness of performance appraisal and unhappy with its efficiency. The research concludes that respondents are not satisfied with the efficiency of the performance appraisal. The management should explore the opportunity of ensuring that performance appraisal become efficient.

Is there adequate variation in the ratings, or do a disproportionate number of employees receive very high ratings?

Miller and Thornton (2006:153) state that one of the key issues is the accuracy of performance appraisal ratings. For example, if personnel feel the ratings are inaccurate, it is unlikely that they will buy into a performance system. It was found in Figure 4.10 that about half of the respondents indicated adequacy in variations, while another half did not feel the same. The main conclusions that were drawn from the analysis around adequate variations is that there is average results with regard to satisfaction of performance appraisal based on adequate variation in ratings, or disproportionate number of employees receive high ratings. A strong positive relationship between accuracy and adequacy of performance appraisal was found in Table 4.8, that people are satisfied with the accuracy and adequacy of performance appraisal. The research concludes that respondents are satisfied with the supervisors following management system and procedures. The management should explore the opportunity of ensuring that more people become satisfied with the supervisor following management procedures.

Are managers who evaluate employee credible?

Montague (2007:46) states that the appraisal session is to evaluate job performance not the person, and it is important for supervisors to be aware of some common factors that may distort their judgment and undermine the value of the appraisal process. It was found in Table 4.16 that 46% of the respondents presume that the supervisor's shows concern for needs, 52% feels that the supervisor does not show concern; this is contrary to (Figure 4.12) that respondents are satisfied with the way the supervisor provides feedback performance appraisal. An important finding in Figure 4.13 found that majority of respondents agree that the climate of trust exist based upon and open communication between supervisors and employees, while less number of respondents feels different. It was also found in Figure 4.14 that 75% of respondents agreed that the supervisors are competent and 25% of respondents felt that the supervisors were not competent to conduct performance appraisal. Manager should collect the data that will ensure that the appraisal is fair and accurate (Montague, 2007). Furthermore in Figure 4.15 it was found that majority of the respondents agreed that the supervisors are not trained to assess performance appraisal. The research concludes that respondents are satisfied that managers who evaluate employee are credible. The management should explore the opportunity of supervisors showing more concern to employees on performance appraisal.

Do employees and supervisors follow the performance management system policies and procedures?

Pimpa (2005:115) mention that there are numerous veto points that can derail even the most careful designed systems. In addition personal bias, unclear performance standards, inadequate documentation, and absence of coaching and training are few of the factors that reduce performance validity and reliability. It was found in Table 4.5 that 54% of the respondents agreed that supervisors follow performance management system, policies and procedures and 43% were not in agreement. An effective performance appraisal system can assist the organisation in achieving its corporate goals and objectives through staff development and improved communication (Montague, 2007). Performance appraisal work when they are designed well, with clear guidelines and goals, administered by trained supervisor and supported by top management (Montague, 2007). An analysis in table 4.13 found that majority are in agreement that performance appraisal is based on facts, while less number of respondents does not agree. Furthermore in Figure 4.14 it was found that 75% of respondents agree that the supervisors are competent, 25% respondent's feels that the supervisors are not competent to conduct performance appraisal. The majority of the respondents agreed that the supervisors are not trained to assess performance appraisal. Research has shown that when raters have been trained and reminded of potential biases prior to the evaluation period, they are better at avoiding appraisal problems (Merrit, 2000). However in figure 4.15 it was found that majority of the respondents agreed that the supervisors are not trained to assess performance appraisal. Additional findings in Table 4.7 found that 64% of the respondents think that performance appraisal policy is available freely and accessible and 33% did not agree. Lastly a strong positive relationship between satisfaction with performance appraisal and ratings based on race in Table 4.7. The race has no effect or impact on performance appraisal. The research concludes that respondents are satisfied with the supervisors following management system and procedures.

Do employees consider the performance management system fair?

According to Roberts (2002:90) if employees are confident in the fairness of the appraisal process, they are more likely to accept performance ratings, even the adverse ones, if they perceive a fair decision making process. It was found in Table 4.7 that 60% of the respondents agreed that procedure used to administer performance appraisal session is fair, and there is significant 35% that were not in agreement. Employees have indicated that that the appraisal is fair when the content on which they are evaluated is perceived as valid (Whiting and Kline, 2007). Furthermore it was also found in Table 4.5 that 56% of the respondents indicated that they are satisfied with way performance appraisal is administered. On a contrary, in Figure 4.9 it was found that the majority indicated that there is a deficiency in performance appraisal. In addition in Figure 4.12 it was found that majority of respondents are satisfied with the way the organisation provides feedback on performance evaluation, while minority of the respondents were not in agreement. When supervisors are held accountable for the quality of their performance appraisals they will be more consistent and strategic minded when conducting them (Merritt, 2000).A strong positive relationship between supervisors qualifications and performance based on facts was found in Table 4.8. The research concludes that respondents are satisfied with the fairness of performance management system. However the management should explore the opportunity of increase fairness of the performance management system.

5.4 Limitations

This study has been limited to Mintek's managers and supervisors that conduct performance appraisal, which may limit the generalisation of the findings. Another limitation was that variable was assessed using the same method. Therefore the relationship between the variables of interest may be inflated as potentially indicated by strong intercorrelations among the dependent variables.

5.5 Managerial Guidelines

For the results of this study the following guidelines are given to Mintek in relation increasing satisfaction in performance appraisal in the future:

On the discussion of mental health and participation in Section 2.5, the organisation should explore an opportunity of goal setting and clearly defined value added purpose for appraisal to provide leadership identify and communicate specific goals to provide an opportunity for discussions of performance appraisal, and increase motivation to conduct appraisal. Whiting and Kline (2007:131) states that employees expect to be rewarded and appraised fairly and for the process to be carried out with no hidden agendas. Merritt (2000:4) highlight that often than not, when supervisors openly communicate clear, realistic expectations, provide the tools necessary for meeting those expectations, and then provide valued rewards, employees will be motivated to achieve desired result. Further on the discussion on mental health and participation and the findings in Table 4.6 a percentage (52%) of the respondents feel that the supervisor does not show concern, the organisation should enhance performance appraisal by ensuring. Employee / supervisor / manager involvement in appraisal system design to be active participants in performance appraisal process, highlighting opportunities to improve in performance management. Performance appraisal satisfaction is enhanced by employee participation and perceived clarity of goals (Kuvaas 2006:506). Roberts (2002:90) concurs that employee participation is an effective tool for enhancing job related autonomy, a necessary precondition for employee growth.

Lastly on the discussion in Section 2.5 on mental health and participation, the organisation should provide clear and direct two way communication between supervisors and employees, to enhance communication and eliminate problems in the performance appraisal. Roberts (2003:94-95) argue that participation, goal setting and feedback are critical for enhancing the accuracy and quality of performance standards and goals, facilitating a consensus/understanding on performance standards, and increasing commitment to goals and standards. Furthermore Robert states that the development of reliable, valid, fair and useful performance standard is enhanced by employee participation, as workers possess requisite unique and essential information necessary for developing realistic standards (Roberts, 200s:90-93).

In the discussion in Section 4.4 (Table 4.9) the correlation between sufficient training with performance appraisal and efficiency shows 0.333 – a low positive association, and Figure 4.15 show that majority of respondent does not think that performance management is efficient .The organisation should explore more effective training of supervisor, managers, and executives in the appraisal process to improve and enhance knowledge, and continuous improvement on performance appraisal system. Carrelll, Kuzmits and Elbert (2003:247) cautions that no one is born with the ability to appraise others' performance accurately, and experience does not, of itself, prepare one to conduct performance appraisals. Rather, formal training is the most effective way to prepare managers and supervisors to conduct successful employee appraisals. Common appraisal problems such as leniency, strictness, and especially the halo effect can be reduced through proper supervisor training. Schraeder, Becton and Portis (2007:23) agree that training raters and giving them feedback improves rater's ability to make accurate evaluations of employee performance.

On the discussion on fairness and bias in Section 2.9, and Table 4.7 that 35%) presume performance appraisal to be unfair, the organisation should ensure objective assessment through uniform processes and criteria to ensure performance results that are fair, valid and legally defensible basis for rewarding and recognising individual performance. Catano, Darr and Campbell (2007:203) highlight that procedural fairness is improved when employees participate in all aspect of the process, when there is consistency in all processes, when the assessment are free of supervisor bias, and then there is a formal channel for the employees to challenge or rebut evaluations. Supervisors should openly communicate clear, realistic expectations, provide the tools necessary for meeting those expectations and then provide valued rewards, to enhance commitment and participation of employees and continuous improvement in the organisation.

Appraisal system support to perform appraisal activities diligently and protecting the system from problems from problems caused by improper execution of performance appraisal procedures. Pimpa (2005:115) mention that there are numerous veto points that can derail even the most careful designed systems. In addition personal bias, unclear performance standards, inadequate documentation, and absence of coaching and training are few of the factors that reduce performance validity and reliability. Designing an appraisal system requires not only establishing policies and procedures, but also obtaining the support of the entire workforce (Risher and Fay, 2007).

On the discussion measurement and feedback in Section 2.6, also section 4.15 majority of respondents agrees that supervisors are not trained to assess performance appraisal, and Figure 4.9 the majority of respondents presume performance appraisal to deficient, the organisation should provide employees with feedback regarding their performance to reduce error, waste, increased productivity, improved quality as well as enhancing employee motivation, commitment and a sense of ownership. Latham *et al.* (2008:220) mention that the notion that people at work should receive performance appraisal is eminently sensible. This procedure is potentially of enormous benefit to both the individual and organisation, in that feedback provides people a basis to set goals to both evaluate and improve their performance. This leads to reduced errors and waste, increase productivity, improve quality and enhance employee motivation, commitment and sense of ownership (Nickols, 2007:13).

On the discussion of advantages and disadvantages of performance appraisal in Section 2.11 and performance appraisal confound the people with the system, the organisation should improve performance appraisal through ongoing performance systems review and corrective action, highlighting opportunities to improve performance management, it is important to systematically and regularly review system operations to make sure that the processes and practices are being followed and are effective. Spangenberg (2002:8) indicates that the problem with measuring performance of individuals is that their performance is inseparable from the system and its processes. Furthermore it is true that if you put a good performer against a bad system, the system will win every time. We spend too much time fixing people who are not broken, and not enough time fixing organisational systems that are broken.

5.6 Future research

Performance appraisal has received much attention in the industrial and organisational psychology literature (Whiting and Kline, 2007).This study contributes various opportunities for further research, notably:

- To cover other factors with potential to influence satisfaction with feedback.
- To aim at integrating and consolidating knowledge of performance appraisal perception

- To use objective performance measures when studying affect in field situations wherever possible

5.7 Conclusion

The findings of this study provide a strong point of departure for research in employee perceptions on the role of motivation in Performance Appraisal. The study has highlighted some of the issues raised in the ongoing debate regarding the pros and cons of formal performance appraisal. Regardless of the belief held that about the true effectiveness of formal performance appraisal, organisations will continue using the tools for the foreseeable future (Schraeder, Becton and Portis, 2007).Current assessment of employees in Mintek is influenced by various factors.

The study indicates the current performance appraisal can be identified to the three major types: there is deficiency in performance appraisal, supervisors are not properly trained, performance management system is not efficient, and supervisors do not show concern. The major causes of problems are lack of long-term planning of the performance appraisal and lack of training on performance appraisal (Pimpa, 2005).Results highlight the need for supervisors to be knowledgeable to conduct performance appraisal, provide feedback in a supportive manner and show concern for employees. The organisation should train supervisors to be better and more effective raters. Lastly performance management systems can assist an organisation to achieve synergistic results.

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Appendix A: Matrix

	MATRIX	1	2	3	4	5	6	7	8	9	10	11	12
Author	THEME	Definition	Criticism	Role & ethics	Mental Health & Participation	measurement and Feedback	Employee conflict & Competition	Accountability & trust	Fairness & Bias	Ratings satisfaction & Disatisfaction	Avantages& Disadvantages of PA	Development & communication	Usability of Questionnaires
Gary E Roberts	Employee Performance Appraisal System Participation		1	1	1	1	1	1	1	1	1	1	1
Bonnie G Mani	Performance Appraisal System ,Productivity and Motivation		1		1			1	1	1	1	. 1	1
Victor M Catano	A performance appraisal of behaviour-based competencies	1	1		1	1		1	1	1	1	1	
Hiromichi Shibata	The transformation of the wage and performance appraisal system			1			1			1			
Aharon Tziner	Relationship between attitudes towards organisations & PA system		1		1			1				1	
Gerald T Gabris	Does PA contribute to heightened levels of Employee burnout		1			1			1	1	1		
Corey E Miller	How accurate are your PA					1			1		1		
Mike Schraeder	How Similarity and linking affect PA					1			1	1	1		
Hai Ming Chen	PA across organisational life cycles			1						1	1		
Charles Pettjohn	Are PA Bureacratic Exercisee or can they be used to enhnce salesforce satisfaction & commitment	1	1	1		1	1		1	1		1	
Clinton O Longeenecker	Creating effective PA			1	1	1		1			1		
IM Jawahar	Correlates of satisfation with PA feedback		1	1	1	1			1	1	1	1	
Cliv	PA and management		1		1	1						1	

e Fletc her	The developing research agenda												
Mat hew J Bee m	An analysis of job performance ,apprisals an rewards				1	1	1			1		1	
Dou g Ced erbl om	From PA to Performance Management							1				1	
Ahar on Tzin er	Does conscientiousness moderate the relationship between attitudes and beliefs regarding PA & rating behaviour		1			1		1	1	1		1	
Gary E Rob erts	Employee PA System participation : A technique that works		1	1	1	1	1	1	1	1	1	1	
Lee Ras ch	Employee PA and the 95/5 rule		1	1			1		1		1		
Saa d T Baki r	Aquality Control chart for work PA					1					1		
Bard Kuv aas	PA satisfaction and employee outcomes : mediaing & moderating roles of work motivation				1	1			1	1			1
Mela nie L Sart ore	Catergorization,PA and self-limiting behaviour:The impact on current and future performance					1			1	1			
Davi d R Law	Appraising PA : Acritical look at an external control management technique		1		1	1	1	1	1	1	1	1	
Sus an Hear thfiel d	PA don't work - what does ?		1	1	1	1	1						
Mike Schr aed er	A critical examination of PA		1	1	1	1				1		1	
IM Jaw ahar	The influence of Perceptions of fairness on PA reactions		1	1		1			1	1	1	1	1
Her man Stee nsm a	Effects on employees prceptions of PA sessions ,commitment and motivation							1	1	1			
Hai Ming Che n	A systematic framework for PA and compensation stratergy					1	1			1	1		
Kath lyn Y Wils on	Reducing job-irrelevant bias in PA : Compliance and beyond			1					1	1	1		
John	Effective Communication		1		1	1						1	

F Kikoski	in the PA interview												
Susanne G Scott	Stratergic PA in teambased organisation : One size does not fit all		1	1	1				1		1		
Khalid A	Total quality management PA		1		1	1				1	1		
Gary Gray	PA don't work		1		1	1			1		1		
Michelle Brown	PA System ,determinants and change				1						1		
Arup Varma	Interpersonal Affect : Does it really bias PA								1	1	1		
Fred Nickols	PA : Weighted and found wanting in the balnce		1			1		1	1		1		
Chen-Ming Chu	PA System in Service and Manufacturing Industries		1	1		1			1	1			1
Hal Whiting	Testing a Model of PA fit on Attitudinal Outcomes		1	1	1				1	1	1		
Sanwong K	The Development of a 360-Degree PA System					1			1	1	1		
Gary Latham	The influence of a Manager's Own PA on Evaluation of others							1	1	1			
Kuln Turk	A comparison of the Appraisal System - Compensation	1		1		1	1	1	1	1	1		
Liway Johnson	Lesson from Mnagement- Union partnership in PA		1	1			1	1		1			
Thomas Buchner	A look from the Performer's Perspective with implications from Human Resurce	1				1				1	1	1	
Nattavud Pimpa	Poison or Panacea ?		1			1			1		1	1	
Robert Folger	A due Process Metaphor for PA		1			1	1	1	1	1	1		
Saad T	A quality Control Chart for Work PA					1			1	1			

Bakir													
Sylvie St-Onge	Variables Influencing the Perceived Relationship between Performance and Pay in a merit pay environ ment							1	1	1	1		1
Liz Thach	Cultural Contracts and Performance impact								1			1	
Sharon Lovel	Does Gender Affect the liknk between Organisational Citizenship behaviour and Performance Evaluation			1						1			
Bryan Pesta	Image theory and the appraisal of employee performance ,to screen or not to screen		1				1			1			
TV Rao	A new look at Performance Management Systems		1	1	1	1	1	1	1	1	1	1	
Birte Asmub	Performance Appraisal Interviews			1	1	1				1	1		
Judith Ellis	Managing Performance		1								1		
Michael Vest	Factors Influencing Employee beliefs that Pay is tied to Performance		1			1			1	1			
Jerald Geenberg	Using Explanations to Mnage Impressions of PA Fairness					1			1	1		1	
Arup Varma	The role of interpesonal affect in PA		1			1			1				
Nancy Mo	The PA ,a powerful management tool												

ntague													
IOMA	Compensation & benefit for Law Officers											1	
CAREER PATHS	PA ; Evaluating your presidency		1			1						1	
Walter Briec	PA ,a general approach					1					1		
Deanna Merrit	Appraising the PA		1				1	1	1	1	1		
Across the Board	Are PA worth the hassle ?		1	1		1		1	1		1		
Stratergies & Tactics	A different Approach to PA					1						1	
Hilla Peretz	National Values ,PA Practices and organisational Performance				1	1	1	1	1	1		1	
		4	33	21	22	41	16	20	38	40	35	24	6

Appendix B: Questionnaire construction

RESEARCH QUESTIONS

Research Questions	Survey Questions	Variable(s) and or Relationships measured	Statistical Test
▪ Overall, is there a serious performance deficiency in the organization?	1.DEFICIENCY IN PERFORMANCE APPRAISAL 1.1 Is there a deficiency in Performance appraisal? 1.2 Do you understand your role in the mission of the organization? 1.3 Do you believe that your work is meaningful? 1.4 Is Performance Appraisal considered accurate and /or subjective? 1.5 Are decisions making procedures in a participative manner? 1.6 Is the outcome of the Performance Appraisal session good? 1.7 Do you feel commitment to the organization? 1.8 Are you satisfied with the way in which the Performance Appraisal session was administered?	Ordinal/Nominal Variables 1.1 Yes/No 1.2 Yes/No 1.3 Yes/No 1.4 Yes/No 1.5 Not within scope ,poorly ,fairly ,mostly, completely 1.6 Yes/No 1.7 Not within scope ,poorly ,fairly ,mostly, completely 1.8 Not within scope ,poorly ,fairly ,mostly, completely	Descriptive stats- frequency tables, bar charts Numerical description location ,spread,distribution,cross tabulation Measures of association,Phi,Crammers V Convert nominal to ration 0,1,2,3,4 & do correlation co-efficient testing with personal information – Pearson & Spearman Rho Normal & distribution
▪ Is there adequate variation in the ratings, or do a	2. RATING PROCESS 2.1 Is there adequate variation in the ratings, or do a	Ordinal/Nominal Variables 2.1 Yes/No	Descriptive stats- frequency tables, bar charts

disproportionate number of employees receive very high ratings?	disproportionate number of employees receive very high ratings? 2.2 Are rating biased based on employee's sex? 2.3 Are ratings biased based on employee's race? 2.4 Is appraisal ratings compared across different jobs, divisions or departments?	2.2 Not within scope ,poorly ,fairly ,mostly, completely 2.3 Not within scope ,poorly ,fairly ,mostly, completely 2.4 Yes/No	Numerical description location ,spread,distribution,cross tabulation Measures of association,Phi,Crammers V Convert nominal to ration 0,1,2,3,4 & do correlation co-efficient testing with personal information – Pearson & Spearman Rho Normal & distribution
▪ Are managers/supervisors who evaluate employee credible?	3. CREDIBILITY OF MANAGERS/SUPERVISORS 3.1 Does supervisors follow the performance management system policies and procedures? 3.2 Are you satisfied with the way the organization provides you with feedback? 3.3 Does a climate of trust based upon honest and open communication between the supervisor and employees exist? 3.4 Does your supervisor try to show concern for your needs? 3.5 Is Performance Appraisal session discussion based on facts? 3.6 Is your supervisor competent in his/her field? 3.7 Are supervisors properly trained?	Ordinal/Nominal Variables 3.1 Not within scope ,poorly ,fairly ,mostly, completely 3.2 Not within scope ,poorly ,fairly ,mostly, completely 3.3 Not within scope ,poorly ,fairly ,mostly, completely 3.4 Not within scope ,poorly ,fairly ,mostly, completely 3.5 Yes/No 3.6 Yes/No	Descriptive stats-frequency tables, bar charts Numerical description location ,spread,distribution,cross tabulation Measures of association,Phi,Crammers V Convert nominal to ration 0,1,2,3,4 & do correlation co-efficient testing with personal information – Pearson & Spearman Rho Normal & distribution

		3.7 Yes/No	
▪ Do employees and supervisors follow the performance management system policies and procedures?	4. PERFORMANCE MANAGEMENT SYSTEM POLICIES & PROCEDURES 4.1 Are performance management system policies and procedures available? 4.2 Is the performance management system efficient? 4.3 Are sufficient training and development opportunities offered and supported by Mintek? 4.4 Does the performance appraisal system take into consideration different constraints on job performance?	Ordinal/Nominal Variables 4.1 Not within scope ,poorly ,fairly ,mostly, completely 4.2 Yes/No 4.3 Yes/No 4.4 Not within scope ,poorly ,fairly ,mostly, completely	Descriptive stats- frequency tables, bar charts Numerical description location ,spread,distribution,cross tabulation Measures of association,Phi,Crammers V Convert nominal to ration 0,1,2,3,4 & do correlation co-efficient testing with personal information – Pearson & Spearman Rho Normal & distribution
▪ Do employees consider the performance management system fair?	5. FAIRNESS OF PEFORMANCE APPRAISAL 5.1 Is performance appraisal acceptable and fair? 5.2 Is your supervisor fair in administering the Performance Appraisal session for all subordinates involved? 5.3 Are the procedures used to administer Performance Appraisal sessions fair?	Ordinal/Nominal Variables 5.1 Yes/No 5.2 Not within scope ,poorly ,fairly ,mostly, completely 5.3 Not within scope ,poorly ,fairly ,mostly, completely	Descriptive stats- frequency tables, bar charts Numerical description location ,spread,distribution,cross tabulation Measures of association,Phi,Crammers V Convert nominal to ration 0,1,2,3,4 & do correlation co-efficient testing with personal information – Pearson & Spearman Rho Normal & distribution

Appendix C: Permission letter

MINTEK
Specialists in mineral and metallurgical technology

200 Malibongwe Drive
(Formerly Hans Strijdom)
Private BagX3015
Randburg, 2125 South Africa

ISO 9001 QUALITY MANAGEMENT SYSTEM
ISO 17025 TESTING AND CALIBRATION LABORATORY
ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM
OHSAS 18001 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

Dear Mintek Employees

RE: PERMISSION TO CONDUCT RESEARCH PROJECT

Kindly note that Mr. Tlhalefo Moyo a Graduate Student with the North-West University studying towards MBA, has the permission of Mintek Company to conduct research on its premises for his study" Employee Perception on the role of motivation in Performance Appraisal".

Mr. Tlhalefo Moyo will contact employees (Supervisors and Managers) to recruit them to participate in the research study and distribute questionnaires for completion.

Your assistance will be highly appreciated.

If there are any questions, please contact my office.

Regards,

Shokie Bopape

General Manager

Contact : 011 709 4680

Appendix D: Questionnaire Letter

Appendix A

INFORMATION AND CONSENT FORM

TITLE: EMPLOYEE PERCEPTIONS ON THE ROLE OF MOTIVATION IN PERFORMANCE APPRAISAL: THE CASE OF MINTEK COMPANY

You are invited to participate in a research study being conducted by Mr Tlhalefo Moyo towards Masters Degree in Business Administration and assisted by the Graduate School of Business and Government Leadership, North-West University. The broad aim and objectives of the study are to determine:

a. the degree of objectivity of performance appraisal practices.

b. the way in which it is experienced by employees.

c. the way in which supervisors conduct performance appraisal.

You are under no obligation to complete the questionnaire. However, your contribution is of crucial importance. Your anonymity will be guaranteed – your name is not required. All information will be treated confidentially. The study will be most helpful for research and perhaps to Mintek Company.

If you have any questions about this research, you may contact Mr Tlhalefo Moyo at (011) 709 467 or 082 405 1851.If you are interested in the findings of this study, please feel free to contact Mr Tlhalefo Moyo on the abovementioned telephone number to provide you with the summary.

______________________ ______________________

Student Signature **Date**

Prof S.Lubbe (Supervisor)

lubbesi@unisa.ac.za

Appendix E: Questionnaire

FOR OFFICE USE ONLY: Respondent Code: ______________

VOLUNTARY QUESTIONNAIRE FOR MINTEK EMPLOYEES

"Employee Perception on the role of motivation in Performance Appraisal."

. Researcher: Mr Tlhalefo Moyo

Supervisor: Prof Sam Lubbe

Note to the respondent

- The researcher need your help to understand how people view Performance Appraisal
- Although the researcher would like you to help him, you do not have to take part in this survey.
- If you do not want to take part, just hand in the blank questionnaire at the end of the survey session.
- What you say in this questionnaire will remain private and confidential. No one will be able to trace your opinions back to you as a person.

The questionnaire as four parts:

- Part 1 asks permission to use your responses for academic research.
- Part 2 asks general personal particulars like your age, gender and academic qualifications.
- Part 3 asks about Performance Appraisal items.

How to complete the questionnaire

1. Please answer the questions as truthfully as you can. Also, please be sure to read and follow the directions for each part. If you do not follow the directions, it will make it harder for the Researcher to do the research project.

2. The researcher only asks you about things that you and your fellow employees should feel comfortable to share. If you don't feel comfortable answering a question, you can indicate that you do not want to answer it. For those questions that you do answer, your responses will be kept confidential.

3. You can mark each response by making a tick or a cross, or encircling each appropriate response with a PEN (not a pencil), or by filling in the required words or numbers.

Thank you very much for filling in this questionnaire.

Part 1: Permission to use my responses for academic research

I hereby give permission that my responses may be used for research purposes provided that my identity is not revealed in the published records of the research.

Initials and surname

____

Postal address:

____

______________________________ Postal code: ______________

Contact numbers: Home: ______________ Cell: ______________

	PART 2:GENERAL PERSONAL PARTICULARS *Please tell a little about yourself* Please mark only ONE option per question below		Part 3 : PERFORMANCE APPRAISAL ITEMS
1	I am: African Coloured Indian Oriental White A member of another ethnic group : __________ I do not want to answer this question	8	Do you understand the link between the mission of the organisation and your Performance appraisal? Yes No
2	I am a : Manager Supervisor Other : (Please specify) __________	9	Is Performance Appraisal considered to be accurate and /or subjective? Yes No
3	I have a : A degree A postgraduate degree Matric I don't want to answer this question	10	Is the outcome of the Performance Appraisal session good? Yes No
4	I am -------------years old. I don't want to answer this question	11	Is there a deficiency in the Performance appraisal? Yes No
5	I am a : Female Male I don't want to answer this question	12	Are you satisfied with the way in which the Performance Appraisal session was administered? I strongly agree I agree I disagree I strongly disagree I don't want to answer this question
6	I grew up: In South Africa Abroad:.. I don't want to answer this question	13	Is there adequate variation in the ratings, or do a disproportionate number of employees receive very high ratings? Yes No
7	How many years of service do you have in the department at Mintek 1-5 years 6-10 years 11-15 years More than 16 years	14	Do you think rating bias is based on employee's sex? I strongly agree I agree I disagree I strongly disagree I don't want to answer this question

15	Do you think that ratings bias is based on employee's race? I strongly agree I agree I disagree I strongly disagree I don't want to answer this question	23	Do you think supervisors are properly trained to assess Performance Appraisal? Yes No
16	Is appraisal ratings comparable across different jobs, divisions or departments? Yes No	24	Do you think Performance management system policies and procedures are available freely? I strongly agree I agree I disagree I strongly disagree I don't want to answer this question
17	Does supervisors follow the Performance management system policies and procedures? I strongly agree I agree I disagree I strongly disagree I don't want to answer this question	25	Do you think Performance management system is efficient? Yes No
18	Are you satisfied with the way the organisation provides you with feedback on your evaluation?	26	Do you think sufficient training and development opportunities are offered and

	[ ] I strongly agree [ ] I agree [ ] I disagree [ ] I strongly disagree [ ] I don't want to answer this question		supported by Mintek? [ ] Yes [ ] No
19	Does a climate of trust based upon honest and open communication between the supervisor and employees exist? [ ] I strongly agree [ ] I agree [ ] I disagree [ ] I strongly disagree [ ] I don't want to answer this question	27	Do you think the Performance Appraisal is acceptable and fair [ ] Yes [ ] No
20	Does your supervisor show concern for your needs? [ ] I strongly agree [ ] I agree [ ] I disagree [ ] I strongly disagree [ ] I don't want to answer this question	28	Do you think Performance management system policies and procedures are available freely? [ ] I strongly agree [ ] I agree [ ] I disagree [ ] I strongly disagree [ ] I don't want to answer this question
21	Is Performance Appraisal session discussed based on facts? [ ] Yes	29	Are the procedures used to administer Performance Appraisal session fair? [ ] I strongly agree

	( ) No		( ) I agree ( ) I disagree ( ) I strongly disagree ( ) I don't want to answer this question
22	Do you think your supervisor is competent in his/her field? ( ) Yes ( ) No		